

APPENDIX D

Hinkley Point C Housing Strategy (Phase 3 - 2020- 2023)

Strategic Context

The construction of the Hinkley Point C (HPC) nuclear reactor is one of the largest construction projects in Europe, employing (at peak) 5,600 workers on site. Peak construction is estimated to occur during Summer/Autumn 2021. The majority of the workers are not Somerset residents, and so there is an impact on the local housing market as workers seek accommodation, particularly in the private rented sector. These pressures have been building since construction commenced, and have resulted in predicted effects such as limiting availability of accommodation for local residents, exacerbating rentals, and in some instances, the displacement of current tenants.

Through Section 106 legal agreements, EDF have made available funding to mitigate the impact of the HPC project. Funding was first released in 2012 and other monies have been made available since. Previously, West Somerset Council and Taunton Deane Borough Council agreed HPC housing strategies (Phases 1 and 2), using EDF money to mitigate the impact of HPC construction on the local housing market. This mitigation took the form of creating new bed spaces and providing services for those who were struggling and in need of advice and support.

The previous HPC housing strategy (phase 2) was approved in early 2017. The rapidly- changing nature of the local housing market is such that it is now timely to undertake a review. Also, we have a revised set of strategic policies that are relevant to help inform interventions within the housing market.

The strategic policy context is provided by the following:

- Somerset Improving Lives (Health and Wellbeing Strategy): 2019-2029
- Somerset Housing Strategy: 2019-2023
- Somerset Homelessness and Rough Sleeper Strategy: 2019-2023

Figure 1 below provides a visual explanation of the strategic policy landscape, and how it relates to this current HPC Housing Strategy – Phase 3

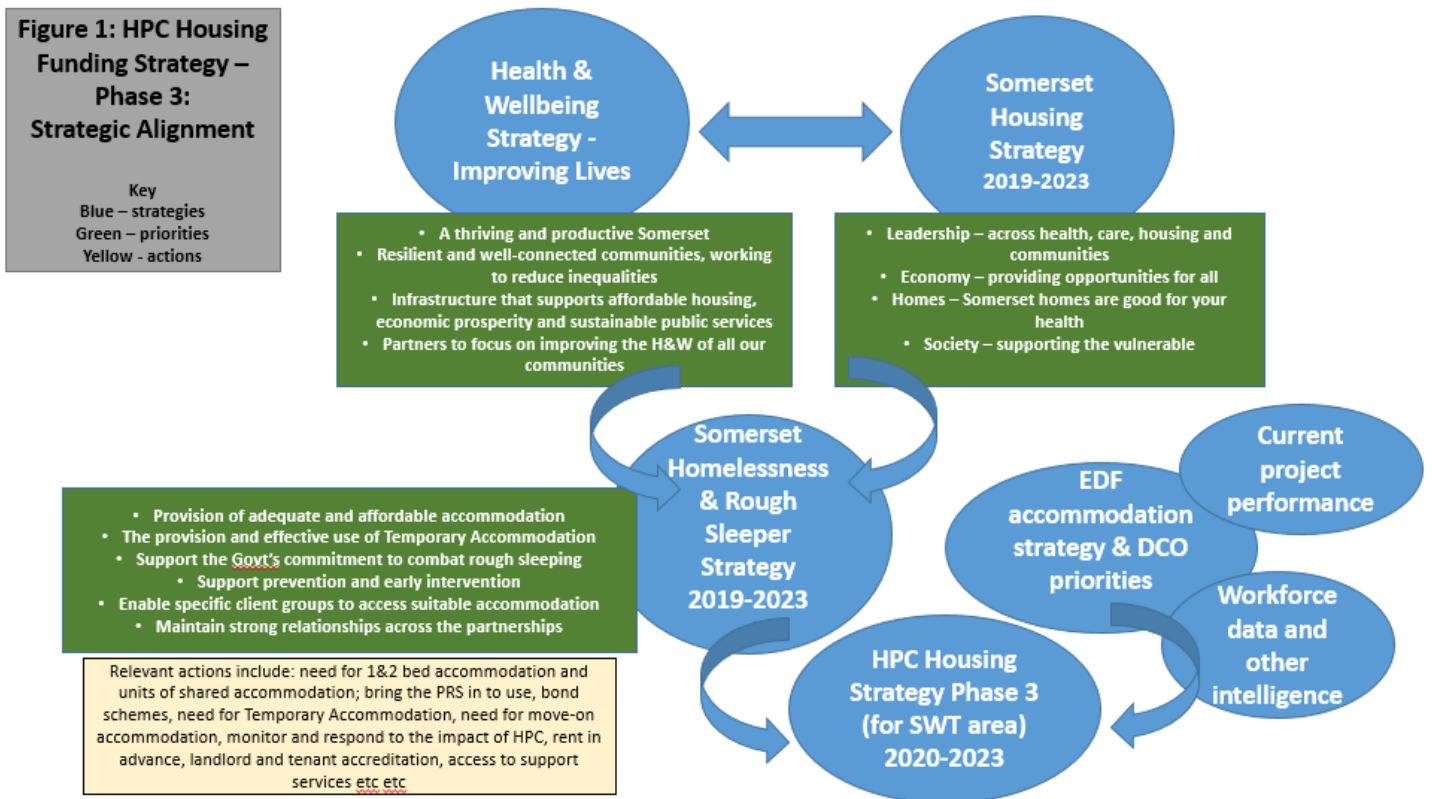
Some of the key drivers are to

- Enable thriving communities
- Deliver more affordable housing
- Provide and enable housing that is healthy
- Support the vulnerable
- Provide suitable accommodation for specific client groups (including Temporary Accommodation)
- Prioritise prevention and early intervention

The above needs to be considered against the specific requirements of the legal agreements that exist between SWT and EDF concerning the spending of EDF money on housing interventions. These factors, along with the actual impact of the

workforce on the local housing market, have been used to develop a Mission, Priorities and specific activity that comprise the HPC Housing Strategy Phase 3.

Figure 1



Background

As far back as 2009 there was consensus between all main parties (EDF, local district councils, SCC) on the potential impact and the legacy of the HPC development. A Planning Performance Agreement (2009) established a vision for the development and priorities for a range of topic areas. For housing this included reference to:

- Integration of HPC workers and their families with the local community
- Make positive contributions to the councils' Housing Strategies
- Work together to ensure effective delivery of our shared aims to meet local and EDF housing needs, using the full suite of powers to enable delivery e.g. Compulsory Purchase Order (CPO)
- Minimise the risk of local people being disadvantaged as a result of the HPC development, through robust mitigation proposals for the housing sector to maintain the current and planned affordable housing stock level and minimise impact on housing support service and voluntary advice services. Or ensuring the development does not adversely impact on the availability or affordability of housing and accommodation for the local community
- Work together to promote opportunities and leave a housing legacy that meets the needs of local people in a range of tenures that they can afford and in a way that supports rural sustainability

- To promote and deliver housing solutions that are to the agreed environmental and safety standards

Following the grant of planning permission, and consistent with the above, the subsequent Section 106 legal agreement sought to establish the type of activity that would be an appropriate use of housing mitigation funding. This included accreditation of landlords; stimulating new supply in the private rented sector; bringing empty homes back in to use; rent deposit schemes; facilitating household moves from the social rented / private rented sectors; tackling under-occupation; investment in enabling schemes to bring forward new housing, leveraging in funding from Homes England; any other initiatives that would deliver additional housing capacity; the funding by the council of housing officers; and the provision of emergency housing services

EDF have made available Section 106 funding contributions in two tranches. In 2012, £1.285M (approx.) was made available to deliver additional housing capacity in West Somerset. This relates to the site preparation works (SPW). A Housing Funding Strategy (Phase 1) was agreed with a specific programme of works

In June 2016 a further £1.16M became available locally when EDF Energy transitioned from SPW planning permission to the Development Consent Order (DCO). Of this, West Somerset received £500,000 whilst Taunton Deane received £660,000 to be spent on delivering additional housing capacity in their respective areas. A Phase 2 Housing Funding Strategy was agreed with a specific programme of works.

Table 1. below present a very simplified view of the amount of money awarded, current spend to date, and the balance remaining.

Table 1: Funding, spend and balance			
	Allocation	Current Spend	Balance
WS/SDC SPW Fund	1,285,362	1,127,874.24	157,487.76
WS SPW Stogursey Fund	25,000	315.81	24,684.19
WS DCO Fund	500,000	102,888.69	397,111.31
TD DCO Fund	660,000	186,798.61	473,201.39
Sub Total	2,470,362	1,417,877.35	1,052,484.65
Plus uplift*	83,570.56	N/A	83,570.56
Total			1,136,055.32
Extra Allocation	290,000	Yet to be awarded	290,000
Grand Total			1,426,055.32

* Estimated uplift on monies yet to be drawn down from WS (£66,839.77) and TD DCO (£16,730.79) funds

Impact of HPC Housing Funding Strategy - Phases 1 and 2

Targets

Much has been achieved since 2012. A range of enabling schemes (i.e. creating new bedspace) together with tenancy support schemes (helping tenants to access or stay within accommodation) have achieved the following headline results:

	West Somerset	Taunton Deane
Enabling target	576	151
Enabling delivery	594	204
Tenancy support target	1878	2361
Tenancy support delivery	2954	2985

The headline results show that overarching targets have been met and exceeded, proving the worth and value of the financial intervention. However, these figures do hide particular project successes and failures. It is important that we learn from this. More detail is provided on Tables 3 and 4 including a breakdown by specific project.

Table 3.

West Somerset Delivery Phases 1-2

Enabling Schemes	Total Targets	Total Delivery	% Achieved to Date	Measure	Provider
Empty Homes/ LOT	16	13	81.3	New Bedspace	HomeFirst Plus
DIY Empty Homes	8	14	175.0	New Bedspace	Wessex Resolutions
Minor Improvement Grant/ Loan	50	50	100.0	New Bedspace	SWT- Housing Standards Wessex Resolutions
First Time Buyer Loan	1	4	41.7	New Bedspace	Wessex Resolutions
Lodgings Scheme	25	30	120.0	New Bedspace	YMCA DG
Home Moves Plus	45	62	137.8	New Bedspace	Magna
Donniford Road, Watchet Development	355	355	100.0	New Bedspace	Summerfield & SHAL
Former Croft House	56	56	100.0	New Bedspace	Somerset Care
Prospect House	9	9	100.0	New Bedspace	YMCA DG
TOTAL	576	594			

Tenancy Support Schemes					
Somerset Homelet	800	1922	240.3	Recycled Bedspace	EDF
Flexible Rent Support/ Furniture Fund	60	0	0.0	Persons Helped	SWT- Housing Options
Floating Tenancy Sustainment Support	126	54	42.9	Persons Supported	SWT- Housing Options
Sustainable Management Scheme	40	5	12.5	Recycled Bedspace	ARK Housing Association
Money & Debt Advice	223	325	145.7	Persons Supported	West Somerset Advice
Tenant Ready Scheme	20	41	205.0	Persons Completed Course	YMCA DG
Landlord Training	10	10	100.0	Sessions Provided	SWELT
Social Enterprise	8	0	0.0	Persons provided with work experience	HomeFirst Plus
Bridgwater Credit Union	15	3	20.0	Persons Supported	BDCU
GRAND TOTAL	1878	2954			

Table 4.

Taunton Deane Delivery Phases 1- 2

Enabling Schemes	Total Targets	Total Delivery	% Achieved to Date	Measure	Provider
Empty Homes/ LOT	20	0	0.0	New Bedspace	HomeFirst Plus
DIY Empty Homes	15	0	0.0	New Bedspace	Wessex Resolutions
Minor Improvement Grant/ Loan	10	62	620.0	New Bedspace	SWT- Housing Standards Wessex Resolutions

Lodgings Scheme	40	26	65.0	New Bedspace	YMCA DG
Home Moves Plus	60	116	193.3	New Bedspace	SWT- Lettings
Complex Needs Housing	6	0	0.0	New Bedspace	TBC
TOTAL	151	204			
Tenancy Support Schemes					
Somerset Homelet	2000	2502	125.1	Recycled Bedspace	EDF
Floating Tenancy Sustainment Support	80	187	233.8	Persons Supported	SWT- Housing Options
Sustainable Management Scheme	80	36	45.0	Recycled Bedspace	ARK Housing Association
Tenant Ready Scheme	40	46	115.0	Persons Completed Course	YMCA DG
Landlord Training	10	10	100.0	Sessions Provided	SWELT
GRAND TOTAL	2361	2985			

Successful initiatives

From an enabling perspective, particular success has been achieved through supporting *affordable housing schemes* such as Donniford Road, Watchet; *Homes Moves Plus* (facilitating downsizing and upsizing of tenant moves across the housing market – provided by Magna and SWT); and *Minor Improvement Grants* that provide a small sum to renovate property to help create additional bedspace.

For tenancy support, success has been achieved with *Somerset Homelet* (a tool for advertising vacant bedspaces, now wholly funded by EDF); the provision of *money and debt advice* for those in need of support (provided by West Somerset Citizens Advice); the YMCA have delivered *tenant ready* which provides those in supported accommodation with the knowledge and skills to maintain a tenancy when they move on; and *tenancy support* (helping tenants maintain their tenancy, now to be provided and funded by SWT)

Unsuccessful initiatives

A look at Table 1 and 2 would suggest that some schemes such as *complex needs housing (Taunton)* and *flexible rent support/furniture fund (West Somerset)* have failed. However, in reality, these schemes never actually got going due to capacity issues within our housing options teams.

The *Lodgings Scheme* (stimulating supply by bringing spare rooms up to standard) struggled in Phase 2 due to the poor condition of many properties that we coming forward. There has also recently been a shift in housing requirements of the HPC workforce, moving away from single persons to families.

The *Sustainable Management Scheme* (identifying a portfolio of properties for tenants with support needs) struggled in Phase 1 despite extensive publicity and a regular presence in West Somerset. The decision to discontinue was due to a low proportion of buy-to-let properties and existing landlords with smaller portfolios preferring established letting agents. Although identified as a project in Taunton Deane, it never commenced.

Empty Homes Grant/ Living Over The Shop continue to struggle due to the length of the agreements (7 years of nomination rights to the local authority) and the limitations imposed by the funding. In Phase 3, funding will still be made available for West Somerset due to commitments already in place and the provision will be reviewed in 12 months (early 2021). There was no uptake in Taunton Deane. Similarly, *DIY Empty Homes Loan* was successful in Phase 2 in West Somerset and will continue to be offered in Phase 3. However, there was no take up in Taunton Deane and accordingly will be discontinued for Phase 3.

The *First Time Buyers Loan in West Somerset* has ceased due to limited take up and was never offered in Taunton Deane.

Landlord Training will no longer be offered as the partnership arrangements around this have been discontinued.

Information concerning the relative success of schemes within Phases 1 and 2 are important considerations when deciding activity to support Phase 3. This information needs to be considered alongside the latest intelligence regarding the HPC workforce and current conditions within the local housing market.

HPC workforce and current issues and challenges within the local housing market

Context

Prevailing conditions within the local housing market are an important consideration for both understanding the impact of specific activity and for developing coordinated interventions. Some of the key issues and challenges are referenced below, with more detail to be found within the Somerset Housing strategy (2019-2023) and the Somerset Homelessness and Rough Sleeper Strategy (2019-2023).

- There is a significant *affordability gap* for both buying and renting, and this is particularly pronounced across the former area of West Somerset
- *Zero hour contracts* can make it difficult to obtain accommodation
- *Universal Credit*
- Continued gap between *Local Housing Allowance* and private sector rentals

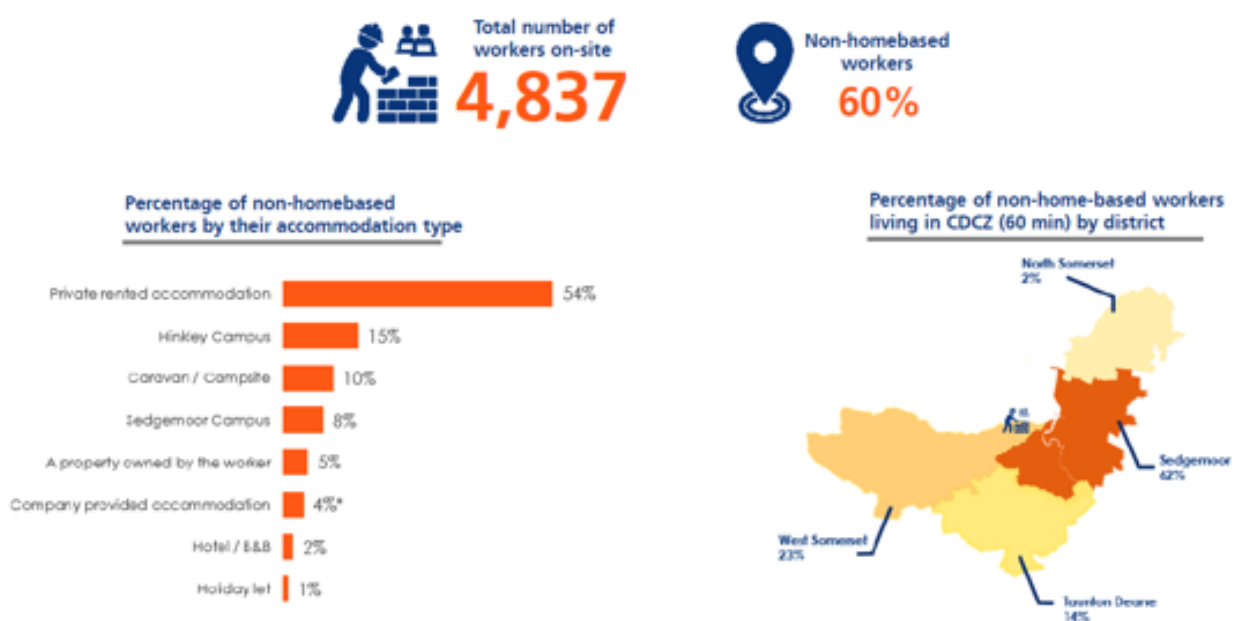
- For new build, there is a need for *70-80% of new properties to be for social rent*, with intermediate housing and affordable rented accounting for 10-15% each
- 4,000 current enquiries on Homefinder Somerset (for SWT area), with *3,400 seeking 1 and 2 bed properties*
- The top reason for initial contact with the housing options service is '*loss of assured shorthold tenancy*'
- There is a *growing need for more Temporary Accommodation* across SWT
- The introduction of the *Homelessness Reduction Act* has placed an increased strain on housing options services
- There is a significant issue with *empty homes* across the former West Somerset

Workforce numbers and accommodation choices

- Workforce numbers continue to rise and we are seeing a growing percentage living within the SWT area
- The nature of the workforce is changing (a gradual move towards a greater number of longer term / operational staff) which has resulted in a growing trend of more home-ownership, with a falling percentage of those within the Private Rented Sector (PRS). However, this is all relative to an expanding workforce – there are still very significant numbers within the PRS
- The number of unlicensed HMOs continues to rise – intelligence suggests that some of this could be in-part attributable to the HPC workforce
- Peak construction workforce is expected to occur during Summer 2021

Figure 2 provides a visual summary of the geographic distribution of the HPC workforce

Figure 2



Stogursey

Stogursey is a particular hotspot. The number of workers in the Stogursey cluster is now above the threshold set within the s106 agreement which has led to additional payments being made. Stogursey has:

- Some of the highest rents and house prices
- Undertaken a housing needs survey identifying specific areas of need for the elderly and general population
- Pressure for additional open market housing development

The response to the recent housing needs survey was skewed towards an elderly demographic. More work is required in Stogursey to identify appropriate solutions

Rentals

Rental levels are rising across the SWT area, particularly for smaller units of accommodation (1 and 2 bed units)

View from support services

During Phases 1 and 2 a number of partners were commissioned to provide support services. These include YMCA, Magna and West Somerset Citizens Advice. Their views on current conditions within the housing market includes:

- The HPC development has exacerbated a shortage of affordable accommodation
- Landlords are increasing rents that results in a rising level of evictions
- Significant instances of PRS accommodation in poor condition
- Within the PRS, advice services are supporting a large cohort of elderly and singles/couples
- Those with support needs often show signs of mental health problems
- Caseload comprises an increasing number of individuals with complex issues
- The ability to create churn in the housing market through downsizing / upsizing is frustrated by
 - Lack of 3 bed properties in high demand areas
 - Lack of ground floor 1 and 2 bed properties
- For working age elderly with support needs, there is a lack of sheltered housing options where UC does not cover SH support charges

Equalities Impact Assessment

This strategy is supported by a robust EIA. The EIA brings together relevant data including that collected in the needs assessment to the recently adopted Somerset Homelessness and Rough Sleeper Strategy, and the views of support services. This, combined with the evidence base outlined above, suggests that without mitigation, the HPC development would deliver negative impacts on a range of protected characteristics such as the young, elderly, those with disabilities (particularly mental health), ethnic minorities, veterans and those within rural areas. This is not unexpected, as pressures within housing markets often have negative effects on

such cohorts. The priorities and actions within this strategy will seek to mitigate those negative impacts.

HPC Housing Strategy – Phase 3

This strategy is designed to mitigate the impact of a peak construction workforce of a maximum of 5,600 during 2021.

This is a three year strategy covering the period 2020-2023 but with an emphasis on commencing all project delivery during Autumn 2020.

The following Mission and Priorities are informed by the evidence base outlined above, and are supported by a range of project activity.

Mission

To mitigate the impact of the HPC development on the local housing market by working in partnership to: increase capacity and quality of accommodation in the private rented and affordable housing sectors; support the vulnerable and prevent homelessness, and by leaving a legacy of new accommodation and initiatives within which to tackle ongoing housing challenges

Priorities

1. Increase the stock of accommodation by:
 - Make best use of existing accommodation such as social housing and empty homes
 - Identify new opportunities for bed space within the private rented sector
 - Support housing enablers to identify and deliver opportunities for new affordable housing development
2. Work with landlords to improve the quality of properties to let (including Houses in Multiple Occupation – HMO) and to keep them available on the open market for local residents
3. Support tenants, and in particular the vulnerable, to improve their chances of accessing and remaining in rented properties, preventing homelessness
4. Regularly monitor the impact of the Hinkley workforce on both the local housing market and local communities, and regularly review strategies and actions to maximise opportunities and mitigate impacts

Resources

Table 1 illustrates that we currently have £1,136,055.32 (legacy from Phases 1 and 2) to invest in projects as part of this Phase 3 strategy review.

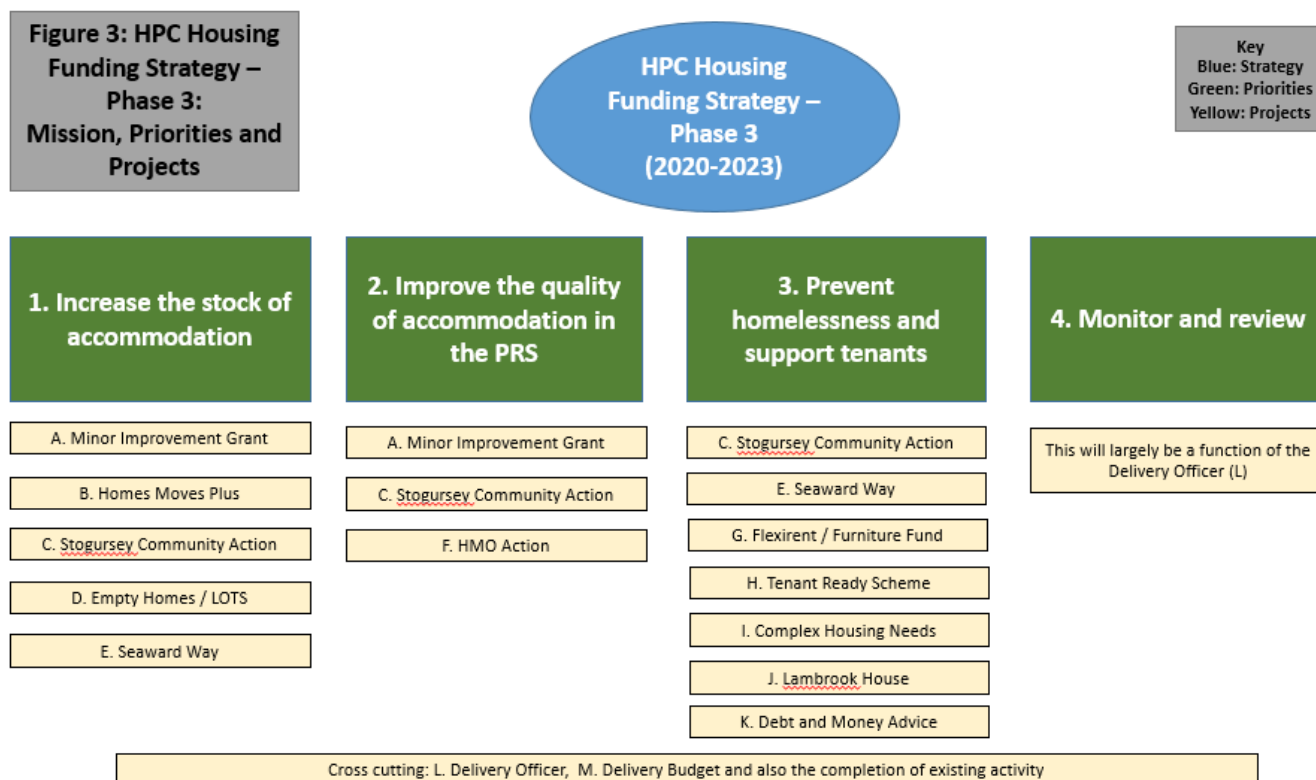
EDF have made available an additional sum of money that SWT, Sedgemoor and North Somerset councils can bid for. The three local authorities have agreed a split that would see SWT receiving (with uplift) an additional £290,000. This brings a total of £1,426,055.32 to invest in project activity.

Proposed Projects – description

A range of projects have been identified to support the delivery of this Strategy. These are listed and described in Table 5 below. Figure 3 below explains the relationship between the Mission, the Priorities and the Projects.

Table 5: Projects		
Project	Priorities	Name and description
A	1 & 2	Minor Improvement Grant: Grants to homeowners and landlords to bring properties up to the decent homes standard, ready to rent
B	1	Homes Moves Plus: Officers x 2 (1 for Magna, one for SWT) to support those in social housing that are under or over occupying properties and need to move to a more appropriately sized home
C	1, 2 & 3	Stogursey Community Action: Delivery Officer (item L below) to support Stogursey Parish Council in creating a Community Plan and to support the delivery of appropriate housing initiatives designed to mitigate HPC impact
D	1	Empty Homes and Living Over The Shop: Grants to bring empty homes and space over shops back into use
E	1 & 3	Enabling – Seaward Way: Creation of 50+ affordable homes in Minehead to ease pressures on PRS
F	2	HMO Action: Generate extra capacity in licensing and enforcement around Homes of Multiple Occupancy in order to help improve Housing Standards
G	3	Flexirent / Furniture Fund: Support for vulnerable clients to access and sustain their places in PRS (e.g. paying deposits, rent in advance, buying furniture).
H	3	Tenant Ready Scheme: Equipping potential tenants with the skills and knowledge to access and maintain rentals
I	3	Complex Needs: Intensive housing support service for entrenched rough sleepers and those with complex needs, following the Housing First Model
J	3	Enabling – Purchase of additional Temporary Accommodation (Lambrook House): Temporary accommodation for homeless families – purchase of Lambrook House, Minehead
K	3	Money and Debt Advice: Bespoke support in helping people acquire and maintain tenancies by providing advice and solutions relating to debt and money
L	All	Delivery Officer: 2 year post to oversee, promote, manage, monitor all housing initiatives and deliver some specific activity (e.g. Minor Improvement Grant)
M	All	Delivery budget: Fund for the Delivery Officer to use for events, promotion, surveys and reacting to new trends and changes
N	All	Current Activity: Completion of existing contracts and commitments

Figure 3



Proposed Projects – Funding and Targets

Table 6 below provided a summary of the various projects together with the specific targets for each.

The Delivery Officer will undertake regular review of project performance, and this will be reported quarterly to both STW (via Housing Briefing) and EDF

It is our ambition that work towards the implementation of each project shall have commenced by Autumn 2020

Table 6.

SWT HPC Housing Strategy - Strategic Action Plan 2020-2022

Overview: The new strategy and plan follows two previous versions from 2014 and 2017 and utilises the remaining HPC S106 allocations for the West Somerset and Taunton Deane areas. Targets centre around creating new bed spaces and supporting individuals within the wider context of increased pressures from the HPC workforce on the housing and rental markets. To date 6,737 bed spaces and people have been supported from a target of 4,966.

Allocations to be used on already agreed activity	£	284,866	
Allocations being redirected or that need drawing down	£	851,189	
Further Allocations available once the above funds have been spent	£	290,000	£243,816.36 plus estimated uplift based on current RPI
Total allocations remaining	£	1,426,055	£ 1,141,189

New Initiative	Description	Existing	Remodelled	Start	Finish	Delivery	Targets	
							Bed Spaces	People Supported
A Minor Improvement Grant	Grants to homeowners and landlords to bring properties up to the decent homes standard, ready to rent.	£ 24,600	£ 25,400	Oct 20	Jul 22	Requires Housing Standard level inspections. New Delivery Officer at a higher level to deliver.	110	0

B	Homes Moves Plus	Supporting those in social housing that are under or over occupying properties and need to move to a more appropriately sized home.	£	32,000	£	98,000	Jul 20	Jun 22	WS contract with Magna runs to Jul-21 and will be extended for another year. TD to deliver in house using existing staffing.	70	100	
C	Stogursey Community Action	Delivery Officer to support Stogursey Parish in creating a Community Plan and then to deliver housing initiatives.	£	24,684	£	20,316	Oct 20	Sep 22	Funding is available specifically to support Stogursey. 2 year Delivery Officer post will lead this work.	25	25	
D	Empty Homes and Living Over the Shop	Grants to bring empty homes and space over shops back into use.	£	30,000	£	-	Jul 20	Mar 21	Continuation of existing West Somerset contract until Mar-21 using £30k. If unspent money will be returned.	10	0	
E	Seaward Way	Creation of 50 affordable homes in Minehead to ease pressures on PRS.	£	-	£	470,000	Oct 20	Mar 22	HE bid being made ready. Funding used as match. Targets and activities to be refined.	150	0	
F	HMO Officer	Responsible for licensing and enforcement action around Homes of Multiple Occupancy in order to help improve Housing	£	-	£	65,000	Oct 20	Mar 22	Delivery will be carried out by existing staffing in Housing Standards.	125	0	
G	Flexirent / Furniture Fund	Support for vulnerable clients to access and sustain their places in PRS (e.g. paying deposits, rent in advance, buying furniture).	£	20,524	£	14,476	Jul 20	Jun 22	Funds being provided on TD side to match what is currently available on the WS side. Will be utilised by Floating Tenancy Officers.	0	100	
H	Tenant Ready Scheme	Equipping potential tenants with the skills and knowledge to access and maintain rentals.	£	-	£	48,000	Jul 20	Jun 22	Contracts are in place in WS and TD with YMCA until end of June 2020. New contracts required for 18-24 months.	0	80	
I	Complex Needs - Rough Sleepers	Intensive housing support service for entrenched rough sleepers and those with complex needs, following the Housing First Model.	£	-	£	150,000	Oct 20	Mar 22	Cannonsgrove is one option being explored. Business Cases being pulled together to define.	100	100	
J	Lambrook House	Temporary accommodation for homeless families – purchase of Lambrook House, Minehead	£	-	£	112,000	Oct 20	Mar 21	Funding to support the YMCA purchase of Lambrook House in Minehead to create new temporary accommodation.	10	20	
K	Money and Debt Advice	Bespoke support in helping people acquire and maintain tenancies by providing advice and solutions relating to debt and money.	£	-	£	80,000	Jul 20	Mar 22	Contract with WS CAB finishes in July 2020. Aim is to re tender for work for SWT area for a 18 month period.	0	350	
L	Delivery Officer	2 year post to oversee, promote, manage, monitor all housing initiatives and deliver some activity.	£	60,000	£	40,000	Oct 20	Sep 22	G grade post for 2 years - a higher level required with Housing Standards experience.	0	0	
M	Delivery Budget	Fund for the Delivery Officer to use for events, promotion, surveys and reacting to new trends and changes.	£	-	£	17,997	Oct 20	Sep 22	Budget supports delivery officer in achieving targets.	0	0	
N	Current Activity	Completion of existing contracts and commitments	£	93,058	£	-	Jul 20	Sep 20	Funds will go in the next 3 months.	25	0	
Totals			£	284,866	£	1,141,189			£	1,426,055.32	625	775