

2024 Housing Growth

Housing Briefing – Community Scrutiny



Somerset
Council

Housing Crisis and Demand for Affordable Homes

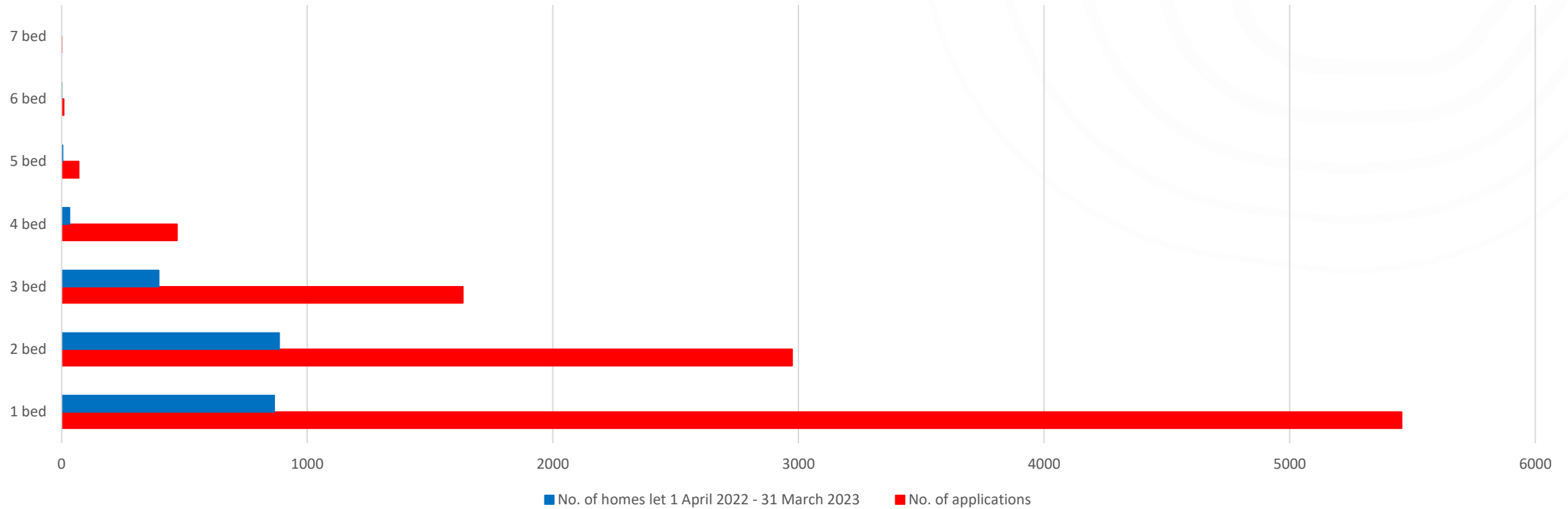
- 11,000 households seeking affordable housing through Homefinder (10,300 01/02/24)
- Over demand in the Private Rented Sector
- 243 in Temporary Accommodation or B&B 27/11/2023
- 57 households sleeping rough
- Annual reduction of social housing through the Right to Buy (50-60pa)
- Challenges with building new homes and challenges in ability for the council and partners to build homes at pace
- Shortage of homes which reflect the size and needs of Somerset households

Profile of households registered on Homefinder Somerset

(29 November 2023)

| Number of bedrooms needed | | | | | | | | |
|---------------------------|--------------|--------------|--------------|------------|-----------|----------|----------|---------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Total |
| Emergency | 12 | 1 | 2 | 3 | | | | 18 |
| Gold | 429 | 219 | 135 | 85 | 41 | 6 | 1 | 916 |
| Silver | 1,822 | 1,244 | 1,014 | 322 | 17 | 3 | | 4,422 |
| Bronze | 3,343 | 1,508 | 488 | 50 | 4 | | | 5,393 |
| Total | 5,606 | 2,972 | 1,639 | 460 | 62 | 9 | 1 | 10,749 |

Comparison between demand & supply



What are the Councils Opportunities?

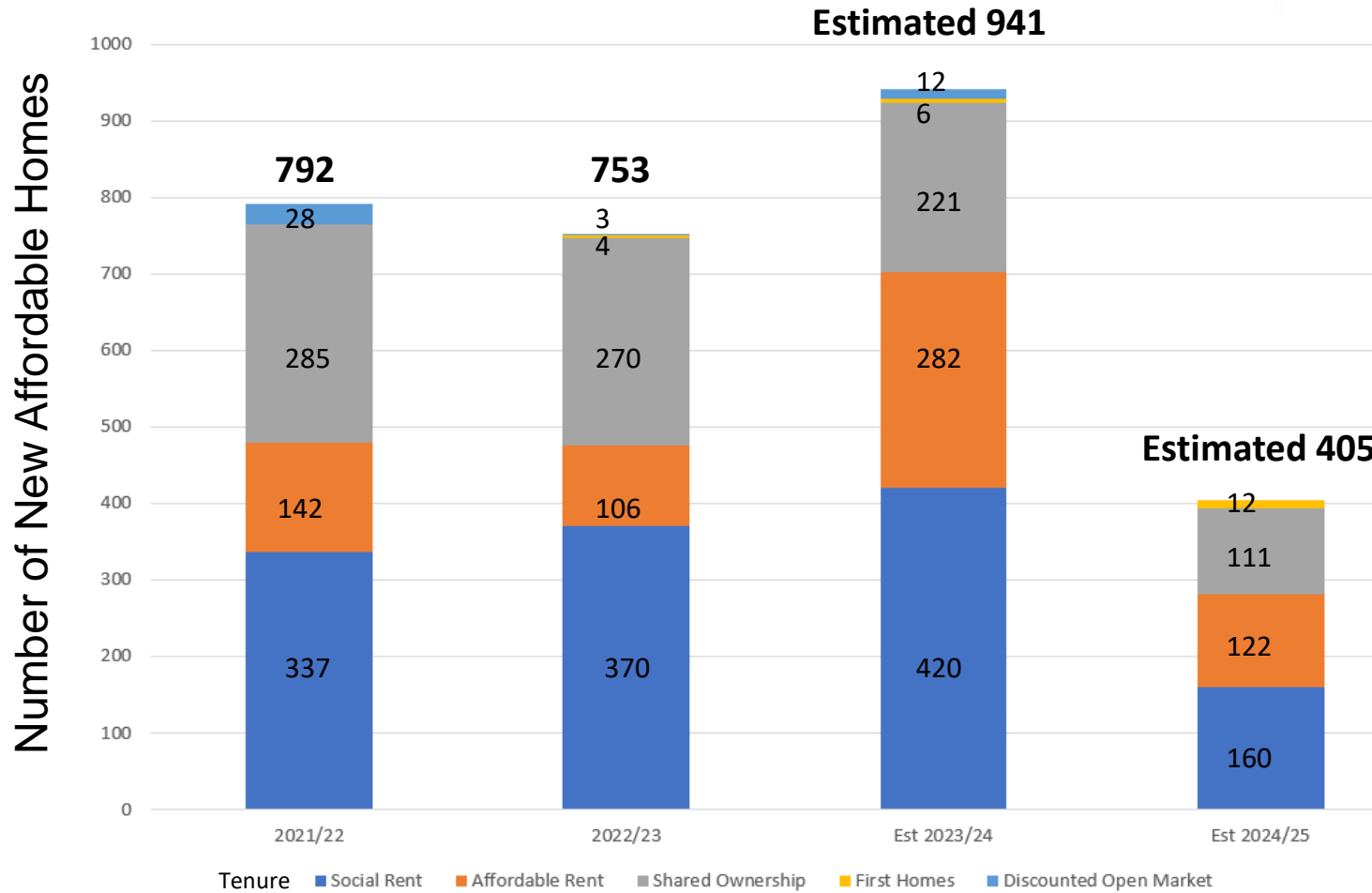
The Role of Planning, Enabling and Housing Landlord Services

- Enable new homes to be built through the planning system
- Use planning policy to maximise the number, size and type of affordable homes (subject to scheme viability)
- Work in partnership with Registered Providers to build more affordable homes to the size and type required by Somerset Customers'
- Build new council homes through the Housing Revenue Account
- Acquire more homes for social rent through the Housing Revenue Account
 - ✓ **S106**
 - ✓ **Market Purchases**
 - ✓ **LAHF**
 - ✓ **RSAP**
 - ✓ **Other**

Housing Enabling

- Housing Enabling Team of 8 FTEs
- Part of the Housing Growth Service
- Previously a District Responsibility and yet to restructure following LGR
- Expertise across the local authority area and continue to work closely with Planning colleagues and the Somerset's five Local Plans and Committees along with Exmoor National Park
- Some income from Partnership works and grants to support the team costs – seeking to create a larger partnership within 18 months

Affordable Housing Delivery



- Nutrient Neutrality
- Pandemic
- Increased Development Costs
- Development Program Capacity
- Competing Development Requirements

Successful Affordable Housing Delivery

Over 750 new affordable homes were completed in 2022/23 across Somerset
Circa 900 more are currently on site with anticipated delivery in 2023/2024

Enabling opportunities to become a reality

4 social rent flats and community space - Falcon



Realising funding opportunities

Circa £1 million RSAP and LA funding to develop and operate 18 rough sleeper flats - YMCA



Outstanding relationships with partners and developers

146 additional affordable homes secured through Vistry and LiveWest



Working with our communities providing a broad choice of housing options

Including developing fully disabled-adapted homes and bungalows



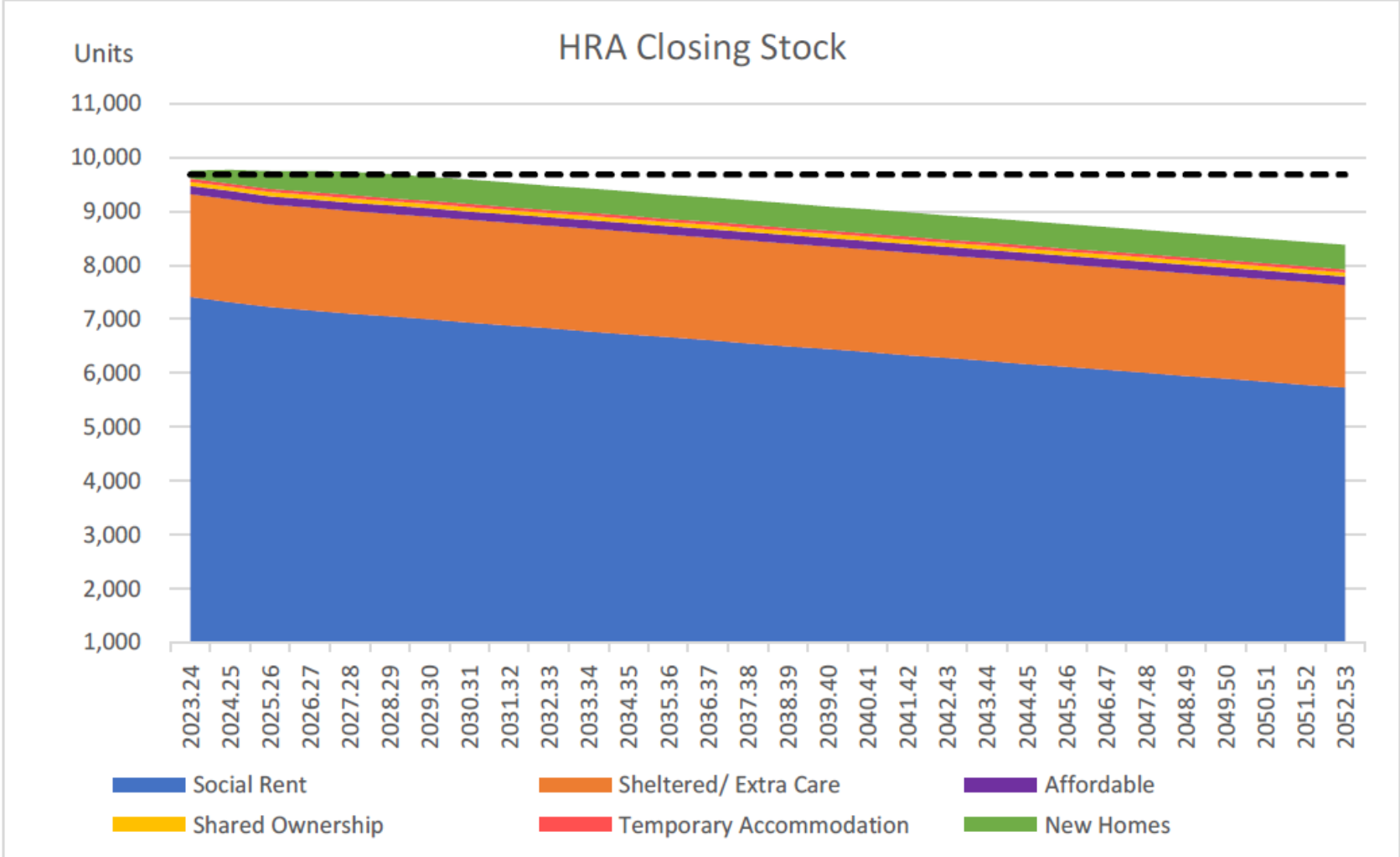
Housing Revenue Account and Council Landlord Opportunities for Growth

- 448 affordable homes in the HRA business plan (built or acquired 2023-2027)
- A pipeline of sites able to be brought forward as the Business Plan can support
- Homes in Sedgemoor and In-House Service have small development teams to purchase or build
- Capacity to benefit from grant announcements
- Access to subsidy
 - 1:4:1 agreement allow the use of some RtB receipts, strategic investment partner with Homes England
 - Grants rates 25%-100%
 - Build purchase costs £100k-£300k+
- The service is supporting the general fund by:
 - Using its landlord function to acquire and manage homes for vulnerable adults
 - Projects include affordable homes for Homeless, Displaced Persons and Children leaving care

HRA Growth Programme - One HRA Programme

| Housing Growth | Status |
|---|---|
| The HRA has agreed schemes to be progressed 2024/2027. The annual business plan review will consider adding pipeline schemes to the programme. 300 homes will be delivered 2023/2026. Tehe HRA is also developing and hosting properties to support Displaced Persons, Homelessness, Children and Adults services | |
| LAHF & RSAP | 31 LAHF & 5 RSAP purchases. These properties are purchased by the council and sit in the Housing Revenue account using 100% grant funding. 4 let, Purchases progressing. Purchased 14. more in conveyancing. Remainder of required numbers in pipeline, Budget may have sufficient to purchase an additional 4. |
| Martock appropriation of properties | 4 properties from SC/SSDC Progressing and in Business plan |
| Acquisitions | Small amount of funding for opportunistic purchases |
| HRA Seaward Way | On Track, Consultation event January, first lets anticipated March 2024 (11) |
| HRA North Taunton | RtB subsidy and additional £5m Homes England Contract Signed, Phase A 34 units let, 13 units to be handed over January. Phase B, Ci demolition March, Main contract procurement commenced. |
| HRA C Oxford Inn/Rochester Road | In HRA business plan. Full council to consider 16 units inc 8 MMC Feb 2024 |
| Move on/Step Down MMC | In HRA business plan. Full council to consider 16 units MMC Feb 2024 |
| Sydenham garage site housing development | Practical completion funds reserved for defect period |
| Penlea House phase one, Bridgwater, Homes England | Development progressing |
| Bigwood & Staple, Bridgwater, Homes England | Development progressing |
| Bespoke homes (2 homes plus extensions) Homes England | Contract approved |
| Carrotts Farm, (3 homes) N Petherton, s106 | Purchases Progressing |
| Cricketers, Nether Stowey (16 homes) | Purchases Progressing |
| Langport | Initial support s106 not completing until 2027 |
| Taunton Road | In HRA business plan. Full council to consider Feb 2024 |

HRA Business Plan – stock movement

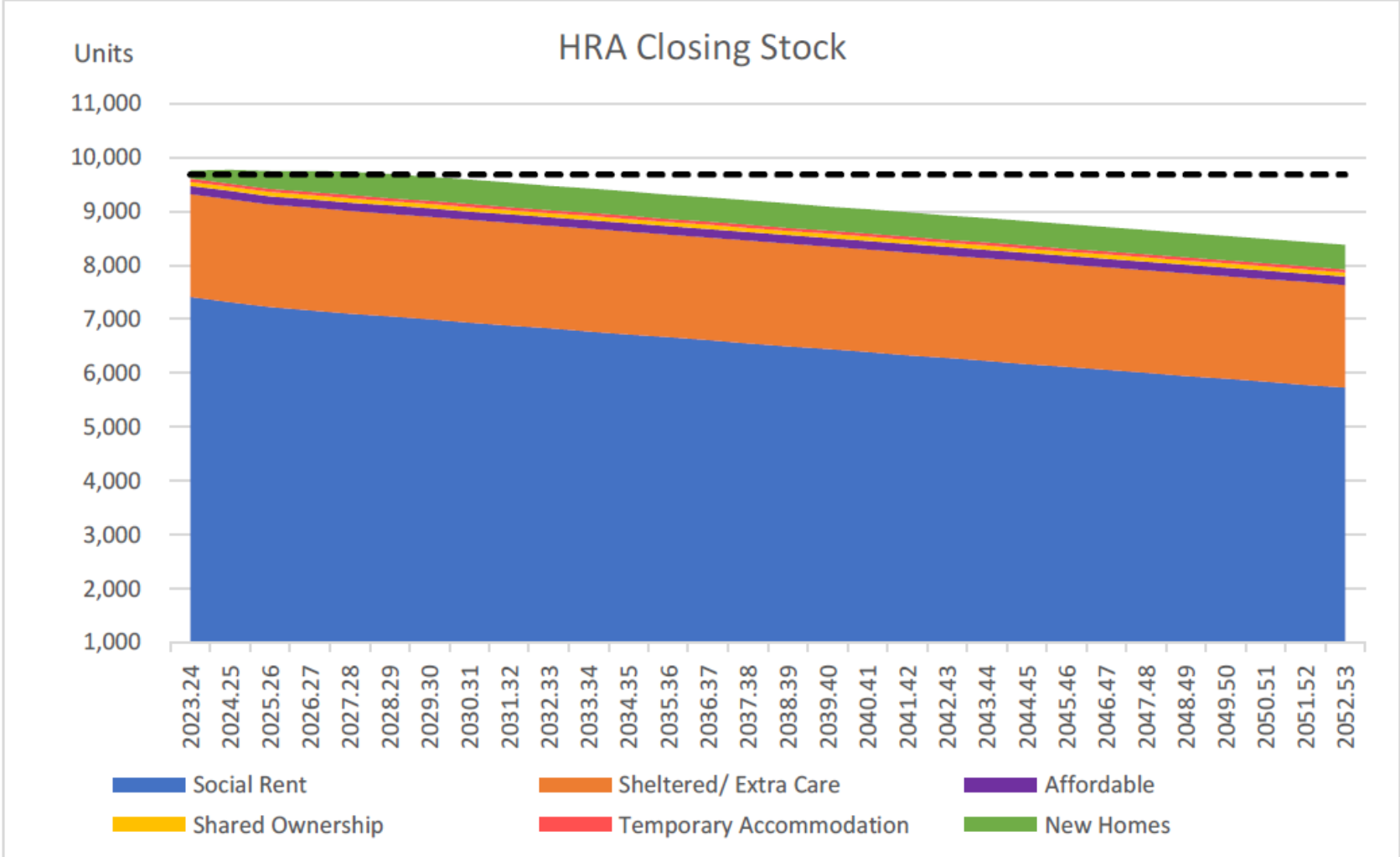


Movement in stock numbers

Peak of 9,774 homes in 2024/25, declining to 8,381 by the end of the plan.

Note: assumes RTB sales of 55 pa

HRA Business Plan – stock movement



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Strong business plan but their are challenges

- Compliance and Regulation priority for a landlord
- Subject to the same planning policy as all other developers
- HRA able to borrow but loans must be supported by income (rent & rent caps)
- Very few easily developable sites in the ownership of the Housing Revenue Account
- HRA stock primarily in the West and North of the authority area (some new acquisitions in the Martock, Yeovil and opportunity in Langport. Minehead new build)
- Phosphates, Ecological Emergency
- Net Zero, Climate Emergency
- Market Conditions, Supply Chain, Managing Risk











North Taunton Woolaway Project



CGI looking north at the new open space on Rochester Road



Phasing Plans



CGI showing Phases B, C & D in the setting of Phase A, E and existing properties.

Phase A



Phase A



Increasing Support for Vulnerable Adults

- 24 units of 1 bed accommodation for low complex need customers
 - Modern method of Construction
 - Move on / step down accommodation
 - Children leaving Care, Low complex need homeless
 - Other vulnerable adults
- Bespoke Homes
 - Blended projects converting existing homes and building new
 - Bespoke specialist provision
- Local Authority Housing Fund
 - 31 Homes acquired for displaced people
- RSAP funding
 - Acquired and repairs 5 properties for Housing First (people who were sleeping rough, complex needs)
 - 5 HRA properties redesignated for Housing First





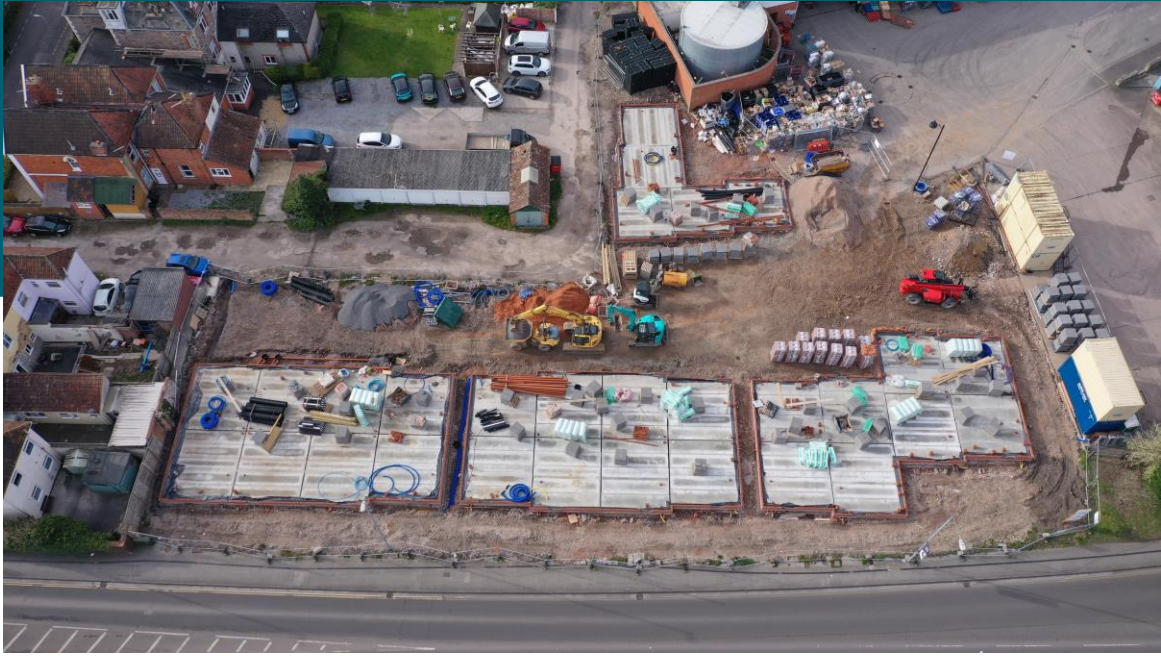












Opportunities

- HRA is strong but needs to outperform to build at greater scale
- Largest programme of Council houses completed over the current and next two year
- Wider County Wider Registered Providers Partnership to gain greater alignment with Council Strategic objectives
- Continue to use the HRA to develop properties for general and specialist affordable housing provision
- Explore big picture solutions – Housing and Care

