

# HSP Quarter 1 Exception Report 2009/10

## NI 155 Number of affordable homes delivered (gross)

### Outcome Lead

### Portfolio

Housing Portfolio  
People at the Heart of change

### Sustainable Community Strategy Outcome

Meet housing demand



Red



**ABG Funding: £0**

### Explanation of current performance:

The effects of the economic downturn and subsequent stagnation of the housing market are expected to result in Haringey's affordable housing supply figures falling to below 200 completions in 2009/10 compared with a high of 415 completions in 2008/09. This reflects the sharp decline in development activity and the number of new starts achieved during 2008/09. The two charts show both the dip in the number of projects starting on site (the low occurring in 2008/09 and beginning to pick up in 2009/10) and the resulting shortfall in completions that will become apparent in 2009/10 to 2010/11.

Due to the length of the lead-in time from project inception to the completion of new homes, the effects of the recession are likely to be seen in the local supply figures for the next two years.

At present the data to conduct peer benchmarking is not available – we will report on this at the end of Q4.

### Current Activities:

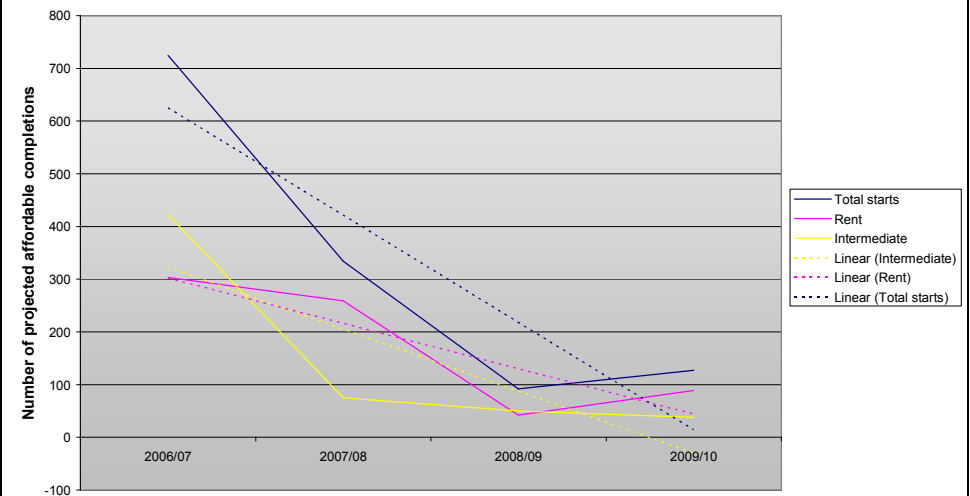
In order to address the issues relating to unsold and empty homes, we are working with RSLs and the HCA to bring these back into use in a number of ways:

- Support for RSLs letting unsold or under-construction shared ownership homes under the Rent-to-Homebuy scheme.
- Support for RSLs to acquire directly from developers unsold, newly-built homes for use either as affordable rented accommodation or Rent-to-Homebuy as appropriate to the size and

## Financial year 2009-10

	Value	Target
Q1 2009	32	(85)
Q2 2009	82 forecast	(85)
Q3 2009	38 forecast	(85)
Q4 2010	19 forecast	(85)
2009-10	<b>171 forecast</b>	<b>340</b>

Projects starting on site by financial year



location of developments.

- Support for RSLs to acquire vacant properties on the open market for use as affordable rented family homes to address local housing need, especially overcrowding in the existing social housing stock. We currently have a project in progress with London & Quadrant Housing Association to deliver 26 homes with grant supplied directly by Haringey from Section 106 affordable housing receipts.
- The Council's Empty Homes Team is actively working to bring back into use a substantial number of unoccupied properties and is extending the use of compulsory purchase powers and enforced sales to bring more of these properties back into use as affordable rented housing. We are speaking to the HCA about the possibility of it providing RSLs with enhanced levels of grant in order to allow onward disposal of those properties in a manner that enables the Council to recover its costs and proceed with other CPOs.

In order to maximise HCA resources and the investment allocated to Haringey during 2010/11 and under the HCA's next three year programme for 2011-14, we have embarked on a single conversation process with the HCA's London Director and North London Team.

We are currently in the process of preparing our proposal, with the assistance of a specialist external consultant, for a borough-wide investment plan covering housing and related infrastructure needs for the next five years.

This investment plan will be presented to the HCA in October 2009 with a view to a borough investment agreement being reached with the HCA by the end of the year. It is hoped that this formal agreement with the HCA will secure sufficient resources to take forward Haringey's regeneration and housing supply aspirations over the next five years on the lines set out above.

A good example of what we are doing to maintain and accelerate supply is the major regeneration project at Hale Village in Tottenham Hale. Through close working with the developer, Hale Village Ltd and RSL, Newlon and the HCA, the continuing development of the site has been secured with the funding of an additional 228 affordable homes, bringing the increased total on site to over 540 affordable homes that will be completed during 2011-2013. The HCA has also provided innovative support for this scheme by becoming a stakeholder through an infrastructure loan secured on the equity of the site.

The de-conversion of surplus temporary accommodation hostels into permanent family homes is part of the Council's strategy for reducing its use of temporary accommodation. This initiative is being delivered with the help of external funding from the London Regional Targeted Funding Stream (TFS) allocation for North London. Eight homes were completed in 2008/9, with a further 9 homes forecast for completion during 2009/10 and 2010/11.

#### Best Practice:

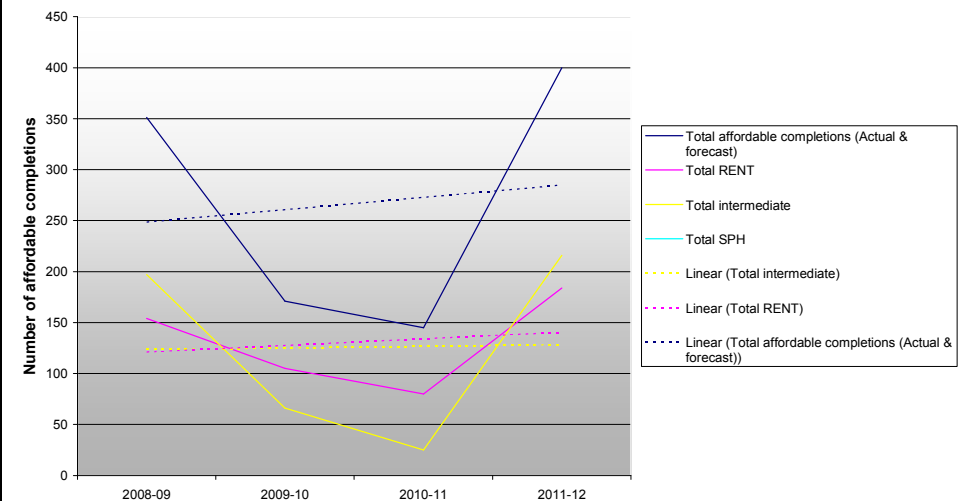
See above

#### Emerging Risk:

The housing market is showing (albeit slow) signs of recovery. The work undertaken to ensure the project at Tottenham Hale continues will mean that affordable housing figures will improve to target levels over the course of 2011-13 (subject to project timescales).

There are also several other large projects in the pipeline such as Tottenham Town Hall, Spurs,

**Affordable completions (actual and forecast) 2008-2012**



Haringey Heartlands, Hale Wharf, Greater Ashley Road, Hornsey Town Hall and Hornsey Depot.

**Performance discussion date:** TBA

**Equality Impact:** N/A

**NI 154 Net additional homes provided**

**Outcome Lead**

**Portfolio**

Housing Portfolio

**Sustainable Community Strategy Outcome**

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Meet housing demand



Red



**ABG Funding:** £ 0

**Explanation of current performance:**

The effects of the economic downturn and subsequent stagnation of the housing market are expected to result in supply figures falling. This reflects the sharp decline in development activity and the number of new starts achieved during 2008/09.

Due to the length of the lead-in time from project inception to the completion of new homes, the effects of the recession are likely to be seen in the local supply figures for the next two years.

The number of residential applications decided fell from a high of 348 in 2007-08 to 297 in 2008/09 which will have a knock-on affect on the number of project starting on site in 2009-10.

N.B. The current LAA target is 1602 for 2009-10 and is based on figures generated from the 5 year planning trajectory have been adopted as the LAA targets i.e. 1,602 for 2009/10 as opposed to the London Plan adopted figure of 680 per annum.

The figures from the 5 year trajectory include...

1. Unimplemented planning consents
2. Allocated sites from the UDP
3. Small windfall sites coming forward
4. Empty properties brought back into use

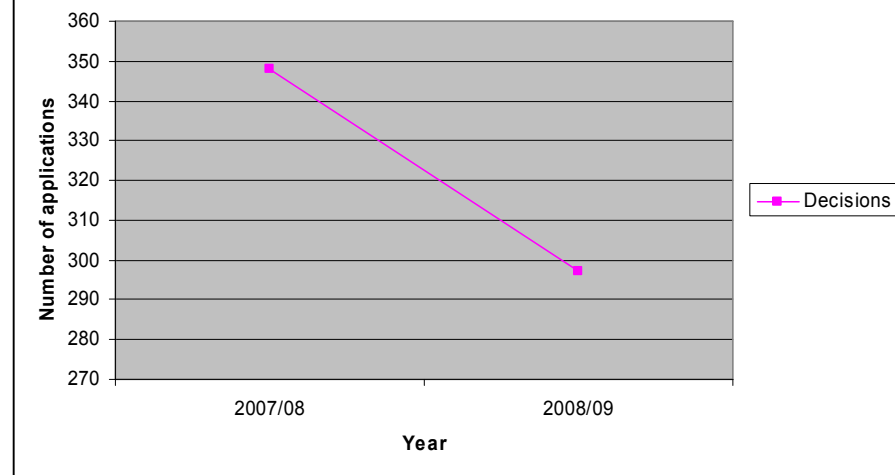
The timescales for all the sites that came out of this trajectory work were based on assumption. The figures that have been adopted as our LAA targets are best case scenarios if absolutely everything comes forward and in this respect are unrealistic.

This issue has been raised with GOL who are at present unwilling to allow us to revert back to the

Date Range 1

	Value	Target
2009/10	433 forecast	1602

**Residential planning applications decided**



680 London Plan target. However this is a frozen target and we should be able to reassess the targets this coming year and agree more realistic figures.

**Current Activities:**

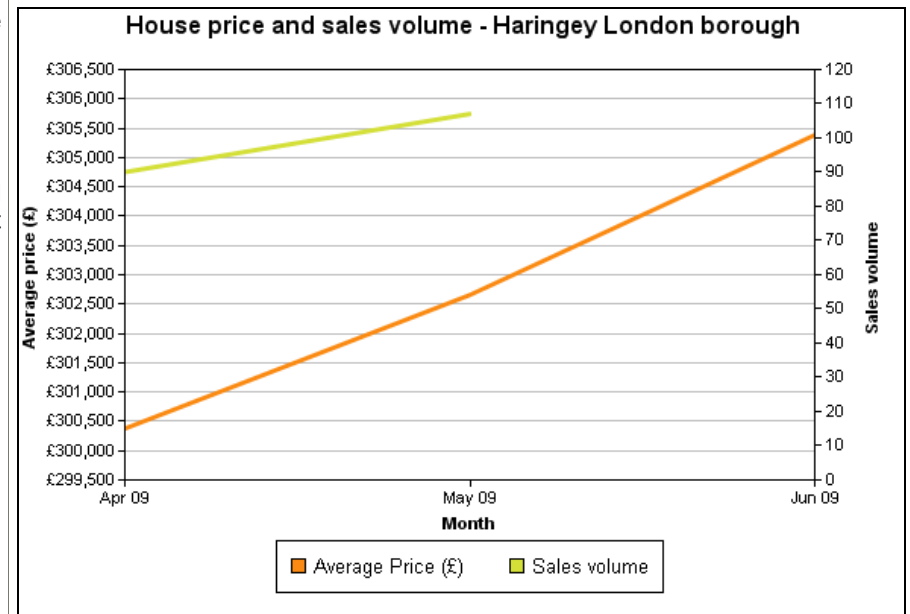
It is likely that applications under the threshold for affordable housing and therefore reliant on sales will increase as the market recovers. Over quarter one of this financial year the number of sales and the average house price has increased however figures are still considerably lower than this time last year.

Activities are underway to support the delivery of larger projects i.e. those with an affordable housing element. These activities are listed in the exception report of NI 155.

**Best Practice:** N/A

**Performance discussion date:** TBA

**Equality Impact:** N/A



Source: Land Registry

