

West Devon Hub Committee



West Devon
Borough
Council

Title:	Agenda
Date:	Tuesday, 16th October, 2018
Time:	3.00 pm
Venue:	Chamber - Kilworthy Park
Full Members:	<p style="text-align: center;">Chairman Cllr Sanders Vice Chairman Cllr Samuel</p> <p><i>Members:</i> Cllr Edmonds Cllr Mott Cllr Jory Cllr Leech Cllr Oxborough Cllr Roberts Cllr Sampson</p>
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.
Committee administrator:	Member.Services@swdevon.gov.uk

1. Apologies for absence

2. Declarations of Interest

Members are invited to declare any personal or disclosable pecuniary interests, including the nature and extent of such interests they may have in any items to be considered at this meeting.

If Councillors have any questions relating to predetermination, bias or interests in items on this Agenda, then please contact the Monitoring Officer in advance of the meeting.

3. Items Requiring Urgent Attention

To consider those items which, in the opinion of the Chairman, should be considered by the Meeting as matters of urgency (if any)

4. Confirmation of Minutes

1 - 6

Minutes of meeting held 11 September 2018

5. Financial Stability Review Group Update

7 - 8

6. Next Steps - Enabling homes to meet the needs for all

9 - 28

7. Bere Peninsula Neighbourhood Plan

29 - 32

8. Public Conveniences - Clarification for Parishes

To follow

Agenda Item 4

At a Meeting of the **HUB COMMITTEE** held at the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **11th** day of **SEPTEMBER, 2018** at **2.00pm**

Present: Cllr P R Sanders – Chairman
Cllr L Samuel – Vice Chairman

Cllr C Edmonds Cllr N Jory
Cllr A F Leech Cllr C Mott

In attendance: Head of Paid Service
Group Manager Customer First and Support Services
Section 151 Officer
Group Manager Business Development
Group Manager Commercial Services
Benefit Specialist
COP Lead Environmental Health
COP Lead IT
Specialist Assets and Place Making
Specialist Democratic Services

Other Members in attendance:

Cllrs Cann OBE, Cheadle, Lamb, Moody, Moyse, Pearce and Yelland

***HC 21**

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs Oxborough, Roberts and Sampson.

***HC 22**

DECLARATIONS OF INTEREST

Members were invited to declare any interests in the items of business to be discussed and the following were made:

Cllr Samuel declared a personal interest in Item 12: Civil Penalties for breaches of Housing Standards Enforcement Notices, by virtue of being a landlord.

***HC 23**

MINUTES

The Minutes of the Hub Committee meeting held on 17 July 2018 were confirmed and signed by the Chairman as a correct record.

***HC 24**

FINANCIAL STABILITY REVIEW GROUP UPDATE

In accordance with the Council decision at its meeting on 27 March 2018 (Minute CM 73 refers) for updates to be included as a standing agenda item, the Lead Member for Assets and Environment circulated to Members an update on the work of the Financial Stability Review Group. The Group were due to meet again on 18 September, 2018.

The Lead Member for Assets and Environment had also circulated a note that outlined the intention of Plymouth City Council (PCC) to consult on the possibility of establishing a Marine National Park based on the Plymouth Sound. The Committee endorsed the view that West Devon Borough Council should seek to engage in a collaborative partnership with PCC and as a formal consultee.

HC 25

MEDIUM TERM FINANCIAL STRATEGY 2019/20 TO 2023/24

Members were presented with a report that set out the Council's Medium Term Financial Position over a rolling five year timeframe to 2023/24. The Council, along with other local authorities, had faced unprecedented reductions in Government funding since the Comprehensive Spending Review in 2010.

The Leader presented the report and the s151 Officer and Head of Paid Service responded to questions that arose. Recommendations relating to pensions and staff terms and conditions had caused some concern but the Leader explained the rationale for the recommendations.

During discussion, some Members felt that Recommendation 9 within the presented report that related to Treasury Management and Borrowing Strategy should be amended to reflect that Council should set the upper borrowing limit. The s151 Officer outlined the external advice that had been received that led to the presented recommendation, and in response to a question, the ramifications of ignoring that advice. Other Members felt it was appropriate to accept the advice given.

It was then **PROPOSED, SECONDED** and on being put to the vote declared **LOST**, that the Hub Committee does not make a recommendation on the Upper Limit for External Borrowing (for all Council Services) and instead defers that decision to Council as part of the Medium Term Financial Strategy as per Exempt Appendix G. As a result, the recommendation as set out in the presented report was approved as part of recommendation 3 below, which stated that the Hub Committee recommend to Council an Upper Limit of £50 million on External Borrowing.

It was then **RESOLVED** that the Hub Committee:

1. note the forecast budget gap for 2019/20 of £0.45 million and the position for future years;
2. notes the current options identified and timescales for closing the budget gap in 2019/20 and future years, to achieve long term financial sustainability; and
3. **RECOMMENDS** to Council to approve recommendations 1 to 10 as set out in the presented report.

HC 26

COMMERCIAL PROPERTY STRATEGY AMENDMENT

Members were presented with a report that sought approval and implementation of a new commercial property strategy which combined the ability to make property acquisitions with in-borough asset developments, in line with the 'Enterprise' corporate strategic objective of creating places for enterprise to thrive and business to grow.

The Lead Member for Assets presented the report.

It was then **RESOLVED** that Council be **RECOMMENDED** to:

1. Approve and Implement the commercial property strategy as detailed in Appendix A of the presented report; and
2. Rescind the currently adopted commercial property acquisition strategy as detailed in presented Appendix E.

***HC 27 QUARTER 1 REVENUE BUDGET MONITORING 2018/2019**

Members were presented with a report that enabled monitoring of income and expenditure variations against the approved budget for 2018/19, and provided a forecast for the year end position.

The Lead Member for Resources and Performance presented the report.

It was then **RESOLVED** that the Hub Committee note the forecast income and expenditure variations for the 2018/19 financial year and the overall projected underspend of £19,000.

***HC 28 WRITE OFF REPORT**

The Lead Member for Resources and Performance introduced a report that informed Members of the debt written off for revenue streams within the Revenue and Benefits service. Debts up to the value of £5,000 were written off by the s151 Officer under delegated authority. Permission was sought to write off individual debts with a value of more than £5,000. The Lead Member advised the Committee of the background to the debt for which permission was sought. The s151 Officer confirmed that the debt was written off as a whole but that the cost to the Council was a portion of that debt.

It was then **RESOLVED** that:

1. in accordance with Financial Regulations, that the s151 Officer had authorised the write-off of individual West Devon Borough Council debts totalling £27,950.96 as detailed in Tables 1 and 2 be noted; and
2. the write off of individual debts in excess of £5,000 totalling £26,564.80, as detailed in Table 3 of the presented report, be approved.

***HC 29 COUNCIL TAX REDUCTION SCHEME 2019/20**

Members were presented with a report that set out the annual requirement for Councils to revisit their existing council tax support scheme and decide whether to replace or revisit their scheme, the requirements for changing the scheme and the associated time constraints.

The Lead Member for Health and Wellbeing presented the report. The Benefit Specialist responded to questions of clarity.

It was then **RESOLVED** that:

1. The proposal to consult on Option 1 (as set out in section 4 of the presented report) on a banded scheme which would assess the maximum level of Council Tax Reduction based on the net income of the claimant and partner, be approved; and
2. The results of the consultation exercise be presented back to the Hub Committee prior to a revised scheme being considered for approval by the Council.

HC 30 CIVIL PENALTIES FOR BREACHES OF HOUSING STANDARDS ENFORCEMENT NOTICES

Members were presented with a report that outlined how Civil Penalties had been introduced by government legislation as an alternative to traditional criminal law enforcement against landlords, mostly relating to Housing offences. Local Authorities had the power to set civil penalty amounts locally up to a statutory maximum. Civil Penalties allowed for a higher financial penalty than the currently low court fines, they would provide an effective deterrent and protect residents against rogue landlords, unscrupulous letting agents and other poor business practices. Civil penalties would also deliver more cost efficient and faster enforcement in the area of housing disrepair.

The Lead Member for Health and Wellbeing presented the report. The COP Lead Environmental Health responded to questions and confirmed that there was statutory guidance that provided details on the considerations to be taken into account as part of the fine setting process.

It was then **RESOLVED** that Council be **RECOMMENDED** to update the existing Enforcement Policy with the Civil Penalty Policy.

***HC 31 TAMAR VALLEY AONB MANAGEMENT PLAN 2019-2024 CONSULTATION DRAFT**

Members were presented with a report that outlined the process of the review of the Management Plan for the Tamar Valley AONB, the issues identified for consideration within the Plan review, and detailed the method by which members could contribute to the formal consultation response by the Council, with a view to bringing the final Plan to Hub Committee for adoption in early 2019.

The Lead Member for Assets and Environment presented the report, and the Specialist Assets and Place Making responded to questions. During discussion, it was confirmed that the Management Plan would have a separate annex that would cover planning matters and would interact with Neighbourhood Plans and the emerging Joint Local Plan. It was also confirmed that the annual contribution paid to the TVAONB was towards production and delivery of the Management Plan, and the majority of projects were separately grant funded.

It was then **RESOLVED** that:

1. The content of the Consultation Draft of the Management plan be noted, and members send any comments to the author of the report for incorporation into a formal Council consultation response before the end of October 2018;
2. Authority be delegated to the COP Lead Place making the final content of the formal Council consultation response; and
3. The final version of the Management plan for 2019-2024 be brought to Hub Committee prior to adoption in early 2019.

HC 32 IT SYSTEMS PROCUREMENT

(Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information))

Members were presented with an exempt report that sought direction on a preferred option in respect of the IT systems procurement.

The Lead Member for Resources and Performance presented the report.

It was then **RESOLVED** that the Hub Committee endorse the ICT systems procurement and recommendations to Council, as set out in the presented report.

(The meeting terminated at 4.07pm)

Chairman

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF HC 25, 26, 30 and HC 32 WHICH ARE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 25 SEPTEMBER 2018, WILL BECOME EFFECTIVE FROM WEDNESDAY 19 SEPTEMBER 2018 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

This page is intentionally left blank

Financial Stability Review Group (FSRG) – Member Briefing Note to the Hub Committee on 16th October

The latest meeting of the Council's Financial Stability Review Group took place on 18th September 2018. The Medium Term Financial Strategy (MTFS) report for 2019/20 to 2023/24 to the Hub Committee meeting on 11th September 2018 and Council on 25th September was discussed, in particular the financial modelling and assumptions.

The present medium term position is summarised in the MTFS documents and Members noted the budget gap for 2019/20 of £0.45 million and that this is predicted to rise to £1 million by 2020/21. The Medium Term Financial Strategy (MTFS) contained ten recommendations to Council and some of these were discussed by the Financial Stability Review Group e.g. borrowing levels.

As reported at the last meeting, it was thought by the Financial Stability Review Group that the current position is that the budget for 2019/20 is capable of being balanced subject to:

- consideration of the pensions strategy for the actuarial pension valuation
- the outcome of the Waste Procurement process (this is Part 2 Exempt information and no figures can be mentioned in open session)
- The Government eliminating negative Revenue Support Grant for 2019/20 (which the Government has said is their preferred option so this is looking very likely)
- consideration of the options presented at the Members' Budget Workshop

The main item on the agenda of the FSRG in the September meeting was to focus on having an initial review of the level of the Council's Earmarked and Unearmarked Reserves. The MTFS asks that the FSRG should look at the designation and allocation of Reserves.

The Budget Surplus Contingency Reserve has a current uncommitted balance of £0.234m and there is an uncommitted balance of £0.439m in the Innovation Fund (Invest to Earn) Reserve. In addition, there is £0.316m uncommitted in the Financial Stability Reserve. Members will make recommendations to the Hub Committee in November on the use of these uncommitted balances.

The annual contributions into Reserves for Planning (25K) and ICT (£25K) were supported in principle by the FSRG, but further information was requested for the next meeting. The Community of Practice Leads for Planning and ICT would be asked to provide more information on these Reserves to the next meeting of the FSRG. Similarly, Members asked for further information on the spend from Earmarked Reserves over the last few years for areas such as car parking repairs, elections and homelessness costs. Members of the FSRG were of the opinion that the cost pressure for Elections of £50,000 could be reduced, in light of the amount held in Reserves of £24,000 for Elections.

The cost pressure would be reduced within the next budget report and replaced with a regular annual contribution into an Elections Earmarked Reserve. Members also discussed several small balances on Earmarked Reserves which were felt to be no longer required. A recommendation would be made to the Hub Committee in November regarding these.

The view of the Members of the FSRG was that the Council should apply for Business Rates Pilot status for 2019/20 (this was a recommendation to Council on 25th September) but it was noted that this is only one-off funding if the Council is successful. This has not been included in the current modelling.

In addition, Members will consider options that will be presented at the Member Budget Workshop on Monday 8th October.

A number of short term initiatives have been completed, for instance advertising – which will bring in a small annual income.

Longer term development plans for Kilworthy Park and other projects continue to be developed and details will be provided to Members as they progress. These projects will not contribute to the short term shortfalls in income over the next few years.

The FSRG have made a formal request to the Waste Working Group to look at the frequency of collections.

The latest Budget Monitoring position of an overall projected underspend of £19,000 (against a net budget set of £7.31 million for 2018-19) was also discussed by the FSRG. It was noted that this was the Quarter 1 Revenue Budget Monitoring position (as reported to the Hub Committee on 11th September 2018).

The monitoring position for commercial property net investment income of predicting to achieve £90,000 more than the budgeted projection of £100,000 for 2018-19 was noted and Members reviewed the adequacy of the future income projections built into the MTFs for income from investments in commercial property. Members also discussed the predicted shortfall in car parking income of 4% (£40,000) against an income projection for the year of £1,006,000.

The Members' Budget Workshop will include a forecasting inter-active model whereby different budget options can be selected and the financial impact on the budget position can be shown. The Extended Leadership Team (ELT) met on 15th August to consider possible budget savings options in advance of the Member Budget Workshop. The next meeting of the FSRG is on 16th October.

Jointly prepared by Councillor Neil Jory and Mrs L Buckle (S151 Officer)

4th October 2018

Next Steps - Enabling homes to meet the needs for all

This report contains an exempt appendix as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972

Report to: **Hub Committee**

Date: **16 October 2018**

Title: **Next Steps - Enabling homes to meet the needs for all**

Portfolio Area: **Cllr N Jory, Assets
Cllr C Mott, Customer First**

Authors: **Darren Arulvasagam**
Group Manager, Business Development
Darren.Arulvasagam@swdevon.gov.uk

Alex Rehaag
Senior Specialist, Place & Strategy
Alex.Rehaag@swdevon.gov.uk

Recommendations: That the Hub AGREE the following principles:

1. that there is no requirement to form a West Devon Borough Council Housing Wholly Owned Company at this time
2. that Council borrowing in order to acquire or develop affordable homes is acceptable in principle
3. that affordable homes may be acquired or developed via the community housing strategy OR through existing work with Registered Providers or Developers. These properties will be allocated in accordance with local lettings plans and may be managed via the Council's Direct Lets service
4. will guide the Council's affordable housing development / acquisition plans as detailed in section 5 of this report

1.0 **Executive Summary**

- 1.1 This report was requested by Hub in June 2018, when Members requested a detailed business case for the formation of a Housing Wholly Owned Company (WOC).
- 1.2 At that time, Members acknowledged the good work to support the Council's strategic aim of enabling homes to meet the needs for all.
- 1.3 The June 2018 report stated that a housing WOC could potentially be used as a mechanism to achieve the Council's strategic aims, provide further support for Community-led housing, generate modest income streams and increase the number / value of assets owned by the Council.
- 1.4 Further analysis and investigation has led officers to recommend that the formation of a WOC is paused, as the Council can support community-led housing and acquire or develop a stock of council-owned properties for rent, without the need for the governance, investment and ongoing overhead that would accompany the formation of a WOC. The full detailed business case which was requested has therefore not been progressed as it was felt this would not have an effective use of Council resource.

Next Steps - Enabling homes to meet the needs for all

- 1.5 Appendix C of this report shows the affordable housing delivery that has been achieved over the past 5 years. This should be contrasted with the published aspirations of the housing companies formed by local authorities. In addition to homes delivered, the number of affordable homes granted consent but not built is shown in appendix C.
- 1.6 The principles for housing delivery previously agreed by Hub Members in June (as set out in section 5) are unchanged. These would apply to any 'affordable' houses developed or acquired by the Council.
- 1.7 In order to acquire or develop 'affordable' housing (see appendix A for definitions), the Council will need to borrow funds. An outline financial appraisal is shown in Exempt Appendix B for illustration purposes, showing the quantum of borrowing that may be required for an illustrative scheme. Members must note that borrowing, subject to a revised treasury management strategy, would be required in order to facilitate affordable properties let on a long term basis.

2. Background

- 1.1. Affordable housing describes housing for sale or rent to those whose needs are not met by the market (generally households on low-to-middle incomes). There is, however, no all-encompassing statutory definition of affordable housing in England. For the purposes of this report, the definition for affordable housing and the types of affordable housing tenure are explained in Appendix A.
- 1.2. Members requested the Council consider options to once again become a housing stock holder, perhaps through the formation of a local authority housing company.
- 1.3. This topic has been researched in detail over the past two years. Legal advice and counsel opinion confirmed the Council has legal powers to develop and/or acquire property for affordable housing.
- 1.4. South Hams and West Devon were successful with a funding bid to the Local Government Association's (LGA) Housing Advisors programme. The LGA commissioned Altair Ltd (www.altairltd.co.uk) to conduct research and make recommendations into the potential for the Council's to become stock holders again. This research and advice was provided free of charge to the Council. A copy of the report was made available to Members as an exempt appendix in June. The report concluded that a WOC would be the best solution from which to deliver housing. However, direct delivery by the Council can deliver affordable homes in the short term, without the need for the governance, investment and ongoing overheads that would accompany the formation of a WOC.

3.0 The changing local authority landscape

- 3.1 Government broadly welcomes "councils building again" and the establishment of local authority housing companies (WOCs), but has no specific policies or funding to support them.
- 3.2 Many WOCs have been established by residential stock-holding councils as a reaction to government constraints on the Housing Revenue Account (HRA), e.g. borrowing caps, rent controls and the Right to Buy (RTB), as well as to cuts in housing budgets.

Next Steps - Enabling homes to meet the needs for all

- 3.3 WOCs offer Councils a “triple dividend” in the form of extra housing, a greater stewardship role in place-shaping and a financial return to the Council. However, housing delivery under any guise can deliver the majority of these benefits.
- 3.4 There are now as many as 150 WOCs in England, most formed in the past few years. WOCs have been established by all kinds of Councils, across the size spectrum. The largest concentrations are in London and the South East.
- 3.5 Most WOCs have modest ambitions to build (averaging around 50 units a year), although there are larger housing companies in urban areas with major build programmes. It has been estimated (by the Smith Institute in their report “Delivering the renaissance in council-build homes, 2017”) that around 30%-40% of new WOC homes are likely to be ‘affordable’, with a minority at the equivalent of social rented levels.
- 3.6 Research has shown that some authorities have opted not to form a WOC initially, thereby saving on the cost and effort to form, resource and run a company, yet still deliver the outcomes envisaged by forming a WOC. This is the route recommended for West Devon to pursue.
- 3.7 A green paper has recently been published by MHCLG, heralding a ‘fundamental review of social housing’. This is likely to lead to changes in the policy environment that could make direct housing delivery or setting up a WOC more challenging.

4.0 Enabling Homes to meet the needs of all

- 1.5. The Council’s recent and projected delivery within the borough is:

Affordable Homes delivered 2017/18	= 24
Projected Affordable Home completions for 2018/19	= 55
Projected Affordable Home completions for 2019/20	= 255

Appendix C of this report shows the affordable housing delivery that has been achieved over the past 5 years. Half of the 2018/19 delivery has already been achieved. These numbers should be contrasted with the published aspirations of the housing companies formed by local authorities.

The delivery of market and affordable housing in West Devon has been limited over the last 5 years. This is due to large strategic sites coming forward which have to balance different ‘asks’ from the higher tier authority. The Callington Road site is projected to deliver up to 750 homes of various tenures and the first reserved matters application has now been received by the authority. See Appendix C for a pipeline of units to be delivered, the affordable provision and the predicted tenure split which will be achieved.

It is important for Members to understand what role different ‘teams’ within the Council play in enabling affordable housing. Ultimately, the same goal is achieved, but there are differences in how the outcomes are delivered, depending on the wishes of the communities affected. Appendix A of this report details the definition of different types of affordable tenure.

4.2 Place Making CoP – Affordable Housing

Next Steps - Enabling homes to meet the needs for all

The senior specialist (Alex Rehaag) and specialist within the place making CoP (Cassandra Harrison) primarily focus on traditional shared ownership and rented housing. Housing dealt with by this team has historically been owned and managed by a Registered Provider (RP). These properties are either developed directly by a RP, or more often, are built by developers who then seek to dispose of the affordable housing element of their schemes.

- 4.3 In the future, the Council could seek to acquire such properties directly from a developer. The Council could acquire housing and arrange for their management, using the infrastructure developed for managing the Council's Direct Lets service. This would work particularly well where a RP is unwilling to take on such properties due to concerns over viability or low numbers of properties.
- 4.4 The houses delivered by this team are those which have been included in the Joint Local Plan and are included within the affordable home supply forecasts.
- 4.5 **Section 106 contributions – on-site provision**
In order for planning to be granted on schemes of 10+ units, a section 106 agreement is required to detail the affordable housing on-site provision or off-site contribution required. This is prepared in conjunction with the legal and planning team. On-site contributions have historically been owned and managed by an RP and are advertised to potential residents through the Devon Home Choice (DHC) register (or Help to Buy South West register in the case of intermediate home ownership properties). The 'affordable housing team' negotiate the % of affordable housing required, including the type and tenure, based on a viability appraisal. The section 106 agreement deals with other issues too.
- 4.6 **Section 106 contributions – off-site provision**
With the exclusion of the main towns of Tavistock and Okehampton, schemes of 6 - 10 units, will require an off-site contribution in lieu of affordable housing. This will be determined by a viability appraisal and negotiation with the 'affordable housing team'. These schemes are looked at on a case by case basis and a blanket policy cannot apply. The spending of the payments collected will be provided to members on a case by case basis. This money can only be used to meet an affordable housing need.
- 4.7 **Dartmoor National Park Authority**
West Devon Borough Council is the responsible authority for meeting housing needs, however the planning authority is Dartmoor. Therefore the 'affordable housing team' are required to provide consultation responses to DNPA as statutory consultees. This also leads to involvement with the legal team at DNPA to ensure that the legal agreements meet the housing authority's requirements. DNPA can decide who retains any s106 monies but it must be spent in the parish of provision or within Dartmoor National Park's planning area. Off Site affordable housing contributions have been identified with DNPA to deliver further affordable housing. Examples of this are Chagford and Horrabridge.
- 4.8 **Assets CoP - Community Housing Strategy**

Next Steps - Enabling homes to meet the needs for all

The Community Housing Strategy was put in place to support the development of homes that are accessible to those with local connections for whom the cost of market housing (to purchase and rent) is beyond their reach. The lack of such housing is having an adverse impact on the underlying vitality and sustainability of local communities.

- 4.9 The community housing strategy was “kick started” through the Government’s Community Housing fund through the allocation of £250k to West Devon last year. These resources are being invested in project development such that schemes will deliver a profit margin for the authority (through a revolving financial model) which will enable the programme to grow over time. These funds have been used to acquire land and help provide start-up (‘pump prime’) funding for some of the schemes. Funds have also been used to form a core project team, incorporating the community housing lead (Rob Ellis) and a specialist.
- 4.10 Most projects are being delivered via exception planning policy enabling affordable housing delivery through reduced land value, e.g. £10,000 per unit maximum or land in return for a serviced plot(s) and cross-subsidisation from open market units. This follows Village Housing Initiative Guidance, which allows a small number of open market dwellings on a departure or exception site to be considered through the relevant planning policies. Sites which are brought forward as exception or departure sites can be challenging, particularly due to topography and requirements for infrastructure.
- 4.11 It is anticipated that the JLP process will see up to 40% of open market housing allowed on sites that fit the village housing or community housing criteria in order to cross subsidise affordable (rent or shared equity) and discounted market sale properties. Where a serviced plot or plots are negotiated with landowners in lieu of a payment, any property built on this land must be of similar size and character to the affordable or discounted market sale properties which are envisaged.
- 4.12 Housing needs assessments and a community assessed need combine to identify the mix of affordable housing types and tenures required for a development. Examples of these are described in Appendix A. The final decision on the split between discounted market sale and affordable rented will be based on responding to local housing need and community involvement. These may include self-build or custom-build plots, which may additionally be informed by the self-build/custom build register. The financial viability of any scheme will be determined by this split and the cost of developing the affordable or discount sale units and will be cross-subsidised by open market sales. Exempt Appendix B gives an illustration of this – where a development of 14 houses would see 5 affordable rent (36%), 4 discount to market (28%) and 5 open market (36%) properties. This illustration suggests that the open market homes could subsidise the discounted market properties and affordable rent properties to enable the discounted properties to be priced at 55% of the open market value, whilst the rented properties would be available at Local Housing Allowance (LHA) equivalent rents.
- 4.13 Properties developed through the Community Housing Strategy are in addition to the homes included within housing numbers shown in the JLP.

Next Steps - Enabling homes to meet the needs for all

These schemes are likely to be smaller scale developments, where open market developers would normally struggle to make a scheme financially viable. This is particularly suited to the smaller villages and settlements within West Devon, where the volume of housing required and size of land available for housing development is too low & unattractive for most housing developers and higher volume or density of development is not warranted or acceptable to local residents.

- 4.14 Houses developed via the Community Housing Strategy will be developed in close collaboration with a recognised community body (such as a Community Land Trust (CLT) or Parish Council). The CLT will dispose of properties at open market value or discount to open market value. The properties to be let below open market value or on a shared equity basis may need to be sold by the CLT to the Council or a RP, depending on the CLT's ability or risk appetite to raise finance and/or manage the properties.
- 4.15 Through the community housing strategy, CLTs will strive to deliver high quality homes (above open market delivered properties), to meet the needs of the community. It is likely that these will be attractive to existing community residents who wish to downsize from their property but have been unable to do so and stay within the community or have been unwilling to downsize due to the quality of a typical new build property.
- 4.16 Initiatives based on the Village housing scheme have only recently been introduced in West Devon. This is now recognised in the NPPF and is being considered as a policy mechanism in the JLP.
- 4.17 The team's involvement is through liaison and negotiation between housing association colleagues, communities and landowners. Communities must have involvement in order to progress these type of sites. Identifying the housing need and which tenure is required is key in order to bring a site forward. The section 106 agreement determines who can live in the properties in perpetuity.
- 4.18 In summary, the key benefits of a community housing strategy scheme will be:
- Delivering discount market, affordable rent, and potential for self-build and customer build plots, subsidised by open market housing and low cost land
 - Smaller scale development – schemes will average between 10 – 20 homes
 - High quality build and properties that meet RIBA "Case for Space" sizes
 - Will seek to benefit from Homes England infrastructure grants to subsidise schemes

2. Principles for affordable housing delivery

- 2.1. Below are the principles and strategic aims which were agreed by Hub in June 2018. It is envisaged these would apply to any properties developed or acquired by the Council, whether or not through a WOC. It is important to note that any deviation from this could either make the

Next Steps - Enabling homes to meet the needs for all

venture not financially viable or not fit for purpose. By agreeing this report's recommendations, Members are broadly agreeing with these principles:

- 5.1.1 The delivery of affordable housing by the Council or via a WOC should be financially viable and not dependent on funding from the Council to cover any possible financial losses.
- 5.1.2 Any housing activity must be aligned with the Councils' Corporate Strategy of enabling homes to meet the needs of all. Affordable housing is to be provided across the borough, for those with a local connection or those identified as key workers.
- 5.1.3 The volume and speed of new affordable housing supply in the borough will be increased. This housing delivery will provide an alternative source of supply to existing developers and registered providers.
- 4.1.4 The intervention in the market must be as rapid as possible to address mounting local housing market challenges.
- 4.1.5 Any affordable housing delivered must ensure long term provision of affordable housing.
- 4.1.6 New housing delivery will support the medium to long-term alleviation of homelessness.
- 4.1.7 It is understood that a mix of housing types and tenures will be provided. This will include housing units for sale or rent at market rates and this will subsidise the provision of affordable housing. A minimum ratio of 30% affordable housing will be provided on all Council / WOC schemes, in line with the proposed JLP policy. In any event, the focus is to provide affordable housing for sale or rent at below market rates.
- 4.1.8 Affordable Housing rents will be set in order to meet the Council's objectives. This does not mean that social rents will be made available.
- 4.1.9 S106 agreement contributions will continue to be used to help facilitate development and increase housing delivery.

6.0 Financing & Maintaining Acquisitions & Developments

- 6.1 It is for each Council to take a view of how much additional capital expenditure funded from borrowing is affordable within its forward-looking revenue budget strategy. In addition to borrowing costs (interest), councils are liable to make a Minimum Revenue Provision (MRP) as set out in the 2008 Capital Finance and Accounting Regulations. A report recommending the Council's future treasury management and borrowing strategy will be presented to Council in December 2018.
- 6.2 When determining the affordability of the existing capital programme together with any proposed borrowing for housing, the Council should ensure that the repayments are affordable. The illustration in Exempt Appendix B is based around the assumption that affordable rented properties will be let at LHA (Local Housing Allowance) weekly rates. From these rents, an allowance to cover property maintenance, management, service charges and repairs will be set aside, to determine the annual amount available to cover the cost of building the homes and the financing of that build and ongoing liability. The table below shows how the annual amount is calculated, per property (Based on the Broad Plymouth Rental Market Area):

Next Steps - Enabling homes to meet the needs for all

Size (bedrooms)	Local Housing Allowance (per week)	Equivalent Annual Rent	Mgmt, Repairs, Maint, Svc Chg @ 25% of Annual Rent	Net Annual Rent
2	£122.36	£6,362.72	£1,590.68	£4,772.04
3	£145.43	£7,562.36	£1,890.59	£5,671.77

- 6.3 Once rental housing has been delivered by the Council, it is proposed that it will be managed by a Council team (Direct Lets) or by an external managing agent. The cost of this will be covered within the 25% amount shown in 6.2 above. Those responsible for the delivery of these services will be determined by capacity to deliver and value for money (on a scheme by scheme basis). It is initially anticipated that housing volumes will allow for this to be managed in-house, with no additional resource requirements. In time, delivery of these services may require additional resource or management by a third party – but this will be fully funded from the rental income, as described above.
- 6.4 The illustration in Exempt Appendix B shows a scheme of 14 houses, with 5 open market sale properties subsidising the 4 discount market sale and 5 affordable rent properties. If a higher number of affordable rent properties were required by local housing need and the CLT, then the mix of type of open market properties would need to increase in order to offer greater cross subsidy and in turn, the Council would need to take on larger borrowing to finance the affordable rental property acquisition. Conversely, a scheme with fewer affordable rental and greater discount market sale would need less ongoing borrowing.
- 6.5 It is not yet possible to forecast on a scheme by scheme basis how much borrowing will be required – as the number of affordable rented properties has yet to be confirmed. The illustration in Exempt Appendix B suggests £640k would be required for five rental properties.
- 6.6 The illustration in Exempt Appendix B results in a circa 5% net margin after all known costs on the scheme. Whilst this is for illustration purposes only, this margin is to be recycled into other future housing schemes. This is in-line with the principles outlined in section 5 above.
- 6.7 The workings above are based on the Council holding these properties direct within its general fund – without the added cost and overhead of a WOC. Holding properties in a WOC would increase the cost of carrying and therefore would result in a lower margin to be recycled into other housing developments.

7 Why & How Direct Delivery?

- 1.1 While housing delivery vehicles are the most common approach taken, it is possible for a local authority to deliver new housing directly as Councils have the statutory powers to carry out the development of housing that it intends to use to meet housing need in its area.
- 1.2 The two main powers available to the Council to deliver housing directly are Section 9 of the Housing Act 1985 (relating to general housing need)

Next Steps - Enabling homes to meet the needs for all

and Part VII of the Housing Act 1996 (relating to temporary homelessness).

- 1.3 Where a Council places reliance upon Section 9 of the Housing Act 1985, to develop directly, there is a requirement for this to be accounted for within a Housing Revenue Account (HRA). However this is only a requirement if the number of properties held exceeds 50 – the present forecast is not for this level to be breached for at least two years. Housing held directly by the Council in a HRA would be:-
- subject to rules on allocation in accordance with the requirements of Part VI of the Housing Act 1996;
 - subject to rent regulations (where the accommodation constitutes social housing); and
 - subject to the provisions in Part V of the Housing Act 1985 relating to a tenant’s right to buy.
- 1.4 Housing developed directly by the Council will be subject to rules on allocation in accordance with the requirements of Part VI of the Housing Act 1996; subject to rent regulations (where the accommodation constitutes social housing); and subject to the provisions in Part V of the Housing Act 1985 relating to a tenant’s right to buy if the council has a HRA. It is recommended that if the council’s stock rose to a level where a HRA was required, the Council then forms a WOC. The Council can apply to the MHCLG for dispensation to increase the HRA threshold from 50 to 200 and it is recommended that the Council does this when the stock level is forecast to breach the 50 mark.
- 1.5 Alternatively, a Council may seek to rely upon the Part VII Housing Act 1996 powers to justify the activity, however a link to temporary homelessness would be required. This wouldn’t apply to homes delivered through s106 or the community housing strategy.
- 1.6 When considering whether or not to reopen it’s HRA, the Council will need to consider whether the benefits of this approach are sufficient to outweigh the restrictions associated with an HRA. The table below applies to direct council delivery:

Strengths	Challenges
<ul style="list-style-type: none"> ▪ Less complex to set up than a WOC ▪ More transparent structure ▪ Lower cost to run ▪ No corporation tax ▪ No VAT ▪ Delivery is already in progress via Affordable housing team and community housing strategy ▪ Most flexible given Government has just issued review of social housing green paper 	<ul style="list-style-type: none"> ▪ Restrictions on borrowing (if using a HRA) ▪ All revenue generated must remain in the HRA so no ability return to the General Fund (doesn’t apply as no HRA below 50/200) ▪ Subject to central government policies (e.g. rent reduction, high income social tenants and right to buy) ▪ Less flexibility over tenure and rent setting

Next Steps - Enabling homes to meet the needs for all

- 1.7 Opting to deliver homes without a WOC is activity aligned with the Councils' Corporate Strategy of enabling homes to meet the needs of all. It will enable rapid intervention in housing delivery. It will help achieve long term provision of affordable housing and will give an alternative source of supply to existing developers and registered providers.
- 1.8 A site appraisal, alongside an understanding of local housing need and evidence from the CLT will be analysed to establish the level of each type of tenure needed to make a development viable. As a minimum we would expect that a scheme would deliver:
- 1.8.1 Outright sale – to subsidise other “affordable” tenure types
- 1.8.2 Sub-market rent – to address housing need / homelessness concerns and generate a long-term income stream to make this type of development self-sustainable (at LHA rates)
- 1.8.3 Low-cost (discount) home ownership – as a route into homeownership for those unable to afford outright sale, and to provide a mix of capital receipts and long-term revenue to the vehicle
- 1.8.4 Potential for equity/shared ownership properties and/or self-build and/or custom build plots
- 1.9 It has been forecast that to warrant the set-up costs of a WOC would require around 100 units. In addition to this, a WOC would be subject to corporation tax and have different rules for VAT.

2. Options available and consideration of risk

- 2.1 Members could opt to 1) do nothing, 2) accept or 3) reject the recommendation and proposals. If option 1 or 3 is pursued, no further cost would be incurred – however the success of the community housing strategy would be affected without the Council having the ability to acquire affordable rented properties delivered through this strategy.
- 2.2 If option 2 is chosen, then subject to Full Council approval, work will continue as detailed in section 4 of this report. The Council would monitor the number of properties owned and the need to either form a WOC, open a HRA or obtain dispensation from the MHCLG regarding the number of affordable properties held by the Council before opening a HRA.
- 2.3 The risks are shown in section 10.

3. Proposed Way Forward

- 9.1 Assuming Hub Committee agree the recommendations and this is confirmed by Full Council, then the two housing teams (as described in 4.2 and 4.8 above) will continue to work on schemes that will deliver affordable housing within the borough with the aim of providing the Council with affordable housing stock.

10.0 Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/	Y	Appendix B of this report is exempt from publication because it

Next Steps - Enabling homes to meet the needs for all

<p>Governance</p>		<p>contains information about the Council’s financial and proposed commercial affairs as defined in Paragraph 3 of Schedule 12A to the Local Government Act 1972. The public interest test has been applied and it is considered that the public interest lies in not disclosing this information because it contains financial and commercially sensitive information which could prejudice the Council if such information was disclosed at this time.</p> <p>The two powers available to the Council to deliver housing directly are Section 9 of the Housing Act 1985 (relating to general housing need) and Part VII of the Housing Act 1996 (relating to temporary homelessness).</p> <p>The Council would be able to justify open market sale to cross-subsidise the sale of discounted to market value, shared ownership or affordable rented properties. Where a Council places reliance upon Section 9 of the Housing Act 1985, to develop directly, there is a requirement for that activity to be accounted for within a Housing Revenue Account (HRA). If a Council does not have a HRA to commence carrying out housing development under this power, it would need to reopen its HRA once the number of units that it holds exceeds 50. This number rises to 200 if dispensation for the MHCLG is received. It is understood that other local authorities have done this.</p> <p>The Council could opt to form a WOC at any point to give it an option other than re-opening a HRA. This decision does not need to be made until the volume of houses developed and retained OR acquired is close to exceeding 50 (or 200 depending on the above point).</p>
<p>Financial</p>	<p>Y</p>	<p>There are no direct financial consequences in relation to this report or its recommendations.</p> <p>Any potential housing acquisition will require a business case approval by the relevant committee. This will be determined on a case by case basis and will have scheme specific financial requirements and outcomes. If progressed, it is envisaged that the majority of acquisitions will be funded via borrowing, e.g. the Public Works Loan Board. Other sources of funding could be from any capital receipts, s106 affordable housing contributions, grant funding, or any other unallocated or available Council reserve.</p> <p>It is not possible to forecast the quantum of borrowing or returns that would be derived at this time. Exempt Appendix B gives an illustration of a typical scheme and shows the requirement for an initial £2.8m of initial funding, which would then be partly repaid through discount and open market sale receipts, but £640k of borrowing would be required to fund the ongoing affordable rented properties.</p> <p>The Council would need to determine at each acquisition if it has sufficient borrowing or financing capacity and appetite to complete each transaction. A revised treasury management strategy is due to be presented to the Council in December</p>

Next Steps - Enabling homes to meet the needs for all

		<p>2018 and will discuss these points in more depth. Any borrowing decision is at the discretion of the s151 officer in line with the Council's adopted Treasury Management Strategy and Affordable Borrowing Limits</p> <p>Specialist treasury management & Tax advice has previously been sought regarding the Council's proposed formation of a LACC. This information will be re-analysed in the context of a WOC and included in any required supporting business case.</p>
Risk	Y	<p>There are a number of risks that the Council would need to manage to successfully implement this recommendations. Key potential barriers include:</p> <p>Corporate priority against competing pressures and demands for time and resources: To successfully set-up a WOC or directly deliver affordable homes, this work needs to be supported by Councillors, and be both a corporate and political priority.</p> <p>Timeline slippage: There is a risk that delays when setting up a WOC will increase the delivery costs, and reduce the impact of the vehicle in the short term. It is therefore recommended that a WOC is not implemented in the short term, thereby not affecting short term delivery.</p> <p>Financing: Changes to the CIPFA prudential code, interest rates or the availability of PWLB borrowing may all have an impact on the cost of financing the WOC and/or home delivery, thereby having a knock-on effect on the viability of the activity and/or the WOC. The Council is likely to be subject to a maximum limit of borrowing (the MTFS due to be presented Executive in September & treasury management strategy due to be presented to Council in December will address this) and therefore housing delivery may be constrained by the Council's borrowing capability.</p> <p>Central Government policy: A Green paper has just been published by MHCLG, heralding a 'fundamental review of social housing'. This is likely to lead to changes in the policy environment that could make direct housing delivery or setting up a WOC more challenging.</p> <p>Resourcing: Housing delivery or a WOC will need appropriately skilled staff and consultants to support the set-up and operation of the business. A WOC would need additional staff in the short term, direct delivery will not.</p> <p>Development risk: During any delivery phase there will be a range of the usual risks associated with development delivery, for example planning risk, market risk, site abnormalities etc. A contingency of 5% has been allowed for in the financial projections, but costs would be monitored throughout to ensure early warnings of issues and to ensure projects are tightly controlled.</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	N/A
Safeguarding	N	N/A
Community Safety, Crime	N	N/A

Next Steps - Enabling homes to meet the needs for all

and Disorder		
Health, Safety and Wellbeing	N	N/A
Other implications	N	N/A

Appendices:

Appendix A: The different types of Affordable Housing Tenure and Affordable Housing Definitions

Exempt Appendix B: Illustration of an affordable housing development scheme

Appendix C: Last 5 years Affordable Housing Delivery within WDBC & pipeline of schemes granted planning permission and likely to be built in next two years

Background Papers

Enabling homes to meet the needs for all, presented to Hub Committee, 5th June 2018
<http://mg.swdevon.lan/documents/s18644/Enabling%20Homes%20to%20meet%20the%20needs%20for%20all%20Report.pdf>

A New Deal for Social Housing, published by MHCLG on 14th August 2018
<https://www.gov.uk/government/consultations/a-new-deal-for-social-housing>

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed	Yes
SLT Rep briefed	Yes
Relevant Exec Director sign off	Yes

This page is intentionally left blank

Appendix A: The different types of Affordable Housing Tenure and Affordable Housing Definitions

What is “Affordable Housing?”

Affordable housing describes housing for sale or rent to those whose needs are not met by the market (generally households on low-to-middle incomes). There is, however, no all-encompassing statutory definition of affordable housing in England.

The National Planning Policy Framework (NPPF) definition of affordable housing is social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices.

For the purposes of this report, the respective terms have the following meanings:

Affordable Rent Housing

- Is usually owned and managed by Housing Associations (Registered Providers) or Local Authorities and is offered to those on the local housing register. In the West Devon, this register is maintained by Devon Home Choice
- Affordable Rent is offered by Local Authorities and private registered providers of social housing
- It is let to those eligible for social housing
- Rents are limited to a maximum of 80% of local market rent and are usually kept within local housing allowance levels
- Affordable housing should include provisions to enable the affected properties to remain at an affordable price level for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

Social Rent Housing

- This is usually owned and managed by a Housing Association (Registered Provider) to those applicants that are on the housing register (Devon Home Choice in West Devon)
- Social rents offered by Local Authorities and private registered providers is generally between 40%-65% of market rent or lower. It is subject to regulation.
- It is important to note that this type of housing is not included on many new affordable housing developments due to the changes in government grant.
- There may be properties at this rent level on older/existing housing schemes.

Low Cost Home Ownership

Discounted Open Market Housing

- The resident purchases 100% of the property from a housing association or developer at a discounted price, typically 60 – 75% of the open market value.
- The property will stay affordable in perpetuity, so if the resident wants to sell the property in the future, they can only sell at the percentage at which they

bought (so bought originally at only 60% of market value, the sale price would be a maximum of 60% of the then market value).

Shared Equity / Ownership

- Residents share ownership of their home with a Housing Association (Registered Provider)
- They pay a mortgage on their ownership percentage
- They also pay rent to the Housing Association - this rent will be higher than social rents, but lower than market rents in the private-rented sector
- Sometimes they will be able to buy the property outright in due course (through staircasing)
- Sometimes the percentage they can buy will be restricted, to make sure some properties remain as affordable housing for the future

Equity Loan Schemes

- The resident owns the property, but gets financial help through another loan, which is secured on the property
- This loan is partly funded by the developer and partly by the Government

Community Land Trusts

A Community Land Trust is a corporate body which is established for the express purpose of furthering the social, economic and environmental interests of a local community by acquiring and managing land and other assets in order to:

- provide a benefit to the local community and
- ensure that the assets are not sold or developed except in a manner which the trust's members think benefits the local community.

Community Land Trusts are established under arrangements which are expressly designed to ensure that any profits from its activities will be used to benefit the local community (otherwise than by being paid directly to members) individuals who live or work in the specified area have the opportunity to become members of the trust (whether or not others can also become members) the members of a trust control it.

Document is Restricted

This page is intentionally left blank

Appendix C: WDBC Affordable Housing Delivery - Last 5 Years

Period	Total 'Affordable' Units	Affordable Rent	Shared Ownership / Equity	Other (e.g. RentPlus, Discount Sale)
TOTAL FOR 2018/19	28	18	10	
TOTAL FOR 2017/18	3	3		
TOTAL FOR 2016/17	35	17	7	11
TOTAL FOR 2015/16	35	33	2	
TOTAL FOR 2014/15	48	39	9	
TOTAL - 5 Year Period	149	110	28	11
Annual Average	30	22	7	11

Typical Local Authority WOC Delivery

Sadly there is no definitive database of council owned local housing companies, showing their delivery plans. Some research is available, though this is based on publically available information. As an example, the Smith Institute report, "Delivery the Renaissance in council-built housing - the rise of local housing companies" published October 2017 stated:

Page 8: "Most LHCs have modest ambitions to build (averaging around 50 units a year), although there are larger housing companies in urban areas with major build programmes."

Page 17: "Extrapolating our survey results suggests that the average LHC output over the next five years could be in the region of 50 units a year, which nationally amounts to around 25,000. This of course disguises the wide differences between the different LHCs and is probably a slight over exaggeration."

Based on this comparison, West Devon are delivering Affordable Rented properties at a lower level than an average Council WOC.

However there are plans in progress to achieve significant growth in the next two years. The delay has mainly been due to stalled sites.

Pipeline of schemes granted planning permission and likely to be built in next 2 years

Site	Total Units	Total 'Affordable' Units	Affordable Units as % of Total	Affordable Rent	Shared Ownership / Equity	Other (e.g. RentPlus, Discount Sale)
Callington Road, Tavistock	150	27	18%	15	12	
Butcher Park, Tavistock	110	34	31%	27	7	
New Launceston Road, Tavistock	148	37	25%	19	18	
Bellacouch Meadows, Chagford	93	28	30%	22	6	
Okehampton	75	12	16%			12
Hatherleigh Market	TBA	10	TBA			10
Tony Meadow, Bridestowe	24	9	38%	5	4	
Abbey Meadows, Crapstone	22	9	41%	5	4	
Brook Lane, Tavistock	23	8	35%	6	2	
TOTAL	645	174	27%	99	53	22

This page is intentionally left blank

Agenda Item 7

Report to: **Hub Committee**
Date: **16 October 2018**
Title: **Bere Peninsula Neighbourhood Plan**
Portfolio Area: **Customer First**
Wards Affected: **Bere Ferrers**
Relevant Scrutiny Committee: **Overview and Scrutiny Committee**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **After Call In 24 October 2018**

Author: **Duncan Smith** Role: **Neighbourhood Planning Specialist**

Contact: **Telephone/email: Duncan.Smith@swdevon.gov.uk**

Recommendations:

1. That Hub Committee **RESOLVES** to approve the "making" (adoption) of the Bere Peninsula Neighbourhood Development Plan.

1. Executive summary

- 1.1 Neighbourhood Development Plans are a community right introduced by the Localism Act 2011. They are the responsibility of Parish Councils.
- 1.2 Once 'made', or adopted, by the Local Planning Authority, they become a part of the Development Plan for the borough and are used alongside that Plan to decide planning applications in the area they relate to.
- 1.3 In order to comply with the Neighbourhood Planning Regulations, the plan must be made by West Devon Borough Council as the relevant Local Planning Authority within 8 weeks of a successful referendum result.

2. Background

- 2.1 The Bere Peninsula Neighbourhood Plan has been undertaken by Bere Peninsula Plan Group under the auspices of the Bere Ferrers

- Parish Council in accordance with the relevant legislation and regulations.
- 2.2 The Bere Peninsula Neighbourhood Area was designated on 15th January 2014.
 - 2.3 Following the necessary community engagement, consultation and background work, a draft plan was submitted to West Devon Borough Council on 15th January 2018, in accordance with Regulation 15 of the Neighbourhood Planning (General) Regulations.
 - 2.4 The Borough Council consulted on the draft plan between 23rd January 2018 and 6th March 2018, in accordance with Regulation 16 of the above Regulations.
 - 2.5 Following this consultation an independent examiner was appointed in accordance with Regulation 17, who confirmed that, subject to recommended modifications, the plan met the 'basic conditions' as set out in legislation, and was suitable to go forward to referendum.
 - 2.6 The Council agreed with the Examiner's conclusion, and a referendum held on 27th September 2018 achieved a turnout of 32.38% of local residents. Of these, 81.9% voted in favour of the plan.
 - 2.7 Following a majority vote in a referendum to 'make' the plan, it becomes a statutory part of the Development Plan and will be used alongside the imminent Development Plan (Joint Local Plan once adopted) to help decide planning applications in the Neighbourhood Area.
 - 2.8 Council officers have worked alongside the Bere Peninsula Neighbourhood Plan Group to ensure that the Neighbourhood Plan provides an appropriate framework for development in the Bere Peninsula area up to 2034.
 - 2.9 Officers confirm that the plan meets the necessary 'basic conditions', including conformity with the Local Plan and with national policy.
 - 2.10 Regulation 18A(1) of the Neighbourhood Planning (General) Regulations requires that a neighbourhood plan is 'made' by the Local Planning Authority no later than 8 weeks from the date of a successful referendum. In this case the relevant date by which the plan should be "made" is Thursday 22nd November 2018.
 - 2.11 The Council has previously expressed support for neighbourhood plans as a way of achieving local and community priorities.

3. Outcomes/outputs

- 3.1 Once "made", the Bere Peninsula Neighbourhood Plan will become part of the Development Plan and will be used to help decide planning applications in the Bere Peninsula area.
- 3.2 The successful outcome for this neighbourhood plan will provide encouragement to the many other Parishes who are currently working on neighbourhood plans.

4. Options available and consideration of risk

- 4.1 Neighbourhood Plans come into force as part of the Development Plan immediately following a successful referendum. Therefore the

Bere Peninsula Neighbourhood Plan should now be used to decide planning applications.

- 4.2 However, in order to comply with the relevant legislation, the Local Planning Authority must “make” a neighbourhood plan within the required timeframe following a successful referendum, unless a legal challenge has been brought in relation to the referendum or there are concerns about the compatibility of the neighbourhood plan with any EU or human rights legislation. In this instance there are no such concerns.
- 4.3 Failure to “make” the Bere Peninsula Neighbourhood Plan within the required timeframe could open the Council to legal challenge.

5. Proposed Way Forward

- 5.1 It is recommended that Hub Committee approve the “making” of the Bere Peninsula Neighbourhood Development Plan.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address.
Legal/Governance	Y	As set out in section 4, West Devon Borough Council is legally obliged to make the Bere Peninsula Neighbourhood Development Plan.
Financial	N	There are no financial implications.
Risk	Y	There is a risk of legal challenge if the Neighbourhood Plan is not made within the required timeframe.
Comprehensive Impact Assessment Implications		
Equality and Diversity	Y	The Neighbourhood Plan has assessed Equality and Diversity implications as part of its background evidence.
Safeguarding	N	None.
Community Safety, Crime and Disorder	Y	No direct implications.
Health, Safety and Wellbeing	Y	Positive outcomes are anticipated from the making of the Neighbourhood Plan.
Other implications	N	None

Supporting Information

Appendices:

Background Papers:

Bere Peninsula Neighbourhood Plan - Referendum version

The Neighbourhood Planning (General) Regulations 2012, including later amendments

Government guidance at <https://www.gov.uk/guidance/neighbourhood-planning>

Background documents to the Bere Peninsula Neighbourhood Plan, available at www.westdevon.gov.uk under Planning/Neighbourhood Planning.