

Cornwall Housing Strategy 2009-2012

Version 2.2 — May 2010

Housing Strategy

Cornwall Housing Strategy 2009-2012

CONTENTS	PAGE
SECTION A: SETTING THE SCENE	3
Introduction	3
The Purpose of the Housing Strategy	3
The National Housing Context	4
The Regional Housing Context	5
The Cornwall Challenge - A Housing Overview	6
Cornwall Sustainable Community Strategy	9
The Housing Strategic Priorities for Cornwall	12
Producing the Housing Strategy	12
Resourcing the Housing Strategy	14
Delivery of the Housing Strategy	17
SECTION B: OUR HOUSING STRATEGIC PRIORITIES	19
Housing Strategic Priority 1 - The Delivery of Affordable Housing	19
Strategic vision	19
Introduction	19
Policy Context	20
The Cornwall Challenge	23
Resources for Delivering Affordable Housing	27
Objectives and Commitments to meet the Housing Strategic Priority	31
Housing Strategic Priority 2 - Finding Smarter Housing Solutions	39
Strategic Vision	39
Introduction	39
Policy Context	40
The Cornwall Challenge	42
Resources for Smarter Housing Solutions	44
Objectives and Commitments to meet the Housing Strategic Priority	45
Housing Strategic Priority 3 - Achieving Decent Homes	56
Strategic Vision	56
Introduction	56
Policy Context	57
The Cornwall Challenge	60
Resources for Achieving Decent Homes	65
Objectives and Commitments to meet the Housing Strategic Priority	69
Housing Strategic Priority 4 - Creating Sustainable Communities	75
Strategic Vision	75
Introduction	75
Policy Context	76
The Cornwall Challenge	80
Resources for Creating Sustainable Communities	82
Objectives and Commitments to meet the Housing Strategic Priority	83
Contacts	89
Appendix 1 Understanding the Cornwall Housing Market	90

Cornwall Housing Strategy

Section A – setting the scene

Introduction

Housing is one of the most basic human requirements as shelter and warmth are essential for survival and wellbeing. Good quality, affordable homes are the cornerstone of every successful community, impacting on a whole range of policy issues, including supporting and improving employment prospects, contributing to good health, reducing crime, tackling climate change and sustaining environmental quality and design. Housing can also play an important role in bringing investment into communities and regenerating neighbourhoods.

The Cornwall Housing Strategy provides the overview for the Council's housing policies sets out how the service will be delivered to the communities in Cornwall. The following four Strategic Priorities have been identified as the main drivers for the Housing Strategy:

- **Delivering Affordable Housing**
- **Finding Smarter Housing Solutions**
- **Achieving Decent Homes**
- **Creating Sustainable Communities**

The Purpose of the Housing Strategy

Cornwall Council is seen by the Government as the only organisation at the local level with a cross cutting remit and the democratic legitimacy to intervene in and ensure effective operation of all aspects of the local housing market. During this process, the Government expects the following factors be taken into account:

- An understanding of how private sector housing markets operate
- National targets for tackling poor housing conditions in the private sector should be met
- Home ownership should be promoted and delivered to a wider group of households
- Best use should be made of the private sector to house the homeless and deliver additional new homes
- To address the Government's housing agenda, the Council is required to prepare a housing strategy on a periodic basis as an essential component of the Sustainable Community Strategy and ensure that it remains current and relevant through regular updates. The purpose of the strategy is as follows:
 - To set out a long term strategic vision for housing in Cornwall that is consistent with the Sustainable Community Strategy
 - To understand the housing market in Cornwall and appraise options for achieving a better balance in the operation of the market

- To assess existing and future housing requirements and aspirations across all tenures in Cornwall
- To identify strategic housing priorities for Cornwall and produce investment strategies and action plans in collaboration with local stakeholders and communities to deliver the priorities
- To set out the Council's housing commitments, against which the performance of the Council and its partners can be measured
- To identify the housing investment needed to deliver the housing policies and act as a tool to bid to the Government Office for the South West for resources
- To evaluate and monitor the effectiveness of the Council's housing services

The Cornwall Housing Strategy also acts as the focal point for the following housing strategies, policies and plans for the delivery of specific housing services

- Cornwall Homelessness Strategy
- Community Safety Strategy
- Housing Revenue Account Business Plan
- Affordable Housing Planning Policies
- Cornwall Housing Allocation Policy
- Private Sector Housing Renewal Strategy
- Cornwall Energy Strategy
- Cornwall Supporting People Five Year Strategy
- Learning Disability Housing Strategy
- Older Persons Housing Strategy
- Gypsy and Travellers Accommodation Assessment

The National Housing Context

The Government has acknowledged the importance of housing to the national economy, as well as the contribution that housing can make to the national Sustainable Communities Strategy. Housing is now higher on the political agenda than at any time in the past and recent Government policy has focussed on increasing the provision of affordable housing - notably in partnership with private sector developers; preventing homelessness; reducing the use of temporary accommodation for homeless families; ensuring that all public sector housing meets the Decent Homes Standard and improving housing conditions in the private sector. These specific national housing policy issues are discussed in more detail within the individual chapters on the Council's Strategic Housing Priorities.

Closely linked to national housing policy is the Government's place shaping agenda, as set out in the Lyons Inquiry into Local Government: [*Place Shaping: a shared ambition for the future of local government*](#), which promotes a wider strategic role for Councils to creatively use their powers and influence to promote the general well being of a community and its citizens. In addition to its new place shaping role, Cornwall Council will have a new principle partner for strategic affordable housing investment decision making, in the form the Homes and Communities Agency, which has been created as the Government's housing and infrastructure delivery agency.

Investment levels in housing have been high over the last few years but the current national economic situation is creating a new challenge of how to continue the necessary programme of continuous housing improvement against a backdrop of a shrinking economy and the spectre of lower levels of investment in housing. The Society of Local Government Chief Executives (SOLACE), in its paper *Stand Up To The Downturn*, identifies the need to support individuals and families through this difficult period and highlights improving access to housing as a proactive course of action. SOLACE recommends the following initiatives to provide the necessary support:

- The development of more integrated housing options teams to provide advice on worklessness, dealing with mortgage arrears and managing debt
- Encouraging Housing Benefit take up
- Enhancing homelessness services and homelessness prevention initiatives, including procuring additional private sector housing for rent and extending deposit guarantee schemes
- Lobbying the Government to bring forward key capital housing schemes, particularly for affordable housing for rent
- Encouraging private developers to sell surplus homes to housing associations for rent
- Stepping up delivery of rural housing on exceptions sites
- Promoting new forms of intermediate housing tenure to reflect the lack of available mortgage finance and current economic uncertainty

- Investigating the viability of mortgage rescue schemes and other new financial support models

Several of these initiatives are in current use by the Council and the remainder will be reflected in the Strategic Priorities within the Housing Strategy.

The Regional Housing Context

Housing policy for the south west is set out in two major documents. The Regional Housing Strategy 2005-2016 broadly reflect national housing policy and has the following three Strategic Aims:

- **Strategic Aim 1: Improving the balance of housing markets**
- **Strategic Aim 2: Achieving good quality homes**
- **Strategic Aim 3: Supporting sustainable communities**

The links between these Strategic Aims and the Cornwall Housing Strategy are discussed in more detail within the individual chapters on the Council's Strategic Housing Priorities.

The South West Regional Spatial Strategy deals with new housing provision and identifies minimum targets for affordable housing. The links with the Regional Housing Strategy are discussed in more detail in the chapter on Delivering Affordable Housing.

The Cornwall Challenge – A Housing Overview

Cornwall is 1,376 square miles in area with population of 532,200 in 2008, which gives a relatively low population density of 387 people per square mile. The natural geography of Cornwall as a thin peninsula with a comparatively poor transport infrastructure has had a localising effect on its communities. There is no large city dominating the county (although Plymouth has a clear influence on the east of the county) and most of the towns and some major villages are self-contained, acting as centres for local employment and housing markets. Cornwall's traditional industries of agriculture and fishing have influenced the profile of the housing stock, with a high proportion of detached houses and cottages, which have, in more recent times proved attractive to in-migrating households and holiday or second home owners wishing to take advantage of Cornwall's natural beauty and high quality of life.

The geographical remoteness and low but growing population have made large scale house building harder for developers to achieve and levels of new supply have been relatively modest. In the last ten years in particular, this has a direct impact upon the demand for housing, which in turn, has had a led to a dramatic increase in the cost of housing in Cornwall. Government policy now aims to address market pressures in areas like Cornwall through an increase in the number of new homes provided. Demographic change is another significant factor. The current population is expected to reach 630,000 by 2029, an increase of 22%. Cornwall will therefore experience growth in the form of

urban extensions to its existing major towns. Although this will help to address the housing pressure in the urban areas, it will not deal with the issue that affordability pressures are spread throughout Cornwall, leaving smaller towns and villages with a high demand for a limited resource, matched by high housing costs.

Cornwall has a lower than average percentage of affordable housing within its housing stock, with low turnover rates, which has resulted in a backlog of housing need, built up over many years. The public sector housing stock is on average over 35 years old with rising investment needs. The housing stock in the private sector has many older properties in disrepair and lacking adequate heating, insulation and modern facilities.

Another major housing challenge in Cornwall is the need for regeneration and renewal in some communities that have been affected by the decline of traditional industries and a lack of investment. However, the general constraints on the supply and affordability of housing has ensured that demand for housing has remained high and the worst problems experienced by some declining communities in the north of England have been avoided.

The housing challenges in Cornwall can therefore be summarised as follows:

- The need to improve the condition and quality of the existing housing stock
- The need to deliver sufficient new homes to meet the backlog of housing need and meet the housing needs of the growing population

- The need to invest in the regeneration and renewal of communities in decline

These housing challenges are set against a backdrop of tackling climate change, preserving the natural beauty and high quality environment and the need to ensure that the vibrancy of our local communities is not compromised.

The Cornwall Housing Market

Housing and planning policies must be based on sound evidence, which is both current and comprehensive, providing as much detail as possible on localised needs within communities. The vehicle for obtaining this data is a Strategic Housing Market Assessment (SHMA), which helps the Council to understand the following three factors and the relationship between them:

- The profile of the housing stock in Cornwall
- The operation of the housing market in Cornwall
- The nature and extent of existing and future housing needs in Cornwall

The SHMA requires co-operation across administrative boundaries and

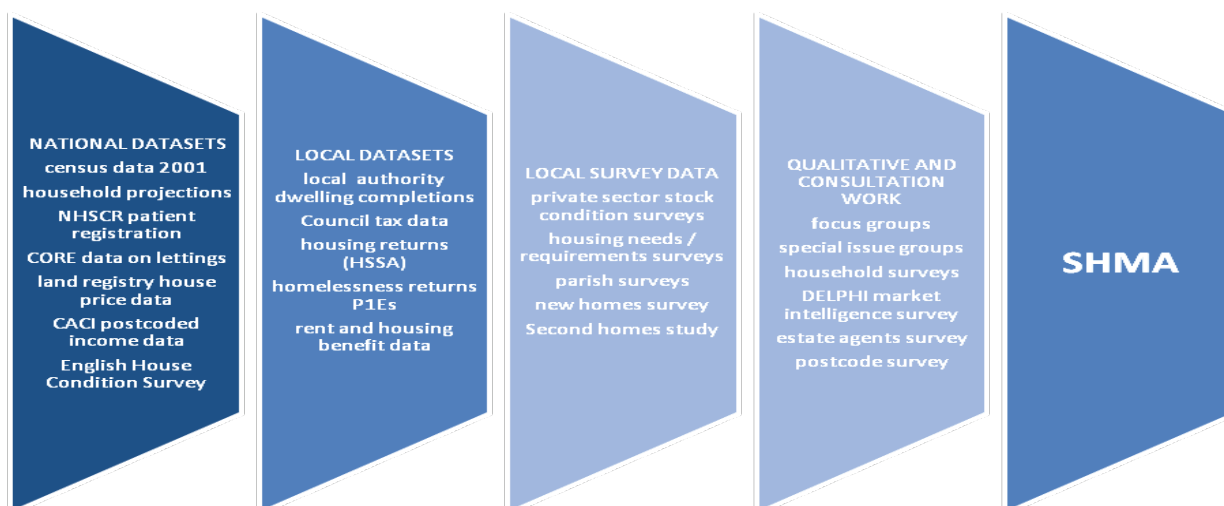
between sectors to develop a shared, wider understanding about the operation of the housing market, with the following aims:

- To establish a sound, evidence based understanding of the housing market area in the medium to long term
- To provide a more transparent framework for investment decisions
- To support the preparation of housing strategies and planning policy documents and promote greater integration between the various housing sectors in Cornwall
- To provide a sub-regional context for other areas of research and analysis including housing requirements studies

National guidance specifies core data which each study must provide but also promotes the collection and commission of additional qualitative research to enhance local understanding.

The illustration below shows the data collated to produce the SHMA.

Figure 1: The Strategic Housing Market Assessment data collection process



The following three SHMA areas have been identified in Cornwall:

- Plymouth (covering South East Cornwall and South Devon)
- Northern Peninsula (including North East Cornwall and North Devon)
- West Cornwall (covering Mid and West Cornwall)

All three SHMAs have now been completed and published on the Cornwall Council Website. The overriding feature of the three studies was the consistency of the outcomes in the following key themes:

- The housing market geography in Cornwall
- The crucial role of the towns
- The challenges in the rural and coastal locations
- Affordability
- High levels of housing need
- Strong population growth and migration
- The impact of the existing housing stock profile
- The mismatch between the housing stock and the future household profile
- Shortfalls of homes for specific groups in the community
- Pressures created by an ageing population
- Inconsistent housing delivery rates and under supply

The main conclusion to be drawn from these findings is that Cornwall operates as a series of individual housing markets, based on the key towns and their rural hinterlands. The designated SHMAs do not, therefore, work in isolation and there are considerable overlaps in their operation. More detail on the outcomes within the key themes can be found in Appendix 1 to this document.

The Housing Strategy and its related documents have been influenced by the SHMA findings in the following ways:

- Informing housing Strategic Priorities and Commitments
- Establishing new targets for delivering affordable homes through the planning system
- Developing a new policy approach to rural and coastal areas
- Providing evidence to prioritise future housing policy interventions, for example rural disrepair and bringing empty properties back into use

The next step is to commission a piece of work to synthesise the three Cornwall SHMAs to ensure that the evidence from them is sufficiently robust to inform and support the emerging new planning policies for Cornwall.

Cornwall Sustainable Community Strategy

The Sustainable Community Strategy at a Glance

Table 1— Housing Strategy and the Sustainable Community Strategy/Local Area Agreement

The Cornwall Sustainable Community Strategy provides a long term vision for addressing difficult and cross cutting issues which affect the economic, social and environmental well-being of Cornwall in a way that contributes towards sustainable development in the UK. The Local Area Agreement (LAA) is the three year delivery programme for the outcomes identified in the Cornwall Sustainable Community Strategy. Housing policy is a vital element in achieving this vision and the new Cornwall Housing Strategy is one of the sub-strategies of the Cornwall Sustainable Community Strategy. The Government has made it clear that it wishes to see a "golden thread" of connectivity between the substantive Cornwall Sustainable Community Strategy and its sub-strategies and this table identifies where challenging housing policy areas have been identified as outcomes for the Sustainable Community Strategy and have been incorporated accordingly into the Cornwall Housing Strategy.

Cornwall Sustainable Community Strategy Outcome	Delivery Objectives for 2010/11 in the LAA contributing to the outcome (with a link to housing)	Housing Strategy Reference
1. Individual inclusion	A reduction in fuel poverty	Our Housing Priorities - Achieving Decent Homes
3. Vulnerable adults are able to live safely and independently	Increased independence of vulnerable people Improved quality of life/independence of older people through adaptations to their homes Increased support for and improved safety of survivors of domestic violence and their families	Our Housing Priorities – Finding smarter Housing Solutions Our Housing Priorities - Achieving Decent Homes Our Housing Priorities - Finding Smarter Housing Solutions
6. Inequalities between communities have reduced compared to 2008	Improve the quality of life for people in the most disadvantaged neighbourhoods	Our Housing Priorities - Creating Sustainable Communities
7. Creative, active and safe communities	Reduction of crime Reduction of fear of crime Reduction of anti-social behaviour	Our Housing Priorities - Creating Sustainable Communities Our Housing Priorities - Creating Sustainable Communities Our Housing Priorities - Creating Sustainable Communities
8. Empowered and inclusive communities	Empowerment of local people to have a greater voice and influence over local decision making and delivery of services The building of a cohesive society based on equality of opportunity	Our Housing Priorities - Creating Sustainable Communities All Housing Priorities
10. Low Carbon Economy and energy security	Improved energy security with a major proportion of energy used being affordable and sustainable and generated locally from a mix of technologies and sources	Our Housing Priorities – Delivering Affordable Homes And Our Housing Priorities - Achieving Decent Homes
11. A balanced housing market with affordable, decent and sustainable homes	Increased affordable, decent and sustainable homes	Our Housing Priorities – Delivering Affordable Homes And Our Housing Priorities - Achieving Decent Homes

Producing the Sustainable Community Strategy

The 2006 local government white paper *Strong and Prosperous Communities*, signalled a new relationship between central government and public sector partners in local areas, with the latter being required to identify their key priorities for the community and produce a Sustainable Community Strategy, delivered through performance targets within Local Area Agreements (LAAs). The Cornwall Strategic Partnership was formed to lead on this work, with representatives from all of the key public sector services and the voluntary and business sectors.

To ensure that housing had a suitably high profile, officers from within the Housing Service in Cornwall produced a Housing Issues Paper, which acted as a technical paper and a consultation document for the draft Cornwall Sustainable Community Strategy, with the objective of ensuring that high level housing corporate priorities identified in the Sustainable Communities Strategy could be successfully integrated into and delivered through the Housing Strategic Priorities.

The Cornwall Sustainable Community Strategy was published in November 2008 and included a long term Infrastructure Outcome for a balanced housing market with affordable, decent, and sustainable homes and a short term Local Area Agreement Outcome for increased affordable, decent and sustainable homes. Achieving this outcome will help to address the following strategic issues:

- Shortage of affordable, decent and sustainable housing (including for rent)
- Poverty
- Poor health and well being
- Health inequalities
- Living within environmental means
- Exclusion

The Cornwall Strategic Partnership oversees progress on its long and short term outcomes through the Homes and Communities Thematic Partnership is responsible for providing a strategic overview for meeting the needs of the communities and progress the delivery of the Housing Strategy, as well as monitoring the performance of the Housing Service.

The Local Area Agreement

The Government has replaced all performance indicators for local government with a new set of 198 national indicators. Every Council must choose up to 35 National Indicators as its improvement targets, which must reflect the local issues identified in the Sustainable Community Strategy and be delivered through their Local Area Agreement (LAA).

The LAA for Cornwall includes the following four improvement targets that relate directly to the Housing Strategy Priorities:

- Net additional homes provided (NI 154)
- Number of affordable homes delivered (NI 155)
- Number of households living in temporary accommodation (NI 156)

- Supply of ready to develop housing sites (NI 159)

These four National Indicators are summarised in the Table 2 below, together with other targets on which housing policy can have an important influence.

Table 2: Housing Strategy Links to the Cornwall LAA 2008-11		
National Indicator	Housing Strategy Contribution	Proposed Outcome
NI 154 Nett additional homes provided	Delivery of new homes and adequate land supply	Supply of affordable homes and the proportion of lifetime homes increased.
NI 155 Number of affordable homes delivered (gross)	Delivery of new affordable homes, funding, robust planning policies and adequate land supply	Supply of affordable homes and the proportion of lifetime homes increased.
NI 156 Number of households living in temporary accommodation	New affordable homes, homelessness prevention initiatives, temporary accommodation reduction strategies	Supply of affordable homes and the proportion of lifetime homes increased.
NI 159 Number of ready to develop housing sites	Increased opportunities for affordable housing provision	Number of ready to develop housing sites increased
NI 116 Proportion of children in poverty	Provision of safe secure affordable housing, initiatives to reduce housing and heating costs, income and worklessness initiatives for tenants	Alleviate the causes and impact of child poverty
NI 117 16 to 18 year olds who are not in education, training or employment (NEET) PSA 14	Statutory housing duties to homeless 16 and 17 year olds, development of new supported housing and foyer schemes, housing support	All young people engaged in education, training, or employment
NI 141 Percentage of vulnerable people achieving independent living	Provision of safe secure affordable homes and high quality housing related support	Increased independence of vulnerable people
NI 142(VSC03) Percentage of vulnerable people who are supported to maintain independent living	Provision of safe secure affordable homes and high quality housing related support	Vulnerable adults able to live independently
NI 145(VSC05) Adults with learning disabilities in settled accommodation	Providing additional supported housing schemes, high quality housing advice and floating support	Vulnerable adults able to live independently
NI 153 Working age people claiming out of work benefits in the worst performing neighbourhoods	Job and employment related training for social housing tenants, estate based regeneration and joint estate based initiatives with other agencies	Reduction of Worklessness
NI 186 Per capita CO ² emissions in the LA area	Private sector renewal and decent homes programmes to improve energy efficiency. Code for Sustainable Homes Standard in new homes, retro fitting of renewable technologies	Cornwall's contribution to the climate change agenda
NI 187 Tackling fuel poverty – people receiving income based benefits living in homes with a low energy efficiency rating	Private sector renewal programmes and Decent Homes programmes to improve energy efficiency of homes and reduce running costs	Reduction in fuel poverty

The Housing Strategic Priorities for Cornwall

As discussed in the introduction, the Housing Strategy comprises four Strategic Priorities, an overview of which is set out in Table 3 below. The Strategic Priorities draw their inspiration from national and regional housing policy and are based on existing good practice in local housing policy in Cornwall.

Producing the Housing Strategy

The production of the Housing Strategy was led by a team of Housing Strategy officers and involved the following key steps:

- A review of national regional and local policy drivers which influence local strategic priorities and are complementary to the new Cornwall Sustainable Communities Strategy
- The assembly of a robust evidence base, including three Strategic Housing Market Assessments and a new private sector stock condition statistical mapping exercise

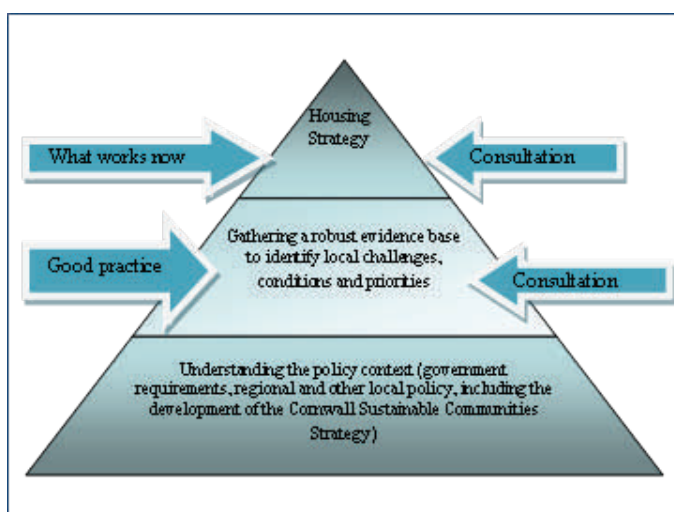


Figure 2: developing the Housing Strategy

Strategic Priority		Strategic Vision
1.	Delivering New Affordable Homes	To ensure that there an adequate supply of new affordable housing of all types and tenures are delivered to address the needs of people in housing need within Cornwall and ensure a better balance in the local housing market
2.	Finding Smarter Housing Solutions	To ensure universal access to a range of good quality options for people in housing need, with a strong emphasis on homelessness prevention and to improve access and choice for social housing allocations
3.	Achieving Decent Homes	To ensure that all public sector homes continue to meet the Government's Decent Homes Standard and to reduce the number of vulnerable households living in non decent homes the private sector
4.	Creating Sustainable Communities	To ensure that the work of the Housing Service contributes to tackling climate change, improving the economic prospects of Cornwall and to the regeneration and renewal of deprived and excluded communities

- A review of existing policies and practice across Cornwall
- Consultation with a broad range of partners and customers on proposed housing strategic priorities and commitments
- The identification of objectives and commitments for delivering the Housing Strategy

Throughout the process, the Housing Strategy Priorities have been tested against what already works in Cornwall and examples of good practice from elsewhere. Figure 2 below illustrates the strategy development process.

Consultation was an important element of the production of the Housing Strategy and a wide variety of stakeholders and interest groups contributed to the process. The consultation arrangements are summarised in Table 3 below.

Regular dialogue and fresh conversations with all stakeholders will be necessary to the review and will help to ensure that the Council's Housing Strategic Priorities remain current and relevant to the communities of Cornwall.

Table 4: Summary of consultation with interest groups and their influence on the strategy		
Interest group	Consultation approach	How the strategy was influenced
Affordable housing delivery partners of new homes	Dedicated consultation event	Ideas for new delivery partnership and approaches to rural housing development
Private sector housing	Dedicated consultation event	Setting priorities for private sector housing and future private sector renewal strategy
Community safety partners	Consultation and workshop event with Devon & Cornwall Police Service	Extending county best practice on anti-social behaviour initiatives. Priority for quality design for new homes and designing out crime
Homeless strategy partners	Dedicated consultation event	Proposed actions for partnerships with private landlords
Social housing tenants	Dedicated workshops for each of the six main social landlords	Establishing relative priorities in the strategy. Proposed actions for homes and neighbourhoods
Children and young people	Presentation of the Children and Young People's Partnership and consultation with children and young people	Supported housing projects for young people prioritised. Maintained focus on temporary accommodation reduction and standards for children and young people
Housing Management professionals	Consultation days and roundtable discussion	New focus on neighbourhoods. Development of partnership choice based lettings model
Older people	Presentation to the Older Persons Partnership	Views on new models of supported housing provision.
Wider group of public and voluntary sector groups	Housing issues paper circulated as part of the Sustainable Communities Strategy consultation	Strengthening issues around design and climate change
Gypsies, travellers and travelling show people County Group	Consultation on draft document	Inclusion of details on the housing needs of these groups and timetable for future planning policy
Wider public	Newspaper and web based consultation	Personal perspectives and experiences taken into consideration

A major outcome of the consultation exercise was the identification of the need to continue to maximise the provision of new affordable housing in Cornwall as a Housing Strategic Priority, which as well as being a national and regional priority, has been recognised as a corporate priority in Cornwall for several years.

The finalised Housing Strategy comprises the following two sections:

- **Section A: Setting The Scene** – providing context for the Housing Strategy and the delivery of the Housing Service
- **Section B: Our Housing Strategic Priorities** – a detailed description of the four strategic priorities for delivering the Housing Service

Resourcing the Housing Strategy

Financial and employee resources are vital components of a successful Housing Strategy and ideally, sufficient resources will be allocated to meet all of the Objectives and Commitments in the Housing Strategic Priorities and all of the targets in the Action Plan.

In practice, the Council needs to take an objective overview of all of its Housing Service aspirations, identify the resources that are available to deliver the Housing Strategy and prioritise accordingly. This is particularly relevant in the current financial climate.

The funding for the Council's Housing Strategic Priorities will be identified and assembled through the Service Planning and Budget processes, based on the settlements received through the Regional Housing Pot and the National Affordable Housing Programme; the Housing Revenue Account funded by Council house rents and any successful external funding bids.

The Cornwall Challenge

The Council faces the following challenges whilst addressing the resources available for the Housing Strategy.

- The Council has identified the Strategic Housing Priority to Deliver Affordable Housing as one of the ten priority projects for Cornwall.
- Additional funds are available nationally for investment in new affordable homes as a short term increase to respond to the economic downturn. However, there are likely to be reductions over the medium term, owing to competing priorities for already stretched national budgets
- Second Homes Council Tax funding has become a vital component of the funding of new affordable housing, supplementing the funding received from the Homes and Communities Agency and effectively replacing capital receipts lost as a result of diminishing Council house sales under the Right to Buy
- Section 106 agreements placing a planning obligation to provide an element of affordable housing on private sector housing developments have become increasingly important in delivering affordable housing. However, the current economic climate threatens the viability of this method of delivery, which will result in fewer new affordable homes being provided over the life of the Strategy.

- The demand for Disabled Facilities Grants (DFGs) remains high, with the Council being obliged to award mandatory grants. The demographic changes in Cornwall have resulted in an increasing number of older and vulnerable people. In practice this makes awarding DFG's to all in need increasingly difficult.
- The majority of the population occupies private sector housing but private sector renewal is the smallest element of the housing capital programme and investment to improve conditions in private sector homes remains very limited
- The Council's Housing Revenue Account Business Plan is required to identify sufficient funding to maintain the Decent Homes Standard over a thirty year period. It will also be required to take into consideration the needs and expectations of tenants beyond the minimum standard. Current predictions are that there will be insufficient resources available to achieve the objectives for the Council's housing stock
- The current financial climate is likely to lead to an increasing number of households being threatened with homelessness. The Council will have the responsibility to address these households, which could result in greater pressure on the General Fund budgets, in the form of higher temporary accommodation costs or more use of homelessness prevention initiatives.

The Sources of Revenue

The current sources of funding for housing within Cornwall include:

- Capital and Revenue Budgets for the provision of new Affordable Housing (linked to Strategic Priority 1)
- Capital grants for the from the Homes and Communities Agency Grants (linked to Strategic Priority 1)
- Revenue contributions towards the delivery of affordable housing from housing associations (linked to Strategic Priority 1)
- Contributions towards the delivery of affordable housing through Section 106 Agreements (linked to Strategic Priority 1)
- PFI Scheme (linked to Strategic Priority 1, 2 and 4)
- Second Homes Council Tax income allocated for the delivery of affordable housing (linked to Strategic Priority 1)
- Growth Points Initiative (linked to Strategic Priorities 1 and 4)
- Eco-Town Initiative (linked to Strategic Priorities 1 and 4)
- Regional Housing Pot (linked to Strategic Priorities 1, 3 and 4)
- Right to Buy Capital Receipts (linked to Strategic Priorities 1, 3 and 4)
- Department of Communities and Local Government Homelessness Initiatives (linked to Strategic Priority 2)
- Disabled Facilities Grants (linked to Strategic Priority 3)
- The Housing Revenue Account, which funds all activities in respect of the Council's landlord services (Linked to Strategic Priorities 3 and 4)

Table 5 below identifies the resources the Council has allocated for Housing in the current (2009/10) financial year – including central government grants the Council receives - and where available the equivalent figures in 2008/09 incurred by the former District Councils.

It is planned to work with other public sector organisations, Housing Associations and the voluntary/ community sector with the aim of including details of the resources they make available to support Housing in Cornwall. This information will be incorporated in future versions of this Strategy.

Table 5: Housing Investment and Expenditure 2008/2009 and 2009/10		
*Figures not readily available, or figures yet to be confirmed as scheme is under development.		
	2008/09 £'000	2009/10 £'000
Revenue Funding		
<i>Affordable Housing</i>	1,108	1,200
<i>Growth Points Initiative</i>	N/A*	300
<i>DCLG Homelessness Initiatives</i>	515	706
<i>Other Housing General Fund Expenditure</i>	N/A	8424
Capital Funding		
<i>Affordable Housing</i>	N/A*	7,920
<i>Growth Points Initiative</i>	N/A*	3,430
<i>Disabled Facilities Grant</i>	N/A*	4,858
<i>Section 106 Agreements</i>	N/A*	550
<i>Regional Housing Pot (Private Sector Renewal)</i>	N/A*	3,781
<i>Eco Towns Initiative (scheme currently under development)</i>	0	N/A*
<i>Private Finance Initiative (Outline Business Case currently under compilation)</i>	0	N/A*
Housing Revenue Account	11,426	10,725

To achieve its Housing Strategic Aims in full during a difficult economic climate, the Council will need to look beyond the conventional methods of housing investment and adopt a proactive approach to bidding for external resources. Cornwall has a good track record in this area and there are successes and opportunities through current Government housing investment initiatives.

The following four chapters on each of the Housing Strategic Priorities provide details on the specific areas for investment and how they can be funded from within existing resources. The chapters also identify potential sources of additional funding that could be tapped from a variety of sources to enhance the traditional investment.

Delivery of the Housing Strategy

Delivery of the Cornwall Housing Strategy will be led by the Communities Directorate working in partnership with other Directorates within the Council and with key external partners within the statutory, voluntary and private sectors.

It is essential that the budget setting and Service Planning processes are complementary to the delivery the Housing Strategic Priorities and ensuring that they are adequately funded.

To address this, the Council's Corporate Leadership Team, comprising the Chief Executive, the Director of Communities, The Director of Corporate Support, the Director of Environment Planning and the Economy, the Director of Adult Care and Support and the Director of Children, Schools and Families, and Programme Director for Green Cornwall? will take the lead role in championing the Housing Strategy and its Strategic Priorities.

The Housing Strategy will be constantly monitored and reviewed, using the following structure:

- The Assistant Head of Housing – Strategy and Policy will have responsibility for the implementation and monitoring the Housing Strategy through the Housing Strategy Delivery Plan on a day to day basis
- A cross-directorate officer group entitled the Housing Strategy Delivery Team, will be established to ensure that there is corporate commitment to delivering the Housing Strategy and its Action Plan
- An Elected Member group will be established to ensure that the Council's corporate values and vision are being reflected in the delivery of the strategy
- The delivery of the Housing Strategy will also be monitored by the Communities Overview and Scrutiny Committee
- The Homes and Communities Thematic Partnership will ensure that the delivery of the Housing Strategy is consistent with the wider aims of the Sustainable Community Strategy
- Actions which contribute to the Sustainable Community Strategy will be measured through the Local Area Agreement and a quarterly review of performance. A review of the strategy will be carried out on an annual basis and the strategy will be refreshed at the end of its duration
- Supporting evidence will be provided as required in the form of housing needs assessments and local surveys, as well as wider contextual housing market issues and links with population change and economic intelligence work, The Council's Community Intelligence team is keen to explore how it can help support future Housing Strategy development and enhance its delivery with relevant intelligence and evidence.

The Housing Strategy Delivery Team

To ensure that the Housing Strategy is being delivered on a day-to-day basis, the Council will establish a corporate Housing Strategy Delivery Team, led by the Head of Housing Services. This core group will have the initial responsibility of devising the Housing Strategy Action Plan for 2010/11, which will then be updated on an annual basis.

On a day to day basis, the Delivery Team will have responsibility for overseeing the various aspects of service delivery, monitoring the housing budgets and providing regular progress reports to the Housing Portfolio Holder and the Corporate Leadership Team.

The Housing Strategy Team will also establish sub groups with experts from each of the various disciplines represented in the Housing Strategic Priority. These sub groups will identify specific areas of service delivery and the resources that should be prioritised to form initial Housing Strategy Action Plan and feed this back into the core group. The sub groups will then have the vital role of advising the core group of progress against targets within their own specialisms and ensuring that the priorities remain current and relevant, to ensure that future Actions Plan remain focused on meeting the needs of the residents of Cornwall.

SECTION B

OUR HOUSING STRATEGIC PRIORITIES

HOUSING STRATEGIC PRIORITY ONE:

DELIVERING AFFORDABLE HOUSING

Strategic Vision

We will maximise the delivery of homes of all types and tenures, address the shortage of affordable housing in Cornwall and achieve a better balance in the local housing market

Introduction

The need to deliver more affordable homes in Cornwall has become a high profile corporate priority in recent years, as a direct result of high housing costs against the backdrop of a low wage economy. The current problems facing the national economy have impacted on Cornwall and the combined factors of a reduction in the overall supply of housing, limitations placed on accessibility of mortgage finance, increasing unemployment and reducing disposable incomes has meant that demand for affordable housing across all tenures is increasing.

There has been a robust response to this situation, which has achieved significant improvements in affordable housing delivery in the last five years, with 711 completions in 2007-08 and 759 completions in 2008/09, which represents a 100% increase from the 2003/04 figure. Despite this success, the level of housing need in Cornwall identified through the three Strategic Housing Market Assessments, is such that it would be necessary to build around 2,324 new homes per annum to deal with the backlog of affordable housing need that has built up over recent years and satisfy the newly emerging housing need. The Regional Spatial Strategy has also recognised the need for additional affordable housing in Cornwall and has set the affordable housing requirement to around 1,195 homes per annum.

Meeting this Strategic Priority against a backdrop of deepening economic uncertainty is therefore a difficult challenge but nonetheless an essential corporate priority. The Council therefore has to achieve a balance between the overwhelming extent of housing need and what can be realistically delivered within existing financial resources and has committed to a significant increase in the current rate of delivery of affordable housing to 1,200 homes per annum. This challenging target has been given a boost by the announcement that Cornwall's bids for a Private Finance Initiative to provide over 800 affordable homes and the Eco Town bid to provide up to 1,500 new affordable homes out of a total of 5,000 have been successful.

The Policy Context

Policy Context at a Glance

Table 6: Policy Context		
National Drivers	Regional Drivers	Local Drivers – The Cornwall Response
<p>Sustainable Communities <i>Sustainable Communities: Building for the Future 2003</i> http://www.communities.gov.uk/publications/communities/sustainablecommunitiesbuilding <i>Lyons Enquiry into Local Government – Place shaping: a shared ambition for the future of local government</i> http://www.webarchive.org.uk/wayback/archive/20070428145801/www.lyonsinquiry.co.uk/docs/final-complete.pdf <i>Living Working Countryside: The Taylor review of rural economy and affordable housing</i> http://www.communities.gov.uk/documents/planningandbuilding/pdf/livingworkingcountryside.pdf</p>	<p><i>South West Regional Housing Strategy 2005-2016</i> Aim 3 – Supporting sustainable communities southwest-ra.gov.uk/media/SWHB/Regional%20Housing%20Strategy/strategy.pdf</p>	<p>Creation of Cornwall Council from 1/4/09 Making best use of existing assets Enabling affordable housing in rural areas Driving up standards in affordable housing delivery Strengthening staff skills</p>
<p>Housing Supply <i>Barker review of housing supply 2004 - Delivering stability: securing our future housing needs</i> www.hm-treasury.gov.uk/d/barker_review_report_494.pdf</p>	<p><i>South West Regional Housing Strategy 2005-2016</i> Aim 1 – Improving the balance of housing markets <i>Draft South West Regional Spatial Strategy 2006-2026</i> www.southwest-ra.gov.uk/media/SWRA/RSS%20Documents/Final%20Draft/draftRSSfull.pdf</p>	<p>Creation of Cornwall Council from 1/4/09 Increased capacity within affordable housing delivery team Co-location of affordable housing and planning teams Maximising additional funding opportunities</p>
<p>Increased supply of well designed, greener, more affordable homes <i>Homes for the future: more affordable, more sustainable</i> www.communities.gov.uk/documents/housing/pdf/439986.pdf <i>Code for Sustainable Homes – Setting the standard for sustainability in new homes</i> www.communities.gov.uk/documents/planningandbuilding/pdf/codesustainhomesstandard.pdf <i>The UK Low Carbon Transition Plan</i> http://www.decc.gov.uk/en/content/cms/publications/lc_trans_plan/lc_trans_plan.aspx</p>	<p><i>South West Regional Housing Strategy 2005-2016</i> Aim 2 – Achieving good quality homes. <i>South West Climate Change Action Plan 2008-2010</i> http://www.swcouncils.gov.uk/media/SWRA/Climate%20Change/Revised_Draft_CCAPv4.8.pdf</p>	<p>Creation of Cornwall Council from 1st April 2009 Review of Affordable Housing Development Programme Developing new partnerships for affordable housing delivery Driving up standards in affordable housing delivery Driving down carbon impact of housing</p>

National Policy Context

The Government's Sustainable Communities agenda and the Barker Review of Housing Supply have raised the profile of housing delivery and given it a high priority on the political agenda. Two specific demographic trends in the form of pressure from affluent in-migration and the increase in the number of single person and smaller households have influenced national housing policy and are a feature the Cornwall sub-regional housing market, with the resultant increased pressure for additional homes. The Government expects local authorities to be at the forefront of responding to such structural demographic changes, primarily by improving local housing delivery through the planning system. The Government's housing green paper of July 2007, *Homes for the future: more affordable, more sustainable* proposed the delivery of three million new homes by 2020 to address the increased demand for housing. This will be achieved through a range of policy solutions, with local authorities at the forefront, which include:

- 1.6m homes delivered through the existing Regional Spatial Strategies
- Up to 200,000 homes delivered through the new round of Regional Spatial Strategies
- 29 new growth points delivering 100,000 additional homes
- Five new eco towns to provide up to 100,000 additional homes
- Around 10% of new housing being delivered on public sector land
- Recycling of homes and land, through regeneration and the use of brownfield sites
- Funds to support infrastructure investment

- The development of a Local Housing Company model for a joint venture between the public and private sectors, with local authorities 'investing' land in the development process and private developers and other investors providing funding to an equivalent amount

Cornwall has already embraced these ideas with three growth points and an eco town proposal in the county. Freedoms from the Council housing subsidy regime will also enable Carrick Housing Ltd, a Cornwall Council Arms Length Management Organisation to bid for Homes and Communities Agency funding to build new affordable homes.

Regional Policy Context The Regional Housing Strategy

The South West Regional Housing Strategy 2005-2016 has three Strategic Aims. Aim 1 – Improving the Balance of Housing Markets is:

"To develop housing markets with a range of tenures, which improve the balance between supply and demand, and offer everyone the opportunity to access a home at a price they can afford."

The Regional Housing Strategy requires 70% of new homes to be for general needs social renting, with the balance split between intermediate housing and new supported housing, including extra care.

A forthcoming review of the Regional Housing Strategy will take into account recent work on Strategic Housing Market Assessments and key recommendations from the Affordable Rural Housing Commission report of May 2006.

The Government intends to introduce new ways for local authorities to work in partnership at regional level in place of Regional Assemblies, which will involve the development of Single Integrated Regional Strategies. This initiative, coupled with the creation of the new Homes and Communities Agency will achieve closer alignment between policy areas to deliver growth. A key component of this will be forging strong links between housing priorities and outcomes and other policy areas to ensure that key messages about affordability and quality of housing are identified as important policy considerations.

The Regional Spatial Strategy

The draft South West Regional Spatial Strategy (RSS) proposes a delivery rate of around 3,400 new homes in Cornwall per annum, representing a dramatic increase in the amount of housing that will have to be delivered, thus requiring performance that has only been achieved once in the last 30 years.

The draft document has now been subject to an Examination in Public Panel Report and a review by the Secretary of state. The table below sets out the changes that have occurred at each stage of this process.

Table 7: Comparison between draft Regional Spatial Strategy, Panel report and Secretary of State proposed changes in housing numbers					
Housing Market Area	Draft RSS	EiP Panel Report	Secretary of State	Annualised requirement	Minimum affordable requirement
Restormel	8,600	15,700	15,700	785	275
Carrick	10,000	10,900	10,900	545	191
Kerrier	8,200	14,400	14,400	720	252
Penwith	4,800	7,800	7,800	390	137
West Cornwall	31,600	48,800	48,800	2,440	855
N. Cornwall	7,600	13,400	13,400	670	235
Caradon	5,800	6,500	6,000	300	105
TOTAL	45,000	68,700	68,200	3,410	1,195

The draft RSS identifies 21 Strategically Significant Towns and Cities (SSTC), including the following three within the West Cornwall Housing Market Area:

- Camborne/Pool/Redruth
- Falmouth/Penryn
- Truro

The draft RSS also acknowledges the strategic location of the towns of Saltash, Torpoint and Liskeard in South East Cornwall and the important role they play, both in relation to Plymouth's future as the principle urban area in the south west peninsula, as well as in their own right as more balanced, sustainable communities.

The draft RSS has also recognised that affordability pressures and the shortage of affordable housing are now operating as a brake on the economic prosperity of the region and eroding the sustainability of communities. To address this, the RSS has identified different planning objectives across the region. For example, in the west of Cornwall, the emphasis is on the need to stimulate economic activity and development, regenerate more deprived areas and reduce income disparities. The RSS itself has also set aspirational targets for the percentage of affordable homes delivered. In terms of the spatial distribution of new affordable homes, any of the key towns could justify and support higher levels of provision. However, the driver for growth will clearly be the towns with strategic significance, including Camborne/Pool/Redruth, Truro, St Austell, Falmouth/Penryn, Bodmin and Penzance.

The Cornwall Challenge

The following features of the housing market in Cornwall present significant challenges to delivering affordable housing:

High housing costs

- The cost of buying a property or renting in the private sector has remained consistently high across Cornwall over the last few years
- During this period, Cornwall developed as a series of high value integrated markets where almost no local housing market is more affordable than another
- Affordability ratios are markedly even across the County, invariably in excess of 10:1
- In all but two Cornish districts, affordability is consistently worse than the regional average and the South West is now the least affordable region in the country

- The combination of these factors has reduced the ability of local households to move to cheaper housing markets to address their housing need

Building from a low base

- In the recent past Cornwall was a relatively affordable sub-region and the lack of pressure on social housing resulted in a lower demand and thus lower provision
- Social housing forms only 12% of the housing stock in Cornwall compared to 16% regionally and 23% nationally
- There are higher levels of owner occupation and private renting than the regional and national average
- These comparatively low figures are a reflection of the rapid speed of structural changes in the housing market in the last few years

Low Turnover and congestion in affordable housing

- The combination of the rapidly changing housing market and the relatively low levels of investment in social housing has seen demand grow exponentially to the current position of severe congestion at the lower end of housing markets across all tenures. The three Strategic Housing Market Assessments identified a need for 4,488 new dwellings per annum to meet all housing need, of which 2,324 (52%) would need to be affordable housing
- The need for social housing has expressed by over 5,000 households completing an application for Council's housing register.
- This position is exacerbated by a low turnover in the social housing stock, with figures as low as 10% of the total stock being typical

- Rural communities are particularly susceptible, with any remaining social housing in many villages rarely changes hands and in exceptional cases, all the social rented housing having been sold off under the Right To Buy
- These factors combine to give local authorities the challenge of attempting to balance housing markets to improve social and economic prospects for future communities, whilst addressing the under investment of previous years

Lower than average local incomes

- Cornwall has some of the lowest incomes in England and has qualified for European funding interventions including Objective One and Convergence
- Although the European funding has had a positive impact on economic growth, local wages in most sectors have not reflected this and the Cornish economy is still highly dependent upon seasonal work in the agricultural and service sectors.
- The interaction between low wages and high house price inflation has had a direct impact on affordability problems in Cornwall
- These problems have been partially addressed through low cost home ownership products, such as New Build Homebuy, which is a conventional Shared Ownership arrangement through a housing association
- However, there are many households for whom any form of home ownership is not an option
- The only option to meet the accommodation needs of this marginalised group is to rent in the public or private sector

Cornwall's coastal geography and natural environment

House prices in Cornwall are generally higher in coastal and rural areas than in urban areas although most towns have high value areas

- This position is exacerbated for local purchasers who have to compete with the demand for second and holiday homes
- Living Working Countryside: The Taylor review of rural economy and affordable housing, published in 2008 by Matthew Taylor, MP for Truro and St Austell, identified that there were over 13,000 second homes in Cornwall in 2005, which represents around 6% of the total housing stock, the majority of which are concentrated in the rural and coastal areas, where, in extreme cases second homes make up between 20% and 40% of the local housing stock
- Although second homes have the most visible impact on smaller coastal and rural communities, there are other significant pressures on the housing stock across Cornwall, most notably empty homes, holiday accommodation and investment properties, which are not as high profile as second homes but when added together have a greater impact
- Delivering new affordable homes in rural and coastal locations is subject to special planning considerations for World Heritage Sites and Areas of Outstanding Natural Beauty
- Rural and coastal affordable housing development needs to address the interests and concerns of the existing local communities and any perceived challenges to their environment and heritage

- In terms of delivering increased insulation and energy efficiency, approximately 50% of existing housing stock is 'hard to treat' making the delivery of carbon reduction targets difficult to achieve.

The required step change in housing delivery

- The regional housing targets present a significant challenge for Cornwall and will require a step-change in the speed of new housing delivery
 - 1195 new homes each year are required to meet the minimum affordable housing requirement for Cornwall, which is an increase of around 61.5% on current delivery rates
 - The current uncertainty in the housing market will be likely to have a negative impact on the amount of affordable housing that can be delivered through planning policy in partnership with private sector developers
 - It is unclear whether there will be sufficient development of large scale housing sites in the current financial climate to meet the growth required by the Regional Spatial Strategy, which will slow down the delivery of affordable housing in the absence of other delivery strategies.
 - In recent years, annual affordable housing requirements have not been matched by the resources available for affordable housing delivery
 - This has led to local delivery targets being tempered to ensure that they are realistic and that the actual provision to reflects the resources available
- Although affordable housing delivery targets were exceeded on average during 2007/08 and 2008/09, the affordable housing, the actual provision only met an average of 31.6% of the net annual affordable housing requirement of affordable homes, identified in the Strategic Housing Market Assessments as set out in Table 6 below
 - The average number of affordable homes delivered over the last two financial years was 735. Whilst this is a consistent and relatively strong performance within the resources available, it only represents around 61% of the Council's new target of 1,200 affordable homes per annum
 - Achieving the required step change will be a challenge for the planning and housing services to identify the additional land required and facilitate the provision of affordable through its enabling role
 - Turning strategy into action will require a strong partnership delivery approach, involving the Homes and Communities Agency, private developers, housing association providers and the construction industry

**Table 8:
Comparison between affordable housing need and delivery levels
2007-08 and 2008/09**

Former Council	Net annual affordable homes requirement	Affordable Housing Target	No. of homes delivered 2007/08	No. of homes delivered 2008 09
Carrick	317	150	110	142
Restormel	322	150	155	205
Penwith	147	70	134	72
Kerrier	312	70	78	109
Caradon	634	92	88	96
North Cornwall	592	160	146	135
Totals	2324	692	711	759

Table 9: Breakdown of Affordable Housing Delivery by tenure during 2008/09

Former District	Social Rented	Shared Ownership	Intermediate	Affordable Total
Caradon	76	20	0	96
Carrick	104	29	9	142
Kerrier	78	31	0	109
North Cornwall	74	25	36	135
Penwith	31	10	31	72
Restormel	92	58	55	205
Totals	455	173	131	759

Resources for Delivering Affordable Housing

National & Regional Issues

Government investment for new affordable housing is distributed through the Regional Housing Pot (RHP), co-ordinated by the Strategic Leaders' Board of the South West Councils. The proportion of investment directed to specific programmes is determined by the priorities in the South West Regional Housing Strategy 2005-16, with funding allocated for a three year period. At the time of publication, the provision of new affordable housing was identified as the principle priority and was allocated 75% of the available funding.

The priority for this element of the programme was confirmed by an increase in the share of the regional housing resources in the South West for 2008-11 to 86%. Of the £711 million allocated for the provision of new affordable housing 30% will fund the home ownership programme. Social rented housing, which is in high demand and relatively more expensive to deliver will attract the remaining 70% (approximately £500 million). The South West has set itself the challenging target to deliver 5,000 homes in small market towns and villages in 2008-11 to reflect the rural character of the region. Cornwall is likely to be a significant beneficiary of this specific rural settlement target.

A proportion of the new homes budget is also available for new supported housing schemes, although high costs and the challenges to delivery ensure that new capital schemes are a small element of the programme. Another complication is the revenue costs for the day-to-day running of new schemes, which will require funding through the Cornwall Supporting People budget at a time when resources can only support existing provision and there is no growth for new projects.

Current Affordable Housing Resources

The following funding streams are available to support this Housing Strategic Priority.

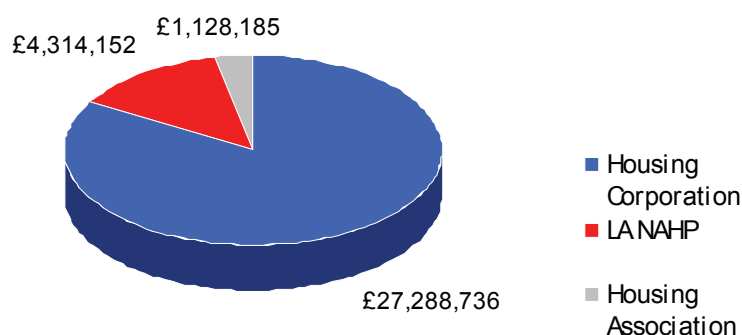
Delivering Affordable Housing through the National Affordable Housing Programme (NAHP)

In recognition of the importance attached to the Strategic Housing Priority to deliver affordable housing, the Council has made regular financial contributions from the Housing Capital Programme to supplement the funding from the Homes and Communities Agency, with £12.1m being provided from the Council's financial resources during 2007/08 and £11.4m during 2008/09, which comprised the following key elements:

- £10.2m from Second Homes Council Tax
- £11.9m from capital receipts
- £1m from commuted sums in lieu of provision of affordable housing on site

To date Cornwall has received funding allocations of over £27m from the Homes and Communities Agency in the National Affordable Housing Programme 2008-11, which is being supplemented by £4.3m from the Council's Housing Capital Programme and £1.1m from developing housing associations, as set out in figure 4 below. This will deliver 665 homes at an average subsidy of £49,219.

Figure 4 Investment in Cornwall 2008-11



Delivering Affordable Housing using Second Homes Council Tax

Cornwall has an over representation of second and holiday homes, accounting for over 10% of all homes in rural locations and between a quarter and a third of all homes in selected coastal settlements. The impact of second and holiday homes on house prices and the ability of local people to access the housing market is well recorded. The Council's ability to levy a 90% Council Tax to replace the previous 50% charge has provided the opportunity to invest the additional revenue into the provision of affordable housing, thus offsetting some of the negative effects of second homes. The following good practice example shows the positive impact of the Second Homes Council Tax programme.

Table 10: Second Homes Council Tax Funding 2004/05 to 2007/08

In 2004 a five year agreement was reached to allocate 75% of the former County Council's additional revenue for investment in new affordable homes, an example of best practice and partnership working which achieved national recognition for Cornwall. By the fourth year, 2007/08, over £14m from Second Homes Council Tax revenue had provided nearly 700 additional affordable homes for rent or sale, many of which were in rural locations that were not considered to be of regional significance to receive Homes and Communities Agency funding and would not otherwise have been viable. The programme is summarised in the Table 8 below.

Service Delivery Area	Total SHCT	Schemes wholly funded by SCHAT			Schemes partially funded by SCHAT		
		Schemes	Homes	Subsidy	Schemes	Homes	Subsidy
East Cornwall	£6.8m	13	97	£5.0m	6	90	£1.8m
Mid Cornwall	£3.0m	15	162	£1.9m	6	111	£1.1m
West Cornwall	£4.5m	8	83	£1.5m	15	165	£3.0m
Cornwall	£14m	36	342	£8.4m	37	366	£5.9m

Second Homes Council Tax funding has become an essential element in the funding and delivery of affordable housing over the last six years and it is important for the Council to recognise the contribution this has made and could continue to make to the Housing Strategic Priority of Delivering Affordable Housing.

Delivering Affordable Housing through Section 106 Agreements

The Council can use planning policy by requiring an element affordable housing to be provided on all private sector housing developments under Section 106 of the Town and Country Planning Act 1990. This places an obligation on the developer to make a contribution in one of the following ways:

- Providing new affordable homes for rent or sale and disposing of them to a housing association at "nil" or reduced cost
- Providing, retaining and managing new affordable homes for rent or sale
- Providing free land or serviced plots and disposing of them to a housing association at "nil" or reduced cost
- Providing commuted lump sums for off site affordable housing where on-site provision is not viable or practical

Providing affordable housing through developer contribution is a cost effective way to supplement grant funding from the Homes and Communities Agency and the Council's capital programme and therefore stretch limited public resources to increase the delivery of affordable housing. This is easily achievable for low cost housing for sale and can also be viable for social rented housing, although in the latter case the amount of homes that the housing associations can purchase from the developer will be limited by the number that can be funded solely through future rental streams. In practice, this means that the number of social rented homes that can be achieved on a development will be far lower than if the homes are provided for low cost sale. Furthermore, this particular policy works best in a buoyant housing market and reliance upon grant free mixed tenure developments funded through S106 agreements is ineffectual in the current economic conditions.

Commuted lump sums in lieu of on-site development can be a useful device to fund affordable housing on an alternative site where the costs of on-site provision would render the whole scheme unviable, or where there are sound planning reasons for not providing it on site. This would not automatically be the preferred option but there is an opportunity to adopt a more strategic, flexible approach by using the contributions to build up additional resources for affordable housing.

Funding for provision of accommodation for Gypsies and Travellers

The Regional Housing Pot includes an element of capital funding for the provision and refurbishment of Gypsy and Traveller sites, from which Cornwall secured funds during 2008/09 to improve two existing sites in Cornwall.

The Regional Housing Body has indicated that up to £4m will be allocated regionally over the two years for the provision of residential or transit pitches, with Councils being able to secure 100% grant funding for each development. Cornwall Council will therefore be actively seeking grant funding to meet the short term identified need for 159 residential pitches, 40 transit pitches and six pitches for travelling show people to overwinter on.

Future Funding Opportunities for Delivering Affordable Housing

The table below sets out the various opportunities that are available for innovative one-off and continuing sources of additional income to support the delivery of affordable housing.

Funding Stream	Future Opportunity
National Affordable Housing Programme	Cornwall is currently receiving £27m from the Homes and Communities Agency. The HCA will broaden its investment criteria to include land acquisition; gap funding for regeneration schemes; estate remodelling; hostel development and PFI funding. The Council is currently in discussion with the HCA about how to maximise inward investment into Cornwall.
Growth Points	Growth points provide capital investment for land acquisition and infrastructure to deliver new homes. Under this programme, Truro has been awarded funding for capital investment, whilst Newquay and Camborne/Pool/Redruth have been awarded funding for revenue investment.
Eco Towns	The bid by Imerys to build an Eco Town in china clay area near St Austell has been approved by the Government. The scheme will provide over 5,100 new homes, around 40% of which will be affordable and will attract investment to support infrastructure and design costs.
Private Finance Initiative	Cornwall's PFI bid has been accepted by Communities and Local Government and could deliver over 800 new affordable homes for rent and sale over the next 30 years. This investment will be in addition to other programme.
Department of Health, Extra Care	Funding is made available for the provision of extra care supported housing. The Council will position itself to take advantage of any future opportunities.
Contribution through planning obligations under Section 106 Agreements	Off-site contributions from developers in lieu of on-site provision can be invested in affordable housing but levels are currently low. The Council will develop a new approach to collecting contributions in readiness for housing market recovery
Places for Change Programme	Cornwall has already received £400,000 funding from this homeless hostels programme and could bid for any future funding made available.

Objectives and Commitments for the Delivery of Affordable Housing

Delivering affordable housing is a multi-faceted function, which needs a number of different elements to come together to achieve a finished product and requires contributions from a number of different organisations. To address the challenges in delivering affordable housing, the Council has identified the following seven objectives

- A Increasing the Affordable Housing Delivery Rate**
- B Strengthening Partnerships for Delivery**
- C Maximising Funding for Affordable Housing**
- D Modernising the Policy Framework**
- E Making Best Use of Existing Assets**
- F Strengthening Skills**
- G Sustainable Homes, Sustainable Communities**

Objective A: Increasing the Affordable Housing Delivery Rate

The Current Issues

The availability of development land is a critical factor in delivering affordable housing. In recent years, increasing percentages have been delivered in partnership with private developers through planning gain, using agreements under Section 106 of the Town & Country Planning Act 1990. Such development opportunities are not fully within the control of the Council and the construction industry has been badly hit by the economic downturn. This has affected the viability of some development projects and had a direct impact on the number of sites being developed, which in turn, has reduced affordable housing delivered through this route.

Affordable housing has traditionally been delivered on land owned by the Council or other public sector bodies or through a housing association but these opportunities have dwindled as the land banks have been developed and not replaced, due to pressures on public spending. Furthermore, conditions in the housing market in recent years have not been conducive to public sector organisations being able to compete with the private sector on land purchases. However, current market conditions have reversed this position and there are some good opportunities for some innovative affordable housing delivery solutions. The good practice example below shows how effective intervention and enabling can stimulate an affordable housing scheme.

**What works - Good Practice Case Study:
Passmore Edwards Extra Care Provision**

A report to the former Cornwall County Council Adult Social Care Overview and Scrutiny Committee in January 2008 identified the need for over 5,000 Extra Care spaces by 2028, at a time when Cornwall had no provision at all. The former Caradon District Council purchased a former hospital site in Liskeard and led a partnership to deliver the inaugural extra care facility for frail older people in Cornwall. The scheme, which will be completed during 2010 comprises 55 flats for rent and low cost home ownership and outright sale, together with a range of community facilities including health treatment rooms, lounge, hobby rooms and visitor accommodation.

Sarsen Housing Association, the Council’s development partner for this project held detailed consultation events with the local community to promote the project and secured the capital and revenue funding required to build the scheme. A partnership approach involving the Primary Care Trust, Adult Social Care and Cornwall Supporting People has ensured that the scheme will meet the needs of the community.

A Way forward

The following initiatives and interventions are proposed to meet the objective to increase the affordable housing delivery rate, most of which build on existing good practice.

- A review of the current Affordable Housing Development Programme across Cornwall to assess opportunities to identify additional resources that may be required and prioritise the programme to maximize delivery
- The identification of opportunities for the acquisition of strategic sites by the Council or its partners
- The encouragement of housing associations to compete more proactively in the land market and improve viability of schemes by increasing their involvement in private sector development
- The proactive disposal of the Council’s corporately owned land and other assets to sponsor affordable housing delivery
- Research into the Council’s compulsory purchase powers and how they can be used effectively to increase affordable housing delivery
- The introduction of higher affordable housing targets for development sites in public ownership

Table 12: Commitments for Objective A		
Task	Lead Responsibility	When
An early review of the current Affordable Housing Development Programme	Strategic Affordable Housing Manager	By 31/01/10
Proactive use of the Council’s powers and assets to sponsor affordable housing development	Strategic Affordable Housing Manager	Ongoing until 31/03/12
Maximisation of opportunities for the acquisition of land by the Council and its partners for the delivery of affordable housing	Strategic Affordable Housing Manager Affordable Housing Group Managers	Ongoing until 31/03/12

Objective B: Strengthening Partnerships for Delivery

Since 2001, affordable housing delivery in Cornwall has been co-ordinated through the Cornwall Housing Partnership, a proactive multi agency partnership between the Council and its housing association partners. The creation of Cornwall Council presents a unique opportunity to strengthen this partnership and put in place the right delivery arrangements to achieve this Housing Strategic Priority and meet the ambitious target to produce 1,200 new affordable homes per annum. It is therefore proposed to develop the following new partnerships to meet the Strategic Priority:

- Existing staffing resources identified for the Affordable Housing Delivery Teams and their co-location with the Planning Service will lead to co-ordinated planning and improved deliverability of projects
- A strong working relationship with the Homes and Communities Agency and the “single conversation” approach proposed by the agency will emphasise the importance of affordable housing delivery as part of the Council’s overall housing strategy

- The establishment of the Homes and Communities Thematic Partnership has provided strategic direction for the delivery of affordable housing. This newly established partnership will ensure that the Housing Strategy is consistent with the aims of the Sustainable Community Strategy and identifies targets that can be delivered through the Local Area Agreement to benefit the wider community
- The opportunity to enter discussions with national housing associations and developers that are not currently working in Cornwall but could potentially bring in expertise on the development and management of large scale sites and specialist projects such as Extra Care provision and may be willing to commit resources to longer term projects and strategic land banking.
- The provision of a positive, early response to developers bringing forward sites where there are additional community benefits, e.g. higher proportions of affordable housing
- The opportunity to develop collaborative working arrangements between the Council and volume housebuilders on strategic sites, such as joint ventures and Local Housing Companies. This can achieve economies of scale on major developments and facilitate housebuilders to bid for social housing grant from the Homes and Communities Agency in their own right

Table 13: Commitments for Objective B

Task	Lead Responsibility	When
Establishment of strong corporate working partnerships to co-ordinate the delivery of affordable housing	Strategic Affordable Housing Manager Assistant Head of Housing – Strategy and Policy	By 31/12/09
Development of new partnerships with a range of developers to maximise affordable housing delivery	Strategic Affordable Housing Manager	Ongoing until 31/12/12

Objective C: Maximising Funding for Affordable Housing

Capital funding is an essential component of affordable housing delivery and it will be necessary to maximise funding and investment to support the new partnerships. Cornwall Council is ideally placed to achieve this and can build on its recent success in securing Private Finance Initiative funding and Eco Towns funding by developing the following initiatives to maximise funding, most of which are based on existing good practice:

- The development of a Cornwall wide five year affordable housing capital programme, supported by a range of funding streams, including investment from the Homes and Communities Agency, the Council's Capital Programme, Second Homes Council Tax and contributions from private sector developers
- A proactive approach to the use of public sector assets with a range of solutions to sponsor affordable housing delivery, such as free or discounted land disposals, or sales of assets at market value with the capital receipt reinvested into the affordable housing project
- Opportunities to maximise affordable housing investment through alternative funding streams available to the Council, such as Private Finance Initiatives, the new freedoms and flexibilities within the Housing Revenue Account for prudential borrowing and the extension of Social Housing Grant to Councils
- The strategic use of off-site financial contributions from developers to enable the Council or its partners to acquire alternative sites for affordable housing provision
- Opportunities to improve the financial viability of affordable housing delivery through the use of non-housing funding streams, such as the Regional Infrastructure Fund and Convergence
- Opportunities to provide the justification for the Home and Communities Agency to continue to support gap funding for priority regeneration areas such as Camborne/Pool/Redruth
- Further opportunities to access funding streams linked to the Government's initiatives for Capital Growth Points or ECO Towns to add value to the conventional investment sources

Table 14: Commitments for Objective C		
Task	Lead Responsibility	When
Development of a five year Affordable Housing Development Programme, with potential funding sources identified	Head of Housing Services Strategic Affordable Housing Manager	By 31/01/10
Proactive use of the Council's capital funding programme and disposal of assets to sponsor affordable housing development	Head of Housing Services Strategic Affordable Housing Manager	Ongoing until 31/03/10
Innovative use of a range of funding streams to improve the viability of affordable housing delivery	Strategic Affordable Housing Manager	Ongoing until 31/03/10

Objective D: Modernising the Policy Framework

The creation of Cornwall Council has provided a unique opportunity to produce a unified planning policy framework for the whole of Cornwall. A Local Development Scheme has been produced, which identifies the need for early policy development for affordable housing, in the form of a Development Plan Document based on a robust evidence base. To achieve this, priority will be given to the following tasks:

- Harmonisation of procedural and delivery approaches for affordable housing delivery, 2012 including common clauses for section 106 agreements, to feed into the new Core Strategy for Cornwall in 2012
- The collating of a single evidence base to support the development of affordable housing planning policies
- The production of a single Development Plan Document for affordable housing for adoption as the Council's principal affordable housing planning policy tool

Table 15: Commitment for Objective D				
Task	Lead Responsibility			When
Close collaboration between the affordable housing delivery and planning and regeneration teams to ensure that affordable housing planning policies are fully integrated into the Cornwall Council Core Strategy	Strategic Assistant Manager Head Regeneration	Affordable Housing Planning &		Ongoing until 31/03/12

Objective E: Making Best Use of Existing Assets

Cornwall Council has the opportunity to review its own housing stock to identify potential projects to remodel existing estates or do some new build infill development. As well as delivering new affordable housing, this approach can contribute towards meeting the Strategic Priorities of Achieving Decent Homes and Creating Sustainable Communities. Similar opportunities arise with the housing stock owned by the Large Scale Voluntary Transfer landlords, Coastline Housing, Ocean Housing and Penwith Housing Association. To address this objective, the Council will consider the following options:

- Working with Landlord Services and residents groups throughout Cornwall to identify opportunities for the regeneration of social housing estates through remodelling projects or infill developments
- Working with the Older Persons Partnership Board, Landlord Services and residents groups to identify obsolete or low demand older persons housing which may have the potential for redesignation and remodelling as accommodation for other client groups in need of supported housing, or as general needs housing

Table 16: Commitment for Objective E		
Task	Lead Responsibility	When
Research options for remodelling of existing social housing schemes and developing infill sites	Assistant Heads of Landlord Services Affordable Housing Group Leaders Housing Association Managers	Ongoing until 31/03/12

Objective F: Strengthening Skills

The employees responsible for delivering affordable housing are one of the Council's most valuable resources. It is important therefore within the constraints of the Council budget these staff should receive training, development and support. One particular initiative to support these officers has been the introduction of a development economics model for Cornwall, which has now been accepted as the principle tool for assessing the viability of development sites and negotiating affordable housing contributions from developers. The Council has the opportunity to introduce the following additional initiatives to strengthen the skills base for delivering affordable housing:

- The establishment of a technical fund to support viability assessments
- The creation of an approved contractors list for specialist advice, such as commercial and residential valuations and quantity surveying data
- The completion of a skills audit to identify training needs to reduce consultancy fees around valuation and financial appraisal
- The establishment of a corporate development economics advisory group to act as a countywide resource
- The exploration of the potential for delivering an affordable housing Masterclass project, based on the existing Devon Strategic Housing Officers Group model, to improve the technical knowledge and skills for the negotiation of planning obligations of the planning and housing officers involved in affordable housing delivery
- The sharing of good practice around the use of developer contribution strategies in Camborne/Pool/Redruth and Truro and their wider application
- The provision of sufficient opportunities for training and work shadowing to enhance delivery skills, including masterplanning and development briefs for strategic sites
- The use of the Homes and Communities Agency as a critical friend to provide expertise, support staff and assist with strategic policy development

Table 17: Commitment for Objective F				
Task	Lead Responsibility			When
Provision of practical support, training and good practice to enhance the skills of the staff delivering affordable housing	Strategic Manager	Affordable	Housing	Ongoing until 31/03/12

Objective G: Sustainable Homes, Sustainable Communities

The Strategic Priority to Deliver Affordable Housing has close links to the Strategic Priority to Create Sustainable Communities. The Council wishes to deliver affordable housing that helps to meet the Government's policy initiatives for the sustainability agenda and has identified the following two key areas within this Strategic Priority:

Delivering Rural Housing

Rural exceptions sites can make a significant contribution towards affordable housing delivery but is often opportunity led. The Council has a unique opportunity to undertake a good practice review of rural development, co-ordinate policies and practices and develop a consistent approach to delivery. The following proposals are under consideration:

- Agreement to a programme of support for the Cornwall Community Landbank Trust and the sharing of good practice and documentation for future projects.
- Agreement through the Council's new localism agenda and in conjunction with the Community Development regeneration teams, to the level of support and capacity building that can be provided to Parish Councils to assist with affordable housing delivery in rural locations
- The identification of a list of rural parishes across the county which can be prioritised for investment based on agreed criteria
- Research into the practicalities of identifying a single strategic

delivery partner for rural exceptions sites, in conjunction with the Homes and Communities Agency

Developing High Quality Sustainable Housing

Affordable housing can suffer from the negative image perpetuated by its perception as a stigmatised tenure. Affordable housing delivery can help to break down these negative perceptions by ensuring that the new homes are well designed, fully integrated into existing communities, built with high quality materials and have high insulation and energy efficiency values which translate into cheaper running costs for the occupants and help respond to the challenges of climate change agenda. The Council can take a lead on developing quality standards for Cornwall through the following initiatives:

- The development of policies for the distribution of affordable housing within mixed tenure developments, achieving tenure neutral design and avoiding large scale mono-tenure estates
- Research into the practicalities of introducing policy guidance on housing mix for all tenures
- Providing opportunities for improved collaboration between affordable housing providers and planning officers in relation to the development of standard house types
- Working with housing associations, house builders and architects to identify the benefits of and justification for using higher specifications, high quality materials and renewable technology to provide additional quality to the delivery affordable housing

- Working with housing associations, house builders and architects to improve energy efficiency by achieving the Communities and Local Government Code for Sustainable Homes 3 as a minimum standard and exceeding it where possible
- Researching the practicalities of producing a good practice guides for developers on standard affordable housing specifications, lifetime homes and achieving Code for Sustainable Homes Level 3 as a minimum

Table 18: Commitments for Objective G			
Task	Lead Responsibility		When
Development of a range of options to support affordable housing delivery in rural areas	Strategic Housing Manager	Affordable	Ongoing 31/03/12 until
Development of a range of initiatives to improve the quality and sustainability of newly delivered affordable housing	Strategic Housing Manager	Affordable	Ongoing 31/03/12 until
Development of a range of options to deliver improved energy standards trajectory in line with 2016 zero emissions target	???		Ongoing 31/03/12 until

Much of the activity set out under this objective is already taking place. In developing the detailed delivery plan tiny additional activity will be fully costed and purchased against existing resources.

Section B Our Housing Priorities

HOUSING STRATEGIC PRIORITY TWO: FINDING SMARTER HOUSING SOLUTIONS

Strategic Vision

We will ensure that people have free access to a range of housing options which can help them to make their own housing choices, including the chance to remain in their own home and live as independently as possible. We will endeavour to ensure that people have a safe, secure home they can call their own and that temporary accommodation is only used as a last resort

We will tackle homelessness in Cornwall, with a strong emphasis on preventing people from losing their existing home.

Introduction

Warmth and shelter are amongst the most fundamental of human requirements and good quality housing can make a major contribution to social wellbeing and quality of life. A high quality, safe, secure and affordable home in the right place can also promote economic well being and help to sustain communities. The negative impacts of an unsuitable home, located away from social or support networks can be significant and can contribute to enduring social and health problems, particularly for the most vulnerable members of the community.

However, simply providing a roof will not necessarily meet the needs of some of the less advantaged households in Cornwall. In many cases, a smarter housing solution will also involve measures to help people retain and sustain their accommodation. Typical examples of this are the provision of high quality advice, support to sustain a tenancy, specialist care or physical adaptations to an existing home. The importance of this Strategic Priority is reflected by the statutory duties and powers that the Council and its partners have to help many groups in housing need.

The Policy Context

Policy Context at a Glance

Table 19: Policy Context		
National Drivers	Regional Drivers	Local Drivers – The Cornwall Response
<p>Homelessness Prevention <i>Source: Sustainable Communities: settled homes; changing lives – Jan 2005</i> www.communities.gov.uk/documents/housing/pdf/137818.pdf</p>	<p>South West Regional Housing Strategy 2005-2016 Strategic Aim 3 Action 26 www.southwesthousingbody.org.uk/media/SWHB/regionalhousingstrategy</p>	<p>Large scale introduction of homelessness prevention initiatives have contributed towards an incremental decline in acceptances against these three main causes of homelessness</p>
<p>Homelessness (Suitability of Accommodation) Order 2003 www.opsi.gov.uk/si/si2003/20033326.htm</p>		<p>Target to eliminate the use of B&B target consistently met except in exceptional cases</p>
<p>Extension of Homelessness (Suitability of Accommodation) Order 2003 to include 16/17 years olds from 2010 <i>Source: Sustainable Communities: settled homes; changing lives</i></p>		<p>Local initiatives put into place , e.g. Foyer projects Single persons hostels Leased properties Selected protocols for inter-agency working around children and young people</p>
<p>Support for vulnerable people <i>Source: Sustainable Communities: settled homes; changing lives</i></p>	<p>South West Regional Housing Strategy 2005-2016 Strategic Aim 3 Action 26 www.southwesthousingbody.org.uk/media/SWHB/regionalhousingstrategy</p>	<p>Good practice in Cornwall includes: Floating support for people in temporary accommodation Use of inter-agency forums to assess housing and support needs</p>
<p>Reduction in the use of temporary accommodation for homeless households by 50% by 2010 <i>Source: Sustainable Communities: settled homes; changing lives</i></p>	<p>South West Regional Housing Strategy 2005-2016 Strategic Aim 1 Action 8 www.southwesthousingbody.org.uk/media/SWHB/regionalhousingstrategy</p>	<p>Lettings targeted to homeless households Improved liaison with housing association providers The Council has achieved the target, with a reduction of 62% as at 31st March 2009</p>
<p>Reduction in the number of rough sleepers to as close to zero as possible by 2011 <i>Source: Communities and Local Government Discussion Paper April 2008 – Rough Sleeping 10 Years On</i> www.communities.gov.uk/documents/housing/pdf/1062005</p>		<p>Good practice in Cornwall includes: Penwith Street Services Team New Connections resettlement service Joint working with St Petroc’s Society providing accommodation for single homeless people</p>
<p>Introduction of Choice Based Lettings schemes to all local authorities in England by 2010 <i>Source: Sustainable Communities: Homes For All June 2005</i> www.communities.gov.uk/documents/corporate/pdf/homes-for-all.pdf <i>Allocation of Accommodation: Choice Based Lettings – Code of Guidance for Housing Authorities</i> http://www.communities.gov.uk/documents/housing/pdf/138355.pdf</p>	<p>South West Regional Housing Strategy 2005-2016 Strategic Aim 1 Action 8 www.southwesthousingbody.org.uk/media/SWHB/regionalhousingstrategy</p>	<p>Grant funding secured from Communities and Local Government to evaluate and introduce a sub-regional choice based lettings scheme and joint housing register to cover the whole county by 31st December 2009.</p>

National Policy Context

Local authorities have statutory housing duties towards vulnerable clients under the Housing Act 1996, as amended by the Homelessness Act 2002, including a duty to provide advice and assistance to all people who are homeless or threatened with homelessness, which can extend to securing a permanent, settled home.

A significant policy driver has been the Government's concern over the cost and social consequences of homelessness, which has inspired a national policy shift towards early intervention and the prevention of homelessness with financial and practical assistance where appropriate. The Government has acknowledged that the public sector cannot tackle the problem alone or necessarily provide the best housing solution in every case. There is also a greater focus on a wider range of housing solutions and a raised awareness of the contribution that the private sector can make to meeting housing need.

Councils have responded enthusiastically to the Government's initiatives and the results have demonstrated that early intervention does reduce the number of households accepted as homeless and thus reduces the need to make use of expensive and unsatisfactory temporary accommodation.

Another significant policy driver is the Government's desire to extend access and introduce choice to social housing allocations, making the operation of a Choice Based Lettings (CBL) scheme compulsory by 2010.

To emphasise the importance of its national policy, the Government introduced the following targets for English Councils:

- To end the use of bed and breakfast accommodation for families with children, except in an emergency and even then for a maximum of six weeks
- To end the use of bed and breakfast accommodation for homeless 16 and 17 year olds except in an emergency for up to 6 weeks by 2010
- To reduce the use of temporary accommodation for homeless households by 50% by 2010, against a baseline figure as at 31st December 2004
- To reduce the number of rough sleepers to as close to zero as possible by 2011
- To ensure the availability of suitable housing with support to increase the number of vulnerable groups in settled accommodation
- To undertake a Gypsy and Traveller Accommodation Assessment and provide sites and pitches to address this need by 2011
- To introduce and implement a Choice Based Lettings scheme by 2010

The delivery of these policy targets will of course be dependent on the availability of resources in future years therefore the Council and its partners may be required to assess the local priority and importance of these against other resource demand.

Regional Policy Context

The Regional Housing Strategy 2005-2016 produced by the South West Housing Body, together with the *Regional Spatial Strategy 2006-2026* provide the regional context. *Strategic Aim 3 – Supporting Sustainable Communities* of the Regional Housing Strategy includes the following three key actions to promote greater housing choice and tackle homelessness and the needs of the vulnerable:

Consider the value of sub-regional choice based lettings schemes for letting affordable housing vacancies and whether regional co-ordination is required (Action 8)

Support local authorities to provide high quality homelessness prevention services through the spread of best practice and use of Government funding initiatives (Action 26)

Make appropriate, cross-authority links between Supporting People (SP) services, such as floating support and homelessness strategies, particularly at a sub-regional level. A risk assessment to achieving this should be undertaken due to potential cuts in SP funding in the region (Action 27)

The Cornwall Challenge

There are significant challenges to finding smarter housing solutions in Cornwall in the following key policy areas:

Addressing Housing Need

Out of the total affordable housing need of 2,324 identified in the Strategic Housing Market Assessments, approximately 1,400 new social rented homes are needed annually in Cornwall to meet the housing needs of people on the lowest incomes, including the most vulnerable individuals with complex needs

As at 31st March 2009, there were over 5,000 households on the Cornwall Council Housing Register

The Cornwall Gypsy & Traveller Accommodation Assessment, published in October 2006 identified a need across Cornwall for residential pitches, transit pitches and sites for travelling show people. The draft Regional Spatial Strategy (RSS) has set out the pitch numbers to be provided by 2011 as 159, 40 and 6 respectively. The period for the remaining life of the RSS between 2011 and 2026 is likely to see these numbers increase significantly

Tackling Homelessness

Reasons for homelessness vary but the three main causes in Cornwall are:

Friends and family no longer able to accommodate (31%)
Losing a private sector tenancy (22%)
Relationship breakdown (15%) –
(Non-violent 5%, Violent 10%)

371 households were accepted as homeless in Cornwall during 2008/09, of which around 60% were families with young children and approximately 40% were vulnerable through age or disability

Although this figure has fallen compared to previous years, owing to robust homelessness prevention policies and action, is still significantly high, ensuring that homelessness remains a major issue in Cornwall

Reducing the Use of Unsatisfactory Temporary Accommodation

The high levels of homelessness have meant that it is not always possible to find permanent housing solutions for homeless people. Temporary accommodation therefore remains an important resource for Cornwall, with households are still staying for an average of 30 months before they are offered a permanent home

374 households occupied some sort of temporary housing as at 31st March 2009, which provides an interesting correlation with the total number of households accepted as homeless during the same period

Bed and breakfast accommodation is used as a last resort, with 14 households resident on 31st March 2009, including one family with children and two 16/17 year olds

Supported Housing Needs

There is a shortfall in housing support and specialist schemes for almost every client group, as well as inconsistencies in the level and quality of provision across Cornwall. This is identified within the Supporting People 5 year strategy, and is being addressed through its commissioning priorities

In 2007-08, the Cornwall Supporting People budget, which provides housing related support critical for sustaining tenancies for vulnerable people, was £14,204,036. Over the next three years this will not be increased even for inflation. To address this situation, Supporting People commissioning priorities will focus on achieving best value for money from existing services, to make provision for any new developments which have been identified and prioritised

Although single homeless people often have varied and complex needs, the majority of those accessing services such as hostels have similar profiles; up to 70% are drug and alcohol dependent and 33% suffer from mental health problems. Services for people with the most complex and chaotic needs will need to be developed in conjunction with a range of partner agencies which can provide specialist support to address the varying needs of the clients

Resources for Finding Smarter Housing Solutions

This important family of front line services is demand driven, our aim is to be responsive to the needs of the clients, and provide services free at the point of access, our staff are key to achieving this aim.

There are several small additional income streams through recharges for services such as Bed & Breakfast accommodation and a Homelessness Grant from Communities and Local Government, which will be £700,000 for 2010/11

The vast majority of expenditure, other than employee salaries is providing temporary accommodation for homelessness families. Other significant overheads are the costs of administering the Choice Based Lettings scheme and expenditure on homelessness prevention.

On this basis, the majority of funding for this is revenue funding from the General Fund in the region of £8 million per annum.

Future Funding Opportunities for Smarter Housing Solutions

The table below sets out the various opportunities that are available for innovative one-off and continuing sources of additional income to support Finding Smarter Housing Solutions.

Table 20: Funding Opportunities	
Funding Stream	Future Opportunity
Choice Based Lettings	Cornwall has received regional funding of £120,000 to deliver an integrated choice based lettings scheme and will seek any further opportunities under this programme.
Homelessness Grant	As part of the Government's national homelessness policy, Cornwall has received Homelessness Grant funding from Communities and Local Government for several years to enhance homelessness prevention services and reduce the number of homelessness acceptances against the three main causes. The funding has assisted the Council to reduce the longer term costs of homelessness and bids for funding will continue during the remaining life of the programme. The funding received during 2008/09 was £480,000 with a similar amount payable for 2009/10.

Objectives and Commitments for Finding Smarter Housing Solutions

To address the challenges in finding smarter housing solutions, the Council has identified the following five objectives:

- A Tackling and Preventing Homelessness**
- B Ending the Use of Bed & Breakfast Accommodation**
- C Reducing the use of temporary accommodation**
- D Supporting vulnerable people**
- E Improving access to housing**

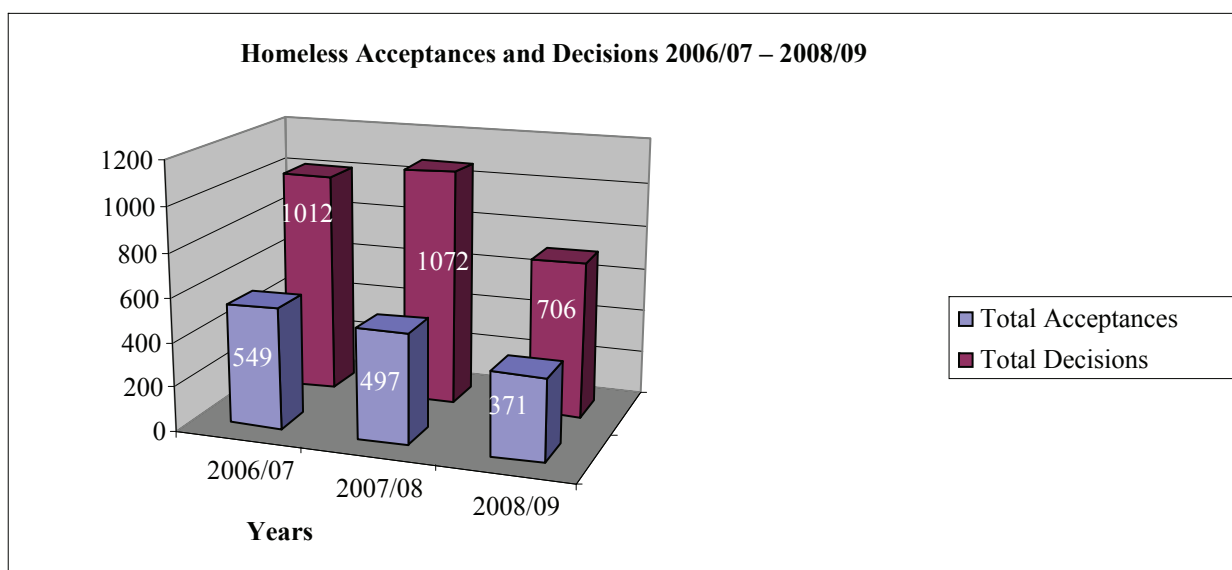
through Choice Based Lettings Objective A: Tackling and Preventing Homelessness

The robust approach to tackling and preventing homelessness has brought benefits to the Council and its clients through a consistent reduction in the numbers of homeless acceptances, as set out in the Table 9 below.

Table 21: Homelessness Acceptances in Cornwall 2004/05–2008/09			
Acceptances 2004/05	Acceptances 2005/06	Acceptances 2006/07	Acceptances 2007/08
869	767	549	497

Figure 3 below shows that the number of applications has also decreased as a direct result of homelessness prevention becoming more effective, with the percentage of acceptances remaining fairly constant around the 50% mark.

Figure 3 Homelessness Acceptances and Decisions for the previous three years



The success of the homelessness prevention initiatives indicates a strong and positive performance by the Council, particularly against the three main causes of homelessness. To build on this success, the following initiatives will continue to form the Council's principle response to the Strategic Priority:

Good Quality Housing Advice

The provision of free comprehensive housing advice services, linked to the prevention of homelessness, and supported by access to a range of private sector housing options

Practical Intervention

The use of practical measures to maintain and sustain existing accommodation including:

Liaison and advocacy with landlords on behalf of clients

The use of mediation services to reduce youth homelessness through reconciliation between family members

The use of mediation services to reconcile differences between landlords and tenants and prevent legal action leading to homelessness
The operation of a sanctuary scheme, which provides security measures for people threatened with domestic violence and allows them to remain in their homes

Support for a court desk housing advice service for clients facing repossession

Revision of the Allocations Policy to discourage evictions by friends and family

Floating support for vulnerable people living in the public and private rented sectors and for homeless people occupying temporary accommodation

Financial Support and Intervention

A package of financial initiatives to allow people threatened with homelessness to access alternative accommodation or maintain their existing home, including:

A crisis grant or loan to help reduce short term mortgage or rent arrears and prevent evictions

Financial assistance for rent in advance or deposit bonds required to access private tenancies

Partnerships with Private Sector Landlords

Active partnerships with private sector landlords to ensure access to accommodation for homeless households

Schemes for direct access referrals to private sector housing to resolve homelessness before an application is made

Eliminating Rough Sleeping

Initiatives to reduce rough sleeping and street homelessness and provide a proactive response to clients with identified needs, including:

Provision of outreach services
Regular assessments of rough sleeping and street homelessness
Capital and revenue funding support for voluntary sector organisations to increase services for rough sleepers and those with complex needs

Table 22: Commitments for Objective A		
Task	Lead Responsibility	When
Standardise homelessness prevention advice and procedures and ensure quality of service across Cornwall	Assistant Head of Housing-Operations and Performance	By 31/03/10
Improve access to private sector housing in partnership with private landlords	Assistant Head of Housing - Operations and Performance	Ongoing until 31/03/12
Review the provision of services to rough sleepers	Assistant Head of Housing - Operations and Performance	By 31/03/11

Objective B: Ending the use of bed and breakfast accommodation

The use of bed and breakfast as last resort emergency accommodation is under control in Cornwall but remains challenging.

Cornwall Council has responded strongly and positively to The Homelessness (Suitability of Accommodation) Order 2003, which requires local authorities to avoid the use of bed and breakfast accommodation for families, except in an emergency and even then for a maximum of six weeks. The only exceptions where it has not been possible to meet the target have been limited cases in agreement with a client who has very specific accommodation needs. This will continue to be the Council's response over the next three years.

The challenge to the Council to comply with the bed and breakfast regulations will be increased when the six week limit in the use of bed and breakfast is extended to 16 and 17 year olds.

Recent work has concentrated on how the Council can respond positively to the Government proposal to extend the current regulations on the use of bed and breakfast accommodation to include homeless 16/17 years olds from 2010, by finding alternative temporary housing solutions for these groups.

A recent case in the House of Lords has ruled that the needs of homeless 16/17 year olds extend beyond merely providing them with a roof, thus implying that the Housing Service alone cannot reasonably be expected to wholly resolve the issue. The ruling was clear that Children and Young People's Services should take the lead responsibility for the care and wellbeing of the homeless young person, with the Housing Service playing a full supporting role. This is an important area of work for the Council into the future, which will require close liaison between the two services.

What works - Good Practice Case Study

There are 103 places in foyers, hostels and self contained accommodation in Cornwall for young people, which can be accessed through multi agency referrals. Foyers make a significant contribution to addressing youth homelessness in Cornwall and provide good quality temporary accommodation as an alternative to bed and breakfast. There are now foyers in the towns of Launceston, Bodmin, Padstow, Redruth, Newquay and Truro, with further projects in Bude and Camelford under development.

Table 23: Commitments for Objective B

Task	Lead Responsibility	When
Avoid the use of bed and breakfast accommodation for families with children except in an emergency and even then for a maximum of six weeks	Assistant Head of Housing – Operations and Performance	Ongoing until 31/03/12
Avoid the use of bed and breakfast accommodation 16/17 year olds except in an emergency and even then for a maximum of six weeks	Assistant Head of Housing – Operations and Performance	From 01/04/10
Work closely with Children and Young People’s Services to produce a protocol for meeting the needs of homeless 16/17 year olds	Assistant Head of Housing – Strategy and Policy	By 31/03/10

Objective C: Reducing the use of Temporary Accommodation

The Council has responded positively to the Government’s target for all English local authorities to reduce the use of temporary accommodation for homeless households by 50% by 2010. A year on year reduction has been achieved and Table 10 shows that at 31st March 2009 a reduction of 62% from the 2004 baseline has been achieved, with strong performances across all three Service Delivery Areas.

The majority of temporary accommodation used in Cornwall is private sector leased (PSL) properties, which can provide self-contained accommodation to a decent standard but are nonetheless deemed to be unsuitable because of their temporary nature. Other types of less suitable temporary accommodation in use are:

- Hostels
 - Self-contained chalet-type units
 - Park homes
 - Miscellaneous acquired properties
- Existing social housing owned by the Council and housing associations is also used as temporary accommodation but is in the process of being converted to permanent accommodation as part of the drive to reduce the use of temporary accommodation.

The Cornwall Strategic Partnership has acknowledged the importance of the objective to reduce the use of temporary accommodation by adopting NI 156 (Number of households living in temporary accommodation) as one of its 35 National Indicator targets. The Local Area Agreement has set a target over the next three years to achieve a reduction of 63% from the baseline, as illustrated the Table 11 below. This is in line with higher performing local authorities but is far more challenging than the Government’s national target and the Council’s strong performance has ensured that this target has been virtually reached over one year early.

Table 24: Progress against temporary accommodation reduction targets

Service Delivery Area	Baseline at 31/12/04	Target	Total in T/A at 31/3/09
East Cornwall	87	43	40
Mid Cornwall	448	224	173
West Cornwall	449	224	161
Cornwall Housing Strategy 2009-2012	984	491	374

48
May 2010

The Council intends to build on this success with a continuous incremental reduction of the target, with a view to reducing the number of households living in temporary accommodation by 75% over the life of the Housing Strategy, which equates to a figure of 328.

The good practice example below demonstrates how good practice can help to resolve the issues around long stay temporary accommodation.

This commitment below will be delivered within the existing resources of the housing service.

Objective D: Supporting Vulnerable People

To meet its objective to support vulnerable people, the Council's Housing Service and Adult Care & Support Service, together with the Primary Care Trust, and the Cornwall

Probation service work closely with the Cornwall Supporting People team. The revised Supporting People Five Year Strategy was published in April 2008 and identified programme priorities intended to guide commissioning over the next five years.

Table 25: NI156 – LAA Improvement Target and Cornwall Council Performance Households in Temporary Accommodation Reduction Targets (*actuals)					
	31.12.04	31.3.09	31.3.10	31.3.11	31.3.12
LAA Target	984*	465	365	354	354
Cornwall Council target	984*	374*	360	345	328

What works - Good Practice Case Study

The strategic approach to reducing temporary accommodation in the Camborne/Pool/Redruth and Helston localities involved working closely with housing association partners, particularly Coastline Housing Ltd. It was agreed that 100% of re-lets of general needs permanent homes would be offered to the Council for homeless families for a limited period. This helped resolve a backlog of homeless households waiting for long periods in temporary accommodation. At the same time a robust framework of prevention initiatives achieved a consistent reduction in homelessness acceptances, which, in turn, reduced the need for temporary accommodation. Surplus temporary accommodation was then released back to the private sector as a further resource to meet local housing need.

Table 26: Commitment for Objective C		
Task	Lead Responsibility	When
Reduce the number of households living in temporary accommodation to 328	Assistant Head of Housing – Operations and Performance	By 31/03/10

Cornwall 5 Year Supporting People Strategy in summary

The Challenges

The recent five year strategy identified a number of important challenges:

Diminishing Funds

Cornwall currently receives a Supporting People Grant of £14,204,036. This is no allowance for inflation or growth and the allocation will therefore remain the same over the next 3 years.

Reactive commissioning

In a change from previous practice, all future services will be commissioned (or decommissioned) in a transparent and planned way, in line with the agreed strategic priorities.

Inconsistent practices and policies

The previous local government in Cornwall through seven local authorities has resulted in different approaches being adopted throughout the County. The creation of a single Council for Cornwall will provide a valuable opportunity to address inconsistencies.

Impact of the Local Area Agreement

Up to 31st March 2009, the Supporting People Operational Grant was ring fenced. From 1st April 2009, the funding is unringfenced, and from 1st April 2010 will no longer be a named grant in the Area Based Grant for Cornwall. This offers flexibilities and freedoms through the relaxation of grant conditions but also carries potential risks to the guaranteed continuation of the delivery of a countywide preventative agenda.

Mismatch between demand for services and their costs

Sheltered housing services and floating support represent the two largest areas of budget spend within the Supporting People programme and also the greatest challenges. Support for older people in sheltered housing costs £3.01m per annum, which is equivalent to 23.9% of the budget but provides services to only 6% of the population. Furthermore, significant social change has diminished the aspirations of older people live in traditional sheltered housing. The properties cannot be left unoccupied, which means that increasing numbers of older people in sheltered housing do not need the whole range of support needs that are on offer. Meeting the future housing needs of older people will therefore require a comprehensive review, with the aims of achieving a more consistent delivery model, exploring options for the de-commissioning of inappropriate housing and the development of services for especially vulnerable groups, such as people with dementia.

Floating Support

A new provider has been appointed to deliver countywide floating support services to a range of people, within a single contract. This will address previous concerns around the effectiveness of specialist support for people with complex needs, which may previously have been provided from several different sources. It will also address the previous difficulties of establishing effective partnerships between the various service providers and statutory housing advice services.

Budget Pressures

Tackling budget pressures will involve assessment of the scope to widen the brief for specific services, for example, making better use of poor quality traditional sheltered housing and further economies of scale from merging contracts.

The Priorities for the Future

There are shortfalls in provision for all client groups but the key challenge is the patchy countywide provision across all needs groups. In order to ensure that vulnerable residents in Cornwall receive a fair and equitable service, the following five strategic investment priorities have been agreed by the Commissioning Body:

- People with Learning Disabilities
- Older People
- Development of Gateway model for Cornwall
- Appropriate Service Provision
- Move On Services

Floating Support

The delivery of high quality floating support services is an essential element of homeless prevention. Without floating support services many vulnerable people would not be able to sustain their tenancy and retain their home. Cornwall has significant numbers of supported units but there are shortages of housing based support across all client groups and the number of new referrals during 2007/08 exceeded the supply of accommodation. Table 12 below provides details of the number of specialist floating support units currently being delivered across Cornwall.

Table 27: Current Supporting People Floating Support Provision		
Service	Client Group	Units
Gypsy And Traveller Support Service	Traveller community	64
K P S Floating Support Service	People with HIV / AIDS	35
Migrant Worker Service	Generic	20
Floating Support	People with Mental Health Problems	4
East Cornwall Move-On	Generic	10
Floating Support Central	Generic	531
Floating Support East	Generic	187
Floating Support West	Generic	241
Total		1,092

Client Group Specific Studies

In addition to the Supporting People Five Year Strategy, a number of other studies have been commissioned to plan for the future needs of specific groups.

Older Persons

The Older Persons, Care and Support Strategy, published in 2006 identified an increasingly ageing population in Cornwall and forecasted that there will be 183,500 people over the age of 65 by 2029 in the county. The majority of older people own their own home without a mortgage and future services must be developed to respond to this trend. However, there are key service gaps for very frail older people and those suffering from dementia.

New models of provision, including extra care housing, will be required to meet their needs. The Strategy identified the need for at least 5,000 units of extra care accommodation by 2028, which is equivalent to 250 per year over the next 20 years. However, to date there has been no Extra Care provision in Cornwall. Grant funding of £3.972m was secured by the former Caradon District Council to provide the first Cornish extra care scheme in Liskeard during 2009/10, a mixed tenure development of 55 dwellings, in partnership with Sarsen Housing Association. The potential costs of providing 5,000 Extra Care units could be in the region of £400m at today's prices. Innovative funding solutions will therefore need to be devised to meet need on this scale. This will be a significant challenge for the Council in the face of reducing public sector finances and therefore may not be achievable. The Council will; as part of the development of the delivery plan identify achievable levels of provision of extra care.

A further scheme at Miners Court in Redruth will see the conversion of an obsolete sheltered housing scheme owned by Coastline Housing into extra care housing.

Priority Prolific Offenders

The provision of good quality housing for Priority Prolific Offenders (PPOs) is an important factor in reducing their chances of re-offending. A protocol has been developed between the housing services and the PPO unit nationally to promote joint working and support the acquisition of suitable homes with support in the community.

Chapter 1 (formerly known as Christian Alliance Housing Association) has taken a lead through the development FreshStart, a new supported housing project with ten bedsits and a shared lounge, gym, laundry, workshop and games room for PPOs aged 18-65. The project provides a secure place to stay for those who are attempting to re-establish themselves in a more regular and stable way of life, provides an environment that promotes and encourages positive lifestyles and provides support through individually tailored support plans, supported by a named link worker, which aim to address issues that prevent successful independent living within the community.

People with a Learning Disability

The Learning Disability Partnership Board, in conjunction with Cornwall Supporting People Partnership produced a Housing Strategy for People with a Learning Disability 2007/08-2011/12. The Strategy identified that in 2007/08, Supporting People funded 258 residential places and floating support at a cost of £1,485m. Adult Social Care were also funding bed spaces for 375 people in care homes as at 31st March 2006. A further 40 people were in adult placements.

The strategy identified that there is a chronic under provision of accommodation for people with learning difficulties, with between 443 and 600 additional housing places needed over the five year period.

Migrant Workers

The Cornwall Strategic Partnership established the Cornwall Migrant Workers Group which produced a report called The Way Ahead, which addressed a range of issues facing migrant workers.

The Migrant Workers Action Plan identified two accommodation actions points around engaging with housing authorities and other housing providers to ensure that migrant workers have equal access to good quality accommodation and good access to good quality advice and assistance.

To improve the service for supporting vulnerable people, the new governance arrangements for Cornwall Council from 1st April 2009 have introduced a clear reporting line to the Homes and Communities Thematic Partnership. This will ensure the programme is fully aligned with the Cornwall Sustainable Community Strategy and meets the strategic priorities agreed.

The Council and its partners face a major challenge when the ring fence is removed from Supporting People funding from 1st April 2009, as part of the Local Area Agreement (LAA). These services have a very important role and a key challenge for the Council will be to mainstream and safeguard these functions in light of reducing resources.

A new post of Supported Housing Strategy Manager has been created within the Housing Services, to work closely in partnership with the Supporting People Team and other statutory and voluntary sector agencies with an interest in developing and managing supported housing projects.

Objective E: Improving access to social housing through Choice Based Lettings

The traditional method of allocating social housing through points systems and local discretion has been targeted for modernisation by the Government. The new approach aims to improve choice by opening up the allocation of social housing by giving applicants the opportunity to view details of all properties available for letting and then submitting a bid for the property of their choice. Linked to this is the Government's wish to improve opportunity of access for people seeking social housing by making it as easy as possible for tenants to move between local authority and housing association homes.

Table 28: Commitments for Objective D

Task	Lead Responsibility	When
Develop the Homes and Communities Thematic Partnership to address the strategic priorities of the Cornwall Sustainable Community Strategy and the Supporting People 5 Year Strategy are met	Assistant Head of Housing – Strategy & Policy	Ongoing until 31/03/12
Work with the Homes and Communities Thematic Partnership and Supporting People to minimise the impact of unringfencing of the LAA funding for the provision of support for vulnerable people	Assistant Head of Housing – Strategy & Policy	Ongoing until 31/03/12

The Government also wishes to promote choice and opportunity further by extending Choice Based Lettings (CBL) to include privately owned accommodation, such as low cost home ownership options and properties for rent from private landlords, as well as social housing.

- The development and introduction from 1st April 2009 of a common housing register managed by Cornwall Council
- The development and introduction from 1st April 2009 of a Cornwall Housing Allocations Policy, agreed with all social housing providers in the county

This contrasts with traditional housing allocation systems where applicants are normally in a position whereby they have to accept or reject a property deemed suitable for their needs by the Local Authority or social landlord. In this way CBL aims to make the process more open and transparent, whilst transforming the letting of social housing from a provider driven function to a consumer led service. CBL can also benefit homeless households by giving them a better chance to secure a permanent home early by considering a larger number of vacancies and widening their areas of search

- Development of a common framework for the delivery of CBL across Cornwall, with a target of full introduction of CBL from 31st March 2010

During this process, the Council has ensured that the interests of local communities and the less advantaged in society are protected in the following ways:

The first stage of this process is to make CBL compulsory for all local authorities from 2010 and the Council has adopted the following new policies to meet the objective:

- Open advertising of all social housing vacancies in Cornwall
- Adequate safeguards to enable vulnerable and excluded groups to participate on an equal basis through a single access route called the Gateway model
- Local residents receive reasonable preference when homes are allocated.

To address the Government's wish to extend CBL beyond the social housing sector, the Council has piloted a single integrated housing market place in the west of Cornwall, which identified all social housing lettings together with a register for first time buyers and intermediate housing. This pilot can be further developed to include private sector lettings and then extended to the rest of Cornwall.

Table 29: Commitments for Objective E		
Task	Lead Responsibility	When
Introduce a Choice Based Lettings scheme for people seeking social housing in Cornwall	Assistant Head of Housing – Operations and Performance	By 31/03/10
Explore the potential for the creation of a single integrated housing market place for Cornwall	Assistant Head of Housing – Strategy and Policy	By 31/03/11

Section B

Our Housing Priorities

HOUSING STRATEGIC PRIORITY THREE: ACHIEVING DECENT HOMES IN DECENT NEIGHBOURHOODS

Strategic Vision

We will ensure that all public sector homes achieve the Government's Decent Homes Standard and are maintained at this standard into the future.

We will increase the number of private sector homes which meet the statutory minimum standards for fitness and decency and prioritise vulnerable households living in non-decent housing in the private sector and occupants of Houses in Multiple Occupation.

We will improve the thermal comfort of homes through energy efficiency measures and where it is possible and financially viable, the use of renewable technologies.

We will increase the housing supply in Cornwall by reducing the number of empty properties and strengthening the relationship with private landlords.

The resources to deliver against this vision are currently included within the Council's and partners base budgets. It should be noted that any significant changes to resource allocation may hinder the ability to deliver on these aims.

Cornwall Housing Strategy 2009-2012
May 2010

Introduction

The condition and quality of the housing stock is an important national policy priority, which has been addressed by the Government through its Decent Homes Programme. Government guidance on achieving the Decent Homes Standard is available through a Communities and Local Government publication A Decent Home: Definition and guidance for implementation.

Whilst achieving the Decent Homes Standard is clearly the main priority, the broad strategic vision for this Housing Strategic Priority also recognises the social, economic and environmental benefits that can be achieved through the Decent Homes programme.

The last ten years has seen major investment in the public sector housing stock in Cornwall, to the point where over 90% of social housing meets the Decent Homes Standard and the programme is on target to achieve 100% decency by 2010.

However, conditions in the private sector housing stock are a different picture and present the Council with a considerable challenge, driven by the need the number of vulnerable households living in non-decent private sector homes. Demographic change is a significant factor, for example, increasing numbers of older people on fixed incomes are remaining in their own homes for longer, potentially resulting in them being unable to maintain their properties and experiencing deteriorating housing conditions.

Other important policy considerations are the need to tackle hazards to health in accordance with the requirements of the Housing Health and Safety Rating System, the need to improve energy efficiency and reduce fuel poverty and the need for private sector housing to contribute to increasing and improving the supply of low cost housing options for low income households and vulnerable people.

All private sector housing policy interventions can be set against the backdrop of the need to tackle inequalities resulting from poor housing, which requires a strong partnership approach between the Council and its partners in the statutory, private and voluntary sectors.

The Policy Context

Housing Policy at a Glance

Table 30: Policy Context		
National Drivers	Regional Drivers	Local Drivers – The Cornwall Response
<p><i>Quality and Choice; A Decent home for All</i> http://www.communities.gov.uk/documents/housing/pdf/138019.pdf</p> <p><i>Regulatory Reform (Housing Assistance) Order 2002</i> http://www.opsi.gov.uk/si/si2002/20021860.htm</p> <p><i>Sustainable Communities – Building For The Future</i> http://www.communities.gov.uk/documents/communities/pdf/146289.pdf</p> <p><i>Housing Act 2004</i> http://www.opsi.gov.uk/ACTS/acts2004/ukpga_20040034_en_1</p> <p><i>A Decent Home: Definition and guidance for implementation 2006</i> http://www.communities.gov.uk/documents/housing/pdf/138355.pdf</p> <p><i>Independent Inquiry into Inequalities of Health 1998</i> http://www.archive.official-documents.co.uk/document/doh/ih/contents.htm</p> <p><i>Saving Lives: Our Healthier Nation 1999</i> http://www.archive.official-documents.co.uk/document/cm43/4386/4386-00.htm</p> <p><i>Tackling health inequalities: A programme for action</i> http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_4008268</p> <p><i>Securing good health for the whole population</i> http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_4074426</p>	<p><i>South West Regional Housing Strategy Aim 2 – Achieving good quality homes</i> southwest-ra.gov.uk/media/SWHB/Regional%20Housing%20Strategy/strategy.pdf</p>	<p>Housing Revenue Account Business Plans tailored to meeting the Decent Homes target</p> <p>Decent Homes Plus policies to improve the social housing environment</p> <p>Private Sector Renewal policies to address private sector housing conditions</p> <p>Procedures to comply with Housing Health and Safety Rating System</p> <p>Licensing schemes for houses in multiple occupation</p> <p>Action on empty homes</p>

National Policy Context

In its green paper of 2000, *Quality and Choice; A Decent home for All*, the Government set the Decent Homes Standard and defined a decent home as one which should be “warm, weatherproof and have reasonably modern facilities”.

Public sector social housing was clearly identified as the main priority and social landlords were required to have long term business plans, not only to meet the 2010 target but also to maintain standards over the next 30 years and ensure that the Decent Homes programme will continue into the future. The target was later reduced from 100% to 95%, with Communities and Local Government negotiating with some social landlords to set dates for delivery beyond 2010 where it is necessary to achieve better value for money or higher standards of housing, although this is not the position in Cornwall.

In the private sector, the main responsibilities of the Council in meeting national priorities were action on slum clearance and renewal, compulsory purchase and group repair. The green paper of 2000 shifted the emphasis to the condition and longevity of existing individual homes.

The Regulatory Reform Order of 2002 gave local authorities wide powers to provide assistance for repairs, improvements, adaptations and the demolition and re-construction of homes. It also enabled authorities to provide assistance to acquire a home where this would provide a similar benefit to carrying out work on it. Types of assistance can include grants, equity loans, surveys and small repair services.

The Government restated its position on Decent Homes in its action programme of 2003, *Sustainable Communities – Building For The Future*, which included a document addressing the specific issues in the South West and set the following four challenges:

- To ensure that all social tenants have a decent home by 2010
- To improve conditions for vulnerable people in private accommodation
- To ensure all tenants, social and private, get an excellent service from their landlord
- To ensure all communities have a clean, safe and attractive environment in which people can take pride

In the private sector, it is estimated that there are over 99,000 homes that would fail to meet the Decent Homes Standard. The 2001 English House Condition Survey estimated that only 1.6 million (57%) of vulnerable households in the private sector lived in decent homes. The Government responded to this by introducing a Public Service Agreement target (PSA 7), with the aim of increasing the percentage of vulnerable private sector households living in decent homes to 70% by 2010 and 75% by 2020. This target is no longer in place for Councils but the need to improve the decency of the private stock and to target interventions at the most vulnerable continues to underpin policy and delivery.

The current official Government position is that it recognises the challenge to improve conditions for vulnerable people in private accommodation. To address this, the Government has introduced national targets for intervention in the private sector housing stock, with initiatives directed towards the reduction of carbon dioxide emissions, the eradication of fuel poverty and support for independent living for vulnerable people, with resources directed towards meeting these targets.

The Housing Act 2004 introduced a new risk assessment approach to housing conditions. The Housing Health and Safety Rating System (HHSRS), which is tenure neutral, provides an assessment of the impact of poor housing and disrepair and the Council has a range of enforcement remedies.

The Housing Act 2004 also introduced mandatory licensing for certain types of Houses in Multiple Occupation (HMOs), together with other opportunities for selective licensing. HMOs are often occupied by the most vulnerable groups in the community and can often present serious risks around their condition and health and safety considerations. The Housing Act promoted Management Orders which allow the Council to take control of the most poorly managed properties and make a positive impact on the local housing stock. In Cornwall, this has been addressed through a partnering approach with private landlords on a voluntary basis, in the form of accreditation schemes and landlord forums.

In respect of safe homes and reducing health inequalities, the Government has acknowledged the link between poor health and poor housing with a series of reports and a white paper. The Acheson Report of 1998 the *Independent enquiry into Inequalities of Health*, identified twelve areas for future policy development to tackle health inequalities, including the need to address the socio-economic determinants of health such as poor housing. The report made 39 policy recommendations and in particular, highlighted steps to improve the living conditions of poor households as crucial, with specific recommendations that policies should be established to improve insulation and heating systems in new and existing buildings.

The 1999 Government White Paper *Saving Lives: Our Healthier Nation*, clearly identified housing as a key health determinant and the Department of Health document *Tackling Health Inequalities: A Programme for Action* lays the foundation for meeting the Government's targets to improve infant mortality and life expectancy by 2010. Reversing the widening gap between social groups is a major challenge and the Programme for Action emphasises the need to target disadvantaged areas to prioritise and speed up improvements to health and the factors that contribute to good health, such as decent housing.

The Wanless Report of 2004, *Securing good health for the whole population*, emphasised the need to focus action on prevention and made the following observations:

- Poor housing causes ill health
- Poor housing has an adverse effect on recovery
- Inaccessible housing limits independence and blocks hospital beds, using expensive health resources
- Poor housing in deprived neighbourhoods limits life chances.

Regional Policy Context

The Regional Housing Strategy 2005-2016 Strategic Aim 2 Achieving Good Quality Homes aims "to ensure that existing and new homes improve over minimum standards of quality, management and design" and contains the following action points on decent homes:

Complete outstanding options appraisals for all council stock and deliver through the Regional Housing Pot the resources to achieve social sector decent homes by 2010 (Action 18).

Monitor the progress of local authorities, ALMOs and housing associations progress towards the Decent Homes standard and encourage improvement over the Decent Homes Standard in the longer term (Action 19)

Facilitate the exchange of good practice in private sector renewal activity and continue to encourage innovative use of Regulatory Reform Order powers (Action 20)

The Cornwall Challenge

The following features of the housing stock in Cornwall present significant challenges to achieving Decent Homes.

- 55% of private sector homes in Cornwall are non decent, in accordance with the Government's Decent Homes Standard, compared with 37% nationally
- 28% of the total housing stock was built before 1919
- 11,780 homes in Cornwall are unfit
- 31% of private sector homes lack thermal comfort, compared with only 18% nationally
- 33% of private sector homes are energy inefficient, with a SAP rating of below 35
- 11% of private sector homes are compliant with the Decent Homes Standard but are in disrepair, compared with 8% nationally
- The estimated cost of making private sector homes in Cornwall decent is £1,287m
- The average cost to make a private sector home decent is £13,000
- Cornwall has a higher than average number of people over 65 living in a home without central heating
- Cornwall has twice as many homes without modern kitchens and bathrooms as the country as a whole
- It is estimated that 885 HMOs in Cornwall need regulating to ensure high standards of repair and management
- 13.4% of vulnerable households in Cornwall live in non-decent private sector housing

- To achieve the aspiration that 70% of vulnerable households should live in decent private sector housing, 10,202 homes would need to be made decent (from 2001 base) but only 1,195 grants and loans were funded in 2007-08
- There are over 1200 Cornish units and other non traditional properties in the Council's housing stock
- The average SAP rating of the public sector stock is 59
- Around 7% of the public sector stock still requires investment to achieve the Decency Homes Standard by 2010.
- £500m will need to be invested through Housing Revenue Account Business Plans to sustain the Decent Homes Standard until 2038

The services set out above do present a difficult challenge for the Council and its partners, particularly in the face of reducing resources. Although Cornwall Council has made significant progress in achieving decent homes in its own stock, continuing this progress across both rented and private owned stock will become increasingly difficult. It is therefore essential that Government and regional agencies and the Housing Inspectorate recognise the challenging context of housing stock in Cornwall and support and judge delivery accordingly.

The Challenge in The Public Sector

There are currently around 10,000 Council owned dwellings (4% of all homes) in Cornwall, ranging in age from around 1920 to 1985. The profile of the housing stock is fairly consistent across the county. There is a large proportion of traditional low rise housing with an average age of more than 30 years. Around 1,200 homes (12%) are of non traditional construction (usually pre-cast reinforced concrete (PRC) dwellings), the most common being Cornish units. Although they are spread across the county there are higher proportions (17%) of PRC dwellings in the central Cornwall area.

The pre-war stock had largely been modernised before the introduction of the Decent Homes programme but the dwellings built in the 1950s and 1960s have received major investment through the programme, with priority given to:

- Kitchen and bathroom upgrades
- Insulation
- Heating upgrades
- Replacement doors and windows programmes

Housing associations are also significant owners of social housing stock, with approximately 17,000 dwellings in Cornwall (6.8% of the total housing stock). There is more variation within the housing association stock in the county. Around 40% of the homes are relatively modern new build properties completed since the 1990s, which in general, meet the Decent Homes Standard but included in the 17,000 are 10,000 former Council houses in central and west Cornwall, sold to new newly created housing associations in a process known as Large Scale Voluntary Transfer (LSVT).

The profile of this stock is comparable with the remaining Council owned stock and has similar challenges in relation to its age and the ability to achieve the Decent Homes standard. Each of the three LSVT housing associations has its own approach to meeting the Decent Homes Standard, either on a whole neighbourhood basis or by tackling individual homes, which means that they are all at different stages of completion. However, steady investment following stock transfer has put all three LSVT housing associations on target to ensure that 100% of all their homes will meet the Decent Homes Standard by the target date of 2010.

The following good practice example gives a flavour for how the Council is addressing this aspect of the Strategic Priority to Achieve Decent Homes. On average, more than 90% of the public sector housing stock already meets the Decent Homes target. Table 13 below shows the performance of the six major landlords and the current Decent Homes Standard position as at January 2009.

What works - Good Practice Case Study

The Housing Revenue Account Business Plans for all of the three former stock holding districts will form the foundation of the new Cornwall Council Business Plan. Targetted investment programmes within the Business Plans have ensured that the Decent Homes targets are met by 2010.

Tenants and residents groups have participated in the interpretation of the Decent Homes Standard and repairs and maintenance standards and consultation has taken place with tenants and residents groups on proposals for exceeding the Decent Homes Standard.

Additional investment, over and above mandatory Disabled Facilities Grants has been made available for adaptations to the homes of disabled people and larger families. Energy saving initiatives and renewal technologies, including the retrofitting of ground source heat pumps, condensing boilers, photovoltaic panels and wind turbines to some homes. There have been initiatives to reduce responsive repair costs, including the Homefix Service operated by Carrick Housing Ltd.

Table 31: Progress on the Decent Homes Standard in the Public Sector						
	North East Cornwall	South East Cornwall	Carrick Housing Ltd	Penwith	Coastline	Ocean
Total Stock	3392	3549	3716	3892	3600	3470
Total Non Decent	107	97	0	465	504	326
% of stock decent	96.8%	97.3%	100%	89.6%	92.4%	90.6%
SAP rating at 1.1.09	62	53	65	63	67	63
Funding required for compliance by 2010	0.17m	0.6m	-	12m	10m	0.69m

The Challenge in the Private Sector

90% of households in Cornwall live in the private sector and the principle challenge to the Council is to ensure that the Housing Strategy identifies interventions and policies to improve physical conditions and management standards. Table 14 below provides a snapshot of the condition of the private sector housing stock in Cornwall, including a national comparison.

Private Sector Renewal

Private Sector Renewal has a strong track record of good practice and practical intervention across Cornwall, successfully reducing the percentage of unfit dwellings in the private housing stock in Cornwall down to 8%. However, disrepair continues to be a challenge for the Council, with 11% of the private sector stock currently in disrepair, compared with 8% nationally. The following good practice example demonstrates what can be achieved.

Table 32: Private Sector Stock Condition Data Source: English House Condition Survey 2006					
	East Cornwall	Mid Cornwall	West Cornwall	Cornwall	England
total private dwellings	56,748	67,372	56,527	180,647	18,053,000
% non decent	57%	51%	57%	55%	37.5%
% lacking thermal comfort	32%	29%	33%	31%	18%
% in disrepair	11%	10%	11%	11%	8%
% lacking modern facilities	4%	4%	5%	4%	2%
% with a SAP rating below 35	36%	29%	32%	32%	Unavailable
% in fuel poverty	20%	17%	21%	19%	Unavailable
% vulnerable households in decent private sector housing	45%	53%	46%	48%	59%

What works – a good practice case study

Restormel Park Homes Project

Research showed that the mainly retired residents on a park home site in Buckler village were spending up to £40 every seven to ten days on bottled gas in order to maintain a reasonable level of warmth in their home. To improve conditions for the residents, the Council provided grant assistance to 57 households, to fund work including external wall insulation and replacement windows and roofs. This achieved significant improvements in thermal efficiency, which had the dual benefits of reducing fuel costs and creating warmer homes. An innovative and comprehensive approach to the works using a single contractor enabled the project to achieve lower costs through economies of scale.

In response to the challenge, a revised Private Sector Renewal Policy for Cornwall has been developed with the aim of enabling residents to live in decent, well maintained, safe, warm and suitable housing and facilitating a more comprehensive and long term renewal in the private sector housing stock.

Assistance provided through the Private Sector Renewal Policy will be targeted to deliver the national and regional priorities and to tackle health inequalities, with the following objectives:

- To target investment and initiatives to reduce the number of vulnerable households living in non-decent housing, to reduce accidents in the home and reduce health inequalities
- To improve the thermal comfort of homes, reduce fuel poverty and reduce carbon emissions by promoting and securing energy efficiency measures and renewable technologies
- To reduce the number of empty homes in Cornwall and to ensure that no homes are a wasted resource
- To improve the quality of the private rented sector through partnership and regulatory activity and ensure that it is effectively used to meet a range of housing needs and assist in the reduction of homelessness
- To bid for increased investment for adaptations and develop a high quality integrated service to meet the needs of disabled people and their families or carers
- To assist and encourage home owners to improve their housing conditions so far as practicable by effective use of their own resources

Safe Homes

In response to the various reports over the last 10 years, the Government is encouraging and supporting Councils to improve the health of their communities and to tackle health inequalities through effective partnership working with the National Health Service, other public sector bodies and the private, voluntary and community sectors. Partnership working is seen as essential to any success in this initiative.

The Cornwall Strategic Partnership has established the Health and Wellbeing Board as a Thematic Partnership to prepare thematic strategies which link to the Sustainable Community Strategy and be responsible for the achievement of the relevant outcomes and objectives set out in the Local Area Agreement. The Board has produced a Health and Wellbeing Strategy for Cornwall & the Isles of Scilly which contains a range of actions to improve health and wellbeing and reduce health inequalities. Tackling housing issues such as non-decent homes, poor thermal comfort, accessibility and homelessness is seen as an integral part of achieving the overall aim of the Strategy. The following good practice example demonstrates what can be achieved.

What works – a good practice case study

West Cornwall Migrant Workers Action Group

West Cornwall has a large agriculture and food production industry which is supported by between 3,000 and 4,000 migrant workers, who live mainly in caravans. As a proactive response to address the wellbeing of the migrant workers and help them to integrate into the community, the Cornwall Strategic Partnership established the **West Cornwall Migrant Workers Action Group** (MIGWAG) in the Camborne/Pool/Redruth/Helston locality. MIGWAG is a multi agency group including representatives from the Police, Fire and Rescue Service, Probation Service and Health and Safety Executive, together with Council officers from the Legal, Planning, Housing and Public Health & Protection services. The group established a joint database of sites, properties and occupants, which has become a valuable tool for improving housing conditions for the migrant worker community. Environmental Protection Act powers have been used to inspect homes which were a cause for concern and abatement notices have been issued, requiring owners to improve conditions, including replacing damp bedding, reducing overcrowding, providing heating and addressing fire safety.

Resources available to Achieve Decent Homes

Achieving Decent Homes in the Private Sector

A significant element of capital funding for achieving the Decent Homes Standard for private sector housing comes as a cash grant from the Regional Housing Pot.

Following representations expressing concern about proposals to reduce the level of investment in the South West for private sector renewal in 2008/09, the budget was set at £68 million and allocated on a needs based formula. However, over the following two years of the programme, the Regional Housing Body proposes that private sector renewal funding is allocated on a mix of the needs based formula and competitive bidding between local authorities. Cornwall will therefore have to fight for its allocation with the remaining Councils in the south west during 2010/11 and 2011/12.

Cornwall has benefitted in recent years, following the introduction of the needs based formula, although this was accompanied by a move away from grants for private sector renewal to a loan based approach, which has proved challenging to make effective, with slow take up leading to an under spend in budgets. This situation is improving because of better products and increased education and publicity and the loan scheme will form a vital element of the future funding for the Housing Strategic Priority of Achieving Decent Homes. The following good practice example sets out the Council's innovative bid for 2009/10 for funding of £2.871m under the competitive bidding process to deliver its private sector renewal objectives.

What works – A good practice example

Cornwall private sector renewal bid 2009-10

Cornwall Council, together with its partners, has submitted a bid for funding from the Regional Housing Pot to deliver three objectives to meet the Housing Strategic Priority of Achieving Decent Homes.

A Loan scheme for Cornwall and Plymouth

Cornwall Council, in partnership with Plymouth City Council with the Home Improvement Trust and local Home Improvement Agencies has submitted a bid for top-sliced funding of £930k to operate a scheme called Houseproud South West, to improve private sector housing conditions by increasing the number of Decent Homes, the removal of Category 1 Hazards and improving Energy Efficiency.

Cornwall Home Health Priority Zone

Cornwall Council has submitted a bid for £992 for the whole of Cornwall to be designated as a Home Health Priority Zone where all vulnerable households are eligible for free insulation to their homes. Smaller Home Health Community' Zones will be identified for deprived communities, where all householders will be eligible for free improvements to their homes and community outreach work will take place with local groups and agencies to improve education and take up of the service.

Provision of External Wall Insulation to Park Homes

This bid for £949k builds on the successful pilot project undertaken in Mid Cornwall, which demonstrated that the provision of external wall insulation for park home owners proved highly effective in reducing their energy bills and emissions. The bid identifies a work programme to deliver improvements to Park Home sites across Cornwall replicating the successful pilot.

Adapting Homes for the Future

Disabled Facilities Grants (DFG), funded as part of the Regional Housing Pot, are available to enable older and disabled people to adapt their existing homes and are mandatory in certain circumstances.

The demographic challenges of an ageing population living in older accommodation, with high running costs and limited funds for addressing disrepair and energy efficiency improvements, have made aids and adaptations to existing properties through DFGs an important tool for the Housing Strategic Aim of Achieving Decent Homes. Demand for these measures will remain high as people continue to live independently in their own homes.

The Council has to identify funding to address this demand, which for 2008/09 was £2.2 million across the whole county, which is insufficient to meet existing demand, without taking into account the impact of increasing numbers of older people especially those aged 85 and over, with the result that only a limited numbers of DFGs are granted each year, the majority of which are mandatory.

Two government policy changes have made the funding for DFGs more challenging for the Council to deliver. Firstly, the maximum cost of work that can be funded through DFG has been increased to £30,000 and secondly the 40% contribution from Government to overall cost of the work cannot now be guaranteed. This means that the Council's element of the budget will have to be stretched further between fewer people in need.

Table 15 below sets out the Council's investment in Achieving Decent Homes in the Private Sector.

Table 33 Funding (£000s) for Achieving Decent Homes in the private sector					
Year	Measure	E Cornwall	Mid Cornwall	W. Cornwall	Total
2007/08	DFGs	701	693	890	2,284
	Renewal Grants	614	766	848	2,228
	Home Health Zones	220	239	100	559
	Care and Repair	45	0	0	45
	Empty Homes	248	81	0	329
	Sub total	1,828	1,679	1938	5,445
2008/09	DFGs	682	640	880	2,202
	Renewal Grants	559	1,212	2,027	3,798
	Home Health Zones	190	150	250	590
	Care and Repair	45	0	0	45
	Empty Homes	150	370	0	520
	Sub total	1,626	2,372	3157	7,155
	Total	3,454	4,051	5,095	12,600

Achieving Decent Homes in the Council's Housing Stock

The funding for achieving the Decent Homes Standard for the Council's own houses comes from the Major Repairs Allowance from the Regional Housing Pot and revenue contributions from the Housing Revenue Account. Additional funding was secured for Carrick Homes Limited through the current Arms Length Management Organisation financial arrangements. Priority has been given to the work required to meet the Government's target that 95% decency must be achieved by 2010 and the Council is on target to meet the standard for all of its 10,000 homes within the deadline.

The Council will have an enduring duty to maintain the Decent Homes Standard over the life of the Housing Revenue Account Business Plan and current council estimates are that £235m will be needed to achieve this over the next 30 years, taking into account tenants' aspirations for improved safety and security measures, reduced running costs, improved thermal comfort and an improved external environment.

Table 16 sets out the investment that has gone into meeting the Decent Homes Standard in the Council's housing stock over the last two financial years.

Future Funding Opportunities for Achieving Decent Homes

Table 34: Funding (£000s) for Achieving Decent Homes for the Council's housing stock					
Year	Measure	South East Cornwall	North East Cornwall	Carrick Housing Ltd	Total
2007/08	Decent Homes	1,272	2,019	7,284	10,575
	Other Works	1,425	532	5,643	7,600
	Sub total	2,697	2,551	12,927	18,175
2008/09	Decent Homes	1,825	2,095	2,141	6,061
	Other Works	499	591	4,684	5,774
	Sub total	2,324	2,686	6,825	11,835
	Total	5,021	5,237	19,752	30,010

The table below sets out the various opportunities that are available for innovative one-off and continuing sources of additional income to support Achieving Decent Homes.

Table 35: Funding Opportunities	
Funding Stream	Future Opportunity
Self-financing from the Housing Revenue Account	The Government has announced a measure whereby Councils which currently repay Housing Subsidy to the Government from their Housing Revenue Accounts (HRA) can remove themselves completely from the Housing Subsidy system. This entails securing a loan which is underwritten against the assets within the HRA and paid off over a 30 year period. Cornwall currently repays nearly £8m back to the Government from its HRA and it is estimated that the securing of a loan between £109m and £134m will remove this obligation and give the Council complete freedom over its income and expenditure plans.

Objectives and Commitments for Achieving Decent Homes

Meeting the Housing Strategic Priority of Achieving Decent Homes requires different approaches in respect of in the two sectors, with the public sector housing objectives being clear cut, whilst the private sector housing objectives require a more comprehensive approach to reflect the amount of work that needs to be done.

To meet the Strategic Priority, the Council has identified the following three objectives in respect of the public sector housing stock and five objectives in respect of the private sector:

- A. Meet the Decent Homes targets for the Council's housing stock**
- B. Maintain and where possible exceed the Decent Homes Standard over the life of the Housing Revenue Account Business Plan**
- C. Monitor the progress of housing associations in Cornwall on the Decent Homes targets and provide support as required**
- D. Establish a comprehensive, evidence based database for the private sector housing stock to ensure effective targeting of resources**
- E. Renew and develop the private sector housing strategic framework**
- F. Improve the quality of the private sector housing stock**
- G. Increase and improve the supply of low cost housing options**
- I. Tackle inequalities resulting from poor housing**

Objective A: Meet the Decent Homes targets for the Council's housing stock

Progress on meeting the Decent Homes Standard by Cornwall Council and Carrick Homes Ltd. is excellent. The homes managed by North East Cornwall Landlord Services are over 96% decent, whilst the homes managed by South East Cornwall Landlord Services are over 97% decent. Both services have sufficient resources available to meet the 2010 target. The Council housing managed by Carrick Housing Ltd is now 100% decent, with the target met over a year early.

Table 36: Commitment for Objective A		
Task	Lead Responsibility	When
Complete Decent Homes programme for all social housing	Assistant Heads, Landlord Services Chief Executive, Carrick Housing Ltd Housing Association Managers	By 31/12/10

**Objective B:
Maintain and where possible exceed the Decent Homes Standard over the life of the Housing Revenue Account Business Plan**

After the Decent Homes target is met in 2010, the Council will have an ongoing responsibility to ensure that its housing stock remains decent into the future. Business Plan predictions are that, in the longer term, stock investment needs are likely to exceed available resources. To address this, the Council will need to test the viability of how this projected mismatch between the investment needs and the available resources can be addressed. This will be a key factor in the production of a single Housing Revenue Account (HRA) Business Plan for Cornwall, which will review investment needs for all 10,650 Council owned dwellings over the next 30 years, assess the resources that are likely to be available to meet the investment needs and appraise alternative options if income cannot meet investment needs and tenant expectations. An important piece of work for the Council will be to assess the best practice across Cornwall on exceeding the Decent Homes Standard and ensuring that tenants' aspirations for quality homes, neighbourhoods and housing services are reflected in the new Cornwall Council HRA Business Plan.

Table 37: Commitments for Objective B		
Task	Lead Responsibility	When
Undertake a review of the investment need to deliver Decent Homes over the next 30 years and prepare a Business Plan accordingly	Assistant Heads, Landlord Services Chief Executive, Carrick Housing Ltd	By 31/03/10
Seek tenants views on options to undertake programmes of work and environmental improvements in excess of the Decent Homes Standard	Assistant Heads, Landlord Services Chief Executive, Carrick Housing Ltd	By 31/03/10

**Objective C:
Monitor the progress of housing associations in Cornwall on the Decent Homes targets and provide support as required**

Ocean Housing, which manages the former Council stock in Mid Cornwall is on target to achieve 100% decency during 2009, meeting the Government target one year early. However, in West Cornwall, 7.6% of the Coastline Housing stock and 10.4% of the Penwith Housing stock remains non-decent. The Council will be closely monitoring this position and working with its stock transfer partners to understand any particular barriers to meeting the 2010 target, explore shared solutions and provide support where needed. The Council will also need to monitor the performance of housing associations beyond 2010 to ensure that sufficient resources and effective programmes are in place to ensure that homes in this sector remain decent.

Table 38: Commitment for Objective C		
Task	Lead Responsibility	When
Monitor progress of Housing Association Decent Homes programme and offer support as required	Head of Housing Services	Ongoing until 31/03/12

**Objective D:
Establish a comprehensive, evidence based database for the private sector housing stock to ensure effective targetting of resources**

An effective Private Sector Renewal Strategy needs to be supported by a robust database and current data is in need of refreshing. The Building Research Establishment has undertaken a stock modelling exercise using English House Condition Survey data, which provided detailed projections for the stock into the future. The resulting information can be used to commission a Cornwall Private Sector Condition Survey and develop a live property database, which will provide the necessary evidence base to support the policies and target resources effectively.

Table 39: Commitment for Objective D		
Commitments for Objective D	Lead responsibility	When
Commission private sector house condition survey	Head of Public Health & Protection	By 31/3/10
Develop a private sector housing property database to inform policy and target resources	Head of Public Health & Protection	By 31/3/11

**Objective E:
Renew and develop the private sector housing strategic policy framework**

There is currently a range of strategies and policies for private sector housing that will to be integrated into a single document covering all aspects of the service. This will allow existing best practice to be combined with a fresh approach to the development of new policies that make the best use of the powers available to the Council to intervene in important areas of work, such as area based approaches to renewal and repair, licensing of Houses in Multiple Occupation, Management Orders, enforcement action, grants and loans and empty homes.

Another policy driver is the development an investment strategy to maximise funding opportunities and unlock equity and value within the existing housing stock. This will become increasingly important if the Government approves the proposal for regional resources being allocated on a competitive bidding basis instead of the current needs formula.

Table 40: Commitment for Objective E		
Task	Lead Responsibility	When
Complete the review of private sector housing policies and strategies	Head of Public Health & Protection	By 31/03/11
Prepare and implement a range of private sector housing policies and strategies	Head of Public Health & Protection	By 31/03/11
Develop a private sector housing investment strategy	Head of Public Health & Protection	By 31/3/11

Objective F: Improve the quality of the private sector housing stock

The purpose of this objective is to reduce the number of non-decent homes, remove Category 1 hazards from homes, improve energy efficiency and reduce fuel poverty across both the owner occupier and private rented sectors.

To reduce the number of non-decent homes, the Council has, in partnership with the Home Improvement Trust, devised a new loan scheme for Cornwall called *House Proud*, which is designed to encourage owners to be more proactive in taking responsibility for the maintenance of their properties. *House Proud* has three flexible lifetime mortgage products for older people disabled people and a revolving facility which recycles public sector funds to provide for other priority client groups.

In respect of tackling hazards in the homes, the Council will maximise resources to improve standards in the private rented sector through the licensing of Houses in Multiple Occupation, advice and information to landlords and enforcement where necessary. Homeowners will benefit from improved awareness of the problems that poor housing conditions can cause and the options open for them to bring their homes up to a decent standard.

To improve energy efficiency and reduce fuel poverty, households living in hard to treat properties within communities with severe fuel poverty problems will be targeted for assistance under the Warm Front programme, with priority given to home owners without a gas supply, home owners of properties with solid walls, residents of park homes and residents of non-traditional housing, e.g. Cornish Units.

Task	Lead Responsibility	When
Implement the <i>House Proud</i> scheme	Head of Public Health & Protection	Ongoing until 31/03/12
Maximise resources to remove Category 1 hazards from homes	Head of Public Health & Protection	Ongoing until 31/03/12
Target resources to improve energy efficiency in communities with severe fuel poverty problems	Head of Public Health & Protection	Ongoing until 31/03/12

Objective G: Increase and improve the supply of low cost housing options

The private rented sector plays an important role in increasing the availability of low cost housing options for low income households whose housing needs cannot be met by social renting or owner occupation. A good relationship with private landlords is critical to the Council in its challenge to prevent homelessness and reduce the use of temporary accommodation. There is a unique opportunity to assess the range of initiatives currently available to private landlords, with a view to combining existing good practice into the new integrated private sector housing policies and establishing new partnerships with organisations and individuals to build and develop the relationship.

A Houses in Multiple Occupation Strategy will be developed that sets out the intentions for improving the quality and increasing the number of affordable rented homes through a menu of advice, information, enforcement and financial incentives. Mandatory Licensing will be considered as an option to raise standards in the HMO sector, with Additional Licensing for poorly converted self contained dwellings and Selective Licensing for areas experiencing anti-social behaviour.

An Empty Property Strategy will be developed, using powers under the Housing Act 2004, including Empty Homes Management Orders, to target empty homes, vacant accommodation above shops or commercial buildings and where appropriate, provide financial incentives to convert them to affordable housing.

Area renewal projects can make a valuable contribution to the supply of low cost housing. The Council will investigate the potential for area renewal action and group repair schemes, prioritising localities where there are serious and concentrated problems of rundown private sector housing.

Table 42: Commitments for Objective G

Task	Lead Responsibility	When
Review the services available to support private sector landlords and establish new partnerships to develop the relationship	Head of Public Health & Protection Assistant Head of Housing – Operations & Performance	By 31/03/11
Develop a Houses In Multiple Occupation Strategy	Head of Public Health & Protection	By 31/03/11
Develop an Empty Property Strategy	Head of Public Health & Protection	By 31/03/11
Investigate the potential for area renewal action and group repair schemes	Head of Public Health & Protection	By 31/03/11

Objective H: Tackle inequalities resulting from poor housing

It is vital that private sector renewal activity reflects national priorities by promoting independence and wellbeing. Policy initiatives will therefore be directed towards households which are most at risk of ill health because of housing conditions, which are likely to be older people, people experiencing long term sickness, disabled people and families with young children. This objective will be delivered with strong partnership working through the Health and Wellbeing Board.

Table 43: Commitment for Objective H		
Task	Lead Responsibility	When
Improve health and wellbeing by targeting private sector renewal activity to households most at risk of ill health	Assistant Head of Public Health & Protection	Ongoing until 31/03/12

Section B Our Housing Priorities

Housing Strategic Priority Four: Creating Sustainable Communities

Strategic Vision

We will ensure that housing activities are complementary to corporate regeneration and renewal policies and contribute to improving the Cornwall's economic prospects

We will ensure that housing activities contribute towards social wellbeing and make a difference to deprived and excluded communities

Introduction

Creating sustainable communities is an important national policy priority and all Councils are now required to produce a Sustainable Community Strategy which addresses the wider needs of a community and its residents. Housing is an intrinsic element of a successful Sustainable Community Strategy and the links into the Housing Strategy should be clearly defined.

This Strategic Priority acknowledges that housing policy and practice is inextricably linked to wider social and economic policy. Social housing estates often provide homes for the least advantaged and residualised sections of the community who are often disenfranchised and without a

collective voice. It is inevitable, therefore, that housing issues will be reflected in the agendas of issues such as social deprivation and the need for neighbourhood renewal.

The Strategic Priority addresses the need for a range of policy interventions to tackle housing issues whilst also fostering economic growth, sustaining rural communities and contributing to the regeneration of poorer neighbourhoods in the following three policy areas:

- **Housing and the economy**
- **Creating thriving rural communities**
- **Creating Sustainable and Vibrant Communities**

The Policy Context

Housing Policy at a glance

Table 44: Policy Drivers		
National Drivers	Regional Drivers	Local Drivers – The Cornwall Response
<p><i>The Barker Review of Housing Supply – Delivering Stability: Securing Our Future Housing Needs</i> http://www.communities.gov.uk/documents/planningandbuilding/pdf/154265.pdf</p> <p><i>Sustainable Communities: Building for the Future</i> http://www.communities.gov.uk/documents/communities/pdf/146289.pdf</p> <p><i>Sustainable Communities in the South West</i> http://www.communities.gov.uk/documents/communities/pdf/144035.pdf</p> <p><i>Strong and Prosperous Communities: Government white paper</i> http://www.communities.gov.uk/documents/localgovernment/pdf/152456.pdf</p> <p><i>Affordable Rural housing Commission Final Report</i> http://www.defra.gov.uk/rural/pdfs/arh/comm-report/affordable-housing.pdf</p> <p><i>Planning Policy Statement 3: Housing</i> http://www.communities.gov.uk/documents/planningandbuilding/pdf/planningpolicystatement3.pdf</p> <p><i>Ends and Means: The Future Roles of Social Housing in England</i> http://sticerd.lse.ac.uk/dps/case/cr/CASereport34.pdf</p> <p><i>Every Tenant Matters: A Review of Social Housing Regulation</i> http://www.communities.gov.uk/documents/housing/pdf/320365.pdf</p> <p><i>Living Working Countryside: The Taylor review of rural economy and affordable housing</i> http://www.communities.gov.uk/documents/planningandbuilding/pdf/livingworkingcountryside.pdf</p> <p><i>The UK Low Carbon Transition Plan</i> http://www.decc.gov.uk/en/content/cms/publications/lc_trans_plan/lc_trans_plan.aspx</p>	<p><i>The Way Ahead Delivering Sustainable Communities in the South West</i> http://download.southwestrda.org.uk/file.asp?File=/regeneration/general/SOUTHWEST_lr2.pdf</p> <p><i>South West Regional Housing Strategy 2005-2016 Strategic Aim 3 - Supporting Sustainable Communities</i> http://southwest-ra.gov.uk/media/SWHB/Regional%20Housing%20Strategy/strategy.pdf</p> <p><i>South West Climate Change Action Plan 2008-2010</i> http://www.swcouncils.gov.uk/media/SWRA/Climate%20Change/Revised_Draft_CCAPv4.8.pdf</p>	<p>Development of Area Action Plans</p> <p>Successful bids for three Growth Points</p> <p>Submission of a bid to build an Eco Town</p> <p>Planning policies to maximise urban and rural affordable housing opportunities</p> <p>Successful Cornwall Landbank Trust schemes for rural affordable housing in perpetuity</p> <p>Strong tenant and resident participation opportunities across Cornwall</p> <p>Active participation on estate based regeneration initiatives</p> <p>Active participation in community based initiatives</p> <p>Achieving high levels of tenant satisfaction</p> <p>Driving down carbon footprint of housing</p>

National Policy Context

Housing and the Economy

The *Barker Review of Housing Supply 2004 - Delivering Stability: Securing Our Future Housing Needs* had a significant impact on national housing policy, acknowledging that shortages of housing supply do not just have social consequences but can also become a constraint to successful economic performance. It concluded that house building had reached the lowest level since the Second World War and house price inflation was double that in the rest of Europe.

In response, the Government announced ambitious plans to deliver three million new homes by 2020, to be achieved through reform of the planning system and a new approach to identifying and using land for development and increased infrastructure investment to support sustainable housing growth. Government initiatives to speed up the delivery of housing and achieve higher proportions of affordable housing include Eco towns, Growth Areas, Growth Points and the Community Infrastructure Fund.

Creating thriving rural communities

There has been significant pressure on rural communities and the rural way of life, which has been exacerbated by the inability of the rural settlements to retain their indigenous young people because of the shortage of affordable housing. The Government has acknowledged this by commissioning national studies which have highlighted good practice and policy changes to improve the delivery of affordable housing in rural areas.

The Department for Environment, Food and Rural Affairs set up the Affordable Rural Housing Commission in July 2005 to enquire into the scale, nature and implications of the shortage of affordable housing for rural communities in England and make recommendations to help address unmet need. The report concluded that a step change was needed to provide 11,000 new affordable homes each year, equivalent to six in every parish.

More controversial proposals under consideration by the Government include the introduction of a Planning Use Class Order to restrict second home ownership and limitations to the Right to Buy and the Right to Acquire for social housing tenants in more rural areas.

Creating Mixed and Vibrant Communities

The principal Government policy driver is the Sustainable Communities Strategy launched in 2003, which aimed to “raise the quality of life in our communities through increasing prosperity, reducing inequalities” and has led to a series of policies and initiatives based around the principle of mixed tenure communities. These principles apply to area based regeneration as well as new green field development. Neighbourhood renewal funding, housing management pathfinders and Private Finance Initiative funds have been used to diversify tenure and integrate service delivery. The following major strategic projects are examples of how policy has been put into practice:

- Revision of Planning Policy Statement 3: Housing
- Strategic Growth Areas and Growth Points
- Urban extensions
- Eco towns
- Housing market renewal

This position was strengthened in 2007 when the Government commissioned *Ends and Means: The Future Roles of Social Housing In England*, a fundamental review of social housing, also known as The Hills Report into Social Housing. The report recommended that the Government should:

- Seek to promote mixed income neighbourhoods, through improved employment prospects
- Promote mixed tenure development in predominately social housing areas
- Foster housing mobility through choice based lettings
- Introduce higher quality facilities and management services to help retain higher income groups within the community

2007 also produced a further piece of work, *The Cave Review of Social Housing Regulation*, which looked at a range of options for reforming the regulatory system for social housing to better support tenants, drive up standards of housing provision, reduce burdens on social housing providers and reflect current and future Government priorities.

Cave's report, *Every Tenant Matters: A review of social housing regulation*, was published on 19 June 2007. The recommendations were taken forward in the Housing and Regeneration Act 2008, which introduced the following major housing policy changes to deliver the commitments set out in the Housing Green Paper of July 2007 to provide more and greener homes, in mixed and sustainable communities:

- The creation of the Homes & Communities Agency as the main funding body for affordable housing provision and infrastructure investment
- The strengthening of the Code for Sustainable Homes
- Granting Councils more freedoms within the Housing Revenue Accounts and incentives to build new homes
- The reforming social housing regulation through the creation of the Tenant Services Authority, giving tenants more choice and a voice over how their homes are managed and giving local authority tenants greater powers over options for the future management and ownership of their homes

Anti-social behaviour can be a feature of socially deprived communities and the Government response to this between 2004 and 2008 was the *Together Campaign* and the *Respect Agenda* designed to improve the reputation of neighbourhoods and the quality of services, built around the following six key commitments:

- Accountability
- Leadership and commitment
- Empowering and reassuring residents
- Prevention and early intervention
- Tailored services, protecting communities through swift enforcement
- Support to tackle the causes of anti social behaviour

The *Together Campaign* worked to improve the response to tackling anti-social behaviour by putting the needs of the local community first. The *Respect Agenda* continued the drive to tackle anti-social behaviour and adopted a broader approach of early intervention and tackling the underlying causes of anti-social behaviour.

Although the *Together* and *Respect* programmes have ended, the Government will continue to address anti-social behaviour by ensuring young people are given opportunities and by challenging 'problem families' to accept support to change their behaviour. The principles of the programmes are now embedded in regulatory governance, with policies and procedures adopted as best practice and the outcomes monitored. Work will continue on this basis to strengthen communities and ensure that public spaces are clean and safe, and victims and witnesses of anti-social behaviour are protected and supported.

Regional Policy Context

The South West Regional Housing Strategy 2005-2016 Aim 3 is "To ensure that housing makes a full contribution towards the achievement of sustainable and inclusive communities", with the following indicative outcome targets:

- To improve community cohesion, particularly in areas most affected by social exclusion by 2010
- To reduce disadvantage amongst vulnerable groups by 2010
- To increase provision for Gypsy and Traveller sites by 2016

The South West Regional Development Agency programme *The Way Ahead – Delivering Sustainable Communities in the South West* makes links between housing supply and the economy and channelling of the benefits of growth to help reduce social exclusion and create socially well balanced communities based on sustainable design principles. The programme proposes to accelerate growth in jobs and homes in "the key Cornish towns", and reflects the regional commitment to the regeneration of the Camborne/Pool/Redruth area.

The timescale for the increased provision of Gypsy and Traveller accommodation has expedited to 2011 because of the Government's national housing priority. This will be reflected in the update to the Regional Housing Strategy, together with the need for the step change in provision to 2026.

The Cornwall Challenge

Housing and the Economy

The following statistics give an indication of the scale of the imbalances in the Cornwall housing market and an insight into why housing issues are so closely linked to the local economy.

- The Cornwall economy grew by 7.9% each year between 1999 and 2004 compared with a growth rate of 5.8% for the national economy. The largest growth sectors were property and real-estate, reflecting the buoyancy of the housing market, whilst traditional sectors, such as mining, fishing and manufacturing declined
- The majority of Cornwall towns have a high degree of self containment with the workforce already living in the county, which creates a local demand for new homes across a range of relatively small settlements
- A notable exception is Truro where, according to Census 2001 data 14,000 people travel to the city daily, which represents an unsustainable level of commuting and it is anticipated that this figure will have increased significantly over the last eight years. .Census data suggests that only 34% of jobs in Truro are sourced from residents living in the city,
- Some towns in Cornwall, for example Wadebridge and St Ives, have high house prices as well as higher levels of commuting from lower occupational groups, which indicates that there is a direct link between housing affordability and commuting distances
- 66% of unemployed people in Cornwall (approximately 28,000) claim health related benefits, making it difficult for them to participate in a highly competitive job market, as well as making the reduction of long term unemployment figures challenging to achieve
- Wages in Cornwall remain at low levels, despite growth in the economy. Average full time salaried earnings in Cornwall in 2008 were £23,378, over 20% below the South West regional average of £28,182 and 34% below the national average of £31,323
- The Cornwall economy is characterised by part time and seasonal employment, with the average part-time employee earning between £3,500 and £6,000 less than a full-time employee
- A sample survey of 5,000 households completed for the West Cornwall Housing Market Assessment estimates that over 40% of households have a household income of less than £15,000, whilst only 26% of households have incomes of £30,000 or more
- Higher income households are better represented in the rural areas of Cornwall, whereas households living in Penzance and Camborne/Pool/Redruth are the least likely to have higher levels of household income
- The urban areas of Truro, Falmouth and Camborne-Pool-Redruth are the only areas in the county not to have met their longer term housing delivery targets, despite being important employment centres in the county

Creating thriving rural communities

The following statistics give an indication of the scale of the housing issues facing rural communities.

- Half of the population of Cornwall live in rural areas but only 23% of the Housing Corporation's (now the Homes and Communities Agency) South West Affordable Housing Development Programme for 2008-11 was invested in non-urban settlements
- Affordability pressures are very acute in the rural areas of Cornwall. In all villages except two, the ratio of house prices to lower quartile income ratios is more than 10:1
- 70% of all addresses in Cornwall are within 3 miles of the coast, which can add a significant premium to the prices of these homes
- Tenants of social housing in rural areas are more likely to be older people living on fixed incomes, compared to occupants in the towns
- Dependency upon the use of a car is higher in rural areas, with average annual distance travelled of 10,000 miles, compared to an average of 7,000 in all urban areas
- Social rented housing in rural areas has low turnover rates, with new build schemes often being the only opportunity for local residents to access it
- Homelessness is a major issue for rural communities in Cornwall, with a significant proportion of the scarce social housing resource being let to homeless households
- Family houses form 90% of the rural housing stock in Cornwall, which means that there are limited opportunities for low income households to access one or two bedroom starter homes

- 75% of homes in villages in Cornwall are either detached or semi-detached compared to 54% in urban areas
- Homes in the rural areas of Cornwall are harder to treat, having an older profile and higher levels of unfitness, disrepair and fuel poverty. 55% of the housing stock in the rural areas was built before 1919 compared to 24% in the urban locations
- The costs of development of new social housing per person during 2006-2008 were £27,000 in rural areas, compared to £34,000 in urban areas, which challenges the assumption that rural development is more expensive because economies of scale cannot be achieved

Creating Mixed and Sustainable Communities

The following statistics demonstrate how some communities have less advantaged residents, which can have a marginalising and stigmatising effect on both the people and the communities:

- 78% of all new social housing tenants in Cornwall have income at least partly derived from pensions and benefits
- 60% of all new social housing tenants in Cornwall are not in regular employment.
- In Cornwall the average level of personal debt is estimated to be equivalent to 14 months of total household income
- Of the 50 most deprived areas of Cornwall, half have no active tenants or residents groups and only 14 have direct access to community run buildings
- A recent study for *Cornwall Neighbourhoods 4 Change* found that people living in the ten most deprived neighbourhoods in Cornwall are less advantaged in the following ways:

- They have a 50% chance of living in social housing
- They are twice as likely as the wider population to be sick or disabled and be on some form of benefit
- They are 2.5 times more likely to be a lone parent and 3.5 times more likely to be claiming lone parent benefit
- They will be half as likely as the general population to have a degree
- 54% of adults have no formal qualifications

Resources available to Create Sustainable Communities

There are no dedicated funding resources available to directly support this Housing Strategic Priority, although the themes of Housing and the Economy and Creating Thriving Rural Communities are closely linked to the Delivery of Affordable Housing.

The theme of Creating Mixed and Vibrant Communities is closely linked to activity through the Decent Homes agendas in both the public and private sectors and also additional management spending from the Council's Housing Revenue Account and the various housing associations with estates across Cornwall. External sources of funding can also occasionally be secured for estate action initiatives and other innovative approaches.

Future Funding Opportunities for Creating Sustainable Communities

The table below sets out the various opportunities that are available for innovative one-off and continuing sources of additional income to support Creating Sustainable Communities.

Table 45: Funding Opportunities	
Funding Stream	Future Opportunity
Various external funding streams for ECO Towns, Private Finance Initiatives, Growth Points, Self-financing from the Housing Revenue Account, etc.	As discussed in the chapter on Delivering Affordable Housing, the Council can bid for additional funding which will not only provide new affordable housing but will bring many other community benefits and opportunities to create sustainable communities.

Objectives and Commitments to Create Sustainable Communities

Creating Sustainable Communities is a multi-faceted strategic priority, which will require a range of actions to address the issues, for which the Council has identified the following objectives:

- A Build on existing initiatives and maximise new opportunities to strengthen the links between housing and the economy**
- B Create opportunities to promote rural affordable housing and provide support for rural communities**
- C Work in partnership with residents groups and other agencies to address the inequalities facing residents of social housing estates and improve their quality of life**

Objective A: Build on existing initiatives and maximise new opportunities to strengthen the links between housing and the economy

A significant amount of work has already been undertaken to strengthen the links between housing and the economy to meet the national and regional priorities, including the following:

- The development of Area Action Plans for the strategically significant cities and towns (SSCTs) of Truro, Falmouth/ Penryn and Camborne/Pool/ Redruth (CPR) to provide 20,300 new homes and create a better balance between the location of jobs and homes
- The development of contributions strategies for the Truro and CPR Area Action Plans to assess the impact of infrastructure constraints on the delivery of affordable housing
- The awarding of Growth Point status for Truro, with a proposal to deliver 5,000 new homes by 2016, 35% of which will be for affordable housing.
- The awarding of Growth Point Status for the urban areas of St Austell/Newquay and Falmouth/ Penryn/CPR, which will help to secure additional support for these areas of significant growth
- The submission of an expression of interest, in partnership with Imerys, for an Eco Town in the clay villages, which will deliver 5,000 new homes – 1,500 of which will be affordable
- Planning permission for live/work developments to reflect the high number of businesses being run from home, including some affordable live/work units
- The development of intermediate affordable housing policies and first time buyer registers to address the needs of key workers

The following example of good practice shows what can be achieved in Cornwall.

What works– a good practice case study

Cornwall's first urban regeneration company (URC), *Camborne, Pool, Redruth Regeneration* was set up in November 2002 in partnership with Cornwall Council, English Partnerships, the South West of England Regional Development Agency and the Objective One Partnership for Cornwall and the Isles of Scilly, with the aim of helping to bring prosperity back to Camborne, Pool and Redruth, a five-mile urban conurbation in West Cornwall. Once renowned for its mining and engineering industries, the area now faces a number of long-term challenges that are being addressed by CPR Regeneration and its partners. CPR Regeneration is one of 22 URCs in the UK and brings together funding partners, local stakeholders and the private sector to focus investment and to deliver "joined up" regeneration projects. Its aim is to ensure that the locality is regenerated in a sustainable way with a range of new homes and employment opportunities alongside community and leisure facilities in an improved environment.

The following initiatives are proposed to build on this existing good practice and help to meet the Strategic Priority

- Develop the first affordable live-work scheme in Cornwall and monitor its effectiveness
- Participate in the countywide completion of Site Viability Appraisals and develop a strategic approach to housing subsidy in areas with high infrastructure costs
- Identify scope for future Growth Points to support the delivery affordable housing
- Review existing training and employment initiatives for social housing tenants
- Develop new key worker and intermediate housing policies

Objective B: Create opportunities to promote rural affordable housing and provide support for rural communities

There is a tendency to focus on the housing needs of the towns, despite the fact that Cornwall is still very rural in its nature and half the population live outside of the urban areas. In the rural areas, the issues of poverty, deprivation and disadvantage are often masked by the natural beauty and an overall impression of affluence but the reality is that rural communities tend to be less well served than their urban counterparts.

Housing has a critical role in creating and preserving thriving rural communities. New affordable homes can sustain communities and support the rural economy, helping to preserve essential services such as schools and shops and generally reverse the decline of local services.

Table 46: Commitment for Objective A

Task	Lead Responsibility	When
Work in partnership to identify and maximise housing initiatives and opportunities which complement the economy of Cornwall	Head of Housing Services; Head of Environment, Planning and the Economy Head of Localism	Ongoing until 31/03/12

Much work and investment has been directed to sustaining the rural communities in Cornwall, including the following:

- Funding and support for pilot Community Land Trust projects
- Dedicated planning resources for the appraisal of rural sites
- Affordable housing planning policies with reduced thresholds for rural sites, some with one for one policies requiring every open market home developed to be accompanied by an affordable home
- The identification of rural exceptions sites including innovative work with the Area of Outstanding Natural Beauty partnership in the far west of Cornwall and the appointment of consultants to work with parishes to appraise potential sites in mid Cornwall
- Development of more flexible mortgagee in possession clauses to encourage private sector involvement in rural exceptions schemes
- Active participation in and assistance with the development of Parish Plans and practical and financial support for local housing needs surveys
- Support for sustainable rural development through green exemplar projects
- The establishment of rural housing needs surgeries

The following good practice example shows what can be achieved.

What works – a good practice case study
The Cornwall Community Land Trust Project

The village of Rock on the Camel estuary is reputedly one of the most expensive places to live in the world, with average property values sixteen times higher than average local wages. There is strong demand for affordable housing but the house prices and land values have made it virtually impossible to deliver affordable housing through the traditional routes. With inspiration from a local builder, a group of concerned local people identified agricultural land outside the settlement which the landowner was willing to sell for a local self build affordable housing scheme. The design was tailored to meet the needs of local people and received full community support.

In 2006 the group were helped by the Cornwall Community Land Trust and the former North Cornwall District Council to set up what was to be the first community land trust in Cornwall. The Council provided a £5,000 set up grant and an interest free loan of £544,000 for working capital. The twelve highly insulated, timber frame bungalows were completed in December 2008 and were cost the locally based self builders £77,000 for a two bedroom home and £85,000 for a three bedroom home, equivalent to 31% of open market value. Future occupancy controls will be provided by the involvement of the land trust and homes will be resold for no more than 31% of open market value. A further scheme, which was completed in March 2009, saw the Cornwall Land Trust work in partnership with the former North Cornwall District Council and Cornwall Rural Housing Association to provide six homes for sale to local people in the Bodmin Moor village of Blisland.

The following initiatives are proposed to build on this existing good practice and help to meet the Strategic Priority

- Extension of the Community Land Trust model and identification of any opportunities for the disposal of publicly owned land to support future schemes
- Development of a priority parish investment programme based on housing need and site availability

- Development of the role of rural housing specialists within the Planning and Regeneration service, including scope for specialist planning skills
- A joint initiative with the Community Networks and parishes to pilot rural affordable housing site appraisals
- The use of new house condition information to develop targeted action for the ageing housing stock in rural areas

Table 47: Commitment for Objective B

Task	Lead Responsibility	When
Work in partnership to identify and maximise opportunities to promote sustainable rural housing initiatives	Head of Housing Services; Head of Environment, Planning and the Economy Head of Localism	Ongoing until 31/3/12

Objective C: Work in partnership with residents groups and other agencies to address inequalities facing residents of social housing estates and improve their quality of life

Housing and planning strategies can make an important contribution to the creation of mixed and vibrant communities. Attractive housing and neighbourhoods encourage residents to stay, which leads to strong communities and social networks. Mixed tenure is an important factor in this success, helping to ensure that extended family and support networks can be preserved and reducing the incentive for higher income groups to move away, leaving poorer households trapped within a declining neighbourhood.

The following key ingredients are necessary to create a mixed and sustainable community:

- High quality housing design with a range of house types and tenures
- Neighbourhood facilities and open spaces
- Achievement of a better socio-economic balance and tenure mix during regeneration opportunities
- Provision of targeted services to support members of the community
- Provision of high quality local housing management
- Interventions to promote and maintain a positive reputation, including community safety measures and robust anti-social behaviour policies

High proportions of social rented housing are a consistent feature of the most deprived communities and neighbourhoods in Cornwall, which provides social landlords with the potential and incentive to lead initiatives to improve the social and economic success of their communities.

The following initiatives demonstrate some of the current good practice to create mixed and vibrant communities in Cornwall:

- Strong tenant engagement teams across all social landlords to support tenants and residents groups
- The Neighbourhood Element Programme, which sits within the Safer, Stronger Sustainable Communities block of the Cornwall Local Area Agreement, aims to improve the quality of life for people in the most disadvantaged neighbourhoods and ensure service providers tailor their services to be responsive to the needs of communities
- Support for the Inclusion Cornwall, a thematic partnership of the Cornwall Strategic Partnership, which promotes social and economic inclusion for disadvantaged groups. Initiatives include Cornwall Works, Tackling Child Poverty and the Migrant Workers Group
- Support for Credit Unions across Cornwall
- Area and estate based regeneration initiatives such as Penwerris and Redruth North
- Estate remodelling and tenure diversification
- Support for foyer developments for young people linking homes with employment
- Support for community based initiatives such as Cornwall Neighbourhoods for Change
- Joint funding of community development workers
- Funding and support to develop community facilities, for example Malpas and Malabar
- Development of neighbourhood plans and compacts to improve the quality of the local environment and estates

- Social landlords in Cornwall have achieved top quartile performance with high levels of tenant satisfaction with council homes, averaging 87%

The following good practice example shows what can be achieved.

What works – a good practice case study

Operation Goodnight

A joint initiative took place in Redruth during the school summer holidays to improve the safety of children and reduce anti-social behaviour. The project was led by the Police and the Council, who worked in close co-operation with community representatives. The spirit of the scheme was not about restricting the activities of young people but ensuring that during the summer holiday evenings they were able to enjoy themselves but not at the expense of the wider community. The scheme encouraged parental responsibility for the supervision of young people, principally with a view to keeping them safe but the added benefit of reducing the levels of anti-social behaviour within the community. A voluntary curfew operated to encourage young people under the age of 16 years not to be out after 9pm and children under ten years not to be out past 8pm unless supervised by a responsible adult. In practice, the police or community members notified parents of any breach of the voluntary curfew and in most cases, the matter was successfully resolved by the parents, without the need for any official action. As a direct of Operation Goodnight, crime was reduced by 50% and the scheme was so successful that it was not necessary to repeat it during 2009.

The structure of the Cornwall Council provides an exciting opportunity to develop this good practice through the Localism agenda in partnership with Community Networks, which will also help to meet the Government's aspirations for national housing policy.

The following initiatives are proposed to build on this existing good practice and help to meet the Strategic Priority:

- Develop the Homes and Communities Thematic Partnership within the Local Strategic Partnership to ensure that there is a single voice on housing issues and establish links with other priorities and service providers
- Establish a working relationship between Cornwall Council Community Network Managers and local housing management teams and identify opportunities to devolve or dispose of assets for the benefit of deprived communities
- Combine existing good practice in tenant involvement, neighbourhood and housing management, whilst developing new resident involvement structures for Cornwall Council tenants
- Undertake a review of social housing estates to identify opportunities for tenure diversity and providing additional community facilities
- Address the need for community facilities and social infrastructure as part of contributions strategies for Section 106 negotiations for affordable housing
- Develop a Worklessness and Financial Inclusion strategy in partnership with other agencies, which has initiatives to improve economic opportunities for tenants, including training and employment based initiatives
- Implement the Cornwall Choice Based Lettings schemes and Housing Allocation Policy to facilitate local lettings plans and property labelling to help to achieve sustainable neighbourhoods
- Identify any additional funding sources to support community engagement work, for example grants from the Homes and Communities Agency

Table 48: Commitment for Objective C

Task	Lead Responsibility	When
Work in partnership to identify and maximise opportunities to create mixed and sustainable communities and improve the quality of life for residents on predominantly social housing estates	Head of Housing Services; Head of Environment, Planning and the Economy Head of Localism; Housing Association Managers	Ongoing until 31/03/12

Contacts

For more information about the Council's Housing Strategy and its Housing Strategic Priorities, please contact any of the following people:

Jane Barlow, Head of Housing Services
jane.barlow@cornwall.gov.uk

Allan Hampshire, Head of Public Health and Protection
allan.hampshire@cornwall.gov.uk

Claire Fowler, Assistant Head of Housing – Strategy and Policy
claire.fowler@cornwall.gov.uk

Cathy Hadfield, Assistant Head of Housing – Operations and Performance
cathy.hadfield@cornwall.gov.uk

Stacey Sleeman, Housing Strategy Manager
stacey.sleeman@cornwall.gov.uk

Steve Rickett, Supported Housing Strategy Manager
steve.rickett@cornwall.gov.uk

Julia Baker, Data Manager
julia.baker@cornwall.gov.uk

Phil Eaton, Gypsy & Traveller Liaison Officer
peaton@cornwall.gov.uk

Louise Dwelly, Strategic Affordable Housing Manager
ldwelly@cornwall.gov.uk

Cornwall Housing Strategy 2009-2012 Appendix 1

Understanding the Cornwall Housing Market

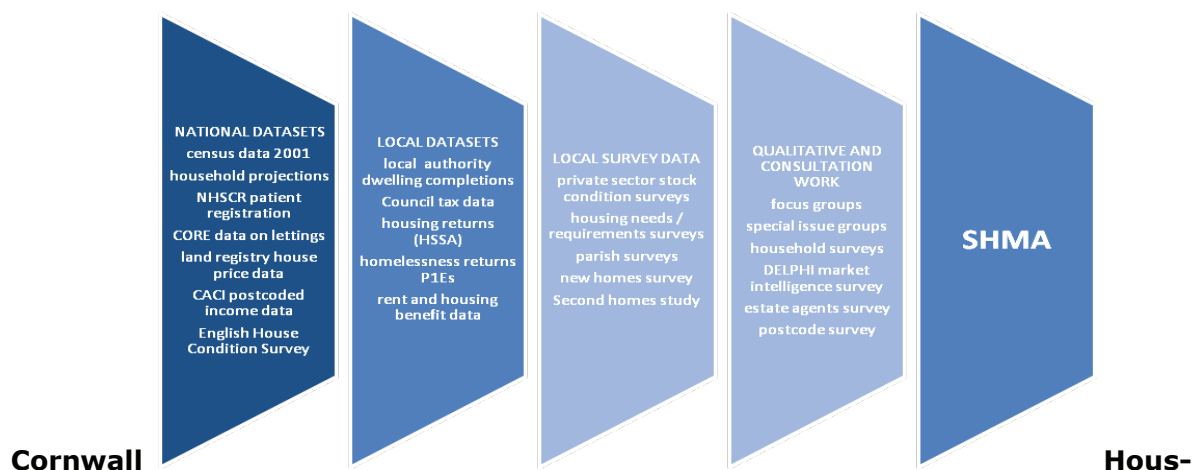
Introduction

Housing and planning policies must be based upon sound evidence which is both up to date and collected at the most local level possible. Much of government’s policy guidance emphasises the need for evidence based policy making and in particular the requirement for all areas to complete strategic housing market assessments (SHMAs). SHMAs are intended to provide comprehensive information about the local housing stock, housing supply and an area’s future and existing housing needs. SHMAs require co-operation across administrative boundaries and between sectors to develop a shared understanding about the operation of housing markets. National guidance specifies core data which each study must provide but also promotes the collection and commission of additional qualitative research to enhance local understanding.

The requirement to complete SHMAs has become an important incentive for local areas to improve the quality of information they maintain. Figure 2 shows how SHMAs in Cornwall have been built up using a range of housing and planning data from both national and local sources. Used correctly, SHMAs are essential tools which can

- Establish a sound understanding of the housing market area in the medium to long term
- Provide a more transparent framework for investment decisions.
- Promote greater integration between housing activity in the sub region and support the preparation of housing strategies and planning policy documents.
- Provide a sub regional context for other areas of research and analysis including housing requirements studies.
- Ensure the development of a strategic evidence base into the future.

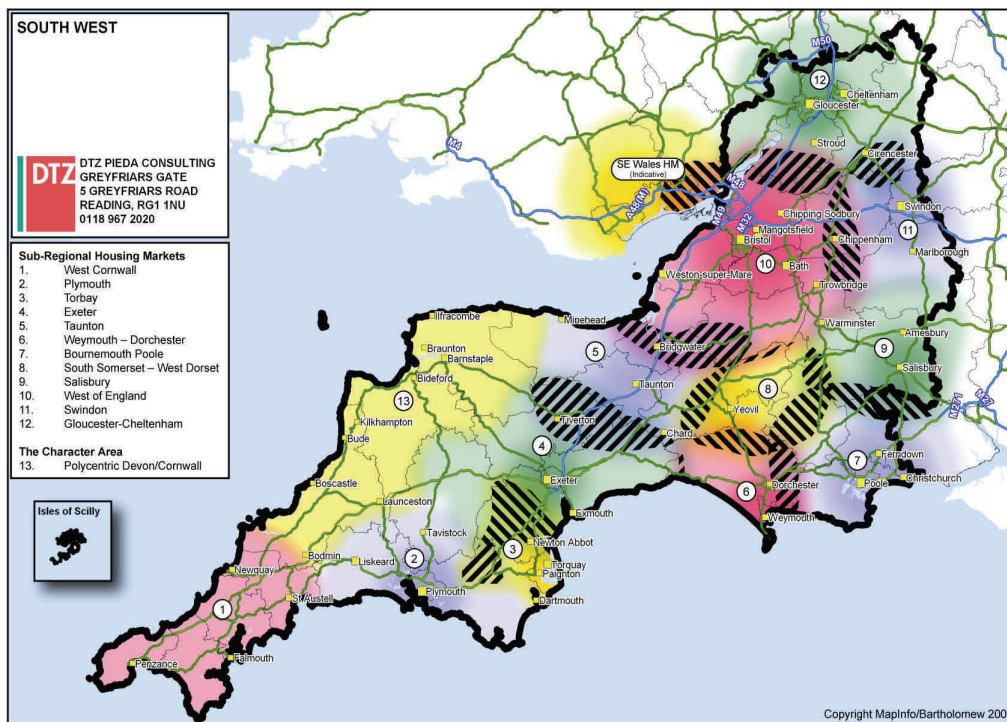
Figure 2: Data used to develop Strategic Housing Market Assessments in Cornwall



Strategic Housing Market Assessments in Cornwall

In the South West, research for the regional assembly identified 13 strategic housing markets across the region.

Figure 3: the regional map of strategic housing markets



The boundaries of the thirteen areas proved problematic for Cornwall with the county divided into three sub markets. Each of the three housing market areas has now developed a strategic housing market assessment. A summary of the extent of the three areas is set out below, together with the status of the studies for each area.

Table 5: Cornwall housing market areas and SHMA progress

Table 49: Cornwall Housing Market areas and SHMA progress		
Housing market area	Administrative boundaries	HMA report status
West Cornwall	All of the former districts of Penwith, Kerrier, Carrick and Restormel but including the western fringes of North Cornwall	Final report complete 2008
Devon & Cornwall Polycentric character area (northern Peninsula)	Exmoor National Park most of North Devon, Torridge and the former North Cornwall districts.	Final report complete 2008
Plymouth sub regional market	Plymouth, the South Hams, North to Tavistock, and west to Liskeard including all of the former Caradon district	Final report completed 2006

The three studies took different approaches. Both the West Cornwall and Northern Peninsula areas have used a combination of techniques to complete their assessments including analysis of national data sources such as the census and household projections, modelling and the commission of primary research. The Plymouth study was completed as a single piece of consultancy. The use of national and established datasets means that the new council will be able to update and review the study findings over time and investigate areas of interest in more depth.

The three SHMAs are available on the Council’s website.

Common Themes

Despite the division of Cornwall into three housing market areas, a remarkably consistent picture emerges from the three studies. Their key themes are summarised below.

1 Cornwall’s housing market geography

Cornwall is essentially rural in character. All of the administrative districts are classified as being within the Rural 80 (areas classified as being the most rural in character with at least 80% of their population in rural settlements and market towns). Only the urban conurbation of Camborne-Pool-Redruth falls outside this classification and even then this holds true for more than 50% of Kerrier’s population.

Cornwall is a series of town-based polycentric local housing markets which are highly self contained. Because of this and the fact that there are housing issues to be solved in each of these town based markets, markets are best managed and planned for at this level. Freestanding local markets exist for the towns of Penzance, St Ives and Hayle, Helston, Newquay, St Austell, Bodmin, Wadebridge, Launceston and Bude. Camelford and Padstow are much smaller local markets, but still substantially freestanding.

Some towns in Cornwall have a stronger strategic role and where this is the case, there is greater justification for these key towns to be strategically planned and managed together. The relevant towns are the central Cornwall towns of Truro, Falmouth-Penryn and Camborne-Pool-Redruth (CPR) which form a network of greater shared functionality and the towns of Launceston, Bude and Camelford which form part of the polycentric Devon and Cornwall housing sub region.

2 The crucial role of the towns

The clear strategic importance of the towns is greater in a County without larger urban areas. This importance is concentrated in certain towns and networks. The towns have different strategic roles and functions, but these are not related to simple matters such as their size. Local housing markets in Cornwall are based upon these key towns and an analysis of household moves and travel to work data shows that the towns are self contained to an unusual extent, compared with other areas. The relative roles of Cornish towns are set out below:

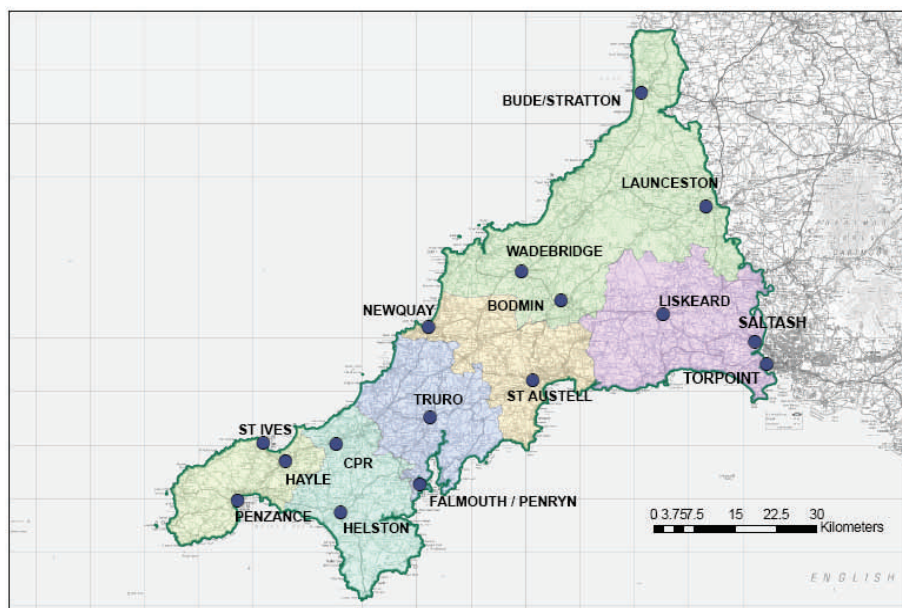
Regional Strategic Significance: the network of Truro/CPR/Falmouth-Penryn because of the combination of the attributes of the three towns and the potential for regional sustainable development this offers.

Sub-regional significance: St Austell, Newquay and Penzance as they have strong roles and functions within Cornwall as a whole.

Important local centres: – Bodmin also has a significant role, along with a number of other towns, including Wadebridge, Helston, and St Ives which perform the role of local service centres for employment, services and social activities for their own populations and surrounding settlements in their area of the County

Hayle does not fit into these categories exactly as it has a weaker strategic function than other towns in the county. However it remains an important local centre within a network of smaller towns and villages across the county

Figure 4: Cornwall's key towns



3 Particular challenges posed by rural and coastal areas

The majority of coastal and rural settlements in Cornwall are affordability hotspots. Measuring affordability using lower quartile house prices against incomes reveals that rural settlements have affordability ratios of between 12 :1 to 15:1, that is the cheapest 25% of houses for sale cost up to fifteen times the incomes of households in the bottom 25% of local earnings.

These are the areas where the impact of high levels of holiday and second home ownership are felt. In some settlements, they account for a third of all homes whilst, in the Cornish towns second home ownership rates are typically below 2%. Far fewer open market homes come up for sale in rural areas so the level of market churn (essential for a balanced housing market) is very low, rates of less than 5% annually. The majority of rural settlements have high levels of home ownership but there is a surprising variation in some of the proportions of social housing. The social sector accounts for just 3.7% of homes in Probus and 20.3% in Padstow. Yet even in rural areas with higher levels of social rented homes and higher turnover, in practice this means a handful of lettings each year.

There is also variation in the level of private renting. As many of these settlements are tourist and holiday areas, the proportion of private renting tends to be higher at between 10.4% to 17.2%. This is often higher than the social rented stock. Of course in holiday areas it is unlikely that private renting functions as permanent low cost housing. It is serving a different purpose. The

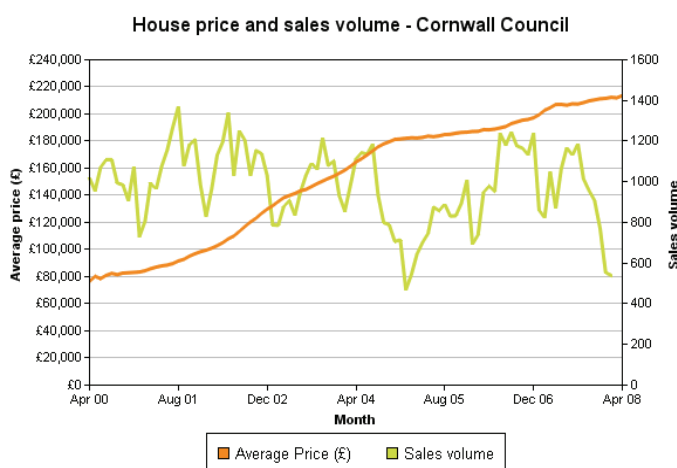
housing market pressures of coastal and rural settlements is similar to those of the larger market towns but rural areas display these characteristics in an extreme form - poor affordability, a large gap at the lower end of the market and stagnation in the private and social housing sectors.

The other significant characteristic of some rural settlements is the degree to which they are self contained. Mapping travel to work data shows that a surprising number of households both live and work in rural areas. There is therefore more scope for additional housing and rural employment initiatives than might have been thought.

4 Affordability

It is now well accepted that across Cornwall there is a problem of housing affordability, which has sharpened significantly since 2001. There are only a very small number of isolated areas where less than 5 times lower quartile incomes would be needed to purchase a house in the lower quartile of the market. In its calculations of affordability, government use a threshold of 8:1 to identify where there is a problem. There are eight pockets towards the centre and east of the county where approximately more than 7.5 – 10 times annual lower quartile income would be required to buy a home. Across the rest of the area more than 10 times average income is needed, with some particular hot spots around St Mawes and just inland from Boswinger, Padstow, Zennor and villages on the edge of Bodmin Moor where more than 30 times lower quartile income would be needed to buy a house in the lower quintile of the market.

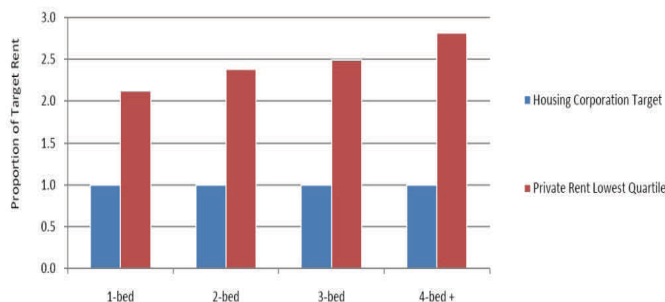
In consequence it is not possible to talk about any area in Cornwall being affordable, but only more affordable. Affordability does not impact upon everyone as the majority of households move with savings and equity. The impact is felt most by households entering the market for the first time, especially single people.



The same affordability pressures are felt in the rented housing market. A recent private renting survey completed as part of the West Cornwall Housing Market Assessment measured the gap between private sector market and Housing Corporation target rent levels.

Figure 6 details existing weekly rents in the private sector compared with target rents set by the Housing Corporation. Even the cheapest properties in the private sector typically cost double the Housing Corporation target rents.

Figure 6: West Cornwall sub-region Weekly Rent by Property Size and Tenure



Around 13% of households in West Cornwall are in receipt of housing benefit, rising to 17.8% of all households in Penwith. Those living in urban areas are more likely to be in receipt of housing benefit. 36% of households claiming housing benefit rent privately, and the remaining 64% rent from a social landlord. In the social rented sector, nearly 70% have their housing costs supported by Housing Benefit.

The current economic situation has had the effect of slowing down house price increases and there is evidence during the first half of 2009 that prices were falling. Although this is welcome news for people aspiring to get onto the property ladder, the reduction in house prices alone is unlikely to solve the affordability crisis.

There are also some notable disadvantages to the reversal in growth in the property market:

- Falling house values can lead to some households who bought during the peak of the housing market facing negative equity
- The macro-economic situation has meant that it is more difficult for aspiring owner occupiers to obtain a mortgage, despite the lowering of affordability ratios

- This in turn has led to an increased demand for social housing from people who may otherwise have bought
- A significant element of the local economy in Cornwall has centered around new house building in recent years. The recession has led to a significant and sudden reduction in this activity during 2009, which is having a direct adverse effect on the local economy

5,000 households on housing registers in Cornwall, with some level of housing need. Work on the West Cornwall Housing Requirements study involved a 5,000 household survey and has produced information for 4 of the 6 district administrative areas. Housing needs data for the Caradon and North Cornwall areas have been assessed using a different methodology. It is therefore difficult to aggregate the figures but there is a strong degree of confidence in local level data. In all cases the need for affordable housing outstrips the current resources or land availability to deliver it. The studies highlight demand for both social rented and intermediate homes. But the cost at which intermediate housing is offered is critically important.

5 High levels of housing need

Tackling housing need in Cornwall involves

addressing a long term backlog as well as newly arising need. The West Cornwall and polycentric HMA studies estimate that it is only realistic to reduce the current backlog of households and reduce waiting lists over a 10 year period. The Plymouth study is more ambitious and aims to reduce backlogs over 5 years.

Information on local housing need is derived from two different sources, housing registers and regular surveys of housing need. There are currently

The estimated net annual housing requirement for Cornwall is 4,488 dwellings of which 52% need to be affordable. However, this percentage varies between 41% in Caradon to 88% in North Cornwall. Housing needs assessment and SHMA work also highlight the housing needs of specific groups, for example the needs of gypsies and travellers.

Table 7 net annual estimates of housing need (source HMAs)

Table 50: Net annual estimates of Housing Need (Source: HMAs)				
	Annual net housing requirement (all tenures)	Net annual social rented requirement	Net annual intermediate housing requirement	% of all homes needed as affordable
Carrick	587	189	128	54%
Restormel	662	222	100	49%
Penwith	433	53	94	34%
Kerrier	594	186	126	53%
West Cornwall	2276	650	448	48%
Caradon	1542	380	254	41%
North Cornwall	670	592		88%
TOTAL NET ANNUAL NEED	4,488	2,324		52%

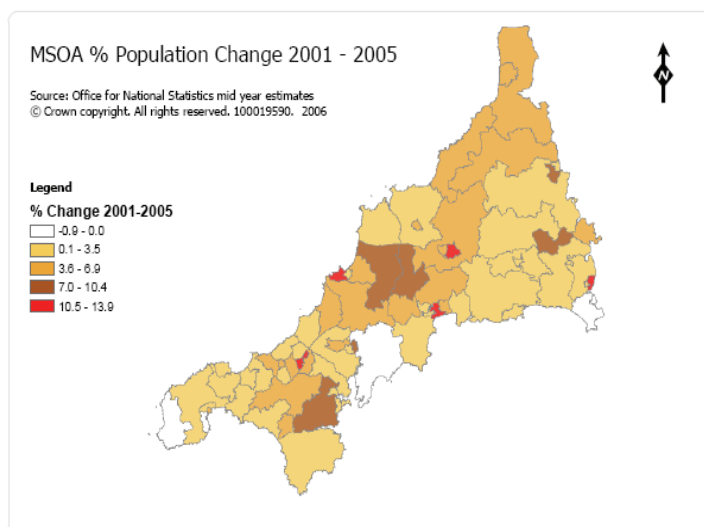
Cornwall

6 Strong population growth and migration

In 2007, the population of Cornwall stood at 529, 500. It has been growing since the 1960s, and has grown consistently faster than the rest of the South West.

Population change data consider both the relationship between births and deaths (natural change) and migration flows, and is itself a driver in household formation and dissolution. The whole area is fluid, people age, move around, move away, move back or move to Cornwall for the first time. New households are formed, move into a first home, split up, and reform. Change and the implications of that change are constant.

Population growth has been spread across Cornwall, with growth in the 1960s/1970s being largely in the east of Cornwall, with more recent growth being in mid and north Cornwall. However trends at district and sub regional level masks the reality that small rural areas experience population decline, while parts of the towns have had 10%+ population increases in 4 years.



In terms of natural population change, there are currently more deaths than births, although the gap between the two appears to be narrowing. For the year 2005-2006 there were just under 500 more deaths than births. (This gap is a 1000 less than just 4 years previously and is due to both increasing births and declining deaths.

There are high rates of inward migration with 20,000 - 30,000 people moving into the area, and 15,000-25,000 leaving. On average this is a net increase of 5,000 a year. An expansion in the higher education infrastructure and better employment prospects has led to reductions of younger people leaving Cornwall, while shifting the age profile of in migrants overall downwards, i.e. increasingly younger people moving to Cornwall. These trends are neither fixed or guaranteed, and are fragile

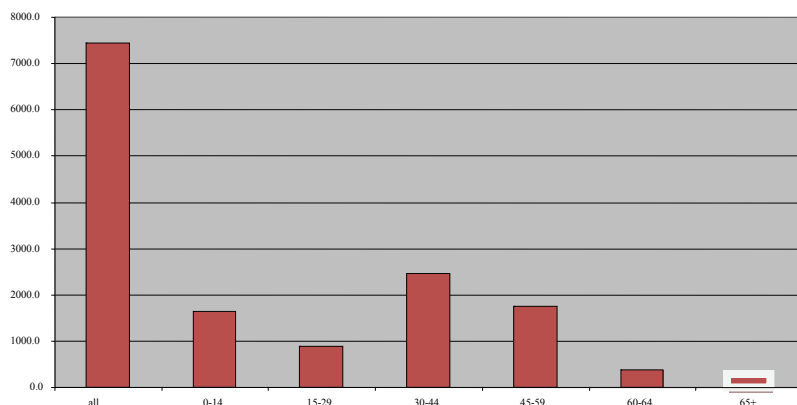
In migration is predominately for economic and lifestyle reasons, not retirement. This has been the prevailing trend since the mid 1960s.

Historically a high proportion of people moving to Cornwall (in migrants) were returners. There is every reason, and some evidence to believe this is still a strong trend.

There is a consensus that the local population will continue to grow rapidly. In 20 years time Cornwall and the Isles of Scilly is likely to be home to over 600,000 people.

The notion that in-migration is mainly about retirement moves is a myth but is still in circulation. Figure 7 below shows the age profile of recent migrants.

2003-04 Net Migration



The majority of these relate to the health sector with the highest number (168) by far in Truro (reflecting the presence of Triliske hospital). However, it is likely that these levels will begin to diminish to reflect the country's current poorer economic prospects.

The largest group of in-migrant households are the 25-44 age group and there are also large gains of children aged 0-15. In migration is therefore more likely to be about lifestyle moves than retirement.

The Polycentric HMA project also highlights the significant increase in family migration as a key trend across North Cornwall, North Devon and Somerset.

Another recent trend has been the relatively large increases in the migrant worker population in Cornwall. During the period 2004 to 2006, there were 2,715 applicants through the workers registration scheme in Cornwall and the Isles of Scilly. Applicants from Poland were the largest group accounting for 51.7% of the total, followed by Lithuanians. The majority of applicants were under 34 years of age.

West Cornwall had the highest numbers of migrant worker applicants (1,561). This reflects their critical role in agriculture and food production. Work permit applications (for non EU nationals) have also increased over the same period but the numbers are far smaller.

7 The impact of the existing housing stock profile

All the HMAs note that the profile of Cornwall's existing housing stock contributes to affordability and access problems for lower income households. Almost 40% of the homes in Cornwall are detached, compared to 23% nationally. In North Cornwall, this rises to 47%. There are also fewer of the property types more typically affordable and available for first time buyers and new households including flats and terrace houses. With an ageing population this also means an increasing proportion of larger properties are being under occupied. In addition to new build, there is, therefore, potential scope for conversions and the sub division of existing homes to meet the needs of smaller households. This will need to be evaluated during the life of the Strategy.

% of stock	Whole house or bungalow			Flat, maisonette or apartment			
	detached	Semi detached	Terrace	Purpose built flats	Converted / shared house	Commercial building	
England & Wales	22.77	31.58	26.04	13.62	4.43	1.15	0.42
South West	30.91	27.94	23.84	9.98	5.16	1.34	0.82
Cornwall	38.67	24.29	23.41	6.78	3.73	1.49	1.63

Whilst levels of unfitness have reduced in Cornwall in recent years, disrepair, especially in rural areas is still higher than national and regional levels. Significantly the West Cornwall Housing Market Assessment found that nearly 50% of terraced homes and 35% of flats (housing types more likely to be occupied by lower income groups) were built before 1919 with higher heating and repair costs. The study also surveyed occupiers on the quality of their homes. In West Cornwall the survey estimates that 14,959 live in homes in serious disrepair. This is consistent with English House Condition Survey data which estimates this at 11% for Cornwall.

8 Mismatch between housing stock and future household profile

The county has low levels of smaller dwellings to meet the needs of present day households. However, this potential mismatch is likely to become worse with the anticipated impact of demographic trends towards more single person households and older people living alone. The polycentric HMA recommends that the majority of new homes should be provided as 1 and 2 bedroom dwellings and no requirement for new 3 and 4 bedroom dwellings. In West Cornwall, the HMA estimates that 60% of the new homes requirement is for 2 bedroom dwellings but there is also a requirement for 3 and 4 bedroom houses, mostly for low income families needing social renting. However, there are still a number of overcrowded households in Cornwall. 3,870 households in the West Cornwall survey were found to be technically overcrowded.

Broad estimates of the future housing mix which is needed are useful but do not necessarily take account of local policy objectives which make seek to vary the mix of new homes to meet other aspirations. For example, providing larger homes to increase the number of higher income groups living in some of the key towns or providing 2 bedroom lower density homes for older households to encourage downsizing.

9 Shortfalls of homes for specific groups

Needs mapping for the Supporting People strategy and the West Cornwall housing requirements study both produced evidence of shortages of accommodation for specific groups needing specialist and supported housing. For example, the housing requirements study showed that in the Redruth/Camborne/Helston area over 5% of all households had a member who needed to move home because of a support need.

Whilst there is some provision for most of these needs groups in Cornwall, there is no even spread of schemes and services to meet needs across the county. There are 1,092 people currently receiving support under the Supporting People programme in Cornwall, but a further 1,944 referrals were made to the service in the year to April 2008. Other groups in need of additional facilities include gypsy and traveller communities and larger families in social housing.

The Supporting People Five Year Strategy Revision of April 2008 led to five strategic commissioning priorities being identified

- Older People
- Review and remodelling of sheltered accommodation
- Delivery of Extra Care Housing
- People with Learning Disabilities
- Development of Long Term floating support to enable people with lower levels of need (and, therefore, ineligible to access Adult Social Care support) to maintain their independence.
- Development of a Gateway Model for all services
- Development of provision of temporary county-wide outreach service
- Development of single point of contact for accommodation for all client groups regardless of location
- Appropriate Service Provision
- Ensuring an appropriate range and quality of Floating Support and Accommodation based services to meet the needs of people of Cornwall, and enable choice to all residents of Cornwall.
- Move on services to enable progression to independent living
- The development of a Stepped Approach to all services

The overall focus of these Supporting People commissioning priorities is to maximise equality of access to services to vulnerable people in Cornwall, regardless of specific 'client group' labels.

10

An ageing population

A key demographic trend for Cornwall is

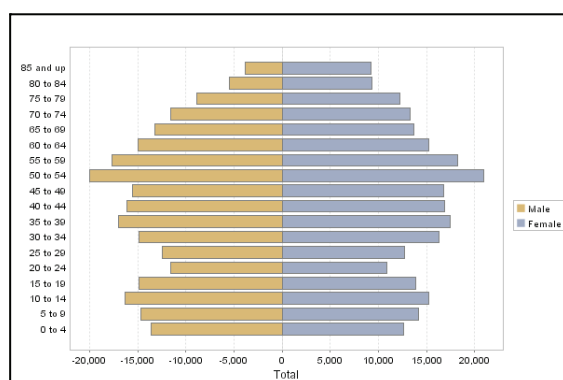
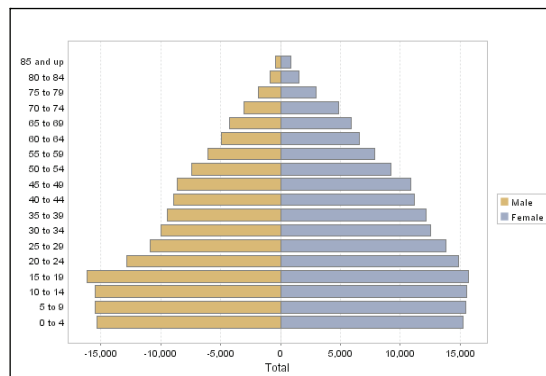
increasing number of older people. While Cornwall has an older age profile than the UK average, this reflects high birth rates in the 1950s, and the cumulative effect of working age net migration over the last 30 years. Obviously people in their 30s - 50s moving to Cornwall in the last 20 years is bolstering the numbers of people aged 60 plus now.

As the South West is already experiencing some of the highest growth rates of older households. Government (ONS) projections are that between 2008 and 2025 there will be a 44% increase in the number of people aged 65+, compared with a national rate of 37%. With older people representing 54 % of all households by 2025. The number of older people with common disabling conditions requiring care and housing support is also forecast to increase by 50% on average during the same period. Examples include limiting long term illnesses, visual impairment and dementia.

In Cornwall the demographic impact of an ageing population will be felt within the next 20 years:

- Government estimate that by 2029 the population of people aged 65 and over in Cornwall will increase from 104,100 to 183,500.
- There will be a significant increase in the 85+ age group from 13,200 in 2003 to 28,600 in 2028. This represents a 117% increase.
- These trends are exacerbated by the number of older people in Cornwall living alone. 66% of women aged 85 and over live alone and over half of women aged over 75.
- Many older people in the county have low fixed incomes. The department of work and pensions estimate that 28,875 people in Cornwall are in receipt of pension credit. The West Cornwall housing requirements study found that 75% of pensioner households lived on incomes of less than £15,000.
- Older people do however have high levels of equity in their homes. For example 50% of all home owners in towns like Truro and St Ives own their home without any mortgage. It is recognised that this equity cannot necessarily be accessed or realised very quickly. It does, however, present an opportunity to explore housing options through equity release schemes.
- Social rented housing provides a home for some of the poorest and most vulnerable older households. Indeed, half the entire social housing stock in Cornwall (5,528) is in the form of specialist accommodation for older people (usually sheltered housing). But some of this stock is not needed as supported housing, some is in need of modernisation or replacement. There are no extra care places in the whole county, although there is one scheme in development.

Figure 8 below shows how the age profile of Cornwall's population has shifted dramatically in the last 100 years



However, national population forecasts are only the broadest of potential guides. There is also a danger in translating the age profile of the future population too simplistically into future needs and policy implications. The behaviour or expectations of a 60 year old or 80 year old will not necessarily be the same in twenty years time, as it is now, or was twenty years ago. It is too simplistic then to say there will be X more 80 years old in 20 years time.

What is important is the issues these trends suggest - Cornwall must prepare for the opportunities and challenges this change will present, for example the need for more integrated and better elderly care services and facilities, and an awareness of the changing demand for housing and leisure facilities directed at the older age groups.

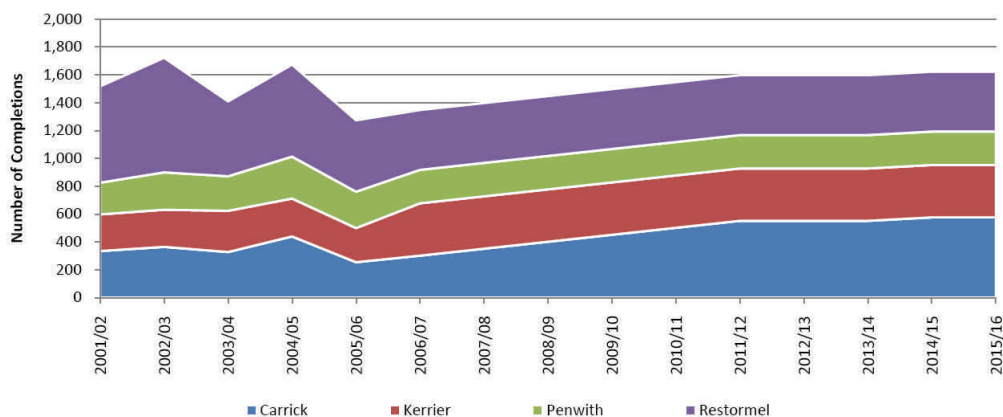
11 Inconsistent delivery rates and under supply

House Building in Cornwall as a whole has been just below the prevailing targets. House building in individual districts has been more mixed. Average targets have been exceeded in the former districts of Penwith, Restormel, North Cornwall and Caradon. Long term build rates have not met targets in either former districts of Carrick or Kerrier. A lower level of completions in the urban areas has been a major contributor to this and part of the explanation is the lack of sites allocated through an up to date development plan.

Yet from the available statistics it is clear that overall, house building has been at or only just below set housing targets for thirty years. Four out of six districts have exceeded their nominal long term allocation average. Higher rates of town based development characterise the other four districts. The three eastern districts in particular have had high rates of housing growth.

In the West, completions have been lower. The figure below shows the actual number of completed dwellings and also the predicted housing trajectory for the four local authorities in the West sub-region. This includes all newly built private sector properties and all affordable housing. Cumulatively the four local authorities have seen an addition of just over 1,500 dwelling per annum in recent years.

This total level of completions was forecast to rise progressively from around 1,300 units up to a level of just over 1,600 units annually over the next 10 years. This is below even the bottom range of completions required in the West Cornwall SHMA and this predates recent economic events which will significantly erode completion levels.



Using the SHMA Findings

This appendix has summarised key findings from the SHMAs. The full documents of each housing market area can be downloaded at www.cornwall.gov.uk. HMA findings have influenced the housing strategy and related policies by:

- Informing strategy priorities, actions and targets
- Establishing new targets for delivering affordable homes through the planning system
- Developing a new policy approach to rural and coastal areas
- Providing evidence to target future policy interventions, for example rural disrepair and bringing empty properties back into use

Prepared by:

Stacey Sleeman

Housing Strategy Manager

Housing Strategy

2 March 2010

If you would like this information
in another format please contact:

Cornwall Council
County Hall
Treyew Road
Truro TR1 3AY

Telephone: **0300 1234 100**

Email: enquiries@cornwall.gov.uk

www.cornwall.gov.uk