

REPORT TO THE PERFORMANCE SCRUTINY PANEL

17th March 2022

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

Objective: To enable the Panel to receive updates from Registered Providers delivering affordable housing in the District. To receive information on their role and priorities 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. e.g. Sage Housing Association.
- 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.

Key Headlines

- 2.4 There are **4514** properties owned and managed by our RP Partners in Harborough District. Refer to below table for RP stock profiles:

RP TOTAL STOCKS LEVELS IN HARBOROUGH UPTO 2021

	OVERALL RP TOTALS
TOTAL UPTO 2018	3929
TOTAL 2018-19	171
TOTAL 2019-20	207
TOTAL RP STOCK UPTO 2020	4307
TOTAL 2020-21	207
TOTAL RP STOCK UPTO 2021	4514
Total 2021-22	Pending
TOTAL RP STOCK UPTO 2022	Pending

- 2.5 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. **Currently inactive in Harborough.**
 - 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). **Currently inactive in Harborough**
 - Midlands Rural Housing or MRH who primarily focus on rural delivery.
 - Orbit Group. **Currently inactive in Harborough**
 - Riverside Housing Group
 - Longhurst HA part of Spire Homes
 - Stonewater HA
 - Sage HA (this is a 'for profit' Registered Provider of social housing)
 - Futures HA – **Building a new Partnership (See 3.2)**

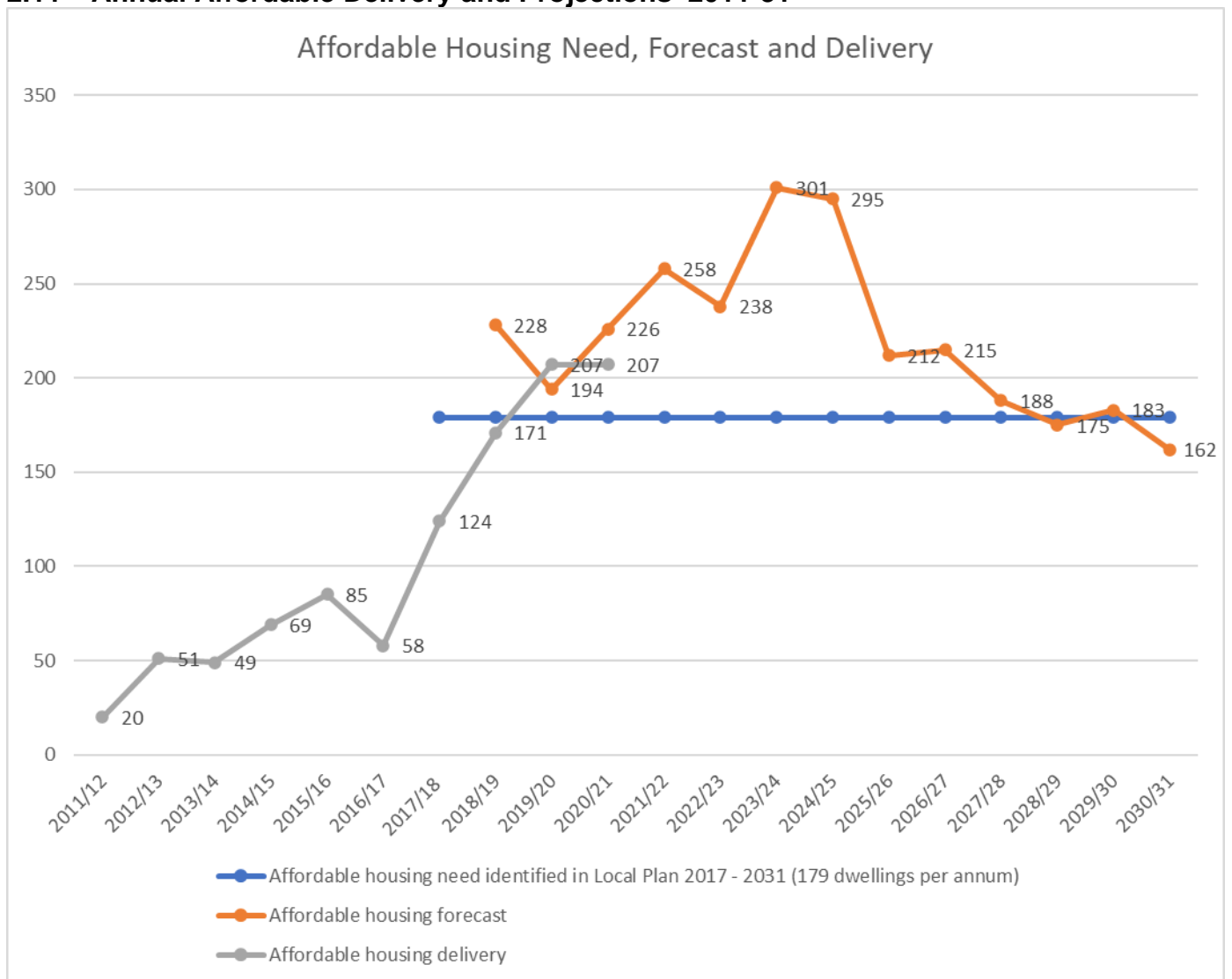
- 2.6 The Council has a statutory responsibility to maintain a register of those in housing need and have an allocations policy in place to allocate available affordable housing.
- 2.7 Existing tenants and those seeking affordable housing are able to use Harborough's Choice Based Letting (CBL) system under which available properties to let are advertised via **Harborough Homes**.
- 2.8 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.
- 2.9 **Outlook for Affordable Housing Delivery in Harborough District**

The last five years has witnessed a step up in Affordable Housing (AH) completions. This is a result of actions set out in the Housing Strategy and adoption of Local Plan. A more focussed, proactive approach to working with our developer and RP partners is yielding results with affordable schemes being negotiated and agreed at much earlier stages through the planning process allowing early engagement between developers and RP's to tie up affordable schemes. We anticipate that **2021-22** will provide yet another successful year beyond our target for completions based on need identified in the Local Plan. RPs compete to acquire S106 AH Schemes agreed with HDC and Developer partners as sites develop. For example, Blackberry Grange MH, the Longhurst Group is the current preferred bidder for delivering the affordable housing scheme on this site.

2.10 **Key RP Outputs to note**

- Seeking land acquisitions in Harborough to deliver all affordable schemes in partnership with HDC and Homes England. e.g. **Platform Group** recently completed an all affordable 25 unit development at Sturgis Road, off Leicester Road, Market Harborough
- **Regular consultations with RP partners** working closely with HDC to deliver an appropriate mix of unit types based on housing need, which include bungalow provision, innovative 1 bed types i.e. smaller low rise blocks, Quarter Houses, 1 bed terraces, and meeting Harborough's need for larger 4 and 5 bed homes **(Blackberry Grange MH) Longhurst Group**.
- Developing proposals for all affordable housing schemes with investment from the Harborough Housing Fund. E.g. **Platform Group's** Sturgis road scheme above.
- Acquiring additional affordable units on S106 sites over and above our affordable Housing requirement of 40% (Kibworth - acquisition of 8 additional units for shared ownership sale by **EMG Group**).

2.11 Annual Affordable Delivery and Projections 2011-31



First Homes Initiative

- 2.12 Introduction of The First Homes Initiative will provide another market discount scheme for prospective home owners. MHCLG is currently running Pilot schemes in designative Local Authority areas prior to implementation
- 2.13 The outlook moving forward into the next few years for delivering affordable housing in Harborough appears to be promising and this is very encouraging.

New HA Entry onto Harborough's Preferred Partner List

- 2.14 Harborough was recently approached by Futures HA to be included onto our Preferred Partner list. Futures developed as Amber Valley's Stock Transfer Association and soon after took charge of Daventry's Transfer Stock. We are keen to explore this partnership given their proximity to our District, being a Not for Profit Association and very much a traditional RP in terms of social values and ethics.
- 2.15 Futures HA have over 10,000 homes extending from Derbyshire down to the Daventry area and beyond. Futures provides customer and maintenance services to over 3500 homes in nearby Daventry.
- 2.16 They provide a designated Neighbourhood Officer for the District working on an Agile and mobile basis to provide support to customers and is backed by 5 Neighbourhood Officers, all based in the area and working on an Agile basis in customer facing roles serving our communities. Futures also offers the support of a Tenancy Sustainment Officer in the district whose role is to support customers who may have complex needs and who might struggle to access other services and need assistance doing so.
- 2.17 Futures HA have access to Strategic Partnership funding through East Midlands Housing for the 2021-2026 programme with 500 units from their allocation.
- 2.18 This is a good strategic fit for Harborough District in assisting the delivery of affordable homes. This partnership was viewed positively and it was agreed to include Futures HA on our list and begin to develop this partnership.
- 2.19 We currently have a few dormant development 'partners' who resulting from mergers and takeovers, appear to have no interest in strategically assisting development in Harborough i.e. Derwent Living now part of Places for People and LHA ASRA now part of the Paragon Group. However, we still need to maintain ties with them as they still hold stock in our District.

RP Partner Protocol

- 2.20 The purpose of this protocol (drafted Dec 2021) is to set out the nature of a Preferred Partner arrangement between Harborough District Council and our Preferred RP Partners. Is it attached as Appendix 1.
- 2.21 This agreement is intended to focus on the delivery of affordable housing in the District and ensure that Preferred Partners can contribute to the strategic aims of Harborough District Council.
- 2.22 This agreement is a statement of intent by all parties involved in the Partnership, to undertake to use all reasonable endeavours to meet the principles through partnership working. The Parties do not intend to create formal legal relations. This

Protocol is not to be understood as a formal legal contract between the parties, and no legal partnership between them is intended or is to be implied. It is a statement of commitment.

The impact of the Covid crisis this year to date

- 2.23 The housing market has historically been kept buoyant assisted by a steady influx of new purchasers at the bottom of the chain. The predicted collapse of the market has not materialised and the Delivery rates of affordable provision in Harborough District over the last few years has exceeded expectations

Potential opportunities:

- 2.24 This is a good time for RP's / Developers to buy land if you judge the price right and look over a medium / longer term.
- 2.25 Homes England is making available some of the highest levels of grant for affordable housing.
- 2.26 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.

RP Updates and Points for discussion

- 2.27 The Panel to receive an update from registered providers of social housing in attendance about their provision of accommodation in the District.
- 2.28 For panel members to ask Providers specific questions related to affordable delivery in Harborough District.

3 Equality Impact Assessment Implications/Outcomes

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

4 Impact on Communities

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

5 Legal Issues

No legal issues directly arising from this report.

6 Resource Issues

This report does not raise or request additional resources.

- 7 Community Safety Implications
None directly.
- 8 Carbon Management Implications
None arising from this report.
- 9 Risk Management Implications
N/A
- 10 Consultation
- 11 Background Papers
None

Appendix 1 RP Partner Protocol

Previous report(s):

Report to Scrutiny Community Panel - 17th December 2020