

## Deadline for return – 18 August 2009 (Quarter 1 Performance Report)

### Local Area Agreement 2008-2011

**LAA Priority:** Increasing housing delivery, especially at strategically significant cities and towns and their associated new communities (LAA 23)

Increasing the delivery of affordable housing (LAA26)

**Lead Contacts:**

Lead for LAA 23 to be confirmed  
Mary Ridgway LAA 26

**RAG Status:** Red (delete as appropriate)

**Delivery Board Recommendations** *(Please list any decisions/actions required on the part of the Delivery Board)*

**Delivery Board are asked to:**

Note that forecast projections are that targets will not be met for 2009/10. Report showing quarterly forecast by LA for Affordable Housing is available on request.

Encourage Members participation in **DSHG Housing Conference for Members on 16 October 2009**. This event will be focusing on new housing delivery, understanding the process and exploring Members' role. Targeted at Portfolio Holders and members involve in Housing Planning, Economic Regeneration from both County and District Authorities.

Presentations on the Single Conversation Investment Plan are scheduled for Partnership Board on 30 September 2009. Colin Molton, Regional Director of the Homes and Communities Agency will be attending.

**Summary Statement:**

**All Housing LAA23**

2008/09 data is for 2631 completions. This data is not fully audited until LAs Annual Monitoring Reports are signed off, around December 2009. A breakdown of completions by District is available.

2008/09 completions are about 78% below target. Partners were not able to include assumptions about the recession when targets were set, the targets were ambitious and performance has been impacted by a delays in sites and renegotiations of s106s agreement e.g the 2 new communities, particularly Cranbrook as the original target assumed completions would start to come through from 2008.

Work to establish proxy indicators for in year estimates is underway with Devon Planning Officers meeting on 29 September as well as to discuss and review Delivery Plan arrangements for LSAA 23- All Housing, including the Officer lead for LAA 23

**Affordable Housing LAA26**

2008/09 completions were well below target with 665 completions compared with 730 target despite a range of interventions such as, converting unsold Shared Ownership

to rent, renegotiating s106 agreements to improve phasing and bring forward Affordable Housing.

Performance remains below target for Q1 2009/10 forecast completions for remaining quarters in 2009/10 show that the target likely to be significantly missed and could be as low as 70% of target.

The same pattern is repeated for rural affordable housing where forecast completions show we could deliver 75% of target. The Rural Housing Partnership has a comprehensive 'graded pipeline' of sites and schemes at various stages in the development process which informs the rural forecast and arrangements have been put in place to strengthen the scrutiny of this pipeline. A report on rural housing is likely to go the DCC Scrutiny in September.

A SMART action plan for the Housing Evidence Base is being implemented including:

- the first 'State of the Market in Devon' Report due out by the end of September 2009.
- Negotiations underway for all LA Partners to purchase an annual licence for Hometrack Housing Strategy Solutions to assist with monitoring of the local market

**Performance Indicators – National and Local**

Code	Title	+/- (see 1 below)	Year	Annual Target	Status (see 2 below)	Improvement (see 3 below)	Actual to Date	Officer Notes
LAA23	Increasing housing delivery, especially at strategically significant cities and towns and their associated new communities	+	FY 2008-09	08/09 = 3,360 09/10 = 3530	Well below target	↓	08/09 completions (unaudited) = 2631	Q1 data not available across all Partners.  DPOG looking at 6 monthly proxy indicators
LAA26a	Delivery of affordable housing in settlements under 3,000 population	+	FY 2008-09	08/09 = 100 09/10 = 120	08/09 Above Target 09/10 Well below target 10/11 Forecast below target	↓	08/09 =129  Q1 completions = 32 but forecast shows Q1 performance will not be sustained	Graded pipeline suggests high risk to target not being met.  Focus needed on 10/11 and interventions now to improve delivery

NI 155	Number of affordable homes delivered (gross)	+	FY 2008- 09	08/09 = 730  09/10 = 920	Well below target	↓	Q1 112 SR and SO plus 20 intermed iate	Forecast for remaining quarters suggest high risk that target will not be met
-----------	--	---	-------------------	--------------------------------------	----------------------	---	---	---

**Key to symbols (insert as appropriate):**

1. + equals higher figures are better and – equals lower figures are better
2. **No Data/Well Below Target/Below Target/On Target/Above Target/Well Above Target**
3. Improved Performance ↑ Worse Performance ↓ Unchanged ↔

**Key Milestones (Last Quarter – Quarter 1 09/10, ends 30 June 09)**

	Description	Date	Outputs expected	Achieved/missed
1.	SMART Action Plan for Housing Evidence Base and Monitoring drafted	May 2009	Quarterly and Annual State of the Market Report More consistent approach to SHMA updates Consistent definitions of reporting data e.g. what counts as a housing completion Improved access to evidence base via DSHG website	Achieved
2.	AHDF members agreed definitions for LAA 26 completions data	14 May 2009	More consistent and comparable data	Achieved
3.	Presentation on Pro-Val site viability model arranged for 18 June 2009		Improved understanding of models on the market as part of a broader aim to work towards joint procurement of a model between a cluster or clusters of Devon's LAs	Achieved
4	Presentation of Hometrack Housing Intelligence package and negotiations for a Devon wide contract	19 June 2009	More consistency and better quality strategic intelligence to inform Housing strategies and Strategic Housing Market Assessment updates	Contracts emailed to each Partner
5	First Draft Report on proposals for an Umbrella Community Land Trust reviewed	June 2009	Final Report to be received by Project Steering Group on 2 July 2009	Report to DCC to be part of wider report to Scrutiny

6.	Invitation for Strategic Planning Session for Rural Affordable Housing issued	May 2009	Seminar on 26 June. Independently facilitated and Chaired by Teresa Butcher, Chief Executive of Devon and Cornwall Housing Group	Recommendations presented to DSHG Exec and DRHP and will also be included in report to DCC scrutiny. Officer work group set up to improve scrutiny of pipeline and scoping for a QSF for enabling underway
7.	RHEs commissioned to identified the range of potential pre developments costs on small rural developments	April 2009	Report due June 2009 to inform 26 June seminar	Report complete

**Key Milestones (This Quarter – Quarter 2 09/10, ends 30 September 09)**

	Description	Date	Outputs expected
1	First State of the Devon Housing Market Report	30.9.09	Report
2	LAA Housing Task Force of Devon Planning Officers Group Meeting	29.9.09	New Lead Revised Delivery Plan Proxy Indicator arrangements agreed
3	Meeting with Audit Commission re CAA	24.9.09	Clarification on AC view of strengths and weaknesses
4	SMART Action Plan for Housing Evidence Base and Monitoring presented to Partners on 10 July.	10.7.09	
5	Strategic Planning Session for Delivery of Rural Affordable Housing held	26 June 2009	Report and recommendations
6	First Devon Developers' Forum held at Ashfords in Exeter, Chaired by Tim Jones	16 July 2009	Draft 10 point action plan Second meeting scheduled for 1 October at Ashfords

**Key Risks (\*Please refer to scoring guidelines below)**

Risk	Impact	Likelihood	Score	Mitigation
1. Lack of Public Sector Funding to support delivery targets both in terms of overall funding and funding per unit	5	2	10	Subject to central government funding plans.  LA grant and use of public owned land can make an important contribution to delivery
2. Not maximising the	5	4	16	Focus on delivery by all Partners at all levels within

public funding available for Affordable Housing in Devon				partner organisations
3. Lack of delivery partners to take forward sites due to lack of confidence in the market and cash flow constraints	4	5	20	Government interventions helping, more understanding of viability issues needed
4. Lack of confidence by Developers stalled delivery on s106 sites	5	5	25	
5. Not engaging sufficiently with the HCA's Single Conversation and therefore not influencing mid term investment opportunities	5	2	10	Understanding of this process and input into this process at senior levels within partner organisations is critical to influencing Investment Plans in Devon and informing the next CSR
6. Further delays to adoption of RSS	3	3	9	Continued focus on LDF production using proposed changes as interim guidance.

#### Spatial Implications

*Detailed information not available in time for this report.*

*Every Housing Authority will have a programme of housing sites or potential sites. Once allocated through the planning process the LA has limited control on what sites are actually brought forward by developers. The detail is set out*

*The programme for affordable housing sites tends to be clearer as will include sites where s106 agreement is under negotiation or exception sites within small rural settlements*

District	Impact (insert √ or x or unknown)	Disaggregated Data (√ or x)	Examples of Local Delivery Outcomes
Exeter	√	√	
East Devon	√	√	
Mid Devon	√	√	
North Devon	√	√	
Torridge	√	√	
West Devon	√	√	
South Hams	√	√	
Teignbridge	√	√	

#### \*Risks – Scoring Guidelines:

Likelihood of risk:

- 1 – Very low
- 2 – Low
- 3 – Medium
- 4 – High
- 5 – Very high

Impact of risk:

- 1 – Insignificant
- 2 – Minor
- 3 – Moderate
- 4 – Serious
- 5 – Very serious

**Total risk score (likelihood x impact)**

- 1 – 6 Low**
- 8 – 12 Medium**
- 14 – 20 High**
- Over 20 Very high**