



Report to Overview and Scrutiny Committee

For: INFORMATION

Date: Monday 12th November 2018

Title: Tenancies and Housing Stock

Report of: Mike Kay, Chief Executive: NPH.

Telephone / Email: 01604 837555/mkay@northamptonpartnershiphomes.org.uk

1. EXECUTIVE SUMMARY

- 1.1. At the request of Councillor Jamie Lane, Chair of the Overview and Scrutiny Committee this briefing note has been prepared to inform the committee of details around *“tenancies and how Northampton Borough Council housing stock is increasing and being maintained”*.
- 1.2. The details provided below confirm that housing stock numbers continue to fall year on year through right to buy (RTB). The current trend is now forecasted that around 145 properties each year will be sold.
- 1.3. Since 2017 Northampton Partnership Homes (NPH) have been providing new additional properties through conversion of existing assets into homes, purchase of new homes and the development/regeneration of sites, although to date this has been less than those lost.
- 1.4. New proposals and strategies for developing new homes for NBC have been developed including seeking to lift the HRA (Housing revenue Account) Cap, creation of a CBS (Community Benefit Society), a new DevCo (wholly owned development subsidiary) and building within NPH. It is therefore hoped that the total number of new build can exceed those lost in future years, particularly since the Prime Ministers announcement to lift the HRA borrowing cap.

2. RECOMMENDATIONS

- 2.1. The Committee are requested to note the contents of the report.

3. DETAIL

3.1. Housing Stock Numbers

3.1.1 Statistics are provided below to advise on the number of properties owned, managed, acquired and developed on behalf of NBC. It should be noted that these figures can change on a daily/weekly basis and can be different dependent upon what system is used for interrogation. As a result, for consistency in reporting we have used the LAHS (Local Authority Housing Statistical return) as the basis for reporting.

3.1.2 The table below provides statistical information on the number of Housing stock owned by NBC and managed by NPH, which confirms total rented units, excluding leasehold properties as 11,551 as on the end of last financial year.

3.1.3 It can be seen from the table below that in the last 2 financial year's stock numbers have dropped by 233. In addition stock numbers have dropped by a further 114 properties in the period since April 2018 to October 2018.

3.1.4 It should however be noted that a key reason for this recent drop has been the decommissioning of some bedsits, most notably at Overslade House which is currently being converted to 2 and 3 bed family accommodation.

Housing stock	AT 31/3/16	AT 31/3/17	AT 31/3/18
Bedsits	291	289	290
1 bed	4165	4135	4128
2 bed	3789	3725	3684
3 bed	3206	3140	3120
4 bed	217	213	215
5 bed	116	115	114
	11784	11617	11551
Data sources: LAHS 2015/16, 2016/17 and 2017/18			

3.1.5 Recognising that homes are lost due to a number of factors such as demolition, conversion, regeneration as well as RTB the table below confirms the number of homes lost through RTB in the last 3 financial years

	1/4/15 - 31/3/16	1/4/16 - 31/3/17	1/4/17 - 31/3/18
RTB Sales: 1 bed properties	-21	-20	-24
RTB Sales: 2 bed properties	-34	-48	-66
RTB Sales: 3+ bed properties	-46	-57	-48
NET CHANGE IN YEAR	-101	-125	-138

3.1.6 In addition RTB sales year to date (1st April 2018 to 30th October 2018) is 72 (44 houses, 23 flats, 2 bungalows, 2 maisonettes and 1 bedsit) with a total of 143 active applications.

3.2. Proposals for increasing Housing Stock

3.2.1 It is recognised that the demand for housing across the borough of Northampton is significant and growing. As of 23rd October 2018 the waiting list is a total of 3272. This is broken down as follows:

- 1 bed need – 1030
- 2 bed need – 801
- 3 bed need – 349
- 4+ bed need – 72

3.2.2 This leaves 1020 applications which are either awaiting assessment, awaiting documents to be supplied or a number suspended pending further information. This type of category would include, hospital discharge, emergency cases including adaptations, and those lacking facilities (working with Oasis House and other partners waiting for Move On agreements).

3.2.3 This demand for property breaks down into the following priority band groups:

- Emergency – 606 (including statutory homeless)
- Band A – 1214 (219 priority need asked to leave that will move into emergency if not rehoused within 56 days)
- Band B – 1089
- Band C - 363

3.2.4 This excludes people in temporary accommodation that do not have a housing application yet.

3.2.5 Northampton Partnership Homes (NPH) as part of their Asset Management Strategy have been seeking to make best use of existing accommodation and have over the last 3 years converted a number of empty spaces into new living accommodation, creating an additional 27 properties.

3.2.6 Members of the committee will also be aware that 2 years ago NPH started developing and acquiring new properties, some through regeneration and some through new build. The total number of additional homes created is detailed below.

New Provision	1/4/16 - 31/3/17	1/4/17 - 31/3/18	On site for completion by 31/3/19	Start on Site 2018/19: Completion 2019/20
Conversions	8	7	12	0
Number of new builds	0	71	63	85
Number of acquisitions	9	13	6	0
TOTAL NEW UNITS PROVIDED	17	91	81	85

3.2.7 In 2016 NPH submitted to NBC a development strategy designed to build at least 1,000 homes over the next 10 years. Following NBC's due diligence process and reports prepared by Capita, NBC's Cabinet approved the strategy at their meeting on Wednesday 21st February 2018 (Maximising the supply of new homes).

3.2.8 This strategy included developing within the HRA, building within NPH and the creation of a local, new "not for profit" housing company: a Community Benefit Society (CBS).

3.2.9 At the Councils cabinet meeting in October 2018 NBC approved, in principle, the creation of a further "DevCo" as a wholly owned Development Company to build on a commercial basis.

3.2.10 All the above provide a number of delivery vehicles for the provision of much needed new housing.

3.2.11 In June 2018 the Ministry of Housing Communities & Local Government announced an "Additional Housing Revenue Account Borrowing programme of £1 billion" (£500m outside London) for the next 3 financial years for Local Authorities to bid for. NPH, on behalf of NBC submitted a bid for £47m to provide an additional 503 homes and the outcome of this bid is currently awaited.

3.2.12 In addition the Prime Minister announced at the Conservative Party Conference the proposal to remove the HRA Debt Cap, meaning that Councils will be able to fund and build more homes through the HRA. An amendment to the legislation was implemented with the HRA Borrowing Cap being lifted as part of the Autumn Budget, with “The Limits of Indebtedness (Revocation) Determination 2018” coming into force with immediate effect. This will pave the way for a significant new council house build programme to be delivered

3.3. Maintenance of Housing Stock.

3.3.1 All existing and new homes are managed by NPH on behalf of NBC through the Management Agreement which came into effect on the 5th January 2015.

3.3.2 Through the management agreement NPH in addition to delivering a range of housing services from rent collection to housing management and dealing with managing anti-social behaviour, manage and deliver all emergency and responsive repairs, planned cyclical maintenance and compliance works and a major multi-pound investment programme to all homes.

3.3.3 Investment programme –

A planned maintenance programme is managed by NPH through undertaking stock condition surveys, updating an asset database to plan and prioritise investment and improvement works including replacement of components (kitchens, bathrooms, heating etc) and enhancements to the environment around homes. We ensure all properties meet or exceed the Decent Homes Standard and deliver the works on a “whole house, whole neighbourhood” basis. The majority of works are delivered via a 10 year strategic partnership with Engie. Through this programme we will see over £100Million invested over the next 5 years.

3.3.4 Compliance –

NPH discharge all legal requirements and ensure all properties are safe through a range of planned cyclical maintenance and servicing contracts including Gas servicing, legionella testing and electrical testing. These works also importantly includes a full fire prevention programme adopting a zero tolerance approach to fire safety.

3.3.5 Response repairs –

NPH employ a circa 80 strong labour force of multi skilled tradesman including 5 new trade apprentices, who undertake the majority of

reactive, responsive and emergency repair works in house. This ensures we deliver a 24/7, 365 days a year effective and efficient emergency repairs service to tenants. Works can be ordered via NBC's contact centre, one stop shop and now direct on-line.

3.3.6 Voids works –

We aim to turnaround empty properties (known as voids) as quickly as possible and let to a "fitness standard". Quick turnaround voids (those requiring minimal works, lock changes, electrical and gas safety checks) are delivered by an in-house team of multi-skilled trades. Larger or major voids are sub-contracted to Engie as part of the investment programme taking the opportunity to replace/update key components as required.