



Executive Committee

No Direct Ward Relevance

26 August 2009

Strategic Housing – Selection of Registered Social Landlords (RSL) Preferred Development Partners

(Report of the Head of Strategy and Partnerships)

1. Summary of Proposals

To seek approval of five Registered Social Landlords interviewed by the Member Officer Selection Panel on the 30 June 2009, to be appointed as “preferred partner” Registered Social Landlords.

These “preferred partner” Registered Social Landlords shall work in partnership with the Authority to develop affordable housing for rent and low cost ownership on Council owned and Section 106 or windfall housing development sites.

By selecting “preferred partner” Registered Social Landlords, the Authority will be able to achieve its strategic objectives of:

- a) Increasing affordable housing provision within the Borough;
- b) Increasing the supply of Homes and Communities Agency grant funding to support development;
- c) To assist persons registered as being in housing need;
- d) To develop opportunities for joint working to address the supply of affordable housing, the assessment of housing need and the formulation of Borough-wide housing policies, plans and solutions to problems.

2. Recommendations

The Committee is asked to **RECOMMEND** that

- a) **the recommendation of the Member Officer Selection Panel held on 30 June 2009 be adopted and that the following organisations be duly appointed as Preferred RSL Development Partners of the Authority:**
 - i) **Accord Housing Association/Redditch Co-Operative Homes;**
 - ii) **Festival Housing Group;**

- iii) **West Mercia Housing Association/Bromsgrove District Housing Trust;**
 - iv) **Rooftop Housing Group;**
 - v) **Sanctuary Housing Association.**
- b) **Officers and Preferred RSL Partners produce a preferred partnership agreement outlining the terms of reference of the Partnership.**

3. **Financial, Legal, Policy, Risk and Sustainability Implications**

Financial

- 3.1 There are no immediate or proposed financial implications to the Authority.

Legal

- 3.2 Consultation with the Legal Services Manager has been undertaken in relation to proposed Preferred RSL development partnership. The preferred partnership terms of reference are not legally binding on any organisation.
- 3.3 The terms of reference are a statement of intent to which all partners and the Authority shall operate and will undertake all reasonable endeavours to improve both the quality and delivery/supply of affordable housing in response to housing needs which exist.
- 3.4 The Preferred RSL development partnership arrangements do not constitute 'restrictive practice' in legal terms and also in relation to the central Government policies contained within "Planning Policy Statement 3" (2007). The selected RSL partners have a great deal of expertise in relation to project design, development, funding and management and have a breadth of development knowledge which can benefit the Authority in developing housing solutions in its area.
- 3.5 The Authority is not legally bound to working solely with its appointed Preferred RSL partners and reserves the right to assess opportunities for developing sites in its ownership itself or to allocate or support a bid for a scheme from a non-preferred partner if they can offer additional skills, resources or services or dealing with a specialist housing need which cannot be met by a Preferred Partner RSL. An example of this would be the construction of a specialist housing development, such as Extra Care or Supported Housing, in which a specialist provider would have to be engaged.

Policy

- 3.6 The Preferred RSL Development Partnership policy was originally approved by Executive Committee to be a “twin track” partnership with one partner for Council owned land and three partners for Section 106 or windfall sites. Approval was gained for this policy on the 6 July 2005 for Council owned sites and 17 August 2005 for Section 106/Windfall sites.
- 3.7 The previous Preferred RSL Development Partnership arrangements were terminated by Executive Committee on the 19 November 2008 and were resolved by full Council on the 8 December 2008.
- 3.8 It was also agreed at this time by Members that a new Preferred RSL Development Partnership be created, based on the same policy basis as before, involving a competitive tender of all Registered Social Landlords with stock in the Borough of Redditch

Risk

- 3.9 Should the Authority opt not to work with preferred partner Registered Social Landlords to enable new affordable housing projects, there is a great risk that development would not be able to meet both general needs and specialist housing needs which exist. Also by not working in partnership with Registered Social Landlords, the opportunities for Homes and Communities Agency funding would be significantly reduced, which could affect the deliverability and viability of development schemes.
- 3.10 A fundamental consequence of not progressing partnership working with RSLs could be the failure of the Authority to meet its deliverability targets as set within the Worcestershire Local Area Agreement and Regional Housing Strategy/Regional Spatial Strategy.

Sustainability / Environmental

- 3.11 A key area of assessment during the Preferred RSL Partner selection exercise was in relation to the environmental policy of the Registered Social Landlord and their commitment to increase the eco-friendliness of all new housing developments (including reducing waste and pollution surrounding new home construction and also increasing the energy efficiency and standard of design and construction). Particular regard was paid to the impact on housing costs to the customer and minimising the risk of fuel poverty in the Borough.

- 3.12 Advice of the Redditch and Bromsgrove Climate Change Manager was sought when developing the Preferred RSL Development Partner tender information and presentation questions.
- 3.13 Prospective RSL Development Partners were asked to detail their climate change and sustainable development policies and how these would be applied with prospective projects in Redditch. Examples of how these policies had been demonstrated within their group structure had been demonstrated.

Report

4. Background

- 4.1 The Preferred RSL Development Partnership policy was a key strategic priority within the Action Plan of the Authority's "Housing Strategy Statement 2005-2009 as a mechanism for the maximisation of affordable housing development within the Borough of Redditch.
- 4.2 The Preferred RSL Development Partnership was originally approved by Executive Committee to be a "twin track" Partnership with one partner for Council owned land and three partners for Section 106 or windfall sites. Approval was gained for this policy on the 6 July 2005 for Council owned sites and 17 August 2005 for Section 106/Windfall sites.
- 4.3 The previous Preferred RSL Development Partnership arrangements were terminated by Executive Committee on the 19 November 2008 and were resolved by full Council on the 8 December 2008.
- 4.4 It was also agreed at this time by Members that a new Preferred RSL Development Partnership be created, based on the same policy basis as before, involving a competitive tender of all Registered Social Landlords with stock in the Borough of Redditch.
- 4.5 A Member Officer Selection Panel was created to assess the submissions received and to determine the successful organisations that would be recommended for appointment as preferred RSL development partners. The selected partners would therefore form a "select list" of preferred partner affordable housing developers on public and private sector sites.

5. Key Issues

- 5.1 Registered Social Landlords were given a four week period to produce a written submission outlining a range of performance and

management information based on the following identified key assessment themes:

- i) Rent Policies
- ii) Energy Efficiency
- iii) Community Safety
- iv) Service Delivery
- v) Management and Employment Standards
- vi) Tenant and Resident Involvement
- vii) Community Commitment
- viii) Partnership Delivery and Commitment
- ix) Provider history in the Redditch Borough

- 5.2 A total of six written submissions were received and a scoring mechanism developed to assess aspects of that submission.
- 5.3 Over a two week period, Officers assessed each submission in detail against the above detailed scoring criteria, which had been developed by Officers following consideration of good practice from the previous 2005 selection process, Bromsgrove DC, Stratford on Avon DC and Worcester CC.
- 5.4 Of the six submissions received, five Registered Social Landlords were invited to an interview session with the Member Officer Selection Panel.
- 5.5 The sixth submission was rejected after a discussion of the Member Officer Panel as this organisation was a specialist provider of elderly and supported accommodation and did not have the expertise or facility to develop a wide range of general and specialist housing solutions.
- 5.6 The interviews took place on the 30 June 2009. This involved a specially convened Panel of Members comprising Councillors B Clayton, Shurmer, Braley and Hicks. The five short-listed Registered Social Landlords were invited to give a short presentation on how they would work to pursue housing development opportunities within the Borough and how they would improve access and choice to housing solutions for local people.
- 5.7 Members asked a range of set questions to gauge how the different Registered Social Landlords would address housing topics including design, development opportunities, tenant participation and energy efficiency.
- 5.8 Following the presentation and interview session, Members and Officers on the Selection Panel assessed the answers to the

presentation and interview questions and used specially designed scoring criteria to evaluate the quality of the response given.

- 5.9 At the end of the Member Officer Selection Panel session, the Selection Panel aggregated the score of the written presentation and the Interview/Presentation Session to reach an overall score and ranking for each organisation.
- 5.10 On this basis, Members and Officers were in agreement that all five organisations who were invited be recommended to be appointed as a Preferred RSL Development Partner of the Authority, as this provides flexibility of having a wider pool of expertise, maximising the opportunities for the attraction of Homes and Communities Agency Social Housing Grant funding into Redditch and providing a pool of Preferred RSL Partners to develop housing solutions to meet increasing housing needs in the Borough.
- 5.11 Members and Officers were in agreement that Preferred RSL Partners would enable the Authority to meet its strategic housing delivery commitments within the Worcestershire Local Area Agreement and Regional Housing and Spatial Strategies.
- 5.12 In keeping with the approved Policy framework for the selection of Preferred RSL Development Partners, the Member Officer Selection Panel resolved that the selection of five Preferred RSL Development Partners who attended for interview should be reported to Executive Committee and Full Council for formal resolution.

6. **Other Implications**

- Asset Management - Preferred RSL Development Partners shall be able to progress development opportunities for affordable housing which may arise on Council owned land sites. This has an important synergy with the Authority's asset management and disposal functions.
- Community Safety - A key requirement of all development schemes which will be progressed by Preferred RSL Development Partners is that new developments shall be designed in accordance with the Community Safety Strategy, the "Designing out Crime" Supplementary Planning Guidance and shall receive

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“Secured by Design” accreditation from
the West Mercia Police force.

- Human Resources - None.
- Social Exclusion - Social Exclusion can be avoided with the provision of good quality, well managed affordable housing, which can make considerable inroads in to the Borough's high levels of housing need.

7. **Lessons Learnt**

- 7.1 A lesson which was learnt from the previous Preferred RSL Development Partnership was that having separate partners for Council owned land and for Section 106/windfall sites made it difficult in operational terms for the Authority to demonstrate best value.
- 7.2 Therefore, when the Preferred RSL Development Partnership was terminated and approval given to a new Preferred RSL Development Partner Selection Process, Committee recommended that one Partnership be created for all affordable housing opportunities, be it on public or private sector land.

8. **Background Papers**

Redditch Borough Council – Partner Selection Documents (2009);
Registered Social Landlord Bid Submissions;
Member Officer Panel Interview Scoring;
Housing Strategy Statement 2005-2009;
Preferred RSL Partner selection documentation.

9. **Consultation**

This report has been prepared in consultation with relevant Borough Council Officers.

Other consultees were the Elected Members who served on the Member Officer Selection Panel and who conducted the interviews of the prospective Preferred RSL Development Partners.

10. **Author of Report**

The author of this report is Daniel Russell (Housing Enabling Officer), who can be contacted on extension 3185 (e-mail: daniel.russell@redditchbc.gov.uk) for more information.

11. **Appendices**

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None.