

	<b>Housing Committee</b> <b>20 October 2016</b>
<b>Title</b>	<b>Annual Performance Review of Registered Providers (RPs)</b>
<b>Report of</b>	Strategic Lead for Housing
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key Decision</b>	No
<b>Enclosures</b>	Appendix 1 – Barnet Annual Performance Review 2015/16
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## Summary

Registered Providers (RP's) are key partners for the Council in delivering on the Housing Strategy objectives to increase the housing supply, including affordable housing. As the providers of accommodation for 7,000 households in the borough, Registered Providers also have a key part to play in assisting tenants affected by welfare reforms, providing training and employment opportunities, improving health and wellbeing and providing effective neighbourhood management. The Council has completed an annual performance review of the major Registered Providers operating in the borough including two smaller ones to obtain a view on how RP's are performing.

## Recommendations

1. That the Housing Committee note the report

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 At the meeting of 19<sup>th</sup> October 2015, the Housing Committee resolved that a performance review be completed on an annual basis and reported to the Housing Committee.
- 1.2 There are 55 Registered Providers managing over 7,000 homes in the borough, of which 18 have more than 100 units each. The main Registered Providers which are currently developing in Barnet are Family Mosaic, Genesis, Metropolitan Housing, Network Homes, One Housing Group, L&Q, Sanctuary, Catalyst and Notting Hill Housing Trust. In addition to this, Barnet Homes as an Arms-Length Management Organisation (ALMO) manages 15,000 tenanted and leasehold homes on behalf of the Council.
- 1.3 **Appendix 1** is an annual performance report for 2015.16. The review presents an analysis of the performance of nine developing Registered Providers and two smaller Registered Providers over housing management and housing development activities.

## **2 REASONS FOR RECOMMENDATIONS**

- 2.1 The attached review highlights that Registered Providers are providing satisfactory landlord services but for some Registered Providers, improvements need to be made in assisting tenants to get into work and offering internal apprenticeships. The Council will be increasing its partnership work through the LBB Taskforce and the Skills and Enterprise team.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 None

## **4. POST DECISION IMPLEMENTATION**

- 4.1 The Council will continue to carry out an annual Performance Review.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance.**

- 5.1.1 Barnet's Joint Strategic Needs Assessment 2015 to 2020 highlights the fact that there is a long term shift in housing tenure towards renting and away from owner occupancy (either outright or with a mortgage) reflecting a sustained reduction in housing affordability and an imbalance between housing demand and supply. Registered Providers are providing more affordable homes to help meet the demand.

## **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 There are no direct resource implications arising out of this report.

5.2.2 The reduction of the Overall Benefit Cap (as part of the Government's reform of welfare) to £23,000 in London from November 2016 means that some households living in housing association, particularly affordable rented properties, will not be able to afford the rents charged. The Council will continue to work with Job Centre Plus and Barnet Homes in the Welfare Reform Taskforce to assist households affected by the cap, including those living in affordable rented properties, either by entering employment or securing more affordable accommodation elsewhere.

## **5.3 Social Value**

5.3.1 There are no specific social value considerations arising out of this report.

## **5.4 Legal and Constitutional References**

5.4.1 Constitution, Part 3, Responsibility for Functions, Appendix A – sets out the terms of reference of the Housing Committee which includes:

- Housing Strategy (incorporating Homelessness Strategy)
- Work with Barnet Homes, RSLs and social housing providers to ensure the optimum provision of housing and associated facilities for those who require social housing
- Commissioning of Environmental Health
- Promote the better integration of privately rented properties into the Borough's framework;
- All matters related to Private Sector Housing including Disabled Facility Grants
- Housing licensing and housing enforcement.

5.4.2 Specifically the Housing Committee may submit budget proposals to the Policy and Resources Committee relating to the Committee's budget for the following year in accordance with the budget timetable.

5.4.3 Registered Providers are regulated by the Homes and Community Agency (HCA). The performance framework includes "Economic" standards such as governance and financial viability and value for money and "Consumer" standards such as tenant involvement and empowerment.

## **5.5 Risk Management**

5.5.1 Registered providers have a major role to play in accelerating housing development in Barnet and a reduced capacity for them to develop is a key risk that will impact on the Council's ability to provide the new homes to meet the demand from a growing population. The Government's recent announcement on reducing rents by 1% every year until 2019/20 will have an impact on the business plans of providers and their ability to build more

affordable homes. Providers have already started to review their plans for future house building to ensure that it is sustainable.

- 5.5.2 A range of options are being considered by providers to extend their capacity to develop, including through cross subsidy from more market oriented projects – involving both properties to rent and for sale. Larger providers are also working in partnership with other associations (including smaller associations who had borrowing capacity) and particularly with local authorities to speed up development and to achieve best value for the resources they were committing.
- 5.5.3 The extension of Right to Buy is also a risk as it may have an effect on providers capacity to deliver new investment, particularly because of lenders' concerns but also because of the potential for any new investment itself to be sold off.
- 5.5.4 These issues will have an impact across the country and this is one of the reasons why Parliament has announced a review of the role of registered providers in light of the changes highlighted above.
- 5.5.5 The Housing and Planning Act 2016 introduction of Starter Homes may reduce the number of affordable units on S106 schemes.

## **5.6 Equalities and Diversity**

- 5.6.1 Pursuant to section 149 of the Equality Act 2010 ("the Act"), The Council has a duty to have 'due regard' to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act, advancing equality of opportunity between persons with a protected characteristic and those without, and foster good relations between persons with protected characteristics and those without.
- 5.6.2 The protected characteristics are age, race, disability, gender reassignment, pregnancy and maternity, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnership but to a limited extent.
- 5.6.3 The HCA requires Registered Providers to meet the tenant involvement and empowerment standard which provides expectations over equalities.
- 5.6.4 Registered providers are key partners in the delivery of the Council's Housing Strategy 2015 to 2025. A full Equalities Impact Assessment has been completed and the Strategy will have an overall positive impact on all sections of Barnet's community. For example:
  - Action by registered providers to prevent homelessness and assist households affected by the overall Benefits Cap will assist households who are generally more diverse and deprived than the population as a whole. They are more likely to be younger, from a diverse range of backgrounds, and single families with children.
  - Much of the new housing, including the affordable housing to be delivered by the Registered Providers will be in the west of the borough on the regeneration estates where the most deprived and Black and

Minority Ethnic communities are overrepresented in comparison to other areas of the borough.

- Specialist housing will be provided for vulnerable people, for example older people and other adults with long-term conditions to ensure that there is a choice of tenure and support and an ability to plan ahead for the future to avoid expensive care costs where possible.

## 5.7 Consultation and Engagement

5.7.1 The following table shows how the Council and Re currently engage with and manage the performance of Registered Providers.

Current Engagement/ Monitoring	Frequency	What's Involved	Engagement/ Performance
<b>Annual Performance Review</b>	Annually	Standard review issued to each larger/ developing registered provider. Included in this review is a meeting with various staff to talk through issues in Barnet.	Engagement and performance
<b>Barnet Housing Association Liaison Group meeting</b>	Twice a year and adhoc if required.	All RP's in Barnet are invited, chaired by CEO of local RP. Agenda includes briefing from GLA, Welfare Reform and any other relevant items.	Engagement
<b>Development Meetings</b>	Minimum once per year	Individual meetings between larger developing RP's and Re to discuss current developments and future development plans in Barnet.	Engagement
<b>Barnet Housing Association Nomination Group</b>	Minimum once per year	Lettings staff from all RP's in Barnet invited, Barnet Homes and Re. Agenda items are varied but include up to date issues/ concerns regarding lettings/nominations.	Engagement
<b>General meetings/ Visits</b>	Adhoc	Adhoc meetings and visits to RP's on partnership working over areas of mutual concern i.e. Welfare Reform and Universal Credit.	Engagement
<b>Housing Forum</b>	Adhoc	LBB, Re and RP's to discuss housing policy issues such as Housing Strategy.	Engagement

<b>Consultation on changes in Policy and Strategies</b>	Adhoc	LBB consult with RP's on various policies and strategies this can be done via liaison groups, forums and email consultation.	Engagement
<b>Monitoring of lettings returns.</b>	Collected quarterly and recorded as an annual PI.	RP's provide details of lettings for each quarter to confirm that RP's have met nomination agreements. Results are verified.	Monitoring.
<b>Development Data</b>	Constantly	Re is in regular contact with each developing RP to discuss start on site dates, completion dates and monitoring the S106 affordable housing elements. Completion statistics are recorded as monthly KPI.	Engagement and performance.
<b>Taskforce</b>	Regular		

## 5.8 INSIGHT

5.8.1 Insight data has not been used in this report.

## 6. BACKGROUND PAPERS

6.1 Relevant previous papers are listed in the table below.

Housing Committee 19 October 2015	Decision Item 7 – Strategic engagement with Registered Providers	<a href="#">Agenda for Housing Committee on Monday 19th October, 2015, 7.00 pm</a>
Housing Committee, 27 October 2014	Decision Item 9- Housing Strategy	<a href="http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=699&amp;MId=7936&amp;Ver=4">http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=699&amp;MId=7936&amp;Ver=4</a>
Housing Committee. 27 April 2015	Decision item 10- Summary of Feedback Following Consultation on Draft Housing Strategy	<a href="http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=699&amp;MId=7938&amp;Ver=4">http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=699&amp;MId=7938&amp;Ver=4</a>
Housing Committee 29 June 2015	Decision item 7- Housing Strategy.	<a href="http://barnet.moderngov.co.uk/documents/s24071/Housing%20Strategt.pdf">http://barnet.moderngov.co.uk/documents/s24071/Housing%20Strategt.pdf</a>