



REPORT OF:	Housing Manager
AUTHOR:	Lynne Finnis
TELEPHONE:	01737 276363
E-MAIL:	Lynne.finnis@reigate-banstead.gov.uk
TO:	Overview & Scrutiny Committee
DATE:	16 January 2014

WARD (S) AFFECTED:	All
---------------------------	-----

SUBJECT:	HOUSING ASSOCIATION ACTIVITY AND PERFORMANCE
-----------------	---

RECOMMENDATIONS:

That housing association activity performance and activity during 2012/13 is noted.

SUMMARY:

The Council relies on housing associations (Registered Providers or RPs) to meet the need for, and manage the existing affordable housing in the Borough.

This report includes information on Raven Housing Trust's performance and initiatives (as the largest RP in the borough) and provides an overview of RP affordable housing development activity in the Borough.

Jonathan Higgs, Chief Executive of Raven Housing Trust will be giving a presentation to the Committee.

STATUTORY POWERS

1. The purpose of this report is to enable the Overview and Scrutiny Committee to review housing performance of Registered Providers of social housing (RPs) as part of its statutory role. The Council also reviews its local housing issues through the statutory Housing Strategy which provides priorities for action and the resources needed to deliver our objectives. The Housing Strategy provides an overall housing strategic framework for the Council.

INTRODUCTION

2. The Council has not directly owned or managed affordable housing since 2002 when the Council's stock was transferred to Raven Housing Trust. The Council retains a strategic role in meeting local need, making decisions about the planning and development of new affordable housing and creating sustainable communities within the borough; all of which involves working in partnership with RPs. Furthermore, the Council relies on RPs to house households on the Housing Register and to meet the Council's statutory homelessness duties.

3. This report covers the following areas:
 - Summary of RPs operating in the borough
 - Raven Housing Trust performance & initiatives
 - Provision of new or replacement affordable housing
 - Current issues facing RPs
4. The following Annexes are attached to this report:
 - Annex 1 Table providing an overview of Raven Housing Trust Performance Data and Information since 2010/11 to 2012/13
 - Annex 2 Table giving an overview of current affordable housing development in the Borough
5. Jonathan Higgs, Chief Executive of Raven Housing Trust has been invited to give a presentation to the Committee.

REGISTERED PROVIDERS WITH HOMES IN THE BOROUGH

6. RPs own and manage approximately 8,300 homes in the borough, which equates to about 15% of all homes here. Approximately 6,800 are rented homes and the majority of the remainder are shared-ownership properties.
7. There are about 25 RPs and charities providing affordable housing in the borough, the majority have less than 50 properties, some only a few.

RAVEN HOUSING TRUST PERFORMANCE & INITIATIVES

8. The Trust own and manage around 73% of all rented affordable housing in the borough. Taking account of leaseholders and shared ownership properties Raven own and/or manage about 10% of all properties in the borough. Raven has rented homes in all borough wards, and its tenants and their families make up a significant proportion of all people in the borough. The Council is therefore keen to ensure that Raven manages its homes well and makes best use of its affordable housing in the borough.
9. Information on a range of performance indicators is given in Annex 1 including on responses to repairs, complaints, and rent arrears. In June 2013 Raven were given the highest economic Governance and Viability ratings by the Homes and Community Agency. These mean that the Trust meets the requirements set out in the HCA Governance and Financial Viability standard and has the capacity to mitigate its exposures effectively.
10. As well as providing homes, Raven invests in neighbourhoods and communities. It has invested in a range of initiatives and projects which offer a number of economic, social and educational benefits to local people. More information about their work can be found on their website and Annual Reports. Here are some examples of these activities:

- Financial inclusion – building on its work to date Raven has set up its Moneywise service: helping with budgeting, benefits, getting bank accounts and cutting arrears through Raven funded CAB debt advice
 - Employment – it launched Step up to Work, a scheme where up to 10 young people join Raven for six months’ paid work experience
 - Skills and Training – it helped 25 people back into work, set up a scheme to help 8 young people undertake training to gain construction qualifications, recruited 30 volunteers, funded NVQ training places for nine volunteers – five of which are now in paid youth work
 - Young People - managed five youth centres and one satellite centre in the borough and launched Youth Bank, a pot of £20,000 to fund projects that enhance the development of young people such as school holiday projects, and helping young people gain skills to help them get back into education, training or employment.
11. The Trust also works closely with the Council on a range of issues including benefit fraud, anti-social behaviour, crime and disorder as well as housing issues.

NOMINATIONS

12. The Council relies on RPs to provide accommodation to applicants on the Housing register, including households to whom the Council has a legal duty under homelessness legislation.
13. The majority of affordable rented homes in the Borough are covered by ‘nomination agreements’ which allow the Council to nominate prospective tenants to RPs for vacancies as they arise and for new affordable housing units. In the majority of cases the Council does not have 100% nominations to all existing vacancies, but in practice, most RPs give the Council almost 100% nominations. In the case of Raven, although the Council only has nomination rights to 70% of the ex-Council stock, in practice almost 100% of vacancies go to households either on the Housing Register or to existing local residents transferring between Raven properties.

DEVELOPMENT OF AFFORDABLE HOUSING

14. The Council relies on RPs and other Providers to develop new or replacement affordable housing in the Borough. Development activity is governed by a number of issues including:
- General house building activity by private developers
 - Funding from the Homes & Communities Agency
 - Funding from other sources
 - RPs capacity for development (borrowing, risk etc.)
 - Availability of suitable sites.

15. The table below shows the total and make-up of all new dwellings completed in the Borough in the past three years (2010/11 – 2012/13).

Total for Year	Private	Social/Affordable Rent	Shared Ownership	Affordable Housing as a %
2010/2011 439	285	94	60	35%
2011/2012 455	403	37	15	11.5%
2012/2013 469	395	33	41	16%

CURRENT ISSUES FOR REGISTERED PROVIDERS

16. RPs are facing significant challenges and given the Council's reliance on RPs, these issues need to be understood by us:
- Changes to Housing Benefit have included a restriction on the amount of benefit payable to households of working age with a spare room. RPs are working to address this issue by working with tenants to manage budgets and/ or transfer, however there remains a concern that rent arrears will rise. This change has also led to reduced need for 4+ bedroom homes.
 - In the future Welfare Reform changes will also have the effect of limiting the amount of benefit many tenants receive and most payments will be made to the tenant rather than the landlord. RPs have serious concerns about the impact on levels of rent arrears.
 - Local housing allowance increases in the future will be based on the consumer price index and capped at 1%, placing increasing pressure on the rent levels RPs can charge and consequently borrow to fund development.

EQUALITIES IMPLICATIONS

17. There are no equalities implications for the Council. However, RPs are required to assess the impact of their services on different types of service users in order to eliminate discrimination.

POLICY FRAMEWORK

18. Promoting the development of affordable housing is a key priority in the Corporate Plan. The Core Strategy (not yet adopted), the East Surrey Housing Strategy and other related documents also outline the need for additional affordable housing and making best use of the existing stock.

CONCLUSIONS

19. Registered Providers are key partners in managing, making best use of and developing new affordable housing. In some parts of the borough RPs manage a significant proportion of homes in the local community. A close and positive relationship between the Council and RPs, particularly Raven, will assist in the achievement of our objectives and can only be advantageous to borough residents.

Background Papers: Reigate & Banstead Housing Strategy

Annex 1 – Raven Housing Trust performance information 2010/11 – 2012/13

Performance Indicator	2010/11	2011/12	2012/13	2013/14 Target
Repairs				
Emergency repairs completed on time	99.70%	99.93%	99.61%	99.50%
Urgent repairs completed on time	99.52%	99.13%	98.06%	99.30%
Routine repairs completed on time	98.66%	98.67%	98.87%	99.00%
Tenants satisfied with repairs services (whether or not they were carried out)	73%	-----	-----	N/A
Tenants satisfied with repair work carried out	-----	90.54%	90.05%	90.00%
Complaints				
Number of complaints	88	69	121	N/A
Stage 1 complaints responded to in 15 days	98.8%	92.86%	93.7%	95.00%
Acknowledgement within 48 hours (%)	100%	100%	-----	95.00%
Relets & Voids				
Average relet time (days)	21	16		17
Percentage of vacant properties at year end (vacant and available)	0.17%	0.33%		0.52%
Rent arrears for tenants year end	1.86%	1.78%	2.53%	2.9%

Annex 2: Actual and Potential Affordable Housing Schemes

Note: this does not include schemes that are the subject of on-going discussion

Site	Appl. Ref	Provider	Gross No. AH Units	Net No. AH Units	Planning Status	Tenure			Comments
						TBC	Rented	Affordable Home Ownership	
Newman House, Horley	12/01881/F	Thames Valley HA	90	90	Approved		15	75	On-site
Rosemary Court, Court Lodge Road, Horley	13/00504/F	Raven HT	30	1	Approved		15	15	(Demolition of old sheltered housing scheme)
Colne House, Linkfield Lane	12/02030/F	Raven HT	19	0	Approved		19		Temporary accommodation On-site
Woodhatch Road, Redhill	13/01838/F	Raven HT	18	18	Awaiting		18		
59 Fairfield Avenue, Horley	13/01979/F	Raven HT	4	2	Awaiting		4		
Alton House, Carlton Road. Redhill	12/00424/F	Raven HT	12		Approved			12	No indication of development timescale
St Monica's Road, Kingswood	11/01087/F	Shanly Homes	6	6	Approved			6	
Warren Court, 23 Woodlands Road, Redhill	10/01423/F	Raven HT	18	16	Approved		18		Sheltered housing units
Dundrey Crescent, Merstham	P/13/00586 /F	Raven HT	6	6	Approved		6		Over 55 bungalows

Site	Appl. Ref	Provider	Gross No. AH Units	Net No. AH Units	Planning Status	Tenure			Comments
						TBC	Rented	Affordable Home Ownership	
Purbeck Close, Merstham	13/01500/F	Raven HT	30	-	Approved		11	19	
Merland Rise, Preston	12/01729/OUT	Raven HT	33	33	Approved		33		