



**NORTHAMPTON
PARTNERSHIP HOMES**

Development Strategy

2020 – 2025

Building in Partnership

May 2020

REVISION HISTORY

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Executive Summary

This Development Strategy reflects the huge ambition at Northampton Partnership Homes to increase the supply of affordable housing, build sustainable communities and positively impact on our local economy. The strategy is designed to capture these aspirations and those of the local authority, existing and prospective tenants, employees, our board and residents of Northampton.

Northampton Partnership Homes (NPH) is a key business in Northampton and has a major contribution to make locally and regionally within the new unitary authority from April 2021. We are delivering a range of essential services that support and add value to the neighbourhoods we serve, whilst supporting our local economy. This includes providing people with a permanent roof over their head, supporting tenants to find work and to access the learning and development they need to sustain their tenancies.

NPH has a strong and positive relationship with Northampton Borough Council (NBC) and other stakeholders. We look forward to not only continuing these relationships in the coming years but developing them further to enable the creation of new initiatives and opportunities.

This strategy sets out the approach we intend to take in building sustainable homes across our operational area. The context for this strategy is set out within NPH's vision statement.

NPH provides homes which enable people to live happy and healthy lives in enriched communities.

Both NPH and the local authority recognise the need for a council building programme to address the growing demand for affordable housing across Northampton. Currently, there are over 3,660 households in Northampton alone with a demonstrated need on the housing register, waiting for a home. In addition, the demand across the West Northamptonshire unitary authority is significant.

NPH's development strategy delivers significant benefits for the local authority in supporting the delivery of their strategic objectives. This includes:

- Providing additionality and diversity to the local housing market, delivering homes in line with evidenced local need. This supports statutory duties in the prevention of homelessness and its wider health and wellbeing strategy.
- Delivering growth and regeneration. By going beyond NPH's traditional enabling role, this strategy can help develop the economy by creating value in land and providing opportunity for the local supply chain, resulting in additional jobs and apprenticeships locally.

The strategy seeks to explore all viable opportunities to bring forward affordable housing within West Northamptonshire. This includes brownfield sites, sites in public ownership, package deals with developers, supported housing in partnership with adult health and social care and larger strategic sites.

This strategy is not solely focused on the number of homes NPH can build. We want to create homes which are:

- A sustainable legacy for future generations, minimizing the impact on our planet in both construction and occupation.
- Well designed, attractive, affordable, safe and secure - a place to call home.
- Efficient in construction, using new forms of technology and off-site construction.
- Fully integrated into the communities where they are built; adding value through investment into infrastructure where possible.

NPH and NBC have a coordinated and robust governance framework to ensure that decision making is transparent and sound. This partnership brings a shared commitment to the delivery of as much affordable housing as possible, to the highest quality possible. It recognises that housing is a basic human need and fundamental to health and well-being of not only individuals and families, but society as a whole.

1 Introduction

Safe, secure and affordable homes are a basic human need; critical for health, strong family relationships, educational attainment and employment. A shortage of affordable homes results in households paying rents that make other essential outgoings unaffordable; overcrowding; poor quality homes and in some cases homelessness – of which the social impact is devastating.

NPH is therefore working to a priority mandate from NBC to address the shortage of affordable housing in Northampton and build new homes as quickly as possible. The current Housing Revenue Account (HRA) 30-year financial plan confirms there is the capacity to invest and meet needs.

NPH has an established, sustainable approach for improving and investing in existing homes. We take a **Whole Home, Whole Neighbourhood** approach to neighbourhood investment, which provided the background principle for the first phase of the new build programme. A programme that was predominantly based on regenerating sites and building new homes on pockets of brownfield NBC-owned land, such as former garage sites.

The original mandate to build 1,000 homes in ten years is more than achievable. In fact, there is potential to build significantly bigger numbers of homes in that time. It is achievable both financially and operationally due to the foundations NPH has put in place since inception. As at March 2020:

- Over 150 homes have been completed (new build and reconfiguration of existing stock);
- 150 homes are being constructed on site;
- 240 homes have planning consent and are due to start on site during 2020;
- 160 homes have been submitted for planning; and
- Over 400 homes are at feasibility or pre-planning stage.

Delivering 1,000 new homes will help to replace some of the homes sold through right to buy but will only ‘scratch the surface’ in terms of the huge demand for affordable housing locally. As such, aims to exceed this target.

This strategy sets out our approach to not only build more homes, but to build:

- Sustainable homes; minimising the impact on our planet and on household energy costs.
- Attractive, high quality homes; contributing to the wider regeneration of Northampton.
- Efficiently and safely constructed homes; using off-site manufactured housing and a local supply chain.

We will be able to achieve this by working with others. Partnership is not only in NPH's name, it is built into everything we do; the way we think, the way we behave and the way we learn. As we build new homes on behalf of NBC, we will continue to develop partnerships with our tenants, our communities, our investors and our supply chain. We want to build strong relationships that enable NPH to grow, develop and become truly excellent in delivering the growth in quantity and quality that Northampton needs.

2 Context, aims and objectives

2.1 NPH

NPH is the Arm's Length Management Organisation (ALMO) set up by NBC to run its housing services, following extensive consultation with residents and employees.

NPH is wholly owned by NBC operating as a Company Limited by Guarantee (CLG).

NPH commenced operations on 5 January 2015, with a management agreement for 15 years and options to extend.

NPH prides itself on providing homes in line with our vision:

NPH provides homes which enable people to live happy and healthy lives in enriched communities.

NPH is committed, as an employer to running its business responsibly. By creating more places to thrive, we will protect and enhance the communities we work for and with.

Our Mission is to:

- improve lives by sharing a common purpose;
- improve and maintain the quality of our homes;
- provide services which endeavour to meet the needs and aspirations of all tenants and residents; and
- ensure residents can influence immediate and long-term futures for themselves and their communities.

Our Values are:

- Open and Strong;
- Listen and Respond;
- Achieving more with others; and
- Aim High and Deliver.

NPH aims to:

Build a minimum of 1,000 homes over the next 10 years, with an aspiration to achieve over 3000.

We will do this by:

- Increasing the size of the development programme to meet the growing demand.
- Pursuing a wide range of opportunities including:
 - New build on small HRA brownfield sites;
 - Reconfiguration of existing council assets;
 - Regeneration of existing neighbourhoods;
 - New build on NBC-owned general fund land;
 - Newly acquired land;
 - Section 106 planning gain;
 - Package deals with developers;
 - Town centre regeneration;
 - Partnering with other public sector bodies; and
 - Community-led and self-build housing.

Build sustainable homes moving towards an aspiration of Carbon Zero.

We will do this by developing action plans for each of the One Planet Living principles:

- Health and happiness;
- Equity and local economy;
- Culture and community;
- Land and nature;
- Sustainable Water;
- Land and sustainable food;
- Travel and transport;
- Materials and products;
- Zero waste; and
- Zero carbon energy.

To plan and develop well designed homes that are fit for the future; meet the aspirations of tenants and are economical and efficient to build, maintain and live in.

We will do this by:

- Reviewing and improving our standard house types;
- Working towards a target of 100% secure by design;
- Prioritising fire safety;
- Designing for manufacture and promote off-site manufacturing where possible;
- Overcoming future maintenance and management challenges at design stage;
- Developing supported housing to meet the demands of adult health and social care and children's services; and
- Securing inward investment wherever possible for local infrastructure.

2.3 NPH's parent council - NBC

NBC has confirmed in their Corporate Plan 2018–2020 that housing is a key priority. The plan's strategic priority, "more homes, better homes", sets out the following objectives:

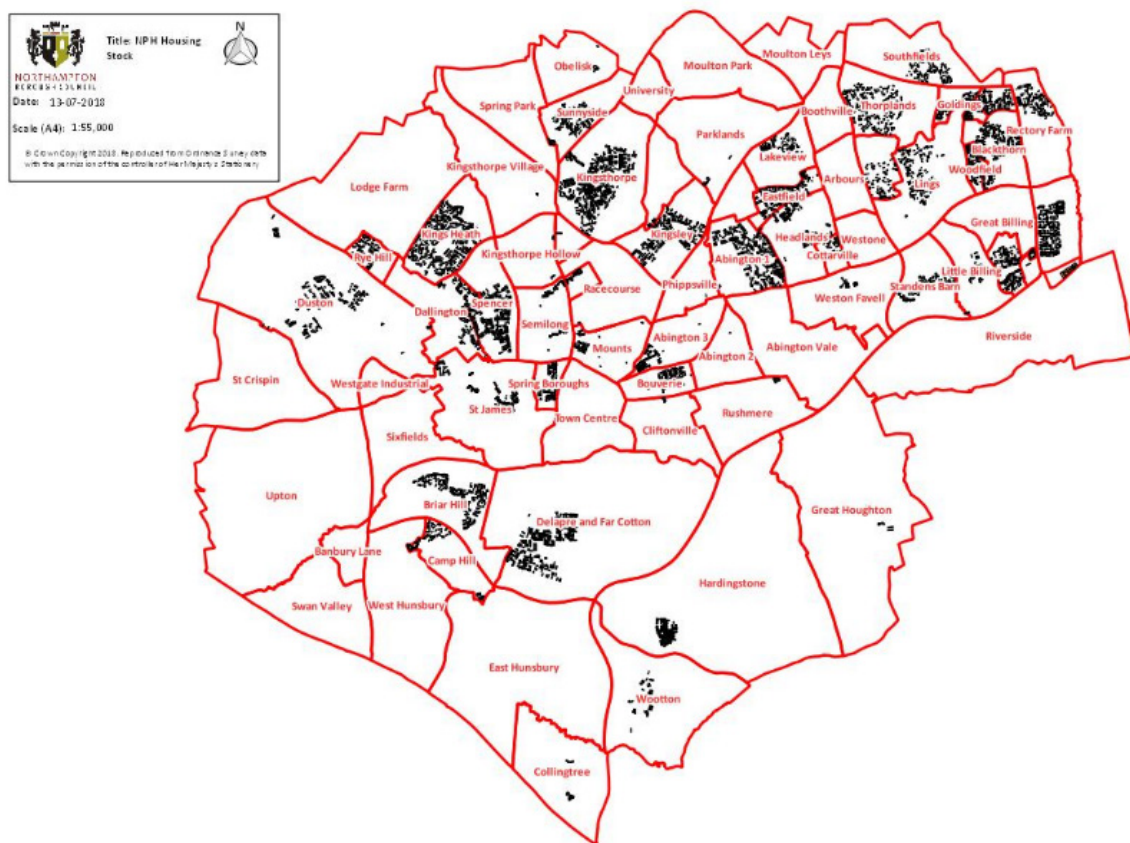
- Develop the Housing Delivery Plan.
- Engage with house builders and development agencies to accelerate housing delivery.
- Support NPH to build new affordable housing beyond use of the HRA.
- Continue to provide a fair process for residents to access affordable social housing.
- Ensure housing developers deliver appropriate amounts of affordable properties.
- Deliver a comprehensive affordable housing programme in collaboration with partners.
- Make effective use of enforcement powers to ensure good standards in the private rental sector.
- Actively promote good practice and landlord accreditation.
- Review and reduce homelessness through early intervention as part of a five-year strategy.
- Continue to implement our multi-agency 'Together We Change Lives' strategy.
- Move the night shelter to somewhere permanent that can accept men and women.
- Reduce the overall cost of temporary accommodation.
- Build a portfolio of at least 100 properties that are available for private sector leasing.
- Investigate potential benefits of increasing council stock of lower-cost temporary accommodation.
- Increase the number of council homes that are used as temporary accommodation.

NPH's development strategy also supports other strategic priorities set out in the 2018 – 2020 Corporate plan, including but not limited to:

- A green and tidy town;
- Creating a thriving vibrant town;
- Shaping place and driving growth;
- Keeping the town and people safe;
- Empowering local people;
- Spending your money wisely; and
- Putting the customer first.

2.4 Our expanding operating environment

NPH has to date, operated within the boundaries of NBC, which is one of seven district and borough councils within Northamptonshire and part of the wider South East Midlands Local Enterprise Partnership region.



An Act of Parliament has been approved to create two unitary authorities across Northamptonshire; North Northamptonshire and West Northamptonshire, as depicted in the diagram below. The population of West Northamptonshire is predicted to be approximately 402,000.



The second stage statutory instrument has now been approved by parliament. Which requires the two unitary authorities to be in place as of the 1st April 2021. Due to COVID-19, elections in May 2020 could not take place and the Government has appointed a new Leader - Councillor Ian McCord. A deputy leader and a shadow cabinet has also been appointed to run the shadow council until the formation of the new authorities until April 2021. Elections will then take place in May 2021.

NBC is the only council in West Northamptonshire with its own HRA and council-led house building programme. NPH is the only housing provider with a head office in West Northamptonshire. As such, NPH is well placed to support West Northamptonshire achieve its housing aspirations.

2.5 Our local and national Context

We believe that understanding the local and national context is an important part of making decisions that affect our business, customers and the NPH team. It is likely that during the life of this plan, new challenges and opportunities will arise. We will constantly monitor the external environment and adjust our approach to protect the organisation and identify opportunities for growth.

The key national issues which are also replicated locally at the time of writing this strategy, are summarised below.

Nationally recognised shortage of affordable housing

The recent briefing paper Tackling the under-supply of housing in England (March 2020) builds on the 2017 White Paper (Broken Housing Market). The Government's White Paper served to shift the government's position from a focus on the delivery of home ownership products to an acknowledgement that more tenure choices were required in order to address the issues.

It is widely acknowledged that the nation has a housing crisis. Demand for housing outstrips supply and this is particularly acute locally. In Northampton alone, since the Right to Buy was introduced, over half of the council houses have been sold. There has been a year on year reduction. In addition to this, housing demand has grown year on year, as salaries have not increased in line with house prices. NPH therefore needs to build at least 200 homes per year to reverse the trend of a declining number of council homes and to support the growing number of people in housing need on the council's housing register.

NPH has ambition to be the delivery partner of choice for affordable housing in West Northamptonshire. We have started out on this journey, having delivered 150 homes to date and have ambitions to grow year on year. One of our earliest schemes, Little Cross Street is shown here:



Nationally recognised problem with rising homelessness

This manifests in rough sleeping and growing numbers of households in temporary accommodation.

NPH is an active member of NBC's Temporary Accommodation Action Group, supporting NBC with the acquisition of new homes and using existing council housing as temporary accommodation. This reduces the cost and reliance on private sector arrangements. New housing supply is the single biggest tool to tackle homelessness and NPH aims to be at the heart of supporting this agenda.

National concern regarding rent arrears amongst tenants claiming Universal Credit

Recent research by the National Federation of ALMO's and the Association of Retained Council Housing showed that a significantly higher proportion of tenants claiming UC are in arrears (74%) compared to all households (26%). The average level of arrears is about one and a half times higher for UC households (at £520) compared with the average across all households (£328).

NPH is delivering a range of measures to prevent rent arrears including welfare advice and tenant training. NPH recognises that in delivering new homes, affordability is crucial.

National struggle for local authorities to meet the demands from adult social care due to a growing older population

This creates a growing demand for provision for adults with additional housing support needs, including mental health problems and learning disabilities. Locally, the creation of two unitary authorities seeks to improve provision, but this alone will not address the demand in full. Northampton's elderly population is set to grow from 32,300 to 47,000, with 4,700 people over 65 currently in homes managed by NPH.

NPH looks to make a significant contribution as a key partner working with West Northamptonshire Council to deliver much needed housing for older people and adults with support needs. We have already delivered a new development for older people at Lakeview House and have started on site to create two schemes for adults with mental health problems, acquired brain injury and learning disabilities. We look forward to having the opportunity to deliver additional specialist provision for the new unitary authority.



Lakeview House

3 Building More Homes: 1,000 homes and beyond

3.1 Local policy and strategic context

NPH's development programme to date has been informed by:

- Land availability (and the constraints of the sites we are developing);

- Local and national planning policy in relation to type, mix, design and density;
- Needs from within a neighborhood; for example, for additional parking;
- Housing need identified through the housing register of over 3,650 households; and
- Feasibility and financial viability.

The business case for building more homes is established, with cross-party support. However, the strategic and policy context is likely to change as we move towards operating within the geography of the new West Northamptonshire Unitary Council.

Going forward it will be critical for NPH to be fully engaged with:

- The new Local Plan for Northampton and the Strategic Local Plan for West Northamptonshire;
- The integrated plan for Local Government Reform;
- The integrated housing strategy for West Northamptonshire;
- The One Public Estate agenda; and
- Existing neighbourhood plans in NPH development areas.

3.2 Development Pipeline

Our development pipeline includes a broad range of housing types, creating resilience and delivering an extensive offering of housing whilst achieving wider regeneration outcomes. This includes opportunities on both council-owned and acquired land including new build developed by developers and directly ('self-delivered') by NPH. This section sets out how the range of opportunities to develop new homes will be continued and, in some cases expanded over the next five years.

3.2.1 We have the aspiration to develop as many homes as demand requires. As a minimum we have set a target to build at least 1,000 homes over the next 10 years through:

- New build on small HRA brownfield sites;
- Reconfiguration of existing council assets both horizontally and vertically;
- Regeneration of existing neighbourhoods;
- New build on council owned general fund land;
- Newly acquired land;
- Section 106 planning gain;
- Package deals with developers;
- Town centre regeneration and conversion of redundant office accommodation into residential;
- Partnering with other public sector bodies; and
- Community-led and self-build housing.

3.2.2 New build on small Housing Revenue Account (HRA) brownfield sites

This includes former garage and infill sites, which have made a significant contribution to our existing pipeline due to the review of all garage and infill sites. Examples of completed schemes to date include:

- Family homes in Spring Boroughs, Kings Heath and Eastfield on former garage sites.
- Adapted bungalows in Kings Heath, Dallington and Lakeview on infill and former garage sites.

Whilst the review of the garage sites is drawing to conclusion, small opportunities are still being identified. It is important to have retained intelligence on land ownership as part of the wider asset management function of NPH. Going forward, boundary and land ownership reviews will be included in our annual cycle of stock condition surveys to ensure all opportunities for new build are identified and delivered where feasible.

3.2.3 New homes through reconfiguration of existing council assets

Vertically and horizontally extending buildings and converting underutilised space presents additional opportunities to increase the supply of homes. Examples of completed schemes to date include:

- Vertically extending and reconfiguring outdated single persons accommodation at Overslade House to create Centenary House, a modern family apartment scheme.
- Reconfiguring Eleanor House to convert under-utilized areas into six additional apartments.

This element of the pipeline, albeit small, is an important contribution to delivery as it makes efficient use of existing assets and contributes to neighbourhood regeneration.

Going forward we will ensure that identification of opportunities to extend and reconfigure stock to create additional homes will be included in the annual cycle of stock condition surveys and, where identified, these will be assessed for feasibility.

3.2.4 New build homes through regeneration of existing housing

This could, and already has, involve the demolition of existing homes to replace with new-build. Homes that are providing sub-standard accommodation, typically poorly designed, are often costly to heat and maintain. Examples of completed schemes to date include:

- Demolition of two former Airy construction homes in Duston, replacing with five new build family homes.
- Demolition of a derelict apartment block in Little Cross Street, replacing with nine new build apartments, nine maisonettes and a new local shop.
- Work is near completion at Toms Close, including the demolition of ten former Airy construction homes in Collingtree, replacing with 21 new-build family homes.

In 2019, NBC approved NPH's Housing Regeneration Policy, which sets out a clear framework for the regeneration of homes that are no longer fit for purpose. The first scheme to be delivered under the new policy will be The Roof Gardens; demolition of Berkeley and St. Marys House in Spring Boroughs.

We will continue to undertake options appraisals on housing stock which is expensive to maintain and where there is a strong business case to regenerate. We will follow the agreed steps in the Council's Housing Regeneration Policy to bring opportunities forward.

3.2.5 New build homes on other council-owned land

In addition to the small infill and garage sites we are developing schemes on under-utilized open space brownfield sites owned by NBC's general fund, therefore not relying solely on HRA land.

An example is Farm Field Court - a mixed-use scheme on a combination of General Fund land and HRA land, where work is well underway. This scheme is an example of how use of general fund land for affordable housing can deliver a range of housing, regeneration and financial outcomes.

Going forward we will continue to work collaboratively with NBC's asset management and planning teams to review all general fund land to identify any land with potential to deliver new homes and create a capital receipt for the general fund.

3.2.6 New build homes on acquired land

This refers to land that NBC has acquired specifically for building new homes. An example is Lakeview House, a completed scheme of 45 sheltered apartments of older people on the site of a redundant former care home. Opportunities such as Lakeview House are a fantastic way of not only delivering new homes, but regenerating neighbourhoods.

Going forward we will:

- Review planning policy and liaise with the planning team and statutory consultees to assess suitability for redevelopment.

- Proactively engage with landowners and agents to identify opportunities for housing development and assess feasibility.
- Produce business cases for feasible opportunities to support recommendations to the local authority for acquisition and redevelopment by NPH.

3.2.7 New build homes delivered through planning gain.

Land and homes will be acquired through section 106 of the Town and Country Planning Act 1990.

An example of a scheme in progress is New Southbridge Road - a parcel of land transferred to NBC for affordable housing, on which NPH is bringing forward a planning application.

Going forward we will review all allocated sites in the local plan and proactively engage with landowners and land agents, bidding for the affordable housing opportunities being delivered through section 106 agreements.

3.2.8 New build homes delivered through off-plan turnkey acquisitions.

This can be standalone new-build homes, part of a new development or conversions of existing properties into housing.

Off-plan means ahead of construction, but after planning has been secured. Turnkey means the developer not only sells the land but also constructs the homes and provides an end to end service.

These opportunities must be assessed carefully for viability but can be useful in delivering homes at pace and volume. An example of a completed scheme is Stanwick House, six apartments in Upton.

Going forward we will:

- Use GIS software to map developer-led sites to inform a systematic approach to engagement with developers.
- Proactively engage with landowners and agents to identify opportunities for housing development and assess feasibility.
- Produce business cases for feasible opportunities to support recommendations to the Council for acquisition and redevelopment by NPH.

3.2.9 Town Centre regeneration

The conversion of redundant commercial buildings to provide affordable homes has grown extensively since the 2013 offices to residential Permitted Development Rights (PDR) came into being.

These opportunities need to be robustly tested to ensure that a commercial opportunity is not being removed from the local economy. However, when there is a genuine case, conversion to housing can not only bring a redundant building back into use to create homes, but also provide a major contribution to regeneration and the local economy by increasing footfall into the town centre.

Examples of three commercial schemes in NPH's development pipeline are below.

The leasehold acquisition and conversion of empty office block Belgrave House, into affordable rent apartment scheme. This development has been renamed The Clock House and will provide secure homes for key workers in Northampton.



Artist impression of The Clock House

The freehold acquisition and developer conversion of empty office block Beaumont House, into an apartment scheme at affordable rent.



Artist impression of Beaumont House

The freehold acquisition and conversion of Riverside House.



Riverside House currently

Going forward we will:

- Map empty commercial properties to inform a systematic approach to engagement with landowners.
- Review planning policy and liaise with the planning team and key statutory consultees to assess suitability for redevelopment.
- Proactively engage with landowners and agents to identify opportunities for housing development and assess feasibility.
- Produce business cases for feasible opportunities to support recommendations to the Council for acquisition and redevelopment by NPH.

3.2.10 Partnering with education and public sector landowners

Partnering with public sector organisations and other large institutions such as; Northampton University, the NHS, Northamptonshire Police and Fire and Homes England to bring redundant land back into use, can lead to great strategic and financial benefits for both parties.

An example is NPH's Moray Lodge supported housing scheme, which is being constructed on Northampton County Council (NCC) owned land and will transfer to NBC's HRA upon completion. NBC has the benefit of the asset and additional housing whilst NCC has the benefit of nomination rights. This model could be replicated for other agencies to provide housing for clients and employees, or alternatively for the land to be sold at an open market value for general needs housing.



Artist Impression: Moray Lodge

Going forward we will:

- Expand our engagement with public sector landowners to explore opportunities for collaboration to release land for affordable housing;
- Expand our engagement with health, adult social services and children's services as part of our wider role as the ALMO for the West Northamptonshire Authority.

This could include but not be limited to:

- Housing provision for looked after young people as they transition into adulthood;
- Move-on housing for adults being discharged from health and care settings as a transition into permanent housing;
- Extra care housing;
- Further provision of sheltered and supported housing;
- Provision of temporary housing for homeless households; and
- Provision of supported longer term housing for vulnerable adults with a history of homelessness, mental health problems or substance misuse.

3.2.11 Partnering with the local community for community led and self-build housing.

Unlike many other parts of the UK, Northampton has no community-led or self-build housing schemes. Whilst this is a small element of an overall development strategy it is important to include it, should the opportunity arise through a groundswell of local people wanting to bring such an opportunity forward.

Self-build housing and custom build housing are recognised as bringing diversity, affordability and empowerment to the local housing market. NPH is uniquely placed to be able to support this through its track record in community engagement and development.

Going forward we will:

- Engage with the regional community led housing forum.
- Engage with opportunities that arise through designated land availability, funding and groundswell of local interest.

3.2.12 Partnerships with contractors, developers and the local supply chain.

NPH has developed a delivery framework creating individual development frameworks with contractors to deliver new build schemes that not only achieve a cost effective and speedy delivery of new homes, but real investment in the local economy through the creation and sustainment of new jobs (including graduates and apprentices).

Going forward we will:

- Continue to maximise procurement and delivery efficiency through our own development framework;
- Develop further frameworks; and
- Seek to support the creation of more apprentices and jobs throughout the region.

4. Building More Homes: 1,000 homes and beyond

4.1 We are committed to the provision of sustainable homes. We aim to minimise the environmental impact in both the construction of new homes and in the occupied home once completed. Furthermore, we want to reduce fuel poverty for tenants and minimise fuel bills by making sure that heating, ventilation and water systems are simple to operate.

4.2 We believe that we can achieve this by adopting the principles of Bioregional's One Planet Living framework as NPH's approach to sustainability.

	Health and happiness	Encouraging active, social, meaningful lives to promote good health and wellbeing
	Equity and local economy	Creating safe, equitable places to live and work which support local prosperity and international fair trade
	Culture and community	Nurturing local identity and heritage, empowering communities and promoting a culture of sustainable living
	Land and nature	Protecting and restoring land for the benefit of people and wildlife
	Sustainable water	Using water efficiently, protecting local water resources and reducing flooding and drought
	Local and sustainable food	Promoting sustainable humane farming and healthy diets high in local, seasonal organic food and vegetable protein
	Travel and transport	Reducing the need to travel, encouraging walking, cycling and low carbon transport
	Materials and products	Using materials from sustainable sources and promoting products which help people reduce consumption.
	Zero waste	Reducing consumption, re-using and recycling to achieve zero waste and zero pollution
	Zero carbon energy	Making buildings and manufacturing energy efficient and supplying all energy with renewables

4.3 Health and Happiness

We seek to build homes that are comfortable to live in regardless of the weather with good natural light, ventilation and warmth.

Going forward we will move away from installing gas into new properties from 2021 and seek to minimise the risk of fuel poverty by:

- Placing a greater emphasis on a fabric first approach to construction.
- Installing cost-effective heating, water and electric systems that are simple to use.

4.4 Equity and Local Economy

We are growing our local supply chain to promote sustainability through reduced transportation for staff and construction traffic, making significant contribution to the local economy.

Going forward we will undertake a systematic review of our supply chain right through to raw materials, to establish increased opportunities for local suppliers either directly or through the wider supply chain.

4.5 Culture and Community

We see a great opportunity to empower new tenants in our new homes to work together to save money and protect the planet.

Going forward we will:

- Provide training and information for all new tenants on energy efficiency.
- Seek to facilitate and encourage a community commitment to One Planet Living in larger new developments to foster a collaborative approach to recycling, energy consumption, food growing and transportation.

4.6 Culture and Community

The natural environment provides both protection and mitigation against extreme weather events and biodiversity is essential for human life and a flourishing countryside.

Going forward we will:

- Undertake a review of the natural environment for new developments at feasibility stage to ensure that we are capitalising on ecosystem services such as flood protection, food provision, air quality improvements, carbon sequestration, natural shading, and health and wellbeing benefits.
- Strive to maintain natural biodiversity on development sites, replanting on site at least one tree for every tree that must be removed wherever this is viable.
- We will enhance local wildlife where appropriate, for example by installing bat boxes and allowing for hedgehog access. Habitat and green corridors will be maintained and created with consideration for the needs of local wildlife and biodiversity.

4.7 Sustainable Water

It is critical that water is taken into consideration in development. Locally, Northampton is classified by the Environment Agency as an area of serious water stress. Nationally, forecasts of future climate trends predict wetter winters.

Going forward we will:

- Ensure that water efficiency measures are built into every new development where possible; even the simple provision of garden water butts will help to reduce stress on local water resources.
- Explore opportunities to integrate Sustainable Drainage Systems (SuDS) where appropriate and practical, creating areas for water retention and soakaways.

4.8 Local and Sustainable Food

We have already seen huge benefits in linking the regeneration agenda with the food poverty agenda in our 'whole neighborhood' approach to regeneration through the introduction of growing areas into several of our existing apartment developments.

Going forward we will:

- Support the wider approach to food poverty by providing space for residents in new-build apartment schemes to grow their own food.
- Explore opportunities to develop and promote community gardens, permaculture and provision for home-grown food by planting fruit trees and bushes as part of a wider land management plan.
- Aim for gardens to be planted with at least one tree, favouring edible fruit trees, and provision will be made for household and community composting where appropriate.
- Signpost new tenants to existing allotments within Northampton.

4.9 Travel and Transport

Access to low cost transport not only supports the sustainability agenda but also supports those on low incomes. We have piloted the installation of secure bicycle storage at several of our existing apartment developments, which has been well received by residents.

Going forward we will:

- Develop information resources for residents on bus and cycle routes.
- Explore opportunities to provide residents with access to low or zero carbon vehicles without the need for ownership.

- Include cycle routes and pedestrian links in development travel plans, providing a safe and convenient means of low carbon transport, along with availability of secure cycle stores.
- Facilitate easy access to public transport, aiming to have every NPH home within proximity to bus stops and other public transport infrastructure and provide information to new tenants on how to access these.
- Install electric vehicle charging infrastructure in line with planning policy.

4.10 Materials and Products

We are committed to reducing embodied carbon where possible in the materials and products used in our new homes.

At one time there were several grants and rebates for renewable energy. Though these are not available as much as they were previously, it is important that NPH remains fully up to date with any opportunities as and when they become available.

Going forward we will:

- Undertake a systematic review of all products and suppliers to assess where we can feasibly improve in relation to:
- Reduced transportation of raw materials and manufactured products;
- Reduced embodied carbon through using recycled materials where possible and using materials that can be recycled at the end of their use; and
- Including life cycle assessments of materials as part of wider procurement decisions.
- Explore all grant and rebate opportunities that are available with installation of new products and systems.

4.11 Zero waste

Our contractors have waste management policies and are committed to working towards zero waste. This strategy provides an opportunity for us to ensure a uniformed approach, drawing on best practice.

Provision for refuse and recycling is included within all designs. This strategy provides an opportunity for us to review the designs to date using engagement and feedback from tenants living in the first phase of homes completed by NPH.

Going forward we will:

- Work with our supply chain to agree a common construction waste management strategy.
- Work collaboratively to adopt a system to enable monitoring and reporting on waste management and other environmental impacts of the construction site, helping to maximise re-use and recycling and minimise waste generation.
- Review waste and recycling provision on our completed housing schemes to get feedback on the ease of recycling.
- Use learning to improve on new developments wherever possible to include communal provision in apartment schemes and individual provision for houses.

4.12 Zero Carbon Energy

Our journey towards zero carbon new build has already started by adopting a fabric first approach to recent schemes. We also maximise the use of renewables and commit to move away from installing gas on new build schemes that start on site from 2021 onwards.

Going forward

- Our fundamental approach will be 'fabric first'; optimizing the thermal performance of components and materials in the building to minimise required energy input.
- We will assess viability for provision of renewable energy on all developments. The appropriate technologies will be determined by the requirements, limitations and opportunities of each site. Examples of technologies are solar PV, solar thermal and ground and air source heat pumps.
- We will use our influence to encourage and facilitate tenants to purchase energy from a supplier of renewable energy.

4.13 Wider policy and strategic context: building sustainable homes

As the change to West Northamptonshire Unitary Council approaches, stakeholders across the region have been working together on the Northamptonshire Climate Change Strategy 2020-23. This is still in draft form and has provided a good opportunity for NPH to engage strategically with this agenda.

On a national level, Bioregional's One Planet Living is still considered to be the leading framework for delivering sustainability strategies. There are many opportunities for training and best practice available through this network, which NPH can access and benefit from.

Going forward we will:

- We will become an active member of the Northamptonshire Climate Officers Group to fully engage with partnership opportunities.

- We will develop our relationship with Bioregional's One Planet Living network to keep up to date on policy and best practice and network with other agencies for the benefit of our tenants.

5. Building communities

5.1 Good design is important for several reasons including but not limited to:

- Building safety;
- Health and wellbeing of occupants;
- Construction costs;
- Sustainability and fuel costs;
- Future maintenance and longevity; and
- Sense of identity, belonging and relationship to the wider community.

5.2 Standard House Types.

NPH has developed a suite of standard house types to drive efficiency in construction and maintenance. In the first phase of development we have completed several of our standard house types, which provides an opportunity to review post occupation from a:

- Construction and buildability perspective;
- Tenant (occupier) perspective; and
- Housing management and maintenance perspective.

Going forward we will:

- Review all standard house types (during 2020/21) with the design team, contractors, NPH's housing management and maintenance teams and crucially, tenants.
- Use the learning to make improvements where necessary. This will include:
 - Maintenance (NPH and tenants);
 - Layout;
 - Materials;
 - Internal fixtures and fittings;
 - Landscaping;
 - Acoustics;
 - Fuel and running costs;
 - Safety and security;
 - Access (in the case of adapted schemes);
 - Buildability;
 - Construction cost;
 - Construction programmes; and
 - Design accuracy.

- All standard house types will be updated by the end of 2021. At this point, examples of all standard house types will be constructed to enable a full evaluation.
- During 2020 we will be implementing tenants' panels to enable consultation with tenants' post occupation to gather feedback on the move-in process and design of their new homes to inform continuous learning.

5.3 Secure by Design (SBD)

NPH has been working towards SBD accreditation for its new build schemes. This has been more demanding on some sites than others. NPH works closely with the Northamptonshire Police Authority's SBD Advisor and measures have been incorporated into the designs of all standard house types and are now part of the planning proposal for all schemes.

In 2020, NPH will be delivering its first scheme with a concierge service built into the management model. This option is not appropriate to all schemes and is very dependent on the location and scale of the scheme. The first scheme will be a useful pilot to review the challenges and opportunities a concierge service brings.

Going forward we will:

- Seek to achieve SBD accreditation on all schemes where possible; and
- Use tenant feedback to on safety and security to inform future development design.

5.4 Fire safety

In compliance with building regulations, all houses meet fire safety requirements. NPH commissions an independent fire safety strategy on developments over three storeys and supported housing schemes.

NPH works closely with Northamptonshire Fire Service to make sure that fire safety arrangements are fully up to date.

Going forward we will:

- Continue to commission an independent fire safety design strategy for all developments over three storeys and all supported housing schemes.
- Install sprinkler systems as standard to all apartment schemes over 18 meters
- Continue to engage with Northamptonshire Fire Service on all larger apartment schemes and supported housing schemes.
- We will implement the requirements of the Building Safety Review, working with the Building Safety Regulator to adopt the 3-gateway approval process.

5.5 Local vernacular and contribution to the built environment.

Standardisation of homes does not apply to the external finishes. NPH seeks to use bricks, roof tiles, window and door treatments that are in keeping with the local vernacular. This is important for homes to have a sense of place and to fit in with their surroundings.

Close attention is paid to master planning, landscaping and highways works on all NPH developments. Loss of open space, reduced parking or increased traffic can negatively impact existing surrounding properties. We therefore seek to invest in ancillary landscaping and environmental works, making a contribution to wider neighbourhood regeneration.

Going forward we will:

- Review how existing schemes fit with local vernacular post completion and consider lessons learned in future designs.
- Continue to mitigate the negative impact on existing properties through well designed landscaping, highways and parking wherever possible.
- Build pathways, parking areas and roads to an adaptable standard.

5.6 Design for manufacture: Off-Site Manufactured Homes (OSM)

To date, NPH has built homes using a mixture of traditional and off-site manufactured approaches. This was known as Modern Methods of Construction (MMC) before it was such a well-established approach.

NPH's standard house types have been designed to suit both traditional and off-site approaches. Off-site methods are typically best suited to schemes that have scale and repetition; apartment blocks and larger housing schemes being two good examples.

NPH is committed to using off-site construction to drive:

- Quality, there is less tolerance for error;
- Cost and programme certainty; and
- Sustainability, less waste and higher thermal performance.

The extent of off-site construction will vary from scheme to scheme and NPH is not committed to one off-site system. To date we have commissioned:

- Light gauge steel constructed at Fusion Factory in Northampton for the Little Cross Street development.



- Manufactured timber was used in the construction of older-persons accommodation scheme, Lakeview House.



- Structured Insulated Panels (SIPs) currently being used at Moray Lodge and Billing Brook Road.



NPH will consider off-site construction first, using traditional methods when needed. We therefore need to ensure that:

- NPH's internal development team establishes BIM (Building Information Modelling in 3-D) to employer requirements.
- Appointed design teams are briefed to design for manufacture;
- Appointed manufacturers are engaged early in the process.
- Contractors are skilled in working with off-site construction and optimise the programme benefits throughout their processes.

Going forward we will:

- Develop the use of BIM across design, contractor and manufacture processes.
- Use options appraisals to make early decisions on construction at concept and feasibility stages.
- Ensure that appointed design teams and contractors are experienced with and supportive of off-site construction.
- Train NPH development and maintenance teams to project manage schemes on site and maintain buildings to a high standard post completion.

5.7 Design for future maintenance and management

The maintenance of homes needs to be considered at design stage. NPH's grounds maintenance, buildings maintenance, compliance and landscaping teams are involved in the specification of new-build homes.

Over the past year NPH has utilised existing technology to provide shared data across teams and facilitate this coordinated approach.

Going forward we will:

- Work with the supply chain to provide regular training to colleagues to ensure the quality of post completion maintenance and repairs. This will include all products and components inside and outside the home.
- Work with contractors to standardise operating manuals for both NPH colleagues and future tenants.
- Work with NPH housing management, grounds maintenance, estate services and maintenance teams in post-project evaluation at 3, 6 and 12 month intervals post completion.
- Ensure we are optimizing the warranty benefits from products and components within homes.

5.8 Design for supported housing needs

NPH has delivered several fully adapted bungalows and purpose-built sheltered housing schemes for older people. We plan to grow in scale and expertise in this area to ensure that we can meet the health and wellbeing needs of residents locally.

Whilst NPH is not proposing to become a care provider, we have already demonstrated our capability to develop and manage supported housing to support local authorities with the growing demand.

Going forward we will:

- Continue to build adapted bungalows and apartments in locations with good connections to services and public transport, to meet the need of the Council's housing register.
- Continue to engage with health and social care partners in relation to emerging needs for supported housing within West Northamptonshire.
- Maximise health and wellbeing benefits for all supported housing schemes, using appropriate design and sensitive landscaping.



Landscaping plans for Billing Brook Road – a scheme for adults with autism. Plans include a sensory garden, exercise space and quiet space, with thoughtful, well laid out planning.

5.9 Investment in local infrastructure

Homes are not just about a place to live - they form part of a community. NPH's whole home, whole neighbourhood approach to regeneration extends to our development programme. We are committed to creating a lasting legacy in the neighbourhoods we manage. We know the difference this makes to health, wellbeing and sustainable communities. Examples of investment to date include:

- Building a new local shop at Little Cross Street;
- Inclusion of a local shop, takeaway and community café at Farmfield Court; and
- Creating good quality outdoor and amenity space in new build apartment schemes, such as Centenary House and Lakeview House.



New play area installed at Centenary House family housing scheme

Going forward we will:

- Undertake community impact assessments in development to identify gaps in local infrastructure;
- Seek external funding where possible to support local infrastructure;
- Ensure quality outdoor amenity space is included wherever possible, including use of roof tops where appropriate; and
- Work with our supply chain to add value through Corporate Social Responsibility.

5.10 Managing quality on site

NPH uses NEC contracts, which dictate specific roles and responsibilities in relation to quality. We continually develop our people to ensure that professional quality stands are maintained. The NPH development team includes staff with RICS, CIOB and ACT qualifications as well as substantial practical experience in construction. Our project management methodology ensures the monitoring of quality and safety at all stages of development.

Health and safety are managed independently by a principal designer who also has a Construction Design Management (CDM) role.

Going forward we will:

- Continue to review skills and expertise, recruiting as required to develop our capacity and expertise.
- We will review our Employers Requirements to make sure that contractors comply with our ways of working and the learnings from post-project evaluation with tenants and NPH teams is incorporated.
- We will continue to embed a culture of continuous improvement and learning.

6. Finance

6.1 The lifting of the HRA borrowing cap has led to increased opportunities to obtain borrowing to develop new homes. The focus for the HRA has shifted from the debt cap to long-term affordability. On the assumption this can be demonstrated, a major barrier to house building has effectively been overcome.

Review of the HRA business plan suggests that capacity has been created. A combination of tenure and borrowing conditions will ultimately impact on the number of homes that can be affordably built. We will continually strive to understand that picture in partnership with our parent council, to ensure that new house building is maximised over the long-term.

Social housing has quite a long yield curve, therefore new homes investments do not get to breakeven point or positive NPV's until late in their useful economic lives. This can put pressure on business plans in the short and medium term and demonstrates why it is essential that programmes are continually reviewed and considered against the 30-year business plan.

The overall aim however is that new housing is a strong asset on the local authority balance sheet over the long-term. NBC's 30-year business plan is in a strong position with good levels of surplus and borrowing potential to deliver a large number of new homes.

6.2 Viability and Affordability

We will always assess viability of a scheme to ensure that it meets criteria in line with the above philosophy. We will also take the wider programme to demonstrate long-term viability of the HRA business plan into account. That gives scope for NPH and the local authority to make decisions on individual schemes that provide wider social benefit (i.e. savings to the General Fund or other government services) subject to overall long-term HRA affordability being demonstrated.

More detail is described below on the general appraisal methodology.

6.3 Project funding

As outlined previously, the new-build programme will mainly be funded from HRA borrowing. This will be supplemented and subsidised by utilising Right to Buy one for one (RtB 141) receipts and Homes England grant funding where possible. Social and affordable house building is not generally viable without these subsidies. They therefore need to be used effectively to maximise the number of new homes built. NBC is a Registered Provider and is therefore eligible for Homes England grant funding. It is anticipated that Registered Provider status will be retained by the new unitary authority.

RtB receipts are repayable to HM Treasury with a premium interest cost if they are not reinvested within three years. It is therefore imperative to use these receipts in the required timeframe to maximise house building potential.

In summary, we need to consider all of the points above when considering any new scheme to drive efficient management of funds and the delivery of a long-term, sustainable and affordable programme.

6.4 Financial planning (appraisal modelling)

As a default, NPH will be looking for schemes to generate a positive NPV. We use a standard appraisal model with agreed assumptions that fit with the HRA 30-year business plan. It is anticipated that this will suffice for investment appraisal of 90% of the house building we do.

An example of current assumptions can be seen in the appendices to this strategy. It should be noted however that these will be reviewed and updated annually, in consultation with the local authority.

There will also be a need at times, as described above, to look outside of the standard model, which may include:

- regeneration schemes with abnormal costs, delivering wider economic objectives;
- different forms of tenure with alternative rents; and
- specialist housing schemes with higher construction costs.

In these circumstances, NPH and NBC will consider individual business cases for viability and expect these cases to be in the minority. In these examples, it may be necessary to evaluate the time period necessary to generate positive NPV on the scheme itself. This will of course link to the wider development programme and the HRA 30-year plan to make sure that full consideration has been given to each type of scheme.

6.5 HRA Capacity

At the time of writing, the 30-year HRA business plan shows that a substantial number of new homes can be developed annually without the long-term viability of the HRA being compromised.

Current estimates suggest that beyond the current pipeline a further 143 homes per year could be built from 2025/26. As there is an immediate need, we want to build as many new homes as quickly as possible. We have modelled the potential to build more homes in the next 10 years and we believe that the numbers in the table below are possible.

This should be caveated that this is the current model and should be continually reviewed and updated at least annually. This will ensure that any significant changes are picked up and reflected and the direction can be altered to ensure that long-term viability is not compromised.

Year	Base Plan	Additional possible	Total
2020/21	219	-	219
2021/22	261	-	261
2022/23	164	200	364
2023/24	224	150	374
2024/25	224	150	374
2025/26	109	200	309
2026/27	107	200	307
2027/28	104	200	304
2028/29	102	200	302
2029/30	99	200	299
Total	1,613	1,500	3,113

7. Risk Management

- Each individual development will have its own risk register. This will include standard construction risk (weather, unforeseen ground conditions, increased build costs) which will have their own mitigations.
- For the Development Strategy as a whole the risks are more strategic; the key risks and mitigations are set out across the page.

Risk	Impact	Mitigation
Insufficient Land availability	The programme could not be developed fully due to insufficient opportunities to develop new homes	<ul style="list-style-type: none"> • Mixed approach to development to include development on council owned land, public sector land, conversions, acquisitions and S106 sites. • Proactive and professional engagement with land-owners and agents
Insufficient funding	Cash flow difficulties in maintaining adequate funding for construction pipeline would create delays and reduced delivery	<ul style="list-style-type: none"> • Lifting of HRA borrowing cap • Access to subsidy through Right to Buy Receipts and Homes England Funding • Opportunities to access alternative funding through private sector lending and investment • Opportunity for cross-subsidy through open market sale
<p>Rise in construction costs Change in political direction (locally or nationally)</p> <p>Change in political direction (locally or nationally)</p>	<p>Rising costs make schemes unviable</p> <p>Lack of political support for NPH to deliver new build housing</p>	<ul style="list-style-type: none"> • Choosing materials with less fluctuations in cost (e.g. steel) • Early contractor engagement • Partnering approach to contracts • Regular engagement with elected members • Close monitoring of national policy and guidance • Promotion of the wider social and economic benefits of delivering affordable housing

8. Delivering the strategy and governance arrangements

8.1 Delivering the strategy

8.1.1 This strategy spans five years, but due to the significant local political changes with the new unitary authority, it will be refreshed in two years to reflect the changing environment. A more detailed action plan will be created annually to enable delivery of the strategy. This will ensure that each year there is also a review of:

- Performance;
- Resources - staffing and funding;
- Land;
- Procurement and supply chain performance;
- Opportunities; and
- Risk.

This plan is more than the delivery of new housing. It commits to the way we consult, design, build and learn from the homes we are creating to ensure year on year improvement, efficiencies and growth.

8.1.2 Progress on the Development Strategy will be reported annually to NPH's Board.

8.2 Governance

8.2.1 NPH has a process of delegated authority in place. Projects are initially evaluated against specific criteria including demand, provision, aesthetic, delivery and finance at a monthly Project Appraisal Group (PAG). PAG is also the internal control mechanism for all development projects. NPH's Development Team report on:

- Development pipeline - highlighting progress, challenges, risks and opportunities;
- Capital monitoring; and
- Proposals for new schemes.

PAG has established two approval 'gateways':

Gateway A

For a scheme to progress through to planning and for recommendation to Housing Delivery Group (see below). The design and cost proposals are reviewed to ensure:

- The scheme meets an evidenced need;
- The scheme design is appropriate for NPH to manage going forward; and
- The scheme is viable following completion of a development appraisal.

Gateway B

For a scheme to progress through to contract, the design and cost proposals are reviewed again as these may have changed due to:

- planning requirements; or
- tender returns that are higher or lower than budget estimates.

A third gateway (Gateway C) is also in operation to evaluate projects post completion and feedback lessons learnt, current pricing and to ensure continued improvement.

8.2.2 A formal and robust set of delegated authorities and financial regulations are approved by the board. This provides delegated authority from the board for approval of projects within set parameters and up to agreed financial thresholds. A formal process is in place requiring formal board approval of certain contracts and where the company seal is required. This includes:

- Contracts signed under seal by board delegation to two board members (smaller schemes); and
- Contracts presented to board for approval (larger contracts or more complex schemes).

8.2.3 Every six weeks NPH takes part in NBC's Housing Delivery Group (HDG). This is NBC's formal process for monitoring and approving schemes where required. At this meeting NPH reports to NBC on:

- Development pipeline - highlighting progress, challenges, risks and opportunities;
- Capital monitoring; and
- Proposals for new schemes.

8.2.4 If schemes require NBC to acquire land or buildings above a certain threshold then the acquisition and funding is approved by Cabinet.

8.2.5 If proposals represent a policy change or require additional funding outside of an existing budget, the proposal is subject to approval by full Council.

Appendices

Financial appraisal assumptions

FINANCIAL APPRAISAL STANDARD ASSUMPTIONS	2019/20			
	Social/Affordable Rent	Shared Ownership	Market Rent	Private Sale
HURDLE EXPECTATIONS				
Basis of Assessment	NPV+Payback Year	NPV+Payback Year	IRR	Profit
NPV term (years)	30	30	30	NA
NPV discount rate	3.50%	3.75%	4.00%	NA
IRR	Cost of capital	Cost of capital	Cost of capital	Cost of capital
Profit	NA	NA	NA	15%
APPRAISAL ASSUMPTIONS				
Rent Level	LHA cap	2.75% of retained equity	Market Rent	NA
Land value	Site specific	Site specific	Site specific	Site specific
Rent Increase	-1% until 2019/20 then CPI +1% for 5 years, then CPI	RPI +0.5% per annum	RPI	NA
Voids/Bad Debts	4%	1%	4%	NA
Management Costs per unit	£240	NA	£240	NA
Repair costs per unit	£700	NA	£700	NA
Major Repairs	£800	NA	£800	NA
Cost Inflation	RPI	RPI	RPI	NA
Build Cost £ p/sqm	£1,600	£1,600	£1,600	£1,600
Professional fees (% of build costs)	6-10%	6-10%	6-10%	6-10%
Contingency (% of build costs)	5%	5%	5%	5%
Marketing/Legal fees (% of capital value)	NA	3.50%	3.50%	1.75%
Target repayment of debt (years)	40	40	40	NA
Interest rate (short and long term)	3.50%	3.50%	3.50%	3.50%
Shared Ownership 1st Tranche	NA	40%	NA	NA
Shared Ownership Staircasing per annum	NA	2%	NA	NA
Property Inflation Rate	2.50%	4%	4%	NA