

Leeds Housing Partnership Forum

Friday 12 December 2008
Room 1, Civic Hall, Leeds

1.0 Apologies

Christine Addison - Leeds City Council
Paul Langford - Leeds City Council
Eugien Jaruga - Keepmoat Ltd
Richard Norton – re’new
Steve Williamson – re’new

In Attendance

Ali Akbor – Unity Housing Association
Janey Barraclough – re’new (Minutes)
Quintin Bradley – Leeds Metropolitan University
Tony Bretherick – Government Office for Yorkshire and Humber
Simon Cooke – re’new
Darren Cooper – Leeds Jewish Housing Association
Phil Crabtree - Leeds City Council
Bridget Emery – Leeds City Council
Eileen Hallas – Leeds Tenants Federation
Rob Harbourne – Sanctuary Group
Sally Hunton – West Yorkshire Housing Partnership
Zamir Hussain – Anchor Trust
Mark Ireland – Leeds City Council
Huw Jones - re’new
Helen Lennon – Connect Housing
Robin Parks – Leeds City Council
Ian Simpson – Sanctuary Group
Kevin Stanley – Foundation Housing
Josh Sutton – Leeds and Yorkshire Housing Association
Richard Tyler - Leeds HMO Lobby/Headingley Development Trust
Rachael Unsworth – Leeds University/Leeds Initiative

Speakers

Mark Johnson – Dacres
Rob McCartney – Leeds City Council
Naz Parker – Homes and Communities Agency
Ged Walsh – Yorkshire Housing

2.0 Minutes of the last meeting 19 September 2008

The minutes of the last meeting were agreed as a true and accurate record.

3.0 Newsletter

The newsletter was circulated to all. The newsletter is available to download from the Leeds Housing Partnership Website at: www.leedshousingpartnership.co.uk.

If anyone has any interesting articles for inclusion in the next newsletter, please email Janey Barraclough at: janey.barraclough@renew-leeds.co.uk

4.0 Presentations – Housing in Leeds – A Perspective View for 2009

Today's presentations are available to download from the Leeds Housing Partnership Website under 'Events and Meetings' at: www.leedshousingpartnership.co.uk

4.1 Presentation: A Housing Association Perspective – Ged Walsh, Yorkshire Housing

Ged Walsh, gave a verbal presentation to members prospects for housing in 2009 from the perspective of Housing Associations Leeds. The following main issues were raised:

- Housing Associations can still borrow money to develop, however the borrowing margins are much higher than they used to be.
- RPI figures which Housing Associations income is based on have increased which is positive for RSLs, however not for the customers.
- Housing Associations are tending to behave more cautiously focusing on meeting existing targets and priorities rather than new business ideas.
- Housing Associations are still able to develop over the next 12 – 24 months in contrast to private developers who will struggle to develop over this period.
- Section 106 developments are all frozen in Leeds. Sites have been closed with the intention of returning to develop when times are better financially and obviously this will reduce affordable housing provision..
- There is a strong feeling amongst Housing Associations that the current housing downturn will change over the next 4-5 years.
- Land/Developers have increasingly been coming to Yorkshire Housing in pursuit of partnerships or seeking to offload unsold properties. This has never been seen before by Yorkshire Housing.
- Most properties to be built on the open market are tending to be flats, whereas the need is for family housing. Housing associations require further family homes, therefore it is unlikely that RSLs will buy up box flats in Leeds City Centre.
- Yorkshire Housing and other housing associations aim to purchase land and gain planning permission now with the aim of building in 3 or 4 years time.

For further information on Ged's presentation, please contact him at ged.walsh@Yorkshirehousing.co.uk

4.2 Presentation: A Private Sector Perspective – Mark Johnson, Dacres Commercial

Mark Johnson presented a private sector perspective on the Housing Market in Leeds for 2009. The full presentation can be downloaded from the Leeds Housing Partnership Website.

The following issues were raised:

- The national average house price has dropped by 15% from £191,590 in March 2008 to £163,605 in November 2008. The same pattern applies to Leeds.
- Predictions have been made for a further 10% fall in prices. House prices should bottom out at the end of 2009.
- However, this downturn has impacted on the level of new homes being built and will continue to do so throughout 2009.
- This downturn will also impact on the flow of new affordable housing. Delivery rates are unlikely to exceed 300 units per annum over the next 3 years.
- The combination of the housing market downturn, the credit crunch and falling land values may mean that achieving affordable housing on brownfield sites may not often be viable.
- There is a high chance that house builders may turn to more favourable districts and invest in family housing schemes in adjoining districts of Wakefield, Selby and Kirklees unless there is a significant change in attitude from the Council.
- House building in Leeds could take at least 5 years to recover to 2007 levels.
- Building the levels of family housing needing to remedy the current imbalance may not be possible without release of larger sites.

The following comments were made:

- It is key to recognise the importance of urban regeneration and renewal as stated in the Leeds Spatial Strategy

If you would like further information on this topic, please contact Mark at mtj@dacres.co.uk

4.3 Presentation: Homes and Communities Agency Perspective – Naz Parker, Homes and Communities Agency

Naz Parker presented a Homes and Communities Agency perspective on the Housing Market in Leeds for 2009. The full presentation can be downloaded from the Leeds Housing Partnership Website. The following main issues were raised:

- Responding to the credit crunch in Leeds: initiatives to deal with the 'here and now'.
 - Tailored programmes for individual housing associations, supporting conversion of some existing unsold stock into social housing or rent to buy in return for progressing existing schemes that are currently on hold.
 - The potential for local authorities to come forward with their own development packages with the benefit of grant funding support.

- The funding of infrastructure works on a returnable basis, to enable schemes to progress.
- Changing the mix of developments to include a greater proportion of rent to buy properties, with an incentive to purchase over time.
- Considering the scope for land purchase, greater use of equity investment rather than grant and development of joint ventures to facilitate further development.
- Pursuing any potential to access new sources of investor finance.
- Achieving targeted re-profiling of investment in Priority Regeneration Schemes.

Conclusions:

- HCA is a new agency, with new approaches and new methods of working
- It will offer increased flexibility and will help local places achieve their ambitions alongside meeting national objectives
- The single conversation will be HCA's most important business process
- HCA and LHP Forum Members need to develop strong, collaborative relationships nationally, regionally and locally
- HCA will work with their partners to maintain delivery in difficult times and to prepare for the upturn
- Effective local leadership is critical to HCA's success

If you would like further information on this topic, please contact Naz at:

Naz.Parkar@hca.gsx.gov.uk

4.4 Presentation: Leeds City Councils Perspective – Rob McCartney, Leeds City Council

Rob McCartney presented a Leeds City Council perspective on the Housing Market in Leeds for 2009, focussing mainly on housing strategy implications and the Housing Solutions programme. The full presentation can be downloaded from the Leeds Housing Partnership Website. The following main issues were raised:

- Updated Housing Strategy
 - Reinforce Leeds City Council's strategic housing role
 - Needs revising in the face of the credit crunch and other housing market developments
- Responding to the changing landscape
 - Local Area Agreement targets may be revised
 - Less Section 106 gain will be able to be achieved
 - More emphasis on social and intermediate units
 - More emphasis on use of existing stock
 - More emphasis on prevention of homelessness
 - Exploring opportunities from the Government's fiscal stimulus package
 - Helping people to stay as home-owners
 - Developing Mortgage Rescue schemes such as that in the Golden Triangle
 - Purchasing empty properties in city centre for intermediate rent

- Renovation programmes to utilize unspent HCA funding
- 'Buy to let' default – receiver of rent option
- Housing Solutions programme
 - Range housing options so people find own solution
 - Develop personalised services
 - Emphasis on prevention of home loss
 - Achieving more preventions than homeless acceptances
 - Moving to more Assured Shorthold Tenancies rather than social lets
 - Considering the 'Tower Hamlets model';
 - Maintaining focus on basics/legal obligations
- Housing and health outcomes
 - Housing plays a critical role in achieving improved health outcomes
 - Development of lifetime homes
 - Tackling overcrowding and infant mortality
 - Addressing low thermal comfort & risk of falls
 - Promoting independent living
 - Personalisation of service provision
 - Strengthening the partnership with NHS Leeds
- Options for future management of council housing
 - Council – key focus on all housing
 - Decency – important milestone in continuous improvement drive
 - Identify future investment options after 2010
 - Options Appraisal in 2009
 - Tenants will have a critical role

If you would like further information on this topic, please contact Rob at rob.mccartney@leeds.gov.uk

5.0 Question on Inputs and Discussion on Housing in Leeds for 2009

Discussion followed around the delivery of affordable housing. Huw Jones thanked the speakers and asked members 'what message should the Leeds Housing Partnership be giving back to Leeds City Council?'. The following points were raised:

i) Do we still keep pretending that targets are achievable?

Tony Bretherick, Government Office for Yorkshire and Humberside said that Central Government view is that the targets are achievable over the longer term. New initiatives such as the Homebuy scheme may enable first time buyers to buy up some of the 3,000 unsold properties in Yorkshire. Homebuy enables the purchaser to buy a 50% share in the property, with the developer retaining the remaining 50%.

However, several Forum Members stated that there seems to be a different view at a regional level. New data now shows that Leeds and the region will be struggling to deliver ¼ of the current target. This issue is not just related to the price of land, it is also heavily dependant upon the capacity to deliver new housing schemes.

Mark Johnson of Dacres, stated that when the Leeds Housing Strategy is updated, it needs to be evidenced and it needs to have an achievable target within it rather than a wish list. The current targets within the LAA were written 12 months ago.

There is also a need to focus on the type of properties that are being built rather than the number of properties. A single person does not necessarily desire a one bedroom flat. A single person may be elderly or have dependants and would therefore require more than one bedroom. Members raised concerns that numbers may still be viewed as a higher priority than housing mix.

ii) What information is currently available to RSLs on the intermediate housing Market?

Josh Sutton, Leeds and Yorkshire Housing Association, expressed his concern about the lack of information available on the intermediate housing market, along with new housing initiatives. Naz Parker, HCA stated that if RSLs were interested in developing properties for the intermediate housing market, that the location is key. Intermediate housing rents need to be in the right market area.

Huw Jones informed members that the next Leeds Housing Partnership Forum, on 20th March 2009 will focus on the Intermediate Housing Market.

iii) What is the current situation with the Leeds City Centre flats?

Mark Johnson confirmed that the city centre flats are now mostly currently occupied as current market conditions is forcing people into the rental market. It is essential that lenders are brought into further debates around city centre flats.

It was noted that there were still existing permissions for further flats in Leeds and concerns were raised that further large flat developments could add to the surplus existing on the city centre fringes and could further distort market conditions. It was also felt that it is quite possible that in the current economic climate that these properties will not be developed over the next couple of years. It was suggested that these properties need to be taken out of the target for new developments which could free up the land for further developments, such as the Leeds Arena.

iv) What do we need to do about the Existing Housing Stock?

HCA have £2.6bn available for the national decent homes programme. Unfortunately HCA were not awarded with the National Private Sector renewal programme.

It was felt that investment to refurbish private properties in need of repair, such as back-

to-backs properties (19,000 in Leeds), are not getting enough emphasis in this debate. It was noted that Sir Bob Kerlake is trying to persuade ministers to use the £2.6bn in a more flexible way, focusing primarily in new housing, but also enabling investment to bring existing housing back into better use.

Mark Ireland, Leeds City Council, expressed a strong argument for 'spend-to-save' private sector housing improvement initiatives which will have knock on benefits for the NHS, Social Services and other local support services. Mark stated that he is keen to work closely with HCA in delivering the Private Rented Sector programme for Leeds City Council.

Concern was expressed that there was no senior representative of the Department of Environment and Neighbourhoods, present for the discussion at item 5. It was agreed that the Chair of the Forum should raise this matter with the Chief Housing Services Officer and the Head of Housing Strategy and Commissioning.

Huw Jones asked all members to forward any further comments through to Janey Barraclough at janey.barraclough@renew-leeds.co.uk

6.0 Any other business

There was no further business to report.

7.0 Date and time of Next meeting

Friday 20 March 2008, 2pm – 4pm, room 6&7 Civic Hall Leeds.