

APPENDIX S

WAVERLEY BOROUGH COUNCIL

COMMUNITY OVERVIEW AND SCRUTINY COMMITTEE – 11th JANUARY 2010

EXECUTIVE 2ND FEBRUARY 2010

Title:

A REVIEW OF WAVERLEY'S PREFERRED PARTNERING ARRANGEMENTS WITH REGISTERED SOCIAL LANDLORDS

[Portfolio Holder: Cllr Keith Webster]

[Wards Affected: All]

Summary and purpose:

This report, which was considered by the Overview and Scrutiny Committee at its meeting on 11th January, gives an overview of the Council's working relationship with affordable housing providers. The Council has worked with ten social landlords to develop 379 new affordable homes since 2001. These registered social landlords are known as 'Preferred Providers'. It is appropriate to revisit these arrangements and determine whether the Council wishes them to continue. An internal review has been undertaken by officers and a number of changes to the 'Preferred Providers' list are recommended.

How this report relates to the Council's Corporate Priorities:

This report relates to two of the Council's Corporate Priorities namely: **Improving Lives** – Improving the quality of life for all, particularly the more vulnerable within our society; and **Subsidised affordable housing** – Working for more affordable housing to be built and managing council housing well.

Equality and Diversity Implications:

As part of the review, the social landlords have had to demonstrate they have appropriate policies in respect of equality and diversity.

Resource/Value for Money implications:

There are none directly arising from this report.

Legal Implications:

There are none directly arising from this report.

Introduction

1. Preferred Partnering Arrangements are made between a local housing authority and Registered Social Landlords operating in their geographical area. These partnerships can assist officers in signposting developers to Registered Social Landlords the Council

would expect to be involved in Section 106 Agreements that come about as a condition of planning.

2. Successful Preferred Partnering Arrangements foster a joint approach to meeting housing need in the area, by encouraging and attracting funding for new development within the local authority's boundaries. Preferred partnering can also assist to monitor the quality of service delivery by partner Registered Social Landlords. Long term relationships with between planners, builders and Parish Councils can support the development on new affordable homes.
3. This approach of developing and drawing on a list of preferred Housing Association partners is used by number of local authorities. Although these arrangements are not legally binding and do not prevent the Council working with other organisations, it can bring greater certainty to Registered Social Landlords about who the Council is keen to work with.

Preferred Partnering Review

4. In addition to the Council, there are 34 other affordable housing landlords in the Waverley area. These are listed in Annexe 1.
5. Waverley adopted a preferred partner system in 2001. This approach was implemented so that the Council could concentrate its resources on working with a smaller number of associations. The reasons for this approach was (and still is):
 - i. Tenants have a local landlord with an existing management presence and stock in the borough. A higher management presence becomes more cost effective as numbers increase. Working with a limited number of landlords is in line with the stock rationalisation regime and has prevented existing stock ownership from becoming any more diluted, unless an association has a genuine benefit to bring to the Borough such as land, finances or a specialist skill.
 - ii. People in housing need who also have a support need or require housing in rural areas have a range of specialist providers who can develop housing and support services when required. This can be illustrated by the successful track record of developing affordable housing in rural areas by the Council with our partner RSL's, Parish Councils and Rural Enabler.
 - iii. Developers are able to work with RSL's who have local knowledge, experience and expertise of the Waverley housing market. Associations with a successful track record of development in the borough have developed an understanding of local planning policy and the raft of designations covering the area.
 - iv. The Council has developed a partnership with associations who support us in working towards our corporate priority of developing more affordable housing. Recent open tendering exercises for large Council owned sites have been awarded to existing partners, demonstrating the competitive, high quality service and value for money they are able to offer to the Council.
6. Annexe 2 to this report outlines the development activity undertaken by preferred partners and provides detail about their standing with the

Housing Corporation/Audit Commission and now the Homes and Communities Agency.

Conclusions

7. Accent Peerless, Downland, James Butcher, Pavilion, Raglan and Thames Valley Housing Association are current partners classed as medium to large associations, as they hold stock of more than 1,000 homes. All are subject to regular and rigorous inspections by the Audit Commission. These include 'short notice inspections' which focus on particular areas of the service. Since the review, such inspections will in future be carried out by the Tenant Services Authority. All Associations except one have performed well under inspection. It is recommended that Preferred Partnering status should be suspended if issues of concern are highlighted in inspection reports.
8. These medium/ large associations have developed 280 new affordable homes in Waverley since 2001. Therefore, it is suggested that existing partnering arrangements with medium/ large associations should continue with Accent Peerless, Downland, Southern Housing Group, Pavilion and Thames Valley.
9. Raglan Housing Association has not provided any new affordable homes in the borough since the last review of partners in 2001.
10. Although not included in partnering arrangements set up in 2001, Sentinel has a scheme with planning permission and a funding application in Farnham and several schemes at pre-application stage. It is suggested that Sentinel would provide a useful resource to develop affordable housing for Waverley residents. Therefore, officers recommend the Council work with Sentinel, as a 'preferred partner'.
11. Ability, English Rural Housing Association, Mount Green and Surrey Community Trust are also current partners. This group of associations own and manage less than 1,000 affordable homes and as such are not subject to comparable Audit Commission regulation. However, the former Housing Corporation made regular assessments of 'Viability', 'Governance', 'Management' and 'Development' of these smaller associations until its succession by the Tenant Services Authority. These smaller organisations often provide specialist services for people with complex support needs and as such perform a vital service for this group of the Borough's residents. These smaller associations have generated 99 new affordable homes in the borough since arrangements were established in 2001. Having a range of specialist providers preferred partners' offers choice and flexibility to potential developers and skilled services that can be offered to tenants. Therefore, it is suggested that 'preferred partner status' should be continued in all four cases.
12. Preferred partnering arrangements can form a framework to ensure that relationships are regularly reviewed and set down the criteria that partners need to meet and maintain to remain 'preferred'. It is

suggested that regular, short, informal annual reviews are carried out in addition to a comprehensive review after six years.

13. It should be noted that the preferred partner approach would be of assistance in managing the Council's relationships with RSL's, which work in the Borough. However, should the Council be approached by an RSL or, indeed, another housing organisation which can clearly demonstrate some 'added value' to a potential development or scheme, your officers would expect to bring that organisation to the attention of Members and possibly seek to add such an organisation to the 'preferred partner' list. Whilst not legally binding such arrangements can help focus partners on the Council's key housing strategy objectives and targets for the number of type of new provision needed in the Borough.

The Community Overview and Scrutiny Committee

14. The Community Overview and Scrutiny Committee agreed the officer recommendation as set out below

Recommendation

It is recommended that:

1. Accent Peerless, Downland, Southern Housing Group, Pavilion, Sentinel, Thames Valley, Ability, English Rural, Mount Green and Surrey Community Development Trust will act as preferred partners for the period 2009-2015;
2. Raglan's preferred partner status be withdrawn.
3. Preferred partners will work on the affordable housing schemes that are negotiated on the larger development sites (PPG3) that come forward between 2009 and 2015.
4. The selection of preferred partners is based on an annual review of performance and
5. Housing associations not selected will still have a role to play and will continue to contribute towards the development of affordable housing in the district.

Background Papers

Information from Housing Corporation, Audit Commission and Homes and Communities Agency.

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