

**NORTH SOMERSET COUNCIL
DECISION**

**DECISION OF: COUNCILLOR DON DAVIES, LEADER OF THE COUNCIL
WITH ADVICE FROM: RICHARD PENSKA, S151 OFFICER AND SHEILA SMITH
DIRECTOR OF PEOPLE AND COMMUNITIES
DIRECTORATE: PEOPLE AND COMMUNITIES**



DECISION NO: PC70 (2019/20 SCHEME).

**SUBJECT: AFFORDABLE HOUSING DELIVERY PARTNERSHIP AGREEMENT WITH
ALLIANCE HOMES**

KEY DECISION: YES

REASON: Decision affects residents of more than 2 wards

BACKGROUND:

At the meeting of 24 September 2019, Full Council considered a report concerning the development of an Affordable Housing Delivery Partnership Agreement between the Council and Alliance Homes. The report set out proposals to strengthen partnership working between the Council and Alliance Homes, through the delivery of affordable housing. In summary the report informed Full Council that:

- Alliance Homes new Corporate Strategy includes an ambition to build 2000 new homes over the next 10 years across their operating area.
- Alliance Homes aim to maximise the number of the new homes that are affordable.
- Alliance's New Homes Strategy 2019 identifies North Somerset as a priority area for investment in which they will be a 'placeshaper'
- Alliance have recently finalised securing additional borrowing amounting to £135M and have the capacity within their financial plan to borrow a further £154m, which is to be used to fund the delivery of the new homes
- There is a significant need for Affordable Housing in North Somerset
- In some neighbourhoods in North Somerset (e.g. Bournville), Alliance manages a significant proportion of the total housing stock and can have a major impact on the sustainability and regeneration of those neighbourhoods
- There is a strategically important opportunity to work in partnership with Alliance, the largest stock holding Registered Provider in North Somerset, to make a significant contribution to delivering the affordable housing needed in North Somerset and both organisations wider ambitions for North Somerset.

Full Council were advised of a proposal for Alliance Homes and the Council to enter into an Affordable Housing Delivery Partnership Agreement which would:

- reflect the commitments both partners have to developing new affordable homes in North Somerset, as well as contributing to the regeneration priorities of the council.
- support Alliance's asset management priorities which are to ensure that their homes are fit for purpose for the future
- provide an opportunity to develop our joint aspirations for Place Making in North Somerset and the achievement of carbon neutrality in the area by 2030 including providing affordable warmth for residents.

Full Council approved the Heads of Terms for an Affordable Housing Delivery Partnership Agreement between the Council and Alliance Homes (ref: Appendix 1) and delegated authority to the Leader of the Council, in consultation with the S151 Officer and Director of People and Communities, to agree the Affordable Housing Delivery Partnership Agreement. (Min no: COU 86 refers).

Following these decisions further work has been undertaken and a proposed Partnership Agreement is set out at Appendix 2, based on the agreed Heads of Terms. This sets out 4 shared, overarching strategic themes that underpin the Partnership Agreement;

- 1) Increasing the supply of affordable housing
- 2) Effective asset management
- 3) Enabling mixed and sustainable neighbourhoods
- 4) Responding to the climate emergency

The Partnership Agreement sets out a number of commitments by each organisation that support the delivery of a series of objectives which are set out under the themes. This is supported by a brief explanation setting out why the objectives are important and what the partnership working may involve.

The Partnership Agreement also sets out commitments relating to service development and review to ensure that the Council and Alliance Homes deliver the tangible improvements sought from the partnership working and can demonstrate the progress being made.

Once the Partnership Agreement has been approved (through this decision sheet) it will be prepared for publication in conjunction with Alliance Homes.

DECISION:

- i. To approve the Affordable Housing Delivery Partnership Agreement with Alliance Homes as set out at Appendix 2.
- ii. To delegate authority to the Head of Housing and Strategy, in consultation with The Leader of the Council, to make any required presentational changes to the Agreement prior to publication.

REASONS:

To strengthen partnership working with Alliance Homes to support the delivery of Affordable Housing in North Somerset and both organisations wider ambitions for North Somerset

OPTIONS CONSIDERED:

Not agreeing to establish a Partnership Agreement – this would result in the opportunity to improve outcomes for people in North Somerset through the synergies of working closer with Alliance Homes to be lost

FINANCIAL IMPLICATIONS:**Costs**

No direct cost of implementing the decision other than those relating to publication of the Partnership Agreement. Achievement of the aims of the Partnership Agreement should have a positive financial impact through the delivery of value for money solutions to meeting local needs.

Funding

No direct implications of the decision. Closer partnership working should increase the likelihood of attracting external funding to the North Somerset area.

LEGAL POWERS AND IMPLICATIONS

The Partnership Agreement will complement and will not replace or vary the HomeWest Partnership Agreement or amend the LSVT Agreement dated 6 February 2006

The Partnership Agreement is not intended to be legally binding between the Council and Alliance Homes, nor intended to establish any partnership or joint venture between them.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The Partnership Agreement will have a positive impact on achieving carbon neutrality in North Somerset as it will support:

- investment in Home Energy Efficiency measures,
- delivery of low carbon new homes,
- facilitating behavioural changes amongst service users including through the promotion of carbon reduction measures
- minimisation of the carbon impact of service delivery
- joint work with partners to achieve carbon reduction

CONSULTATION

Consultation has taken place with Alliance Homes, the Chief Executive, the Director of Development and Environment, and the Council's Legal Service.

RISK MANAGEMENT

There is a risk that the need for Affordable Housing in North Somerset cannot be met in the future. The development of the Partnership Agreement with Alliance Homes will reduce this risk.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Yes - the impacts are assessed as positive for a wide range of people with protected characteristics as the proposals support:

- the delivery of affordable housing for people in housing need
- the development of sustainable and mixed neighbourhoods
- taking a placemaking approach to Weston-super-Mare including the regeneration of Bournville neighbourhood
- the achievement of carbon neutrality in North Somerset by 2030
- the improvement of homes through the delivery of Alliance Homes Asset Management Strategy

CORPORATE IMPLICATIONS

The approach set out supports the delivery of the Council’s Housing Strategy and Corporate Plan.

The arrangements for partnership working between the 4 West of England Local Authorities and Registered Housing Providers in the delivery of new affordable housing are set out in the HomesWest Joint Working Agreement. The Affordable Housing Delivery Partnership Agreement between the Council and Alliance Homes will build on the existing joint working arrangements.

APPENDICES

Appendix 1 – Heads of Terms for an Affordable Housing Delivery Partnership Agreement between the Council and Alliance Homes.

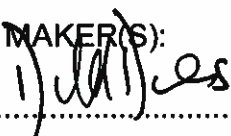
Appendix 2 - Affordable Housing Delivery Partnership Agreement between the Council and Alliance Homes

BACKGROUND PAPERS

Report to Full Council - 24 September 2019 - Affordable Housing Delivery Partnership Agreement with Alliance Homes

SIGNATORIES:

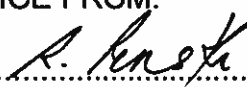
DECISION MAKER(S):

Signed: 

Title: Leader of the Council

Date: 7.1.20

WITH ADVICE FROM:

Signed: 

Title: S151 Officer

Date: 7.1.20

Signed: Sheila Lamb

Title: Director, People and Communities

Date: 7.1.20

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable:

Delivering Affordable Homes in North Somerset

**Heads of Terms for an Affordable Housing Delivery Partnership
Agreement between North Somerset Council and Alliance Homes**

Key Principles

The partners will work together in North Somerset to:

- identify local affordable housing needs
- maximise the delivery of and resources available for new Affordable Housing
- develop and deliver programmes for the development of new affordable housing in North Somerset that meets local needs
- support asset management strategies that ensure all Alliance Homes local affordable housing is fit for purpose and located in areas of need
- support the development of mixed and sustainable neighbourhoods
- achieve carbon neutrality in North Somerset by 2030 and to support residents in avoiding fuel poverty
- develop joint housing delivery models that provide value for money and accelerate the delivery of quality new homes in mixed and sustainable neighbourhoods that meet local needs
- take a placemaking approach to the Bournville neighbourhood to raise aspirations, provide opportunities and deliver new homes as part of the wider regeneration and growth of Weston-super-Mare

Alliance Homes will

- seek to maximise the delivery of Alliance Homes new affordable housing programme in North Somerset
- recycle capital receipts from the sale of Alliance Homes Affordable Housing, land and other assets located in North Somerset in perpetuity into new or replacement affordable housing in North Somerset to better meet local housing needs and increase the supply in the area (other than in exceptional circumstances agreed by the council).
- work with North Somerset Council to develop and implement long-term plans to enable Alliance Homes existing housing stock to be remodelled, improved or replaced where appropriate to better meet local housing need.
- continue to provide fair access to all new affordable homes developed in North Somerset through the Councils Lettings and Assessment Scheme.
- support the development of sustainable communities through place making, by investing in physical, environmental, social and economic activities to improve the vibrancy and health of neighbourhoods

- work with North Somerset Council to support the regeneration of Bournville Neighbourhood and Weston-super-Mare town centre
- support North Somerset to achieve carbon neutrality by 2030 by investing in Home Energy Efficiency measures, delivering low carbon new homes, promoting carbon reduction measures to service users and minimising the carbon impact of service delivery

North Somerset Council will:

- prioritise working with Alliance Homes to help identify sites for the development of new Affordable Housing
- proactively support Alliance Homes in developing plans where appropriate to remodel, improve or replace their existing housing stock to better meet local housing need
- lead a North Somerset-wide drive to achieve carbon neutrality by 2030 by working with Alliance Homes and other partners within and across organisations and to facilitate behavioural change of service users
- support and enable Alliance Homes through the council's Housing Development and Strategy Service to help bring forward development of new Affordable Housing including relationship management with other council services
- lead local affordable housing delivery partnerships with Registered Providers, Homes England and other partners
- work with Alliance Homes to support the effective management of Alliance Homes Affordable Housing through the development of the Council's Lettings and Assessment Scheme and appropriate local lettings policies
- engage with Alliance Homes through the development of regeneration and neighbourhood management initiatives that support mixed and sustainable communities

Service development and review

The partners will:

- work together to develop short, medium and long-term plans for the delivery of affordable housing and placemaking by Alliance Homes within North Somerset
- provide regular strategic performance reports to both parties
- attend regular strategic partnership meetings

Note: that this agreement sits alongside the HomesWest Partnership Agreement and the LSVT contract and does not replace these documents

Working in partnership to unlock potential

**Affordable Housing Delivery Partnership Agreement between North
Somerset Council and Alliance Homes**



CONTEXT

Alliance Homes and North Somerset Council have a shared heritage and vision for the area. Both organisations are committed to accelerating the delivery of affordable housing in North Somerset to deliver the homes needed in the area both now and into the future.

There are also opportunities to work together to achieve both organisations' wider ambitions for North Somerset; the development of sustainable communities, the delivery of carbon neutrality by 2030, ensuring homes are fit for purpose and the regeneration of Bournville neighbourhood and Weston-super-Mare town centre.

We recognise that these are challenging aims and they will only be achieved through partnership working. Developing joint approaches to delivering these aims will provide the recipe for success – a shared commitment, a shared strategy and joint approaches to delivery.

We recognise the strategic importance of working together to unlock potential and this partnership agreement captures the joint commitments both organisations are making to deliver the affordable housing needed in North Somerset and to achieve our wider ambitions for the area.



Councillor Donald Davies
Leader of North Somerset Council



Andrew Willis
Chair of Alliance Homes Group

RATIONALE AND KEY PRINCIPLES OF OUR PARTNERSHIP

An enhanced partnership offers real potential to strengthen existing relationships and create added value over and above our business as usual activities.

Through our partnership we will unlock opportunities that deliver meaningful and measurable improved outcomes for our customers across North Somerset.

This coming together of corporate strategies has allowed us to establish four shared, overarching strategic themes that underpin this Partnership Agreement:

- 1) Increasing the supply of affordable housing
- 2) Effective asset management
- 3) Enabling mixed and sustainable neighbourhoods
- 4) Responding to the climate emergency

The Agreement itself establishes a number of commitments that prioritise collaboration and support the delivery of a series of objectives. This is supported by a brief explanation setting out why the objectives are important and what our partnership working may involve.

Objective 1	Maximise the delivery of and resources available for new affordable housing in North Somerset to meet the needs of local people now and into the future.
Objective 2	Ensure Alliance's existing affordable housing portfolio is fit for purpose and located in areas of housing need
Objective 3	Ensure new and existing homes support placemaking, contributing to mixed and sustainable neighbourhoods
Objective 4	Take a placemaking approach to Weston-super-Mare including the regeneration of Bournville neighbourhood
Objective 5	Support the achievement of carbon neutrality in North Somerset by 2030 and reduce fuel poverty

In delivering these commitments we will work together to create a culture of true partnership between the two organisations to enable us to identify and take opportunities to achieve our shared ambitions.

INCREASING THE SUPPLY OF AFFORDABLE HOUSING

OBJECTIVE 1

Our objective is to:

- **Maximise the delivery of and resources available for new affordable housing in North Somerset to meet the needs of local people now and into the future**

In order to:

- ensure that new affordable housing meets the needs of local people
- ensure that there is the right mix of new homes: tenure, size, design and accessibility, located in the right places
- increase the supply of and pace of delivery of new affordable housing

This may include working together to:

- adopt an evidence-based approach to identifying housing needs using intelligence and insight
- share information from housing needs studies such as the housing market assessments and information from both the HomeChoice register and Alliance's lettings data
- bid for resources to support delivery
- develop and deliver programmes for new affordable housing
- identify opportunities to accelerate the delivery of quality homes and achieve value for money, through innovation, including exploring developing joint housing delivery models
- share skills, experience and expertise to overcome potential barriers to delivery
- diversify the delivery of affordable housing, such as through community led housing models

PARTNER COMMITMENTS

Alliance will:

- maximise the delivery of its new affordable housing programme in North Somerset
- recycle capital receipts from the sale of its affordable homes, land and other assets located in North Somerset in perpetuity into new or replacement affordable housing in North Somerset to better meet local housing needs and increase the supply in the area (other than in exceptional circumstances agreed by the council).

North Somerset Council will:

- prioritise working with Alliance Homes to help identify sites for the development of new affordable housing
- support and enable Alliance Homes through the council's housing development and strategy service to help bring forward development of new affordable housing including relationship management with other council services
- lead local affordable housing delivery partnerships with Registered Providers, Homes England and other partners

EFFECTIVE ASSET MANAGEMENT

OBJECTIVE 2

Our objective is to:

- **Ensure Alliance's existing affordable housing portfolio is fit for purpose and located in areas of housing need**

In order to:

- ensure effective use of affordable housing assets
- ensure residents have access to a decent, affordable home
- reflect the needs and priorities of customers including addressing fuel poverty
- support the long-term viability of Alliance's existing affordable housing portfolio

This may include working together to:

- develop local asset management strategies
- explore opportunities to re-balance the housing stock profile in areas where it is required
- maximise grant funding to improve home energy efficiency and reduce fuel poverty
- review asset performance to ensure that all assets are viable in the longer term
- ensure homes support independent living through the promotion and use of Technology Enabled Care and sensitive design

PARTNER COMMITMENTS

Alliance Homes will:

- work with North Somerset Council to develop and implement long-term plans to enable Alliance Homes' existing housing stock to be remodelled, improved or replaced where appropriate to better meet local housing need

North Somerset Council will:

- proactively support Alliance Homes in developing plans where appropriate to remodel, improve or replace their existing housing stock to better meet local housing need

ENABLING MIXED AND SUSTAINABLE NEIGHBOURHOODS

OBJECTIVE 3

Our objective is to:

- **Ensure new and existing homes support placemaking, contributing to mixed and sustainable neighbourhoods**

In order to:

- create better places where people want to live
- support high levels of resident satisfaction with their neighbourhoods
- improve the vibrancy and health of neighbourhoods

This may include working together to:

- share local intelligence and performance data to understand neighbourhood priorities
- develop neighbourhood management initiatives
- develop and deliver neighbourhood investment plans that respond to the local needs
- deliver placemaking opportunities at various locations across North Somerset
- develop local lettings plans

OBJECTIVE 4

Our objective is to:

- **Take a placemaking approach to Weston-super-Mare including the regeneration of Bournville neighbourhood**

In order to:

- reduce socio-economic inequalities
- attract inward investment
- support the vitality of neighbourhoods across Weston-super-Mare
- align physical and social interventions to create added value

This may include working together to:

- bring forward regeneration, investment and development opportunities in Weston-super-Mare and Bournville neighbourhood
- co-ordinate activities and achieve economies of scale
- unlock growth opportunities
- engage other public bodies and institutional partners

PARTNER COMMITMENTS

Alliance Homes will:

- continue to provide fair access to all new affordable homes developed in North Somerset through the councils Lettings and Assessment Scheme.
- support the development of sustainable communities through place making by investing in physical, environmental, social and economic activities to improve the vibrancy and health of neighbourhoods
- work with North Somerset Council to support the regeneration of Bournville neighbourhood and Weston-super-Mare town centre

North Somerset Council will:

- work with Alliance Homes to support the effective management of Alliance Homes' Affordable Housing through the development of the council's Lettings and Assessment Scheme and appropriate local lettings policies
- engage with Alliance Homes through the development of regeneration and neighbourhood management initiatives that support mixed and sustainable communities

RESPONDING TO THE CLIMATE EMERGENCY

OBJECTIVE 5

Our objective is to:

- **Support the achievement of carbon neutrality in North Somerset by 2030 and reduce fuel poverty**

In order to:

- mitigate against the adverse impacts of climate change resulting from increasing carbon footprints
- identify and take opportunities arising from the introduction of technological advances, other innovation and funding streams to reduce carbon emissions
- tackle fuel poverty and encourage clean energy

This may include working together to:

- share research and development insight
- identify and develop opportunities to secure funding to increase the energy performance of new and existing homes and other buildings
- promote carbon reduction measures
- reduce the carbon impact of service delivery

PARTNER COMMITMENTS

Alliance Homes will:

- support North Somerset to achieve carbon neutrality by 2030 and reduce fuel poverty by investing in home energy efficiency measures, delivering low carbon new homes, promoting carbon reduction measures to service users and minimising the carbon impact of service delivery

North Somerset Council will:

- lead a North Somerset-wide drive to achieve carbon neutrality by 2030 by working with Alliance Homes and other partners within and across organisations and to facilitate behavioural change of service users

SERVICE DEVELOPMENT AND REVIEW

It is important to ensure that we deliver the tangible improvements we are seeking from our partnership working and can demonstrate the progress we are making. In order to do this, we will develop shared action plans with robust monitoring and review.

PARTNER COMMITMENTS

Together we will:

- work together to develop short, medium and long-term plans for the delivery of affordable housing and placemaking within North Somerset
- provide regular performance reports to strategic partnership meetings, including progress against key performance measures and targets

Notes:

This agreement complements and does not replace or vary the HomeWest Partnership Agreement or amend the LSVT Agreement dated 6 February 2006 and is not intended to be legally binding between the Council and Alliance Homes, nor intended to establish any partnership or joint venture between them.