

Report to Communities, Regeneration and Environment Overview and Scrutiny Committee



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| Date of Meeting | 20 th September 2017 |
| Portfolio | Cabinet Member for Housing & Environment |
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Performance Monitoring 2016/17 Register Providers

Executive Summary

- 1.1 The report provides Members with an update on the performance of the Borough's Register Provider (RP) Partners for 2016/17.
- 1.2 There are 14 RPs operating in the Borough who manage 20,948 properties across the Borough. RBH are our biggest stock holder with 63% of the stock. Riverside and Guinness and the 2nd biggest with 10% each, followed by St Vincent's with 5%.
- 1.3 The report provides and update on affordable housing development, affordable rent conversions, disposals, demolitions, welfare reform, the Housing Register, health partnership, property and neighbourhood investment, local initiatives and the GM MOU.
- 1.4 Summary of the key statistics from the report:
 - The development of 172 new affordable homes commenced in 2016/17.
 - 1,019 properties have been converted to Affordable Rent since 2011.
 - 315 demolitions in 2016/17.
 - 25 disposals in 2016/17.
 - Rent arrears reduced by £700k since 2013.
 - 1,602 properties let via CBL.
 - £25m invested into existing properties and neighbourhoods in 2016/17.

Recommendation

- 2.1 The Committee notes the important work carried out by the Borough's Registered Provider (RP) partners and the major contributions they make to delivering strategic priorities.

Reason for Recommendation

- 3.1 To ensure that Members are aware of the important role of RP partners and the performance monitored for 2016/17.

Key Points for Consideration

Background

- 4.1 There are currently 14 RPs (formerly known as housing associations) operating across the Borough. These organisations manage 20,948 properties, the majority of which are social or affordable homes for rent. However included in these figures are affordable homes for sale, mainly shared ownership and supported housing.
- 4.2 The table below details the number of properties and percentage stock holder for each RP.

| Registered Provider | Number of Properties | % Stock Holder |
|----------------------------------|----------------------|----------------|
| Accent | 58 | 0.3% |
| Anchor Housing | 222 | 1.1% |
| ARCON | 104 | 0.5% |
| Contour Homes | 757 | 3.6% |
| Great Places Housing Group | 738 | 3.5% |
| Guinness Partnership | 2015 | 9.6% |
| Housing & Care 21 | 91 | 0.4% |
| Johnnie Johnson Housing | 46 | 0.2% |
| Rochdale Boroughwide Housing | 13292 | 63.5% |
| Regenda Group | 519 | 2.5% |
| Riverside Group | 2133 | 10.2% |
| St Vincent's Housing Association | 973 | 4.6% |
| Your Housing Group | 80 | 0.4% |
| Total | 20948 | 100% |

- 4.3 There are seven main RPs operating in the Borough who are members of the Rochdale Strategic Housing Partnership (RSHP). The seven RPs are:

- Contour Homes
- Great Places Housing Group
- Guinness Partnership
- Regenda Group
- Riverside Group
- Rochdale Boroughwide Housing
- St Vincent's Housing Association

- 4.4 The RSHP is the Borough's high level strategic housing group and was established to maximise the contribution of housing towards the Borough's broader objectives and the delivery of targets contained within the Council's and Partner's Strategies.
- 4.5 In addition to the RSHP the main RP partners have come together with the Council to fund the Borough's unique partnership company Rochdale Housing Initiative (RHI). The company, which was formed in 1994 and adds value to the work in the Borough by employing dedicated staff who:
- Work with partners to add value to the work they do in the Borough
 - Develop new and innovative projects
 - Secure funding for projects
 - Provide a link between the RPs and other organisations within the Borough
 - Deliver the Council's Empty Property Programme

Affordable Housing

- 4.6 A key area of work for RP partners is the delivery of new affordable housing to meet identified housing need. All affordable schemes developed by RP partners involve close working with officers in the Council's Strategic Housing Team to ensure that they meet Council priorities in respect of meeting housing need and supporting regeneration. The majority of new build by RP partners are through the Affordable Homes Programme (AHP), which is facilitated by the Homes and Communities Agency (HCA). However, some homes are delivered on private developments, secured by the Council through section 106 planning agreements.
- 4.7 In 2016/17 RP partners commenced the development of eight new affordable housing schemes. These schemes will deliver 172 new homes for affordable rent. The locations of the four schemes are as follows:

| RP | Address/Location | No of Units |
|-----------|---------------------------------|--------------------|
| RBH | Queens Drive, Rochdale | 11 |
| RBH | Longridge Drive, Heywood | 26 |
| RBH | Daventry Road, Kirkholt | 11 |
| RBH | Lower Falinge, Rochdale | 20 |
| RBH | The Strand | 16 |
| Guinness | The Criterion, Heywood | 14 |
| Guinness | Former Boots Warehouse, Heywood | 37 |
| Guinness | Newbold, Rochdale | 37 |

Conversions, Disposals and Demolitions

- 4.8 In January 2011, the HCA published the Affordable Homes Framework which introduced a new funding model based on affordable rents.

4.9 Under the framework RPs can charge higher rents for affordable housing than previously (up to 80% of market rents) both for new homes and for some new tenancies of existing homes.

4.10 Strategic Housing is monitoring both the level and impact of rent conversions across the Borough. The table below details the number of affordable rent conversions since 2011:

| Registered Provider | Townships | | | |
|---------------------|-----------|------------|-----------|------------|
| | Heywood | Middleton | Pennine | Rochdale |
| Contour Housing | 0 | 26 | 0 | 3 |
| Great Places | 0 | 10 | 0 | 45 |
| Guinness | 13 | 3 | 0 | 26 |
| Regenda | 0 | 0 | 0 | 0 |
| Riverside | 0 | 348 | 0 | 0 |
| RBH | 15 | 195 | 50 | 266 |
| St Vincent's | 1 | 0 | 0 | 18 |
| Total | 29 | 582 | 50 | 358 |

4.11 In addition to monitoring conversions the Council also keeps a record of the number of property disposals and demolitions by RP Partners. In 2016/17 the total number was demolitions was 315, which were all RBH properties. The demolitions have taken place at the Strand in Kirkholt and Angle Meadow in Heywood. In terms of disposals there were 25 during 2016/17, with the majority of which being through Right to Buy.

Welfare Reform

4.12 A major challenge for all RPs has been addressing the impact of welfare reforms on people and places. All the RPs have taken a proactive approach in helping tenants who are affected by the changes and by focusing on early intervention through offering comprehensive and tailored support.

4.13 Examples of some of the financial inclusion work being undertaken by RP partners to assist tenants affected by welfare reform include:

- Offering Debt and welfare benefits advice
- Offering advice regarding budgeting and money management
- Assisting tenants with applications for Discretionary Housing Payments
- Offering downsizing incentives
- Making available financial support through the provision of hardship funds
- Helping tenants improve their employment skills through the establishment of job clubs, providing access to training courses and signposting tenants to appropriate support/service providers.
- Participating in training schemes to offer opportunities of paid work placements within their organisations
- Setting up direct debit and standing order arrangements with tenants for rent payments

- 4.14 The partners provide half yearly information to the Council on the level of arrears and possession action carried out. The data provided is fed into the Welfare Reform Dashboard which contains a suite of indicators and information which is submitted to the Council's Welfare Reform Board.
- 4.15 A summary of the Welfare Reform data received from the main RP partners over the last five years is provided in the table below. As many of the welfare reform changes came into effect in April 2013 the partners were requested to provide data for 2012/13, (before the changes commenced) so that a comparison could be made on the potential impact the changes had on arrears and possession action and more recently on property void levels.

| Welfare Reform Monitoring | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|--|----------------|----------------|----------------|----------------|----------------|
| No of "live" rent arrears cases at year end | 10,080 | 12,411 | 11,389 | 7,092 | 6,870 |
| Total amount of rent arrears at year end | £3,947,296 | £5,211,539 | £5,086,672 | £4,429,885 | £4,458,809 |
| Court Orders Obtained –Annual | 211 | 595 | 721 | 576 | 287 |
| Evictions Carried Out – Annual | 131 | 203 | 222 | 197 | 134 |
| No of voids at end of Year | Not Collected | Not Collected | 369 | 311 | 266 |

- 4.16 The figures provided by the main RP partners show a continuation in the reduction of both the level of rent arrears and number of tenants in arrears. Partner RPs feel that the proactive work they have been undertaking and the effective partnership working with Council's Housing Benefits Team has helped achieve this reduction.

Common Housing Register

- 4.17 Eight RPs are currently participating in the Common Housing Register and the Choice Based Lettings (CBL) Scheme. In 2016/17 a total of 1,602 properties were let through the CBL scheme.

Health and Housing

- 4.18 The RP Partners play a key role in helping to tackle the health inequalities in the Borough and adding value to the work of the statutory agencies. With RPs managing over 20,000 homes across the borough they are in a unique position to engage with and support some of the most vulnerable residents in the Borough.
- 4.19 In 2014 the RP partners, supported by Rochdale Housing Initiative, established the Health and Housing Forum, the objective of which is to work closer with the Council and Health Agencies to improve the health and wellbeing of residents in the Borough.

4.20 Members of the Forum were involved in putting together housing proposals for inclusion in the Rochdale Locality Plan and attended consultation events.

4.21 RP partners are committed to contributing to the delivery of a number of Health related projects and strategies/plans in the borough, these include:

Contributing to the 5 Ways to Wellbeing Action Plan through:

- Promoting 5 ways to wellbeing
- Signing up to the Workplace Wellbeing Charter
- Monitoring impact of our interventions through WEMWEBS

Contributing to the Healthier Lives in Rochdale Strategy through:

- Participating in the ‘Health Chats’ programme
- Sharing behaviour change messages
- Participating in the Ageing well Programme
- Developing wellbeing Champions

Contributing to the Premature Mortality Project

- Helping to improve uptake of NHS Health Checks in target groups
- Engaging with people who have multiple health problems and assisting them into clinical services

Investment

4.22 In addition to the amount of funding RP partners invest in building new affordable homes they have also invested over £25,000,000 on improvements to their housing stock, the environment on estates and supporting the communities they work in. The table below shows the total investment across a range of areas.

| Investment Area | Amount |
|--|--------------------|
| Investment on improvements to properties in the Rochdale Borough. | £12,370,927 |
| Investment on improving the energy efficiency of homes in the Rochdale Borough. | £9,273,916 |
| Investment on environmental improvements schemes in the Rochdale Borough. | £1,435,198 |
| Investment on grounds maintenance in the Rochdale Borough. | £1,349,963 |
| Investment on initiatives involving supporting communities in the Rochdale Borough | £887,224 |
| TOTAL | £25,317,228 |

Local Initiatives

4.23 The RP partners are involved in providing a wide range of services and projects across the borough many of which are not widely publicised yet their impact is extremely positive and the outcomes beneficial for the targeted communities. The table attached (please see appendix 1) sets out some of the excellent work undertaken by the partner RPs during 2016/17.

Development of Local Memorandum of Understanding

- 4.24 A Greater Manchester Memorandum of Understanding (MOU) has been developed between the Greater Manchester Combined Authority (GMCA) and the Greater Manchester Housing providers (GMHP) . The MoU provides clarity around how the partnership arrangements between GMHP and the GMCA will be structured to limit the duplication of effort and simplify communication. GMCA approved the MOU with the Greater Manchester Housing Providers Group in 2016, and asked that progress be regularly reported to GMCA.
- 4.25 The Memorandum of Understanding (MOU) recognises the GM housing providers' track record of delivering positive change, will enable them to play a pivotal role along with the ten local authorities in further developing new approaches to growth, public service reform and the management of place as the Combined Authority's strategy is rolled out.
- 4.26 Linked to the GM MOU is the establishment of a Joint Venture with all the GM Housing Providers. This Joint Venture will be a 50:50 arrangement that combines Local Authority land with the GM Housing Providers financial resources to fund a JVCO to build a programme of sites. The JVCO will enable the Council to opt to sell the land for a capital receipt or invest as equity depending on the objective of the development. The establishment of the JVCO will deliver above and beyond the existing HCA Affordable Homes Programme.

Costs and Budget Summary

- 5.1 There are no specific financial implications relating to this monitoring report.

Risk and Policy Implications

- 6.1 There are no specific risk or policy issues for Overview and Scrutiny Committee to consider arising from this report.

Consultation

- 7.1 No Consultation required. Report for information only

Background Papers

Appendix 1 – Local Initiatives

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