

Report for: Housing and Regeneration Scrutiny Panel

Item number: 8

Title: Update on implementation of Preferred Partner Agreement

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Ward(s) affected: All

**Report for Key/
Non Key Decision:** N/A

1 Describe the Issue under Consideration

1.1 This report provides the history of partnership agreements with Housing Associations (Registered Providers) in Haringey. It then gives an appraisal of the current position and describes the next steps that will be taken to maximise the potential for Registered Providers (RPs), to assist us in our aim, to provide affordable housing for the residents of Haringey.

2 Cabinet Member Introduction

2.1 N/A

3 Recommendation

3.1 For the Housing and Regeneration Scrutiny Panel to note the current position and next steps set out in the report below.

4 Alternative Options Considered

4.1 N/A

5 Background Information

Introduction

5.1 A previous Preferred Partner Agreement (Haringey Preferred Partners Protocol 2007) included the following RPs: L & Q, Circle, Family Mosaic, Metropolitan, Presentation Housing and Servite Housing. It initially had a three year life with an option to extend to 5 years and would have finished in 2012. Much of this old agreement was carried through into the inclusive partner agreement to which all RPs operating in the borough are signatories. This was a protocol much like that proposed for the new Preferred Partner Agreement, in the Cabinet report of 18 November 2014.

5.2 At this Cabinet meeting members considered a report on a new PP Agreement and the use or Right to Buy (RTB) receipts. Six RPs were confirmed as

Preferred Partners (PPs); Circle, Sanctuary, Newlon, Notting Hill, L & Q and Family Mosaic.

- 5.3 The principle of the protocol agreement was set out as a two-way relationship, including information sharing, and to act as a lead for other RPs operating in Haringey. Four key areas were to be developed for inclusion in the agreement: new development, homelessness/temporary accommodation, estate management and relationships with elected members.
- 5.4 The reasoning behind a PP agreement is sound and we need to be clear that what we are asking the PPs to achieve is reasonable and the council must be able to reciprocate.
- 5.5 Similar protocol agreements are operated in other London Borough's such as the Tower Hamlets PP Protocol which was signed in February 2015. This protocol includes four of our PPs (Circle, Family Mosaic, L & Q and Notting Hill). 19 RPs in all are signatories and are defined by the fact that they have the majority of their housing stock in Tower Hamlets.

- 5.6 Approval was also given by Cabinet to the principle of using the council's retained RTB receipts as grant funding for the PPs.

Current Position

- 5.7 Significant progress has been made towards improving the two-way relationship with the PPs since the inaugural meeting was held on the 22 August 2014 and particularly in the last six months. This has probably been aided by the fast pace of change in government thinking on the provision of affordable housing.
- 5.8 PP group meetings have been specifically focused on the development of operational protocols for estate management and relationships with elected members. Homes for Haringey have worked with representatives of the PPs to produce a Memorandum of Understanding and a set of Common Management Standards.
- 5.9 This group is now trialling an agreed procedure for dealing with Members' enquiries.
- 5.10 Discussions have commenced on homelessness and how operationally RPs can help tenants to retain their tenancies. We will also be tackling how PPs can help develop alternative approaches to the provision of temporary accommodation.
- 5.11 The identification of specific reciprocal development benefits for the PPs and the council is in progress.
- 5.12 We have honoured our commitment to promote the PPs in all discussions with potential housing developers and PPs have, over the last few months in particular, been open and honest with us about the effects the Housing and Planning Bill are likely to have on their operations. This in turn has raised concerns about how the PPs will be willing or able to continue to meet our corporate housing priorities.
- 5.13 It should be noted that smaller, locally based RPs, not signatories to the Voluntary House Builders Federation agreement RPs may have more flexibility to respond to council requirements to provide affordable rented accommodation to meet the needs of Haringey's residents.
- 5.14 We have not yet been able to respond to requests from PPs for land to develop in Haringey. The process of identifying land for disposal or development through the Haringey Development Vehicle (HDV) is still in progress as is the bidding process for a private development partner. Until the decision on sites to go into the HDV has been made and with the exception of the regeneration areas in Tottenham where Newlon and Notting Hill are engaged in redevelopment projects, we are not able to fully satisfy the thirst from PPs for development land.
- 5.15 However, the absence of a formal development agreement has not prevented us from working with the PPs, particularly in the Tottenham Housing Zone, where Notting Hill and Newlon are fully engaged.

- 5.16 We would want any developer or RP purchasing our land to be able to meet our strategic housing priorities in the Housing Strategy. The revised Housing Strategy is in draft and is subject to further Member consideration.
- 5.17 When Cabinet approved the proposal for a PP Agreement on 18 November 2014, it also approved the use of the council's retained right to buy receipts as grant funding for the PPs. The right to buy grant scheme will be launched at the Development Forum on the 9 March and will be open to all RPs to bid for. This is no-longer a specific benefit the council could offer to PPs, although bids from PPs will be prioritised.

Next Steps

- 5.18 We will continue work around the four PP Agreement themes of estate management, homelessness, relationships and new development. However, this work needs to be seen in the context of legislative changes for affordable housing. The final shape of the PP agreement should also reflect the Council's Housing Strategy.
- 5.19 The current partnership agreement, which all RPs are signatories to, will shortly be reissued with amendments which reflect the legislative changes affecting the provision of affordable housing and rolling out the operational practices agreed in the PPs Common Management Standards. This is an excellent partnership agreement and a PP protocol would have to contain additional reciprocal benefits.
- 5.20 The content of the Council's adopted Housing Strategy and confirmation of the legislative changes and voluntary commitments in the provisions of the Housing and Planning Bill may influence what the PP agreement can achieve. It will be necessary for PPs to re-confirm that they will stand by their initial pledges to align to the council's housing priorities. Initial impressions through meetings with PPs have been positive on issues such as nomination rights remaining with the council.
- 5.21 The confirmation of the agreement will further secure the collaboration of the six PPs in facing the current challenges. It will encourage them to continue to prioritise Haringey as a place to build affordable homes and bring new innovative products forward to meet housing need in the borough.
- 5.22 The maintenance of the existing close relationship with the PPs will allow us to judge the compatibility of their aims and objectives with the council's proposed revised Housing Strategy. When the Housing Strategy has been agreed by Cabinet, the PPs will be asked to re-confirm their commitment.
- 5.23 Confirmation of PP Agreement as a protocol, along the lines it currently operates, based on the original guiding principles, with a two-way exchange of information in return for promotion as a PP for housing development in Haringey and including the agreed Common Management Standards and a member engagement procedure.

- 5.24 Regularly review the PP Agreement to ensure that we have the best selection of preferred partners, and the agreement enables the development of affordable housing, in light of the changing policy situation, in particular:
- 1) the decision on sites to be developed by the HDV
 - 2) confirmation of the provisions of the Housing and Planning Bill
 - 3) the adoption of the council's Housing Strategy

6 Contribution to Strategic Outcomes

6.1 Priority 5

7 Statutory Officers Comments (Chief Finance Officer, Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

- 7.1 Any comments will be reported verbally. However, this report does not recommend a procurement process, nor does it have direct financial implications for the council.

Legal

- 7.2 Care should be taken to ensure that the PP Agreement is legally binding. Each site to be disposed of to a PP will require Cabinet approval and agreed Heads of Terms.

Equalities

- 7.3 N/A