

REPORT TO THE COMMUNITIES SCRUTINY PANEL

17th December 2020

Status: Discussion
Title: Registered Providers of Affordable Housing in Harborough District
Originator: Raj Patel / Tom Day
Where from: Scrutiny Workplan
Where to next:

Objective: To enable the Panel to receive updates from Registered Providers of affordable housing operating in the District about the provision of accommodation. To receive information on their role in meeting housing need in the District in partnership with Harborough District Council.

1. **Outcome sought from Panel**

- 1.1 For the Panel to hear from Registered Providers of Affordable Housing working in partnership with the Council in the District and having the opportunity to question them on affordable housing provision.

2 **Background**

- 2.1 Registered Providers of Affordable Housing (**RPs**) are independent, not for profit housing organisations registered with the Homes England (**HE**) under the Housing Act 1996. Most are housing associations, but there are also trusts, co-operatives and companies and 'for profit registered providers' who also provide affordable housing.
- 2.2 RPs provide access to a range of rented homes including houses, flats and bungalows to suit the needs of the individual, the opportunity to rent specific properties and a range of low cost affordable home ownership options for people wanting to aspire to home ownership.
- 2.3 Homes for rent are the core business of most Registered Providers along with low cost ownership schemes and support to homeowners who are elderly, disabled or vulnerable.

2.4 There are **4307** properties owned and managed by our RP Partners in Harborough District. Refer to below table for RP stock profiles:

RP TOTAL STOCKS UPTO 2020

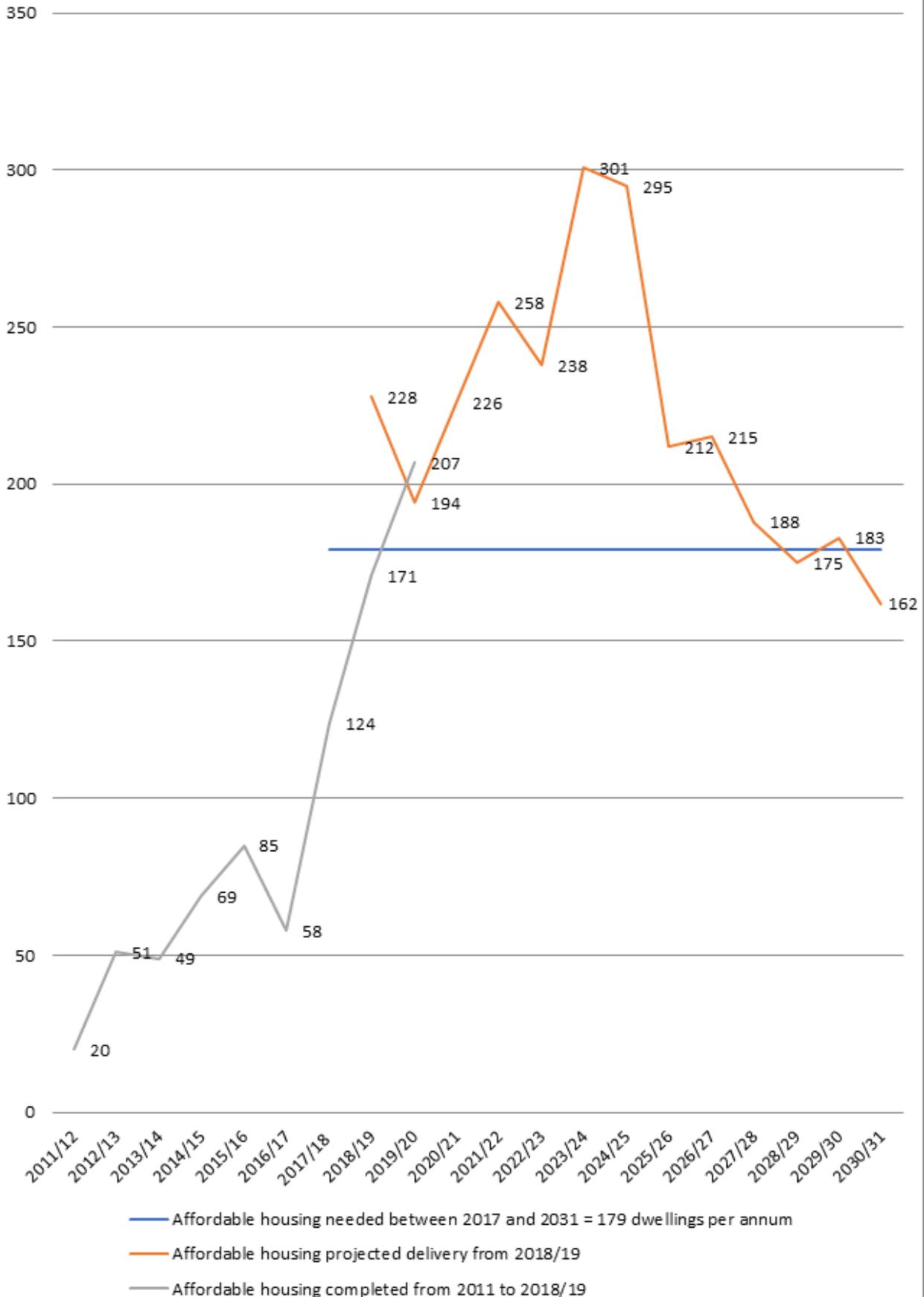
PROVIDER	OVERALL RP TOTALs UPTO 2018
EMG	508
PLATFROM GROUP	2700
LHA ASRA (NOW PARAGON GROUP)	204
RIVERSIDE HA	137
DERWENT LIVING (NOW PLACES FOR PEOPLE)	53
NCHA	12
ORBIT GROUP	15
STONEWATER HA	18
MIDLAND HEART HA	49
LONGHURST GROUP	207
SAGE HA	16
HEYLO HA	16
TOTAL UPTO 2018	3929
TOTAL 2018-19	171
TOTAL 2019-20	207
TOTAL RP STOCK UPTO 2020	4307

The principal Registered Providers who develop and manage housing in the District are:

- The Platform Group (which includes Waterloo Housing Group). The Platform Group have the largest stock holding in Harborough District and includes Harborough's transfer stock.
- Derwent Living – Now part of Places for People Group.
- East Midlands Housing Association Now known as the EMH Group and who have the second largest stock holding in Harborough District.
- Paragon HA (formerly Leicester Housing Association and LHA- ASRA).
- Midlands Rural Housing or MRH who primarily focus on rural delivery.
- Orbit Group
- Riverside Housing Group
- Longhurst HA part of Spire Homes
- Stonewater HA
- Sage HA (this is a 'for profit' Registered Provider of social housing)

- 2.5 The Council has a statutory responsibility to maintain a register of those in housing need and have an allocations policy in place to allocate available affordable housing.
- 2.6 Existing tenants and those seeking affordable housing are able to use a Choice Based Letting (CBL) system under which available properties to let are advertised via **Harborough Homes**.
- 2.7 New affordable housing provision is delivered by the acquisition of new build properties which developers provide on sites arising from S106 obligations. Harborough's Local Plan requirement is to seek 40% affordable provision on all sites that exceed 10 units. All Affordable housing schemes can also be delivered in partnership with our RP partners and with additional support being provided via the Harborough Housing Fund to assist deliverability should this be required.
- 2.8 **Positive Outlook for Affordable Housing Delivery in Harborough District**
- 2.9 2017-18 witnessed a marked step up in Affordable Housing completions. This was a significant improvement on previous years and delivered 123 completions. The last two years have yielded even better delivery with 2018-19 achieving 171 completions and 2019-20 delivering the highest number of affordable completions with 207 units. Expectations for 2020-21 remained high on the back of this success. All new builds are built out by developers and then sold to RPs once complete. Table below shows expectations on delivery up to 2031

Affordable Housing Trajectory to 2031



2.10 The impact of the Covid crisis this year to date is significant:

- The Covid 19 pandemic has had a direct impact on all housing completions and delivery for the first 3 quarter period of 2020-21 period. This is because sites initially slowed down and then closed down for up to 5-6 months affecting all house completions.
- Development on sites in Harborough has re started and will deliver units as houses are completed. It is expected that this will continue in the short term possible over the next quarter up-to March 2020 although we cannot determine exact numbers.
- The rise in unemployment and a significant hit on the economy will effect buyers with the expected knock on effect on house sales. As a result sites may slow down delivery or stall completely affecting completions and delivery!
- It is very difficult to predict completions on sites 2020 to potentially 2022 as difficulties are being encountered and may worsen as a direct result of the Covid 19 Pandemic.
- The housing market has historically been kept buoyant assisted by a steady influx of new purchasers at the bottom of the chain. A reduction in numbers will compound the collapse of market values on new properties. Most commentaries to receive information on future plans and actions of providers on housing need in the District look at 2020-21 being very poor. Economic data / predictions suggests biggest slow down of housing market over the next few years.

2.11 Potential opportunities:

- Good time for RP's / Developers to buy land if you judge the price right and look over a medium / longer term.
- Hundreds of completed homes potentially being offered at discounts from original valuations to RP's. Perversely, current impact of Covid 19 on the housing market may bring forward more affordable homes then planned as developers try to off load houses which they cannot sell to purchasers to RP's potentially at near cost or below.
- Homes England is making available some of the highest levels of grant for affordable housing.
- Representatives of partner Registered Providers have been invited to the meeting to discuss matters with the Panel and update them as they have in previous years.

3.0 RP Updates and Points for discussion

- The Panel to receive an update from registered providers of social housing in attendance about their provision of accommodation in the District.

3.1 For panel members To ask providers:

- How they have been coping with the implications of Covid-19 and their plans for recovery.
 - What are their equality polices
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4 Equality Impact Assessment Implications/Outcomes

4.1 None directly but the operation of the Councils policies is subject to equality assessments.

5 Impact on Communities

5.1 Housing owned and managed by Registered Providers is located in settlements across the District and is a fundamental element of the wider housing stock.

6 Legal Issues

6.1 No legal issues directly arising from this report.

7 Resource Issues

7.1 This report does not raise or request additional resources.

8 Community Safety Implications

8.1 None directly.

9 Carbon Management Implications

9.1 None arising from this report.

10 Risk Management Implications

10.1 N/A

11 Consultation

12 Background Papers

None

Previous report(s):

Report to Scrutiny Community Panel - November 2017