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Housing

CCH Case Study: NHCF | Researcher: Philippa Hughes | Date: July 2020

North Huyton Communities Future Understanding risk in partnership working





At a glance

- **North Huyton Communities Future (NHCF) is a charity and a company limited by guarantee with three employees managed by a board of local people**
- **NHCF is the successor body to the company that managed the New Deal for Communities programme in North Huyton from 2001 to 2011, including a major demolition and rebuild project**
- **Non-housing activities are: running 2 community centres, funding a small change grants scheme, and paying 2 community anchor groups for local community and youth activity**
- **NCHF is the landlord of 13 affordable homes in the area, which they acquired and refurbished as part of their regeneration efforts**
- **A proposal to expand this by 10 more 'difficult to let' properties in need of refurbishment leased from Knowsley Housing Trust (KHT) ended up being dropped because of a change in management at KHT precipitated by a governance review**



Photos





Overview

NHCF is the legacy organisation from the New Deal for Communities (NDC) programme, which saw significant funding being introduced into 39 deprived urban areas in England between 2001 and 2011.

NHCF is a charity and a company limited by guarantee. It has three staff and is governed by a board of local people who are embedded in the community. NHCF runs two community centres, a small change grant scheme, subsidises two community anchor organisations and is the landlord of 13 homes in North Huyton. Plans to take control of ten more empty properties to rent from a partner organisation, Knowsley Housing Trust (KHT), were cancelled by KHT after they underwent a transition into new management. In North Huyton the NDC included an extensive £200m demolition and rebuild programme, called Revive, which saw the removal of 1,200 properties, many of which were derelict. The ongoing replacement, which is nearing completion, consists of 1,650 new homes, which are mostly family homes for sale at market rates. NHCF is primarily funded by this continued sale of land for new builds from the Revive project.

NHCF owns 13 rental homes which it fully manages through a small executive team of three. Five of these homes were acquired through the Revive programme after being earmarked for demolition and subsequently refurbished instead. Eight were highly visible long-term empty properties purchased by NHCF through the Empty Homes Grant. As they were deeply embedded in the community, NHCF was able to identify which houses were truly long-term unoccupied and entirely unlikely to be sold on. It was also then able to contact and tactfully negotiate with the owners who often held complex emotional attachments to the properties, such as in cases where they had inherited the property from family members or felt a distrust of people outside of the community. The 13 rented homes are allocated by community recommendation

via a board member or through the Knowsley Council's 'Homeless Team'. NHCF finds the locally allocated lets (usually occurring because of new household formation within families who are already living in the area) to be more sustainable due to the nature of the close-knit community and the high needs of the tenants suggested by the Council. NHCF finds working with these high-needs tenants, to sustain their tenancies, to be a significant undertaking. Despite the high input required in some cases, the scheme has been a success generating several long-term tenancies which provide stability in streets and communities which have previously experienced a high turnover of residents. As a result of the successful letting of the 13 homes, in 2014 NHCF began to explore options to extend its housing portfolio to bring life to other abandoned properties in the area. It arranged to take control of ten more long-term empty properties from Knowsley Housing Trust (KHT). However, these plans experienced a delay due to changes in government funding protocol and were eventually called off due to a governance overhaul of KHT which saw all leases to outside organisations cancelled in 2019.

In the proposed scheme, KHT would have leased 10 'difficult to let' properties on three key streets to NHCF who would have undertaken refurbishment in partnership with the local college. NHCF would then have let and managed the properties for ten years, keeping all rent payments to finance the refurbishment and management costs. The selected properties were 'difficult to let' for a variety of specific local issues, often to do with the wider social life of the tight-knit community, which NHCF identified through a phase of 'door to door'

research in the surrounding streets. Therefore, the scheme entailed NHCF not only undertaking the refurbishment and management of properties, but crucially finding sustainable tenants for those properties.

Draft agreements were drawn up in 2016 for the first two identified properties. However, when the new Community Housing Fund was announced it made funds only available to registered providers of social housing, which was not a route NHCF wanted to take. NHCF then needed to delay until it was able to finance the upfront refurbishment costs from its own reserves, contingent on a phased sale of land which had also been delayed. During this period KHT underwent a governance review, along with other registered providers of social housing nationally in response to the Grenfell fire tragedy, which recommended significant changes and resulted in a new senior management team and structure for the organisation. The new senior management team were concentrated on their core offering and cancelled all 'outsourcing' arrangements on its stock, including the NHCF proposal. This was effectively the end of the scheme and NHCF has no further plans to acquire properties. It will focus on the sustainability of its ongoing projects and winding up the land sales from the Revive project.

From its experience, NHCF points out that while partnerships are a great way of working, and often the only way to get things done, CLH organisations cannot control what happens in their partner organisations. This is especially true in places and times when the public and voluntary sectors are undergoing a lot of turbulence.



Quotes

“The direction of the new team at KHT was very much about concentrating on its core offer of social housing in Knowsley and so moved away from any ‘outsourcing deal’ on its stock, which included the North Huyton proposal. Their request was just that NHCF send them sustainable referrals to help them let the problematic properties.”

“NHCF has no plans to acquire any more properties as acquisition and refurbishment costs are too high now as prices in the area have increased dramatically, post Revive – we are a victim of our own success!”

“It was a shame the Our Place scheme and Learning Company idea did not come to fruition but North Huyton is undoubtedly a better place to live now than it was 2 decades ago.”

Tim Molton

Chief Executive, North Huyton Community Futures



Learning points

- **Though partnership working offers great rewards and is often the best way for CLH organisations to achieve their goals, all partnership working involves some measure of risk.**
- **In areas and situations where there is reliance on grant funding, the nature of this grant funding can change and creates the risk of the project no longer being viable**
- **The instability of a partner organisation can make CLH proposals precarious**
- **Local embeddedness can be the key to establishing community led solutions to empty properties and urban decay**
- **Assisting high-needs tenants with sustaining their tenancy can be a labour-intensive role for a CLH organisation that manages properties themselves**

