

Meeting: Housing Sub-Committee

Date: 23 October 2017

Title: Affordable Homes Project

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Service: Environment, Housing & Leisure

Wards affected: All

1. Purpose of Report

To update the Housing Sub-Committee on the progress of the Affordable Homes Programme.

2. Recommendations

- To note the progress to date and anticipated delivery going forward.

3. Details

The Mayor and Cabinet clearly stated their policy intention in the Our North Tyneside Plan that the Authority will 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 includes new Council housing as well as delivery through the Authority’s strategic and enabling role, working with the Homes and Communities Agency, Registered Providers (RPs) and developers to meet a range of housing needs including the needs of vulnerable groups. The Authority is also bringing empty properties back into use as affordable housing.

The Housing Strategy 2016-2021: a Great Place to Live was adopted at Cabinet in January 2017 and sets out the aspirations for housing, including affordable housing, in the borough over a 5 year period.

The need for affordable housing is further supported by the Strategic Housing Market Assessment (SHMA) 2014; this provides a clear evidence base on the level of housing need within the Borough, including the need for affordable housing. A Market Position Statement for Specialist Housing has also been developed by Housing Services with support from Adult Social Care and Children’s Services. This sets out the type and number of specialist homes needed in the future in the borough.

In addition, an Affordable Housing Needs Assessment tool has been developed. This brings together a range of information (e.g. SHMA, Census data, Market Position Statement, demand from our housing register) and is used to assess the type and size of affordable housing needed on individual sites.

4. Affordable Homes Programme Overview

Since the inception of the Affordable Homes Programme, the total number of new affordable homes delivered stands at 921. It is projected that the Programme will have achieved the 1000 homes delivered milestone in the next few months.

In 2017/18 to date, 71 new affordable homes have been delivered and we remain on target to achieve 280 new homes this financial year and to achieve the 3,000 target by 2024. A full delivery programme is given in Appendix 1.

4.1 Housing Revenue Account (HRA)

In March 2016, Cabinet approved an indicative 4-year HRA Housing Growth Delivery Programme 2016-2020 to deliver new homes, subject to consultation with ward members and residents. Through this programmes, the Council will deliver the following developments in 2017/18:

- **Dudley & Weetslade Social Club (Weetslade Ward):**

Work on the former club site commenced in May 2017 and is currently on programme with a planned completion date of March 2015. Following consultation with Ward Members the new homes will be known as 1-20 Clayton Close.

- **Chapelville, Seaton Burn: (Weetslade Ward):**

Construction of 6 Bungalows on the former Chapelville commenced in March 2017. Following consultation with Ward Members the new homes will be known as 1– 6 Railway Close. These homes have been constructed on time and budget and will be completely tenanted by the end of October 2017.

- **Perth Gardens, Howdon (Former Care Call Office Accommodation)**

Cabinet gave approval in October 2013 for the exploration of future options for the Perth Gardens building following completion of the Accommodation Review. The building has now been vacated and the property will be converted back to general needs Council housing.

Following Cabinet approval in October 2013 the development was originally proposed for 3 x 1 bedroom apartments and 4 x 2 bedroom apartments. Feedback from Housing Management there was a low demand for 2 bedroom apartments in the area. For this reason the conversion will consist of 7 x 1 bedroom apartments with 4 of these incorporating a study.

Enabling works have been completed in preparation for the conversion commencing later this month..

4.2 NT Living

The North Tyneside Living PFI was a major project that saw 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 completed in March 2017.

A recent survey for NT Living highlighted the success of the project with tenants positively commenting on the 'well thought out and spacious' apartments and communal areas. Tenants appreciated the security and support that NT Living properties offered as well as the adaptability to meet future needs.

4.3 Working with Registered Providers (RPs)

The Authority continues to work closely with RPs to identify opportunities and funding to meet housing need in the Borough.

As part of the Homes and Communities Agency's Affordable Homes Programme 2015-18 North Tyneside Council was successful in securing £7.2 million worth of grant funding to support the development of 300 affordable homes in the borough. The Authority is working in partnership with a number of RPs (Karbon, Bernicia and Home Group) and developers (including Galliford Try and Kier North Tyneside) to deliver these homes.

In 2017/18, 80 homes are due for completion between by the end of the March 2018 including:

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4.4 Empty Homes

The new Council Housing Strategy increased the overall target of returning 35 long term empty homes to occupation in 2017/18, this target takes into consideration the range of work the council is involved in to help secure the reoccupation of long term problematic empty homes and will include help through the provision of specialist advice to owners, support to become landlords, working with RP partners, enforcement as well as through our bespoke schemes to secure empty homes as additional affordable housing units.

Good progress is being made against this target with agreements concluded to refurbish and return 2 long-term empty homes to occupation in Camperdown and Wallsend Wards through the councils Repair and Manage scheme. Work is due to start on site next month. A further property in Backworth is proceeding through the legal process with prices agreed for a further property in Wallsend. The HCA grant allocation will have been fully spent with the completion the current Wallsend property. Officers have discussed the opportunity for further funding and the HCA have indicated they would welcome an application from North Tyneside under their continuous market engagement process.

In addition requests for assistance in relation to 66 properties have been responded to and the owners of 7 long term empty homes have been assisted by working with them throughout the often lengthy reoccupation process. Work continues to target those areas of the borough with the highest numbers of long-term empty homes.

To reflect this there will be an increased overall target of returning 35 long term empty homes to occupation in 2017/18, which will include through the provision of advice and support to landlords. These homes will be a mixture of affordable housing, undertaken by the Authority or RPs, and properties that will be let at market rents by landlords.

4.5 Volume Builders

Delivering affordable housing through planning obligations is central to meeting the need for affordable housing in the Borough. Through Section 106 Town and Country Planning Act 1991 Agreements, the Authority successfully secures 25% affordable housing on the majority of relevant sites (developments with 15 or more units).

To date good progress is being made against the 2017/18 target, 69 affordable homes were delivered in quarter one by private house builders. The market for housing remains strong

across North Tyneside and increased sales on a number of large sites across the borough will result in affordable homes continuing to be delivered.

4.6 North Tyneside Development Company

In October 2013, Cabinet acknowledged that there were gaps in the Affordable Homes Delivery Programme and that the Authority needed to act to create capacity and capability to fill those gaps. It was also recognised that new creative models for the development of affordable homes were emerging in response to the difficult market and that these should be investigated and tested to explore whether they would be applicable in North Tyneside. This Committee played a key role in option appraisal of this.

Cabinet agreed in March 2015 to the establishment of a wholly owned subsidiary of the North Tyneside Trading Company, North Tyneside Trading Company (Development) Limited, to deliver affordable homes within existing resources.

The Company has since successfully delivered 13 new homes at Reed Avenue, Camperdown. To increase the pace of delivery, the Company has also completed 2 purchases of homes from the open market and has is in the process of purchasing 5 more. These properties are all for the affordable use.

4.7 Specialist Housing

To date, 81 affordable homes have been delivered through the Specialist Housing Project. This includes housing for older people as well as individuals with physical and learning disabilities.

Work is due to commence onsite at Charlton Court in Quarter 4 of 2017/18 that will see shared accommodation with 13 beds built for people with learning difficulties.

Children's Services secured funding through the Social Care Innovation Programme to convert Elm house from surplus office accommodation to 6 en-suite bedrooms with shared living facilities and support staff for 16-21 year olds leaving residential care. Known as Staying Close it is a transition into supported housing and will be classed as affordable. These will be completed later this year.

YMCA North Tyneside received additional HCA funding to create a further 6 x 1 bed flats within Sit James Knott house. These are due to be completed later this year.

5. Affordable Homes Programme – Forward View

Building on the success of the Programme to date, the remainder of 2017/18 will continue to see significant numbers of much needed affordable homes delivered in North Tyneside. It is projected that 280 homes will be completed by March 2018 which several of these projects already completed ahead of schedule.

At present the programme predicts that a further 286 new affordable homes will be delivered in 2018/19. This will potentially include a further 28 new Council homes.

6. Summary

The Affordable Homes Programme will see a significant milestone with the 1,000 new affordable home delivered this year. We continue to remain very confident that the programme will deliver 3,000 much needed new homes by 2024. T

Appendix 1 - Indicative Affordable Homes Delivery Programme 2014-2024

Delivery Method	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Total
HRA	14	99	6	33	28	11	35	35	35	35	331
RP	87	18	52	80	42	40	40	42	42	42	491
Vol. Builders	55	41	77	120	151	147	169	221	214	215	1,411
Empty Homes	13	8	4	5	5	4	4	4	7	10	64
NT Living	96	72	195	0	0	0	0	0	0	0	363
Delivery Company	0	0	13	21	35	28	0	0	0	0	107
Supported Housing	0	0	0	21	25	75	14	50	14	50	243
Total	265	238	347	280	286	305	262	352	312	352	3,000

7. Background Information

The following documents have been used in the compilation of this report and may be inspected at the offices of the author.

- (1) [Cabinet Paper November 2016 ITEM title: "Delivering Housing Growth through the North Tyneside Trading Company"](#)
- (2) [Cabinet Paper September 14 2015 ITEM title: "Delivering Affordable Homes"](#)
- (3) [Core Strategy Preferred Options 2010](#)
- (4) [Draft Local Plan 2015-2030](#)