

THE HARROGATE AND CRAVEN HOUSING DEVELOPMENT PARTNERSHIP

1. BACKGROUND

The Harrogate and Craven Housing Development Partnership is an arrangement by way of a strategic partnership between Harrogate Borough Council, Craven District Council and the Registered Providers (RPs) who wish to develop within their boundaries. Both authorities have long faced the challenge of high property and land values and high housing need and are committed to delivering as much of the right kind of affordable housing in the right place and of the right quality, type and tenure as are viable and possible. To that end, strong planning policies and practice are in place to deliver the homes that are needed.

2. Benefits of Development Partnership

The development partnership is fundamentally about an agreed framework for the delivery of s106 affordable homes. The framework between Harrogate Borough Council and RPs has worked for almost 20 years, bringing numerous benefits to all parties involved, principally highlighted below. More recently in 2012 Craven District Council joined the partnership, which now operates across a large part of North Yorkshire, bringing consistency of approach and strength in numbers.

- **Fixed Affordable Housing Transfer Prices**

These apply in both districts, derived from income and affordability data contained within the SHMA 2015, and 2016 update. Transfer prices range from £1000 -£1100 per square metre dependent on dwelling type/ location and are irrespective of affordable tenure.

- **Site Selection**

RPs are encouraged to select s106 site opportunities with one RP nominated to each site, working with the Local Authorities to achieve a fair distribution across all partners. Appendix 2 sets out the allocation criteria. 'Registered Provider' is defined in S106 agreements as the RP to be nominated or approved in writing by the council.

- **Value for Money**

The combined approach of fixed transfer prices and site allocation to one RP partner means there are no abortive costs through competition for sites. Transfer prices ensure value for money and give developers clarity, minimising risk. For those sites where scheme viability may be an issue, the council will carry out detailed consideration of development scheme finances to ensure that as much of each council's affordable housing target as viable is delivered, whilst maintaining a reasonable return to the developer.

- **Local Connection**

There is an expectation that affordable housing will be marketed initially to those residents with a local connection to the area in question. However once this has been exhausted, RPs are able, with support from Local Authorities, to move without delay to market properties to a wider audience, beyond the immediate locality. S106 agreements introduce this flexibility.

- **Integrated development of affordable homes**

Both Local Authorities will work proactively, on behalf of RPs, with all developers operating across the two authorities, so as to ensure that all affordable dwellings are well integrated within developments and indistinct (as far as possible) from market dwellings.

- **Work with Local Authorities on wider Housing Policy Objectives**

Local Authorities welcome close working with RP partners on all aspects of Housing Policy, from dealing with tenant queries to wider and more generic information sharing. Both authorities are especially keen to see stronger working with regards to applications for Disabled Facilities Grants from RP tenants and invite partners to consider:

- Identifying the options to rehouse any tenants requiring adaptations to more suitable premises within existing stock, where available, prior to applying for works to be carried out
- Registered Provider partners to consider establishing a budget to contribute towards the costs of any DFG works in their own properties, in line with government guidance.

- **The Cost of Partnership Working**

There is a cost associated with partnership working. Most obviously, this is in contributing towards continued service delivery across both Local Authorities. As importantly, we expect all partners to contribute to the aims of the Partnership and to work towards increasing the supply of affordable homes across both districts. Whilst it is recognised that s106 delivery can be very attractive, we expect joint working to be about more than just that. There will be occasions when we look to RP partners to buy existing dwellings (or even retain them), help us with empty properties or deliver 100% affordable housing schemes, either new build or conversion. Membership is about a balanced approach to helping us meet our needs.

All partners are asked to contribute to the cost of service delivery either as a direct cash contribution or an equivalent cost contribution in kind. Both councils will cover the normal on costs of service delivery, travel and training costs and provide serviced office accommodation. To reflect the increasing numbers of dwellings and associated workload arising from the pipeline of sites across Craven and Harrogate in the coming years, the costing structure below is proposed (see Appendix 3):

- 2018 / 19 - £4,000
- 2019 / 20 - £5,000
- 2020 / 21 - £6,000

3. LENGTH OF PARTNERSHIP AND NUMBER OF MEMBERS

Length of partnership

The partnership will refresh from April 2018 and annually thereafter, unless there has been little or no change in circumstances. It will initially run for a three year period to the end of March 2021. The next full review will take place during 2020/21.

Number of partners

There will be no maximum limit set on the number of partners. All partners wishing to join must meet the minimum expected qualification criteria, as set out in the criteria for membership. It is

expected that a minimum of 13 RPs and the two Local Authorities will be required to ensure that the partnership can meet the increasing supply of affordable properties within the two districts and that there is no risk that a partner RP will not be available to take the properties when called upon.

New RPs will only be invited to apply to join the partnership during any refresh (or full review) periods, i.e. (between January 1st and March 31st), with membership running from April 1st.

Reviews are currently scheduled for every three years, However, RP partners may request a review sooner or the Local Authorities may instigate one, if it is felt necessary following significant changes.

The scoring system set out in Appendix 1 will be applied to all submissions.

4. CRITERIA FOR MEMBERSHIP

4.1 Organisational requirements

All non-local authority partners must be Registered Providers with Homes England and have Investment Partner status. This is to ensure that all partners meet appropriate organisational and financial standards, and are able to apply for Homes England funding as and when appropriate.

4.2 Management Arrangements

RP partners must satisfy the Council in which they operate that appropriate local management arrangements are/will be put in place- this may either be by the organisation directly or by way of a management agreement with another appropriate housing management provider.

4.3 Partner Housing Strategy

Local Authorities will look for assurances from RP partners that a strategy is in place detailing commitment to developing in each or both districts. New partners will need to demonstrate that their presence within districts is not limited simply to short term asset acquisition. As such Local Authorities would welcome evidence of medium to long term strategic investment within districts. Evidence of commitment to the wider housing objectives will also be required

4.4 Capital Receipt Recycling

In the event that the RP sells an Affordable Housing Unit, the proceeds received by the RP in relation to that transaction, should (where reasonable and appropriate), be used exclusively for the provision of new units of Affordable Housing within the district in which they were generated.

4.5 Allocations policy

RP partners must satisfy both Councils that their proposed allocations policy is acceptable and within the general parameters of each authority's current allocations arrangements.

4.6 Nomination levels

The Local Authorities will expect 100% nominations on all new developments which have been facilitated through the Housing Development Partnership and a minimum of 50% of

nominations on re-lets, or other appropriate arrangements as agreed as part of North Yorkshire HomeChoice arrangements.

4.7 Area of operation

RP partners may choose whether they wish to work in Harrogate District, Craven District or both, and development opportunities will be distributed on this basis.

4.8 Participation in Policy Development (SHMA / DFGs etc.)

The Local Authorities will expect RP partners to fully participate in policy development by attending meetings, participating in discussions, responding to consultation etc. In respect of DFGs RPs will be expected to work closely with the Local Authorities and share costs.

4.9 Community Led Housing

RPs will be invited to contribute towards development of community led housing. RP can be involved in a community-led housing scheme in a number of ways. These can range from providing general advice, or developing on behalf of a community group, or providing the on-going management of the housing.

4.10 Committed to the principles of the Harrogate and Craven Housing Development Partnership and the North Yorkshire Tenancy Strategy

The local authority partners expect RP partners to fully commit to the principles of the Development Partnership, i.e. engaging with and supporting them in delivering their strategic housing priorities, adhering to site allocations made via the partnership, adhering to transfer prices, communicating effectively and generally working in partnership with the respective local authority on all matters to do with affordable housing development. If partners do not adhere to these principles, the Local Authorities reserve the right to exclude individual RPs from the partnership and cease to offer further site allocations.

Partners should also be willing to adhere to the principles of the North Yorkshire Tenancy Strategy, a copy of which can be found on the North Yorkshire Housing Partnership website at www.nycyerhousing.co.uk/

APPLICATION PROCESS

Registered providers who wish to join or continue the partnership should provide a written submission, of no more than 1 page, outlining how they meet the criteria as set out in the scoring matrix at Appendix 1.

Where numerical scoring is applied it will be done on this basis:

- 0 = Inadequate/not acceptable. Any scores at this level would indicate that the submission does not meet the minimum requirements
- 1 = Concerns: lacks certain requirement in achieving the criteria/standard of service delivery required
- 2 = Potential: information indicates capability to meet the criteria/standard of service delivery required
- 3 = Capable: comprehensive and strong information indicating capacity to exceed the criteria/standard of service delivery required

This should be submitted to Housing Development Manager, Harrogate Borough Council, Civic Centre, St Luke's Avenue, HG1 2AE.

Email submissions are also acceptable. These should be sent to affordablehousing@harrogate.gov.uk

APPENDIX 1 SCORING

1. Organisational requirements

Is the prospective partner a Registered Provider with Investment Partner status with the Homes England? Yes/No

Pass/Fail

2. Management Arrangements

What are the local housing management arrangements?

Score 0-3

3. Partner Housing Strategy for Harrogate

Do the prospective partners have a specific Housing Strategy for Harrogate? Does it specify timeframes (long term involvement / short term turnaround?)

Score 0-3

4. Capital Receipt Recycling

Are partners willing to recycle capital receipts raised through the sale of S106 properties within Local Authority areas, within areas where they were generated?

Score 0-3

5. Allocations policy

How does the RP intend to allocate properties within Harrogate and/or Craven?

Score 0-3

6. Nomination levels

What percentage of nominations is the RP willing to offer?

- a) on new development directly facilitated through the partnership?
- b) on new development the RP undertakes that is not directly facilitated through the partnership?
- c) on re-lets?

Score 0-3

7. Area of operation

RP partners may choose whether they wish to work in Harrogate District, Craven District or both, and development opportunities will be distributed using the agreed procedure on this basis.

For information only – please indicate Harrogate, Craven or both.

8. Participation in policy development (SHMA etc.)

Does the RP agree to fully commit to participate in policy development by attending meetings, responding to consultation etc.? Yes/No

Pass/Fail

9. Wider Policy Objectives

Does the RP agree to work in partnership on wider policy objectives, such as DFGs, including sharing of costs? Yes/No

Pass/Fail

10. Community Led Housing

Is the partner willing to contribute expertise to develop Community Led Housing?

Yes/No

11. Committed to principles of joint commissioning/the Harrogate and Craven Housing Development Partnership and the North Yorkshire Tenancy Strategy

Does the RP agree to fully commit to the principles of the Harrogate and Craven Development Partnership and the North Yorkshire Tenancy Strategy?

Yes/No

APPENDIX 2

Allocations procedure

Once a site has the appropriate permissions for development, and agreement has been reached between the council and developer as to type, quantity, location and tenure of properties to meet housing need and promote mixed and balanced communities, a partner RP will be appointed.

Prior to allocation of the site, all registered providers are contacted to advise of the development and invited to express an interest.

If more than one RP expresses an interest in the same site, the following process will be used to guide the Housing Development team in allocation.

1. The number of dwellings allocated to that RP on s106 sites in the last 12 months and in the last 5 years and their status (not yet on site, on site, complete).
2. Stock held by the RP in the immediate area
3. Management arrangements in place.
4. Financial Strength
5. Previous refusals of sites and reasons
6. Pre-existing good working relationships with the developer
7. Contribution to wider housing objectives
8. Recycling of sales proceeds in local authority area

Appendix 3 – Development Pipeline

	Completed 12-17	On-Site 17-18	Total Completed/On- site	Allocated	Total
Stonewater	1	0	1	44	45
Yorkshire Housing	26	0	26	77	103
Guinness Northern Counties	29	0	29	67	96
Together	0	45	45	72	117
Leeds Fed	0	97	97	0	97
Home	3	51	54	53	107
Accent	12	112	124	0	124
Broadacres	19	77	96	35	131
Harrogate Housing Association	20	28	48	28	76
Progress	0	21	21	5	26
Adactus	0	0	0	22	22
WDH	0	0	0	68	68
CDC	3	7	10	0	10
HBC	0	20	20	0	20

Potential / Future Affordable Housing Sites

	Full Planning	Outline Planning	Planning submitted
Rural	60	213	398
Urban	236	976	885