

Minutes of a meeting called for by **Blakeney Parish Council and Wells-Town-Council** with **VICTORY HOUSING** on Thursday 30<sup>th</sup> January 2014 in the Village Hall at Blakeney.

Present:- Allen Frary (Chairman) & 44 other attendees, including Parish & Town Councillors, District and County Cllrs and members of the Public.

Guests:- John Archibald (Chief Executive of Victory Housing), Lisa Grice and Nicola Turner (Housing Team Leaders at North Norfolk District Council).

Clerk:- Tracey Bayfield.

1. **Welcome** - The Chairman welcomed everyone to the meeting, and thanked the Guest Speakers for attending. He also set out the format for the evening, which were the items to be addressed, which included:-
  - **Affordable Housing for Local People**
  - **Housing Allocation**
  - **New Build Sites**
  - **New Homes in terms of size and number of dwellings**
  - **Sale of Housing Stock & Covenants**
  - **Proceeds from the sale of Housing Stock**
  - **Garage sties and the future**
  - **Any other related issues?**
2. **Apologies** for absence were received from; Tony Faulkner (Chairman of Blakeney Parish Council), Alban Donohoe (BPC) and Claire Astbury (National Housing Federation).
3. The **District & County Councillors** in attendance were invited to stand and introduce themselves. Present were; Peter Terrington (Wells – Priory division), David Young (High Heath Ward), Lindsay Brettle (Glaven Ward) and of course our County Cllr, Dr. Marie Strong (Wells division).
4. **VICTORY HOUSING – John Archibald (Chief Executive) –**  
*www.victoryhousing.co.uk*

John thanked Blakeney PC and Wells TC for the opportunity to come along and address the meeting. He explained that the information booklet which had been produced to assist with this evenings meeting would be placed on the Victory website under the publications section and had been promoted in Victory's Twitter feed.

He explained Victory Housing is a charity and is regulated by the Government through the Homes & Communities Agency. It owns approximately 5,000 homes, with 99% of those located in North Norfolk. That represented approximately 1 in

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10 of the properties in North Norfolk. The Homes & Communities Agency, as Victory's regulator, sets the maximum rent that Victory can charge and also has to provide approval for any property sales.

There is a misalignment between the properties owned by Victory and those that are required by existing households and those on the housing register.

- 45% of Victory's existing households need only one bedroom, but only 17% of Victory stock of housing is one bedroom.
- Just 10% of Victory's existing households need three bedrooms, but 41% of Victory's stock is three bedroom.
- On the housing register, demand was highest for one bedroom and two bedroom properties. In total 73% of applicants were seeking one or two bedroom properties.

As a result of this mismatch, Victory was focused on building more one and two bedroom properties. Property sales were necessary to provide funding for new build. With 1900 households on the housing register and only 300 to 400 properties becoming vacant and available to relet each year, building new homes was essential to help meet demand.

It takes on average £109k to build a house. In the past that was funded with a bank loan of £69k and then a government grant of £40k. Government grant had been cut by 63% in real terms and Victory now received just £15k of grant to build a new home. The shortfall of £25k of grant was being funded through the reinvestment of the proceeds from property sales. This policy reflected government policy which now encouraged housing associations to sell properties in order to assist with funding new build. Without new build, given the 'Right to Buy' scheme, the number of properties owned by Victory would reduce.

### **5. NORTH NORFOLK DISTRICT COUNCIL – Lisa Grice & Nicola Turner (Housing Team Leaders)**

### **6. OPEN PUBLIC SESSION – Questions listed and answered in the order in which they were raised.**

**Q. Why sell the properties in the coastal villages where the local working class people have traditionally lived, when there is still a high demand for these properties?**

**A.** To fund new development and increase the overall stock owned by Victory, property sales were necessary. Locally, he explained that six properties were for sale or had been sold, which compared to 78 homes that were in construction or planned. That represented more than 10 new homes for every one sold. The hand out, available on Victory's website explained where the properties were being built and sold. The decision to sell properties and reinvest the proceeds in increasing the overall housing stock was in keeping with Government policy and supported by Victory's regulator, the Homes & Communities Agency.

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When a property becomes vacant, Victory considers its suitability for sale. This takes into account the size and type of property, its energy efficiency, construction, condition and location, and also aspects such as the cost of any immediate capital repair, refurbishment or improvement works, and the anticipated maintenance costs over the next 30 years. If we think that it is better value to sell the property then we place it on the open market.. All properties are independently valued prior to placing them with an estate agent. Every property sale is approved by the Homes & Communities Agency and the proceeds are reinvested into new build.

### **Q. Why are they allowed to be purchased as second homes and holiday homes which has happened in both Cley and Snoring?**

**A.** The properties are sold on the open market and there are no restrictive covenants placed on the use of the property.

When properties are sold under the Right to Buy a restrictive covenant is legally required to be imposed. This restricts the property to be sold only to someone who has lived or worked in Norfolk for the previous three years. Frequently people who have purchased a property under the Right to Buy request that Victory relax this restrictive covenant as it proves unpopular with even those people who met the restriction.

The Victory Board does not think it is appropriate to place any covenants on those properties it sells in support of its development programme. To do so would likely reduce the sale price, which in turn would require more property sales to fund the shortfall in government grant.

### **Q. The new development at Wells by Hopkins Homes will see 40 new properties being built, but the homes and space for families is getting smaller.**

**A.** The properties that are to be built will meet building regulations requirements and will be built to similar space standards to those for open market sale.

### **Q. Was it the intention of Victory Housing to sell properties as soon as they were formed in 2006? It seems as though the majority of properties being sold are 3 bedrooms and they are badly needed.**

**A.** The Stock Transfer agreement agreed between NNDC and Victory in 2006 anticipated the possibility of property sales and included a provision to ensure all sale proceeds were reinvested into new build properties in North Norfolk. Victory is meeting that requirement. The majority of properties being sold are three bedroom, as the demand for three bedroom properties is significantly less than the demand for one and two bedroom properties. Many of Victory's three bedroom properties are currently under occupied.

### **Q. What is the connection between NNDC & Victory Housing?**

**A.** Victory purchased the council housing stock from NNDC but is independent from the council and is regulated by the Government through the Homes & Communities

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Agency. The council holds the housing register and runs the 'Your Choice, Your Home' choice based lettings scheme.

**Q. Does Victory Housing have the power to undertake compulsory purchase?**

**A.** No.

**Q. At Northfield Crescent in Wells the proposed sale of these garages for a private dwelling is over a single track. Where are the cars from the disposal of these garages going to go?**

**A.** Victory Housing owns over 800 garages over 70 sites. Only the minority – around 40% - are let to Victory residents. All of the garage sites are under review and consultation has taken place with the local communities where the garages are located. For each site, Victory is considering the preferences expressed by local residents, together with the condition of the garages, the demand for garages from Victory residents, parking considerations and local housing need. A commitment has been made to publish Victory's plans for each site and an announcement is expected in April 2014 following Victory's Board approval of the 2014/15 annual budget.

**Q. Why not sell all 800 garages to those who are currently renting them? They are still being rented out and rent is being paid?**

**A.** Four options are being considered for each garage site – (1) investment and improvement of the garages, (2) replacing the garages with parking provision, (3) exploring using the site for building new homes and (4) sale of the site, with the proceeds being reinvested in new build. With over 3,000 people having had the opportunity to express a view and a wide variety of responses received, whatever action Victory decided for each site it would not be possible to satisfy everyone's wishes.

**Q. Should the garages not be saved for the community whether they are used by Victory tenants or not?**

**A.** Victory's charitable purpose was to provide affordable housing, not garages. It did not see its role as a commercial garage landlord for non-Victory residents. Whilst recognising the important role that garages can play in a community, it was not necessary for Victory to own the garages for that community role to continue.

**Q. It seems as though the 3 bedroom houses being sold are primarily in the Coastal villages. Why could these 3 bedroom houses not be converted into 2 properties?**

**A.** The majority of the houses sold to date have not been located in coastal villages. It is not deemed economically viable to convert three bedroom properties into two separate smaller properties. In any case, such a conversion would not raise the funds to meet the shortfall in grant funding for new homes.

**Q. Thistleton Court in Blakeney consists of 20 bungalows, all of which are classed as sheltered homes. It appears that unlike in the years gone by they are now let to working people, with 2 cars, often affluent people. The**

**occupants of these properties use to rely heavily on the services of the Glaven Care Centre. Dementia is increasing, we need to do everything we can to support the wonderful services provided by the Centre, and Thistleton Court is ideal to do this. What has changed?**

**A.** Victory Housing is very supportive of the Glaven Care Centre and was exploring ways to provide further assistance. The ownership of the building from which Glaven Care operates, rests with Victory but is made available at nil cost. Victory also currently meets the cost of all utilities. Thistleton Court is a sheltered housing scheme for those aged 60+ and with a support need, as assessed by Centra – the organisation commissioned by Norfolk County Council to provide the housing support service to residents. All residents of Thistleton Court are able to purchase services from the Glaven Care should they so wish. Some elect to do so, and others do not.

**Q. How does the maintenance happen on the old housing stock?**

**A.** Victory is committed to maintaining its housing stock and carries out around 15,000 repairs per annum. Approximately £10m is spent annually on the repair and improvement of the existing housing stock. A further £10m per year is spent on building new homes. Victory had installed over 2,900 new kitchens, bathrooms and central heating systems – typically one bathroom, one kitchen and one central heating grade every single day Victory had been in existence.

**Q. When you build a property do you allocate parking spaces?**

**A.** Yes, planning permission stipulates the parking provision for all new build developments.

**Q. Do you borrow based on what you can repay? Can NNDC help with borrowing?**

**A.** Victory Housing has an £80m borrowing facility with Lloyds and has the necessary funds to meet its obligations. A new development scheme has to be financially viable – the borrowing to pay for the scheme needs to be repaid from the rents charged to the property. This places a limit on the amount of borrowing that can be used to fund any new build house. Borrowing more money would not therefore remove the need to fund the shortfall in government grant. Given its existing borrowing facilities, Victory has not required funding from NNDC who have made up to £3m available for housing associations wishing to build in North Norfolk.

**Q. Wells has lots of social housing. We get lots of complaints about the condition of the properties and how they are used and look after by the tenants. Local people feel that Victory does not take its own responsibilities seriously, it's own standards and conditions do not appear to be met.**

**A.** New tenants are typically given a one year starter tenancy, after which – if they are complying with their tenancy agreement – they are granted a five year fixed term tenancy. At the end of the five year tenancy, if they remain in need of affordable housing and have not been in breach of the tenancy agreement, a further tenancy would be provided. If a tenant breaches their tenancy agreement, the ultimate

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sanction of eviction is only possible if approved by a court of law. Approximately 12 evictions are granted by courts each year for Victory residents. It was unlikely that a court would approve an eviction for an untidy or unkempt garden.

### **General comments expressed by people attending –**

- A total of 8 properties were recently built in Hindringham which was built as an exception scheme, but the local connections were not that good.
- When people are moved in questions should be asked, such as whether they will fit in with the local community. If the wrong family moves in to a very small parish, due to having been trouble elsewhere, then the problems they create can be enormous.
- There should be a limit on the number of pets which a tenant can have.
- There are some parishes where NNDC cannot find a suitable exceptions site. Local people, parish and district councillors have a role to play in finding potential sites.
- The properties are owned by Victory Housing but the allocations are down to NNDC.
- NNDC works under government jurisdiction.
- There are concerns over the allocation of Thistleton Court. Some people moving in are not using Glaven Care which places Glaven Care's future in jeopardy.

It was noted that the current development of 12 properties in Blakeney and the proposed 40 new homes Victory was seeking to build in Wells were for general housing need. As neither scheme was an Exception Scheme (where a local lettings policy would apply) they would be made available to anyone on the North Norfolk housing register.

**Claire Astbury (External Affairs Manager) for the National Housing Federation**  
was not able to be with us, but this is a summary of a letter she sent.

I welcome the Parish Council's interest in housing provision; many places are suffering from a lack of affordable housing which has impacts for the community and the local economy. It's good to see the Parish Council taking this proactive approach.

One aspect of housing delivery which is very important is the work of housing associations to develop homes for sale and rent at affordable prices especially in

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rural areas such as Blakeney. For example Victory Housing are working hard across North Norfolk area to bring new homes forward, using private investment alongside some public grants and taking a proactive approach to renewing their stock by selling on hard to heat homes in order to build new energy efficient homes at a replacement rate of three to one. Other housing associations across the county are also taking a similar approach and the government has just this week encouraged all housing associations who seek public funding for development to first consider their own stock and how proactive asset management can contribute towards development targets. It's worth noting that no housing association can dispose of housing assets without the approval of their regulator, the Homes & Communities Agency.

If Blakeney and other neighbouring Parish & Town Councils are keen to see new homes come forward, I would encourage you to sign up for information and resources from the Yes To Homes campaign which supports local people to call for the right homes in the right places at the right price for their community. The website is [www.yestohomes.co.uk](http://www.yestohomes.co.uk) and you can read information about the need for housing, download poster and literature, and sign up for updates. You can also take part in the campaign on Twitter (#yestohomes, @yestohomes) and Facebook.

The Chairman concluded, by asking those in attendance, if they would like Sheila Oxtoby (Chief Executive of NNDC) and other Senior Portfolio Holders to attend another meeting to address the policies. The audience did not feel the need for another meeting.

He then thanked John, Lisa and Fiona for attending and answering in as much detail as they could.

Meeting closed at 9.19pm.

Chairman \_\_\_\_\_