

Second Homes Council Tax – Update

Report of the Deputy Chief Executive and Director of Finance, I.T. and Trading

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

Recommendations: It is recommended that Members:

- a) **note progress in use of Second Homes Council Tax in Torridge.**
- b) **consider the proposals from North Devon District Council for use of the uncommitted budget set out in section 6.**

1. Summary

This report updates on the use of receipts from second homes council tax in the years 2004/05 and 2005/06 as agreed by the Executive and Torridge District Council. It seeks views on proposals for use of remaining resources.

2. Background

In May 2004 the Executive set out its scheme of management for the use of the receipts from the additional levy on second homes in Devon. Proposals for the use of the Torridge receipts were then agreed with Torridge District Council and continued liaison has continued with Torridge officers.

3. Summary of available resources

The total resources available over the two years are £604,000, of which Devon County Council contributes £498,000.

4. Summary of action to date and proposals for future investment

Item No	Scheme (Details below)	Drawn Down	Agreed but not drawn down	Proposed	Balance
					£604,000
1	Salterns, Bideford		£225,000		£379,000
2	Holsworthy Community Property Trust	£30,000			£349,000
3	High Bickington		£100,000		£249,000
4	Northam			£30,000	£219,000
5	Hartland			£160,000	£059,000

5. Schemes Agreed for 2004/05

- a) **Salterns** – This scheme is developed through Signpost Housing Association and is to provide 21 properties. The work on Phase One of the site has begun with the Signposts build taking place at the end of the phase with first properties expected to be handed over in the summer of 2007.
- b) **Holsworthy Community Property Trust** – The investment with the CPT has enabled them to build the capacity of the organisation. Their first scheme is for five, including units of accommodation above the former Summerfield supermarket. Working with West Devon Homes the development is for two units for rent and three shared equity. Working with the Rural Housing Enabler, Housing Needs Surveys have also been undertaken in Ashwater, Pyeworthy and Holsworthy Hamlets and the CPT is investigating further schemes in these and other areas.
- c) **High Bickington** – the intention here was to provide resources to bridge cash flow to enable the scheme to proceed and achieve sustainability. Currently this project is being re-evaluated. The earmarked sum is being held at present whilst development options are revised.

6. Schemes Proposed for Uncommitted Balance

The following schemes are proposed:

- a) **Northam** – This scheme has been through various stages of design and review. Currently the proposal is to develop housing on the Scout Hut site. Discussions have previously taken place re: possible links to library improvements but these are not currently advancing. The current proposal is for 10 houses (7 for rent and 3 for shared ownership). There are wider links to the expressed wish of the DAWN partnership for replacement of community facilities.
- b) **Hartland** – a major new opportunity to develop 12 units of accommodation of which 9 are for rent (2 one bed, 3 two bed, 3 three bed and 1 four bed) and 3 for shared ownership (2 two bed and 1 three bed). The Housing Corporation has now approved £400,000 for the project which will be led by Sarsen Housing. Start date is indicate as June '07 with completion in June '08.

Several other schemes are being investigated in Chilsworthy, Bideford, Well Park Holsworthy, and several sites in Great Torrington.

7. Financial Considerations

These are fully explained above.

8. Sustainability Considerations

These proposals are financially sustainable as they are contained within a fixed sum of money. Wider sustainability issues will be managed through the planning process, including building design and impact upon local communities. The latter has been considered as part of either parish planning work or through the survey undertaken with the support of the Rural Housing Enabler.

9. Conclusion

Housing is a key priority for the Torrridge area and the County Council has demonstrated its commitment to this work by releasing a substantial sum of money to support housing need. Its local and national reputation has been enhanced as a result.

Partnership working with the District Council has been very strong in relation to this area of work and the schemes outlined in this report are brought forward for member consideration following considerable work in communities to assess need. The proposed projects are defined by the District Council as having a high potential to be achieved. A good mix has been achieved across Torrridge.

As each scheme is agreed a joint media release will be agreed so that the public is kept up to date with progress in the use of this sum of money.

Edward Chorlton
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Electoral Divisions: All in Torrridge

Local Government Act 1972

List of Background Papers

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Background Paper	Date	File Ref.
Income From The Taxation Of Second Homes - Scheme Of Financial Management Between The County And District Councils	May 2004	

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sn/second homes council tax update
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