

Building Council Homes Programme – Bid for funding

East Devon District Council

Grant funding sought £50,000

East Devon District Council have strong ambitions to re-ignite our council home build programme. This welcomed opportunity to bid for additional funding support will help to mobilise both internal and external resources to build our own council homes. The following bid sets out our modest ambitions to explore conventional constructed homes as well as modular forms of housing development.

Background

East Devon District Council is a rural authority that has retained its housing stock of around 4250 homes. It's bordered by Exeter, Mid Devon, South Somerset and West Dorset. A greater part of the District is designated as an Area of Outstanding Natural Beauty

Our over-riding vision is to provide a decent home for all residents of East Devon.

Our Housing Strategy sets out our vision to add 20 homes per year to our council stock. Since 2014/15 a programme of property acquisitions from the open market has been undertaken. This has been funded by a combination of Right to Buy receipts (RTB) and Housing Revenue funding. This has been an effective way of adding to the council's housing stock and spending RTB receipts within the time constraints imposed. However, it does not represent good value for money or contribute towards building more homes. Our aspirations to build new homes has been curtailed by staffing capacity and a lack of specific in-house expertise, as well as funding constraints and the need to spend the RTB receipts quickly.

The removal of the Housing Revenue Account (HRA) cap offers East Devon District Council an opportunity to build homes again, the last being built in 2011/12.

The council's last own build project involved securing Homes and Communities Agency funding of just over £1 million, which was match funded through the HRA. This enabled the delivery of a mix of eighteen flats and houses in four council owned locations within the district, all delivered within time and budget.

Prefabricated / modular off site construction is something that the council hasn't considered delivering in the past. However whilst looking into this possibility it has become clear that this type of construction has a number of advantages over more traditional forms of construction. From our initial research actual construction times are reduced, very low carbon footprints can be achieved, and homes can be more durable and built to a higher quality.

Our Project; Redevelopment of garage sites

It is hoped that securing grant funding of £50,000 will help to contribute towards our ambition of re-engaging our own council home build programme.

The council has limited land available to build new homes. Positively, we have a number of redundant garage sites in areas of high housing need with redevelopment potential which we would like to pursue.

A full evaluation of the councils garage stock was undertaken a number of years ago and this identified a number of potential sites that could be developed. Two of these are mentioned below. These sites have good access, are level and with mains services close by. We believe these sites offer great development potential.

The location and nature of these garage sites, which are verging on derelict and are slightly isolated from the surrounding housing, do not create a good environment and have attract anti-social behaviour. We can change this and improve the surrounding neighbourhood, creating better spaces for all residents of the area.

Developing homes in both of these locations which are well-known and within established communities will ensure we are providing homes where people want to live and where they can access all their social needs and employment opportunities.

By creating high quality homes in areas where people want to live and feel connected to and secure will improve both physical and mental wellbeing. This impacts positively on communities by reducing the need for other public services such as a reliance on health care services.

Honiton Garage Redevelopment Projects

Whitebridges garage site

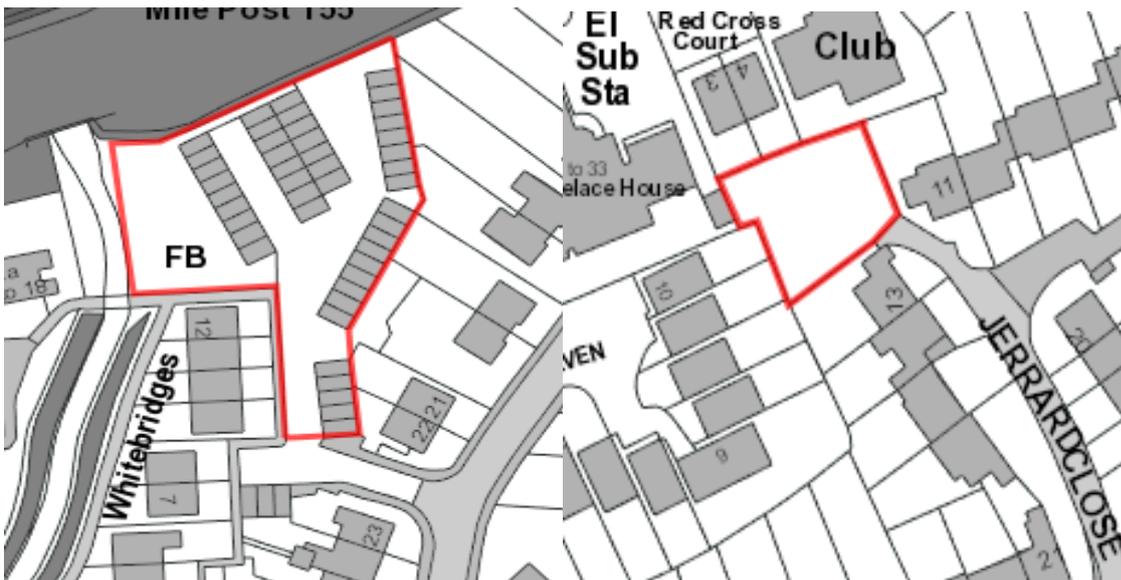


Jerrard Close garage site



Whitebridges garage site

Jerrard Close garage site



We have identified two specific sites in the town of Honiton. One site has been cleared and initial positive discussions with our Planning colleagues have taken place. We believe this

represents a real opportunity to deliver a small development of modular homes as a test case. If successful, we could look to roll out similar projects across other small sites. The other site is larger and comprises of many garages which are vacant and in poor repair.

The grant funding will enable us to appoint external professional consultants so that we can look at the feasibility of redeveloping these sites. The grant should enable us to take these sites forward and secure planning permission. It is envisaged that these two sites could deliver circa 15 homes. We do not have the experience or staffing capacity to do this unaided and the grant would allow us to access the skills in the private sector. This would give officers the skills, experience and confidence to carry out more own build projects in the future.

The council is very keen to explore different forms of construction, in particular modular builds.

Housing need

Both sites are located in Honiton, which has the second highest housing need in East Devon. Within East Devon we have 1,903 applicants in housing need. The need is primarily for 1 bedroom homes with 57% of those on our waiting list requiring a 1 bedroom property. Any proposal would look to meet the identified need for smaller properties.

With this proposed development we aim to be champions in promoting higher quality homes. We are becoming increasingly concerned that new build homes are getting smaller and we would like to address this with our own development and design, and building homes where people want to live and can live in years to come. We want to promote better design with a better sense of place and a home which will adapt to meet changing needs.

East Devon District Council's Contribution towards the Project

Funding to enable the build will be sought from a combination of right to buy receipts, HRA reserves, commuted sums, capital receipts and additional borrowing. Within our Housing Revenue Account we currently have £2.0m of reserves earmarked for future housing development which is forecast to increase using future budgeted revenue surpluses. In addition to this we are holding £1.4m within our capital receipts reserve and additional borrowing headroom of £7.2m.

This combined funding would enable the council to start exploring our building ambitions again once the necessary skills and experience have been gained through these two sites.

Timing

Once preliminary site investigation works have been completed, and the necessary internal consents secured, a planning application would be submitted with a potential site starting in late 2019 -20.

Outcomes and Ensuring Success from the Project

The skills learnt whilst developing these smaller sites will be invaluable and focus our intentions on developing other land in the council's ownership.

Experiences would be shared within East Devon District Council and other Local Authorities via partners that include the Affordable Housing Delivery Forum of which all authorities in Devon are represented, and at Devon Rural Housing Partnership meetings. Experience would also be shared with our upcoming Community Land Trust projects. To date, we have four in the district.

EDDC are a member of Advantage South West (ASW), a limited liability partnership owned by a number of Registered Providers. Through this we have access to established property designs and information sharing through a newly formed group (of which we intend to contribute towards) that will explore off site manufacturing, potentially offering savings via its established procurement consortium. ASW exists to improve homes and lives through collaboration and innovation. If we were successful in this bid, we see this as an ideal opportunity to share and indeed learn from a widely supported organisation in the region.

All of the aforementioned are considered to provide a fantastic platform from which to share our experiences.

Summary

East Devon District Council, although only a small provider of new affordable homes have an important role to play in the provision of affordable housing and we are ambitious to make a difference to people's lives and health by building high quality, suitable homes for those in need and in communities where people want to live.

As a landlord we are high performing and proud of the homes and communities we own and help to shape. In recent years we have felt frustrated with the barriers to delivering Council built and owned homes. The restrictions on how to spend right to buy receipts have forced us to concentrate on quick wins rather than planning ahead for the long term and building the homes we need in areas where we need them. We see this grant as an opportunity to re-ignite our ambitions and an opportunity for added resource and expertise so that we can look to develop our own land and learn and gain valuable experience. We see these sites as an opportunity to improve and regenerate our existing communities and create high quality housing which is affordable and can provide for household's needs both now and in the future so that our tenants feel secure and safe. We aspire to provide better designed and higher quality homes which we hope will inspire others to follow our lead and example.

The grant funding would:

- Enable the council to employ external expertise to fully explore and consider two council owned potential development sites.
- Enable planning permission to be secured.
- Attract match funding from the HRA to undertake the aforementioned works.
- Look at alternative forms of construction.