Report to: Cabinet

Date of Meeting 4 January 2023

Document classification: Part A Public Document

Exemption applied: None Review date for release N/A



Devon Housing Commission

Report summary:

The report sets out the case for joining a collaboration of Devon councils to investigate and report on the housing market in the county under the umbrella of a Devon Housing Commission.

The purpose of the Devon Housing Commission is to conduct an in-depth analysis of the various local housing markets, related socio-economic profiles and model demographic change to make the case for a step change in social and housing policy and pragmatic solutions to be delivered locally moving into the next decade.

A contribution has been requested towards the work of the Commission and I am advised that 10 of the 11 authorities have agreed to support the Devon Housing Commission (with the exception of Plymouth) and DCC's financial contribution has helped cover that gap. Our contribution for districts has been set at £8,800.

Is the proposed decision in accordance with:	
Budget	Yes □ No ⊠
Policy Framework	Yes ⊠ No □

Recommendation:

To identify a budget of £9,000 to enable us to participate in the Devon Housing Commission and support the work of a comprehensive investigation into the housing market and report on the research findings.

Reason for recommendation:

To collaborate with Devon County Council and district partners in assessing the housing market and identifying market failure and options for interventions. This work will influence our Housing Strategy and inform the evidence gathered for the Local Plan.

Officer: John Golding Strategic Lead – Housing, Health & Environment.	
Portfolio(s) (check which apply):	
☐ Climate Action and Emergency Response	
☐ Coast, Country and Environment	

 $\hfill\Box$ Democracy, Transparency and Communications

☐ Economy and Assets

☐ Finance

☐ Council and Corporate Co-ordination

☐ Tourism, Sports, Leisure and Culture
Equalities impact Low Impact
Climate change Medium Impact
Risk: Low Risk;
Links to background information Exeter University report at annex 1.
Link to Council Plan
Priorities (check which apply)
⊠ Better homes and communities for all
☐ A greener East Devon
☐ A resilient economy

1. A Devon Housing Commission

- 1.1 Following presentations to the Devon Leaders & Chief Executive's group, a Devon Housing Commission has been established. This has been prompted by the increase in housing pressures, supply and demand considerations, affordability, holiday and second homes, increased homelessness etc. all indicating a housing crisis in the county.
- 1.2 It has been recognised that Devon's housing challenges and their solutions are complex, interconnected and vary across the county.
- 1.3 The eleven Devon local authorities in acknowledging the very great and growing challenges established a Devon Housing Task Force. This is a Member-led group that has started to examine the interrelated problems across the various housing markets that make up the wider housing system.
- 1.4 The data collated by the Task Force shows that demand has outstripped supply for many years leading to a cycle of decline in affordability and availability across the whole housing system.
- 1.5 Furthermore, the evidence shows a clear acceleration in the demand/supply pressures during the Pandemic caused by such changes in behaviour as people being able to work from any location and the spike in use of property for short-term letting or second homes. Whilst Devon has always been an attractive holiday destination due to its natural beauty it is the sheer scale of changes alongside an already heavily constrained market that any change in one part of the market will impact on the whole and the market is now in crisis.
- 1.6 The initial data collated by the Task Force shows:
 - Housing affordability 20% higher than rest of the UK average
 - Average house price above £300,000 is beyond the range of many first time buyers
 - A 50% decrease in private rent stock availability between 2019 2021 coupled with an estimated 18% increase in private rent levels in 2022
 - Local Housing Allowances not keeping pace with price inflation
 - Significant increase in housing waiting lists, homelessness and pressure on temporary accommodation
 - Inaccuracy or unavailability of official data to understand the stock levels, quality, price, in each form of tenure to understand the true picture of socio-economic impact
- 1.7 To fully understand the problem, Devon local authorities have asked the University of Exeter to collaborate in the development of a "Housing Commission". This document (reproduced in **annex 1**) sets out the purpose, outcomes, objectives, proposed approach, budget and timetable to be adopted for further discussion with Exeter University.

- 1.8 As part of the emerging 'County Deal' discussions with government linked to devolution opportunities as identified in the Levelling Up White Paper, the authorities across Devon are collaborating on a range of issues with housing being one of the key themes of priority and challenge right across the pan-Devon area. The County Deal geography includes the administrative areas of Devon County Council, the eight District Councils, plus the two unitary authorities of Plymouth and Torbay. The Devon Housing Commission's scope will reflect this geographic area often referred to as 'geographic Devon' within this proposal.
- 1.9 A contribution of £8,800 has been requested towards the work.

Financial implications:

This is a request for Council to approve a £9k supplementary estimate for 2022/23 and will be met from the General Fund Balance.

Legal implications:

There are no legal implications raised by the report requiring comment.