

HARAH MEMORANDUM OF UNDERSTANDING 08.08.05

This document details the memorandum of understanding of the Hampshire Alliance for Rural Affordable Housing (HARAH) and does not form a legal contract nor a partnership within the meaning of the Partnership Act 1890.

The HARAH Partnership Members:

Basingstoke & Deane Borough Council
East Hants District Council
Hart District Council
New Forest District Council
Test Valley Borough Council
Winchester City Council
The Housing Corporation
Hampshire Rural Housing Enablers

Selected Affordable Housing Provider:

Hyde Housing Association

Purpose of the Alliance:

- To maximise the investment in affordable housing in rural villages across Hampshire with a medium term programme to meet the regional priority for rural housing.
- To enable a strategic approach to the delivery of affordable rural housing schemes including consistency of the housing needs information collected
- To utilise the Hampshire Rural Housing Enablers effectively
- To benefit from potential economies of scale
- To achieve high standards of development, management and community involvement by having a specialist affordable housing provider that understands rural issues
- To provide consistency in the information provided to Parish Councils and local people, and develop appropriate consultation
- To assess the impact & implications of providing additional affordable housing in rural villages.
- To improve the deliverability of rural affordable housing schemes
- To ensure local affordability of rural schemes with particular reference to shared ownership

HARAH is an operational strategic partnership. In order to influence and respond to the national and regional agenda on rural housing issues, information will be fed from HARAH regularly into the Rural Housing Enablers Steering Group to assist in this process.

Definition of Rural Housing:

For the purpose of this partnership rural housing is defined as affordable housing built on 'exceptions sites' in settlements of a population of 3,000 people or less, as listed in the rural gazetteer.

Terms of Arrangement:

- The length of the arrangement is three years from the commencement date.
- For the term of the arrangement Hyde will employ a development officer whose task will be to support the Partnership to achieve its objectives.
- The arrangement is subject to six monthly review on performance standards, with a break clause applicable on failure to meet the agreed performance standards detailed below. Hyde will be advised of any concerns on performance at the Partnership meetings and will have the opportunity for recourse and improvement over a period of up to four months dependant upon the severity of the performance breach. The Housing Corporation will continue to monitor the development programme. Local authorities will monitor pre-commencement and other performance.
- A minimum of six Partnership meetings will be held annually and will include discussion on housing needs surveys, prioritising of sites, monitoring delivery, co-ordination of funding bids, and satisfaction/impact evaluation surveys. The six local authorities, the Rural Housing Enablers and the Housing Corporation will attend these meetings. Hyde will be required to attend each meeting, but will be excluded from the initial part of the meeting regarding performance.
- Hyde will be bound to honour the information and proposal given as their submission for selection as the affordable housing provider to the HARAH Partnership.

Functions of the affordable housing provider

- The selected affordable housing provider will be the conduit for all grant funding of rural exception site schemes in the six local authority areas that constitute HARAH.
- The main role of the affordable housing provider will be that of development and ownership, including site acquisition and the securing of planning permissions, funding and liaison with rural communities.
- Local management arrangements need to be agreed with each local authority to meet their requirements.
- In exceptional circumstances only, where Parish has expressed a strong desire to work with an different RSL owing to its existing strong local management presence in a village, Hyde will develop small scale (no more than 4 units) and offer ownership & management to that local provider.

Switching Funding between schemes within the Partnership

To ensure flexibility within programme the steering group will decide by unanimous agreement to switch Housing Corporation funding from schemes which are behind schedule to schemes that are deliverable. This will be monitored and undertaken on a pro-rata basis so that the slipped schemes are funded at a later stage and all local authorities get a fair share of funding if they have deliverable schemes.

Local authority funding will usually remain within that local authority area unless specifically agreed by that authority.

Communication and Publicity

- Hyde will be responsible for drafting press releases on the partnership selection and scheme publicity. Copies of such drafts must be approved by the Chair of HARAH in consultation with all partnership members prior to release.
- Hyde and the Rural Housing Enablers will be jointly responsible for advising Parish Councils about HARAH to ensure that the partnership arrangement is understood, with assistance from Hyde as required.

Performance Standards and monitoring

Minimum performance criteria:

- Hyde are required to maintain four green lights on their Housing Corporation Assessment (HCA)
- Project plans will be required for each scheme and once agreed by all parties compliance with these will be monitored.
- Pre-planning meetings are required on all schemes with stakeholders prior to the submission of a planning application.

Hyde will be required to produce a performance report to be circulated one week in advance of each meeting. This report is to include both development and management performance, the latter on all rural schemes in Hampshire that are managed by Hyde, in an agreed format.

The Rural Housing Enablers will undertake impact assessments on each new development produced through the Partnership to assist with the aim for continuous improvement.

The six monthly review of the Partnership will take the form of a 360 degree appraisal to assist with the aim for continuous improvement. This will include the following:

- Compliance with project plans
- Responsiveness/availability of staff
- Design and quality of scheme submissions
- Deliverability include meeting deadline for completion
- Relationships with other RSLs (e.g. as managers) (including peer review).
- Relationship with the RHEs

Financial contribution to support the Rural Housing Enabler Programme

- The contribution to be made by each of the six local authorities in the HARAH partnership will be £5000 per year for the duration of the partnership.
- The contribution by Hyde will match-fund the total of the contributions to be made by the six local authorities in the HARAH partnership which will be £30,000 per year for the duration of the partnership. This sum of £30,000 per annum will be pro-rata for the year to 31/3/06 equating to £20,000 should the contract commence on 29/7/05.
- The annual contribution should be payable within one month of contract commencement and thereafter in the first month of each financial year commencing on the 1st April.
- Should HARAH terminate the contract with Hyde, any monies will be refunded apportioned to the outstanding period for which pre-payment has been made.

- The financial contribution to the Rural Housing Enabler programme will be the subject of a separate contract between Hyde and Community Action Hampshire.

Proposed programme:

It is anticipated that the Partnership will result in at least a total of 250 new affordable homes over the three year period. The following is an indication of the distribution of schemes and numbers of units that could be developed in each local authority area, subject to securing grant funding:

Local Authority	Year 1 (2006/7)		Year 2 (2007/8)		Year 3 (2008/9)	
	Schemes	Units	Schemes	Units	Schemes	Units
Basingstoke	1	10	4	40	3	30
East Hants	3	28	1	10	3	30
New Forest	2	15	2	20	1	10
Test Valley	3	20	6	32	2	20
Winchester	4	30	4	42	2	22
Hart	1	8	1	14	1	10
Total	14	111	18	158	12	122

The detail of these schemes will be agreed at the HARAH steering group meetings.

Pipeline schemes

Three levels were identified in considering the pipeline programme:

Level one represents schemes which are ready to be funded, the grant to be bid for by Hyde and will then be developed by the current housing association. These schemes are:

West Meon = 10 units (Winchester/HVHG)
 South Wonston = 10 units (Winchester/WHG)
 Lower Farringdon = 9 units (East Hants/SHS)
 Headley = 10 units (Basingstoke/HVHG)
 Curdrige = 1 unit (Winchester/SHS)
 South Warnborough = 8 units (Rural Housing Trust)

Level two represents schemes which have not been so far progressed, but other issues such as land ownership and adjacent schemes will involve the current housing association. Hyde will develop these schemes in partnership with the current housing association, coming to agreement on issues such as future ownership & management. If agreement is not reached there will be a presumption of the scheme going to Hyde (except in the case of land ownership). These schemes are:

Bridgmead II = 9 units (Winchester/HVHG)
 Bramshaw = 5 units (New Forest/HVHG)

Ropley II = 15 units (East Hants/HVHG)
Littleton & Harestock = 15 units (Winchester/WHG)
Steep = 9 units + shop (East Hants/Petersfield HA)
Ellisfield

All other schemes form part of the HARAH partnership and will be developed by Hyde for the period of the Partnership. Reimbursement for works undertaken by a previous housing association will be dependent on whether the scheme is developed and costs relevant, such costs should be careful to exclude all work undertaken by the Rural Housing Enablers and would normally constitute payment for surveys or external consultants rather than the at risk development work of an RSL. All other previous costs are at risk.

Signature of parties:

Basingstoke & Deane Borough Council

East Hants District Council

Hart District Council

New Forest District Council

Test Valley Borough Council

Winchester City Council

The Housing Corporation

Hampshire Rural Housing Enablers

Hyde Housing Association

Date: