



Our Reference:

BY EMAIL ONLY

20 November 2015

Dear

Request for Information

Thank you for your email dated 23 October 2015 in which you requested supplementary information regarding LinkedUp Pennine, Lancashire following receipt of our response to a previous Freedom of Information Act 2000 (FOIA) request. For ease we have answered each of your questions separately below.

- 1. Cost and numbers of empty homes to be acquired refurbished and rented out as affordable homes (Purchase and Repair properties), by the contract signed with the full Pennine LinkedUp consortium, led by Rossendale which comprised: Rossendale, Pendle, Hyndburn, Blackburn with Darwen and Burnley councils, and Calico Homes and the Together Group comprising Twin Valley Homes, Green Vale Homes, Housing Pendle?**

Please note that the programme is not referred to as 'LinkedUp'. This reference was a product name that was used by Together Housing to promote the scheme. The programme is known as 'Pennine Lancashire Empty Homes Programme'. It will be referred to throughout the response letter as the Programme.

A total of 474 empty homes were to be delivered under the terms of the Empty Homes Consortium Agreement with a grant allocation of £4.837m. Out of the 474 empty homes, 163 were to be Purchase & Repair units with a grant allocation of £3.06m.

- 2. Cost and numbers of empty homes that were to be leased from their current owner for a period of time, refurbished and rented out as affordable homes (Lease and Repair / Revolving Loan properties), by the contract signed with Rossendale Borough Council?**

Of the 474 empty homes detailed above, 311 were to be Lease & Repair units with a grant allocation of £1.77m

3. Would this “build up” for the bid show some indication of assumed average costs for: property searches and surveys, negotiation and legal fees for purchases or leases, contracts and their administration for repair works, management of residents, and property maintenance?

We can confirm that this is not the case. As communicated in our previous response, the Homes and Communities Agency (HCA) only gathers cost data under generalised headings such as sub structure, superstructure, fittings, furniture etc. for each and every property. The applicant needs to be able to produce information at the level noted if required to do during audit but are not required to submit it as part of their application for payment on IMS.

4. When the bid was first put to the HCA, was the programme, to be delivered by the consortium, broken down into these two distinct areas of delivery, and with two contracts?

The Programme bid included both Purchase & Repair and Lease & Repair options. The Consortium Contract included both; however a separate contract was required to be signed only by Rossendale Borough Council (RBC) to deliver the Revolving Loan units as provision needed to be made for RBC to treat the grant paid as a “loan” to the property owner. The standard Lease & Repair model did not include this facility.

5. In these two contracts, what are their dates, do they provide means to vary their terms: to make changes in the programme, such as costs and numbers, and also the dates and procedures for their annual independent Compliance Audits?

The Consortium agreement signed RBC, Calico Homes and the Together Group comprising of Twin Valley Homes, Green Vale Homes, Housing Pendle and covering both the Purchase & Repair schemes and standard Lease & Repair schemes, was signed by all parties on the 14 November 2012. The Revolving Loan agreement with Rossendale covering only the Revolving Loan Lease and Repair schemes was signed 18 March 2013.

The contracts are to be read in conjunction with the Capital Funding Guide (CFG) which is available on our website [here](#).

The Affordable Homes Programme (AHP) 2011-15 worked on a programme basis and bids required bidders to submit a “bulk” offer from which units would be drawn down as the programme was delivered. In line with this principle the contracts specified the total number of units to be delivered and the maximum grant that could be drawn down to deliver those units together with an indication of which element of the programme was expected to deliver what numbers.

It was accepted that applicants could vary the make-up of their bid say in this case moving units for Lease & Repair in Burnley to Purchase & Repair in Blackburn providing

the units represented value for money, met with the programme requirements and the total number of units to be delivered by the programme as a whole remained as per the contract and the total grant allocation was not exceeded.

The requirements for Compliance Audits and the timing of these are set out in the CFG as a standard across the whole AHP. Compliance Audits are referenced in the Contract but the requirements are detailed in the CFG.

6. What, from the IMS, are the numbers of empty homes entered into the IMS for LinkedUp's two contracts. Would this show: A - the numbers completed and signed off in each by Together, Calico and Rossendale/AAAW and at what cost for each, and B - the numbers remaining in each by Together, Calico and Rossendale/AAAW and at what cost to date for each?

The number of units to be delivered under the contract were initially registered as "bulk" and then drawn down into individual schemes as properties were identified and then purchased and/or leased. The total on IMS at any time would therefore always add up to that shown in the contract. When the applicant believed a scheme/unit was likely to progress the scheme/unit details were registered on the system as an "offer" and basic viability checks carried out. If the scheme appeared to fit the programme criteria and the terms of the contract the HCA approved the submission and allowed a scheme submission to be made for a start on site. The first stage is generally referred to as the "offer" stage and the latter the "scheme" stage. The scheme stage requires significantly more detail and can be approved in advance of a start on site being made. When a physical start on site has been made (this requires the applicant to have a legal interest in the unit, planning permission ,if required, and the contractor to have made a physical start on site) the applicant could make an application for an interim grant payment. When the scheme/unit was complete a further full submission was required including all cost and tenure details and all legal documentation including a completion certificate had to be in place. If approved a final completion, grant claim could be submitted.

At each stage, data submitted on IMS is checked by the HCA to ensure compliance with the requirements of the programme. The system would therefore always show the schemes the applicant considered to be viable, the schemes the applicant had started, the schemes the applicant had completed and the balance to be delivered under the contract (the "bulk" units).

The Consortium Contract when originally signed indicated a total of 311 of the 474 units to be delivered as Lease & Repair, and 163 units to be delivered as Purchase & Repair. The Revolving Loan programme was a subset of the Lease & Repair. The contract that was drawn up with RBC, as the only signatory for the Revolving Loan units, was for convenience and to allow terms specific to the form to be included.

The Together Group delivered a total of 80 units a mix of Purchase & Repair and Lease & Repair units supported by £1.33m grant from the HCA. Calico delivered a total of 14 Purchase & Repair units in the Burnley area supported by £263,200 grant from the HCA.

We are not able to confirm the final number of units delivered by RBC/AAAW as RBC have not submitted any grant claims since AAWW ceased trading in January 2015. IMS has not been updated since then so we do not hold the information.

7. Could HCA provide a list of persons/posts held, involved with Pennine LinkedUp, who had/have User Name and Password access to IMS, to either add/change/delete data, or to just to view the data; together with the dates of their access periods?

All the signatories to the Programme Consortium Agreement are registered users of IMS with a number of potential users at Together Housing, Calico, Twin Valley, Green Vale Homes, Housing Pendle and Rossendale Borough Council. The consortium members are also delivering schemes that are not part of the Programme. The system does not record when users access the system to view data, only when changes are made and schemes are approved for submission. Amendments are typically made by a number of users during the lifetime of a scheme. With a total of 474 individual scheme submissions in the Programme, all with a several system entries and amendments, and potentially 50 or more users with access to the system, it is not possible to list all users and the dates they had access to IMS.

8. Companies House – AAWW Ltd filing history - 19 September 2014 - “RES13 – Application to homes and communities agency and shareholder meetings 28/08/2014”. Did HCA have any involvement with AAWW Ltd in connection with Pennine LinkedUp?

AAWW Ltd applied in May 2014 to become a Registered Provider of Social Housing. The HCA confirmed eligibility to their first stage application in June 2014 which only included basic details. AAWW did not submit a second stage application. We have no record of AAWW making any application to become an Investment Partner. The HCA has had no other contact with AAWW other than as an attendee at update meetings hosted by the Programme partnership.

9. HCA’s Bringing Empty Homes back into use bidding guidance, November 2011, refers to: £100m capital funding, within the 2011-15 Affordable Homes Programme (AHP), set aside to tackle long-term empty properties, intended to deliver at least 3,300 affordable homes by March 2015. How many long-term empty properties have come back into use from this funding and how much was used? What are the costs and numbers delivered by Purchase and Repair, and by Lease and Repair / Revolving Loans, as used in Pennine LinkedUp?

A total of 3,504 empty homes have been brought back into use through the programme at a cost of £61.8m outside the London area. The sum quoted in the guidance document included London when issued, however the Greater London Authority (GLA) took over responsibility for the delivery of AHP in London in April 2012. Therefore we do not hold figures for what was delivered by the programme in the London area. You may wish to re-submit this part of your request to the GLA, and we have provided you with their contact details below:

Post: Public Liaison Unit
Greater London Authority
The Queen's Walk
London
SE1 2AA
Email: mayor@london.gov.uk
Fax: 020 7983 4057

If you have any questions regarding this response or any further queries you can contact us at the following addresses and quote your unique reference number found at the top of this letter:

Email: mail@homesandcommunities.co.uk
Mail: Information Access Officer
Homes and Communities Agency
Fry Building
2 Marsham Street
London
SW1P 4DF

If you are unhappy with the way Homes and Communities Agency has handled your request you may ask for an internal review. You should contact

Head of Legal Services
Homes and Communities Agency
Fry Building
2 Marsham Street
London
SW1P 4DF

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

Yours sincerely

Naomi McMaster
Information Access Officer
Homes and Communities Agency

Homes and Communities Agency
Fry Building, 2 Marsham Street, London, SW1P 4DF

0300 1234 500
homesandcommunities.co.uk

