

Housing Sub-Committee

30 January 2017

Present: Councillor S Cox (Chair)
Councillors A Arkle, K Bolger, L Darke, D
Drummond, John Hunter, N Huscroft, M
Madden, A Newman, M Rankin and M
Thirlaway

HO32/01/17 Apologies

Apologies for absence were received from Councillor P Mason.

HO33/01/17 Substitute Members

There were no substitute members appointed.

HO34/01/17 Declarations of Interest

Cllr K Bolger declared a registerable personal interest in relation to Minutes HO36/01/17 Affordable Homes Project, as she worked frontline for partner ENGIE serving customers on housing related issues.

HO35/01/17 Minutes

Resolved that the minutes of the meeting held on 28 November 2016 be confirmed and signed by the Chair.

HO36/01/17 Affordable Homes Project

The sub-committee received a report which provided an update on the progress of the Affordable Homes Programme and Housing Growth. It was highlighted that the Mayor and Cabinet had clearly stated their policy intention in the Our North Tyneside Plan that the authority would deliver more 'quality affordable homes'.

In the 10 years to 2013, a total of 789 new affordable homes were delivered within the Borough. In October 2013, Cabinet agreed an ambitious target to increase the pace and scale of the Affordable Homes Programme within North Tyneside through the delivery of 3,000 affordable homes over the next 10 years. This included new Council housing as well as delivery through the Authority's strategic and enabling role, working with the Homes and Communities Agency, Registered Providers and developers to meet a range of housing needs including the needs of vulnerable groups.

The sub-committee was informed that the Affordable Homes Programme had made significant progress within 2016/17, with an expected 370 new affordable homes programmed to be delivered by the end of the financial year (against a projected number of 411). This would bring the total number of new affordable homes delivered over the first three years of the programme to 873.

Anticipated numbers had decreased for 2016/17 primarily due to difficulties experienced on some of the sites currently being developed by some Registered Providers. This included the sale of the Seaton Burn College site not proceeding, which would have delivered 41 homes, and slippage on a number of other sites that meant completion of 44 homes was

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moved to 2017/18. In addition, whilst an anticipated 28 specialist homes were delivered by a private developer this year, the rents had eventually been set above the level where they could be counted as 'affordable', so could no longer be included in the affordable homes figures. However, reductions had been mitigated in part by the earlier delivery of a new build scheme under North Tyneside Living and the delivery of an increased number of homes from Volume Builders due to reprogramming.

Members were informed that plans were under development to deliver a further 218 in 2017/18 and the Authority remained on target to deliver 3,000 new affordable homes by 2024. A full delivery programme was appended to the report. It was highlighted that in March 2016, Cabinet approved an indicative 4-year Housing Revenue Account Housing Growth Delivery Programme 2016-2020 to deliver new homes, subject to consultation with ward members and residents. The programme would see the delivery of new Council homes on the following developments in 2017/18: Dudley and Weetslade Social Club; Chapelville, Seaton Burn and Perth Gardens, Howdon.

The North Tyneside Living PFI had been a major project that had seen the transformation of the Authority's sheltered housing, with the refurbishment of 582 homes and the provision of 342 new build homes. The project was on target to complete all construction work by the end of 2016/17. In its final year the project would see the completion of 16 schemes. In 2016/17 the project was anticipated to deliver 169 new homes. However, due to the early completion of the last scheme the project will deliver 195 new homes (in 2016/17). A Member of the sub-committee commented that a lot of the sheltered accommodation was not full to capacity. It was explained that this was due to the gradual planned process of moving tenants into the new schemes upon completion. In order to carry the works out, there had been a considerable logistics challenge as tenants needed to be moved to achieve the build. This included tenants in refurbishment schemes being moved temporarily to allow their homes to be renovated as well as tenant moves to the new build schemes. By the end of 2016/17, there will have been 750 tenant moves, all arranged and carried out by a dedicated team.

The sub-committee was informed that, in line with the 2016/17 target, three long-term problematic properties had been returned to occupation as affordable housing units in the North Shields and Wallsend areas. At least two further refurbishments were due to start on site before the end of March 2017. A new Council Housing Strategy was due to go before Cabinet in February 2017, highlighting the importance of returning empty homes to occupation and, where possible, these homes would be rented as affordable housing units. To reflect this there would be an increase in the overall target of returning 35 long term empty homes to occupation in 2017/18, which would include through the provision of advice and support to landlords.

The report detailed that, in November 2016, Cabinet approved the establishment of 2 further subsidiaries under the Trading Company to deliver homes for sale and homes for market rent. The first of these, the Commercial Sale Company, has been branded as Aurora Property (Sales) and would be starting to build the company's first homes for sale in 2017/18. Sales would potentially return a profit to the company that could be used to deliver further homes for commercial purposes, support affordable homes projects or be returned to the Authority by way of a dividend.

In summary, Members were informed that there would continue to be fluctuation within the delivery of the programme as it was very difficult to predict with absolute certainty the dates of completion for some of the schemes. However, progress to date against the 3,000 target had been significant and the Authority remained extremely confident of delivering the target of 3,000 homes by 2024.

It was **agreed** to note the report.