

AWICS Housing News

December 2017



Clouds over the Houses of Parliament at Westminster where the budget was delivered in November 2017!

Contents:

Budget 2017: The Implications for Housing	1
Home Truths: A Progressive Vision of Housing Policy in the 21st Century	3
Local Housing Allowance Survey	5
Does Brexit threaten the Government's housing plans?	6
Housing Business Planning in Slough	8
Eildon Housing Association enters into Innovative Partnership	10
Community Housing Cymru calls for review of Affordable Housing	11
Housing in Northern Ireland	12
Editorial note, AWICS Surveys, Service Charges in Social Housing	14
Other AWICS Seminars	15
About AWICS	16
Advertisement – Infobase Cymru	17

Budget 2017: The Implications for Housing

Philip Hammond, the Chancellor of the Exchequer, unveiled his latest budget on Wednesday 22nd November 2017.

The underlying position of the United Kingdom economy is weak. This leaves the Chancellor wanting to increase expenditure to stimulate demand at a time when public debt is high, there is already a deficit, productivity is low, 'Brexit' is causing 'uncertainty' and projected growth in revenues is low.

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.

The Chancellor announced £44billion of capita funding loans & guarantees to support the housing market to deliver 300,000 homes a year on average by the 2020s. This represents 88% of the amount that Sajid Javid, the Secretary of State for Communities & Local Government was reported to have requested. However, there were few details provided and the sector will be disappointed that the government is not planning to achieve the required level of house building until the 2020s. An announcement about the details of the housing schemes is expected to be made by Sajid Javid soon.

The package includes £15.3billion of new investment and support. This consists of:

- Confirmation of an extra £2billion of investment in affordable housing, including for social rented homes.
- £1.1billion for a new Land Assembly Fund
- An extra £2.7billion for the Housing Infrastructure Fund
- A further £630million for infrastructure and remediation on small sites
- A further £1.5billion for the Home Building Fund targeted at Small and Medium Enterprises
- The creation of £8billion worth of new guarantees to support a range of housebuilding
- Up to £1billion more housing revenue account headroom for councils in high demand areas up to 2021/22

There will be an extra £2.7billion to more than double the housing infrastructure fund; and £400million for estate regeneration. Five new garden towns are to be created.

The Homes & Communities Agency is to expand to become 'Homes England' bringing together money and expertise, and planning and compulsory purchase powers with a remit of ensuring sufficient new homes are provided and an improvement in affordability. However, few details were provided regarding what this would mean.

Philip Hammond stated that there was a need to train more construction workers – presumably to replace those construction workers from other European Union countries who will not be available in future.

Despite these announcements, the Department for Communities & Local Government revenue budgets for housing are set to be reduced from £2.8billion in 2017/18 to £2.3billion in 2018/19 and £2.2billion in 2019/20; although capital budgets are to be increased from £7.7billion in 2017/18 to £8.6billion in 2018/19, £10.5billion in 2019/20 and £11.6billion in 2020/21.

The Budget has confirmed the Government's intention to proceed with a large-scale regional pilot of the Voluntary Right to Buy scheme in the Midlands. As there are a range of different housing markets in the Midlands it is intended that the pilot will provide valuable learning ahead of the roll-out of the national scheme.

According to the Budget documents, local authorities will be invited to bid for increases in their caps from 2019/20 up to a total of £1bn by the end of 2021/22. The government will monitor how councils respond to the offer and 'consider whether any further action is needed'.

Local authorities will welcome the government's decision to lift housing revenue account 'borrowing caps' for councils in high demand areas. However, it is not clear how 'high demand areas' are to be defined or whether there will be any strings attached. Neither is it clear why local authorities will have to wait until 2019/20 for the scheme to start.

The government has struck a 'housing deal' with Oxfordshire that will see the county and its five districts work together to produce a 'joint statutory spatial plan' that will result in 100,000 homes being built in Oxfordshire by 2031. In return, the councils will receive:

"A package of government support over the next five years, including £30m a year for infrastructure and further support for affordable housing and local capacity".

The Chancellor announced £28million for three new 'housing first' pilots to reduce rough sleeping in Birmingham, Liverpool and Manchester. They will also provide £20million to support people at risk of homelessness to obtain tenancies in the private rented sector. There is to be a homelessness task force to halve rough sleeping by 2022 and eliminate it by 2027. It has been suggested by critics, though, that the funding envisaged will not be sufficient and that it will not be possible to eliminate homelessness unless house building is increased significantly.

The United Kingdom government's commitment to subsidising home-ownership remains strong. The Chancellor announced an end to stamp duty on homes purchased for less than £300,000, and a reduction on homes purchased for less than £500,000 for first time buyers. It is intended that this will result in the purchase of an additional 3,000 homes and the Office for Budgetary Responsibility has calculated that it will increase house prices by 0.3%. It was not stated what the cost of this would be in reduced revenues and some commentators have suggested that its effect will be to increase house prices further.

Some additional resources were made available for welfare with £1.5billion allocated to addressing some of the problems that have been identified with Universal Credit. However, no plans were announced to relax the 'benefits freeze' despite the increase in inflation.

I have written a briefing paper that summarises the budget with particular reference to its implications for public services and provides some commentary.

Upon reading the briefing paper a County Councillor emailed me to say:

"Thanks, Adrian: prompt and impressive analysis, as ever."

And a Housing Manager in a London Borough Council emailed me to say:

"Thank you – the Budget paper is very useful."

To download your copy, please click here: http://awics.co.uk/files/module_document_pdfs/budget_2017_-_the_implications_for_public_services_-_briefing_paper.pdf

Home Truths: A Progressive Vision of Housing Policy in the 21st Century

The 'Tony Blair Institute for Global Change' has published an interesting report entitled 'Home Truths: A Progressive Vision of Housing Policy in the 21st Century'. It sets the 'housing crisis' in the United Kingdom in an international context, finding that there are common issues with housing in all developed economies; and finds that existing policies based on using public funds to increase housing supply are ineffective and contribute to political instability. In introducing the paper, Tony Blair said that:

"The Paper marks a departure in housing philosophy. Whilst we celebrate the virtues of home ownership, it is time to acknowledge that for many a flourishing rental sector is essential and housing needs are not always served by the focus on ownership to the exclusion of other forms of tenure."

The report sets out what it calls a bold new progressive agenda for housing reform. It argues that many governments today are caught between the competing interests of different housing tenures; and that the result is timid policy that tinkers at the edge of the housing market. The goal of the report is to move past the gridlock to forge a new political consensus that balances the aspirations of renters and homeowners and builds a future of shared prosperity.

The report begins with the principles that it describes as follows:

“For decades, the goal of housing policy has been to boost homeownership. But the promise of these policies has recently given way to their pitfalls: levels of homeownership are at record lows, while levels of rental sector evictions are reaching record highs. Progressive housing policy must therefore be rooted in a broader set of principles: providing security for all tenures, promoting community between residents and newcomers, and guaranteeing macroeconomic stability against excessive property speculation.”

The report argues that the dominant housing policy paradigm in the developed world is in decline: Evidence of its shortcomings is everywhere. Across the Organisation for Economic Co-operation & Development area, house prices are soaring, engendering a crisis of living standards among renters and endangering urban economies with the risk of a real estate bubble. As this crisis deepens, the cry for housing reform grows louder.

The report argues that the standard prescriptions for the housing problem are based on a misdiagnosis. It is a common observation today that the housing crisis is a ‘simple’ equation of supply and demand. It follows from this formulation that governments should simply encourage housing production, and the markets will correct. However, the report concludes that this policy approach mistakes the symptom for the disease: rather than address the underlying causes of the housing crisis, and it applies public resources to paper over it.

The poor performance of these short-term solutions has harmful knock-on effects on our politics. The report outlined the key links between recent dynamics in the housing market and the dimensions of democratic dysfunction. Among these is the rise of a class of homeownership ‘winners’ that remains deeply resistant to housing policy reform — for good reason. Over the last two decades, they have come to rely on their homes as a nest egg for retirement, and radical housing reform threatens this source of financial security. Yet the strength of the homeownership constituency has hardened taboos around policies like property taxation that will be necessary to set the housing market on more sustainable tracks.

The report aims to break those taboos to develop a new progressive vision for housing policy. The vision builds from core progressive principles: ensuring security, building community, and maintaining stability. These principles openly acknowledge the ways in which housing policy involves trade-offs — and that the role of the policymaker is to mitigate them. To that end, the report sets out five policies that are geared toward all contexts struggling with housing provision. Some of these proposals are fairly well established in the policy arena: the Land Value Tax, for example, has many advocates in the United Kingdom, although the conversation around Land Value Tax is less developed in other parts of Europe and North America. Other proposals, like the Sovereign Property Fund, offer a new set of tools for forward-thinking policymakers. Still others hope to draw attention to the close ties between the housing crisis and more distant arenas of policymaking, like transportation and infrastructure.

The report proposes five new policy ideas that it says would mean a bold and ambitious agenda to solve the housing crisis; and in doing so, resolve part of the underlying causes of political alienation and dissatisfaction with democracy. The proposals are:

- To replace the outdated and discredited Council Tax with a Land Value Tax, building on the best practice from abroad and establishing a fairer and more rational system of property taxation.
- Re-zoning upwards, outwards and inwards to expand the possibilities of more housing construction.
- A new Sovereign Property Fund to support property acquisition by local councils for the express purpose of housing construction and rehabilitation.
- A Rapid Transit Network to accompany the housing regeneration, which through rail, bus and cycle links joins central urban districts to peripheral zones and not only in London but across Britain.
- A new Social Contract with rental sector tenants which extends the standard minimum tenancy to three years, limits rental inflation to the consumer price index over that time and provides stronger protections from eviction.

The report can be found on the 'Tony Blair Institute for Global Change' website at: <https://institute.global/insight/renewing-centre/home-truths-progressive-vision-housing-policy-21st-century>

Local Housing Allowance Survey

The Local Government Association has published an interesting report entitled: 'Local Housing Allowance Survey: Final Report'. This survey looks at the effects of the freeze on local housing allowances (that determine the entitlement of private tenants to housing benefit and the housing element of universal credit).

The Local Government Association's budget submission argued for the lifting of the Local Housing Allowance freeze as part of wider housing and welfare reforms. To further its work in this area, the Local Government Association carried out a survey of housing managers working within local councils in England to gather insight into the effect – or likely effect – of the Local Housing Allowance freeze on local housing, ranging from homelessness to house building.

The survey found that homeless household numbers have increased:

- The numbers of households accepted as homeless, since April 2016, had increased according to 76% of respondents (53 councils).
- Of those who said that homeless numbers had increased, 63% (33 councils) said that the Local Housing Allowance freeze was responsible to 'some' extent and 27% (14 councils) said it was responsible to a 'great' extent.

The survey found the following changes in per head costs:

- Temporary accommodation: Of those who said per head costs had increased or significantly increased, 54% (27 councils) said that the Local Housing Allowance freeze was responsible to 'some extent' for this rise and 22% (11 councils) said it was responsible to a 'great' extent.
- Homelessness prevention: Of those who said per head costs had changed, 48% said that the Local Housing Allowance freeze was responsible to 'some extent' – 21 respondents were referring to a significant increase or increase and two were referring to a decrease.

- Homelessness administration: Of those who said per had costs had significantly increased or increased, 71% (34 councils) said that the Local Housing Allowance freeze was responsible to 'some' extent for this rise, while 15% (seven councils) said it was responsible to a 'great' extent.

The survey found the following changes in the housing market:

- 90% of respondents (65 councils) said tghat the local housing market in their area had seen a shift by private sector landlords away from providing housing options for tenants in receipt of benefit, since April 2016.
- Of those who had observed a shift, 47% (30 councils) said that the Local Housing Allowance freeze was responsible to 'some' extent and 42% (27 councils) said it was responsible to a 'great' extent.
- 43% of respondents (31 councils) said that the local housing market in their area had seen a shift by 'social rented landlords (such as housing associations)' away from providing housing options for tenants in receipt of benefit, since April 2016.
- Of those who has observed a shift, 55% (17 councils) said to 'some' extent that the Local Housing Allowance freeze was responsible.

The survey found that the Local Housing Allowance freeze has had the following impact on the building of new homes:

- 51% of respondents (35 councils) said that the Local Housing Allowance freeze had had 'no impact' on the building of new homes by local authorities in their area.
- 37% of respondents (26 councils) said housing associations were 'building less' as a result of the Local Housing Allowance freeze – a similar number (34%, 24 councils) said they were unsure of the impact on housing associations.
- 51% (35 respondents) were unsure about the impact of the Local Housing Allowance freeze on the building of new homes by private organisations.

Regarding the future impact of the freeze if it is not lifted the survey found that:

- 96% of respondents (68 councils) said homelessness would 'increase' if the freeze was not lifted up to 2020.
- 94% of respondents (68 councils) said it would be 'more difficult to meet the requirements' of the new Homelessness Reduction Act if the freeze was not lifted up to 2020.
- 68% of respondents (50 councils) said council budgets would 'have to increase' if the freeze was not lifted up to 2020.
- 37% of respondents (27 councils) said there would be 'less home building' if the freeze was not lifted up to 2020.
- 92% of respondents (67 councils) said lifting the freeze on local housing allowance rates, and better aligning them with rents, would help to reduce homelessness in their area.

Clearly the freeze is not helping with the housing crisis and I would agree with the Local Government Association that a review of the policy would be appropriate.

The report can be viewed on the Local Government Association website at: <https://www.local.gov.uk/sites/default/files/documents/LGA%20Local%20Housing%20Allowance%20Survey%20Final%20Report.pdf>

Does Brexit threaten the Government's housing plans?

The 'Guardian' has reported that key construction projects including the government's target of increasing house-building in England to 300,000 units a year, could be in jeopardy if Britain does not retain access to the European single market after Brexit.

A survey of 37,000 housebuilding workers across 1,000 house building sites in Britain conducted by the Home Builders Federation shows that 18% are from the European Union. More than half of those come from Romania, with 12% from Poland and almost 10% from Ireland. In London, where housing demand is at its most acute, some building skills are dominated by European Union workers, with more than 70% of carpenters, 63% of demolition and ground-works workers, 61% of general labourers, 54% of plasterers, painters and decorators, 44% of bricklayers and nearly 40% of roofers being from other EU countries.

In London, 56% of workers in the housebuilding sector are from outside the United Kingdom and 50% are European Union nationals. Of those, half come from Romania, 9% from Bulgaria, and 6% from Poland.

The survey demonstrates that the construction industry in Britain relies on workers from other European Union states. The federation said its report was the first extensive survey of the sector and showed that builders would need continued access to skilled European Union workers following Brexit to deliver the government's target of building 300,000 homes a year.

The federation is lobbying the government for a special permit system (similar to the mooted barista visas) that would allow housebuilders to recruit workers from the European Union after 2019 to increase construction from the 217,00 homes built last year. It is likely that if construction workers from elsewhere in the European Union are not available in the United Kingdom the rate of construction would fall and the cost of construction, repairs and maintenance would increase.

The Home Builders Federation said that although tens of thousands of United Kingdom-born workers have been recruited and trained in recent years, training took time and would not be enough to meet demand. It said that with an ageing United Kingdom workforce, the reliance on European Union nationals was likely to grow. About 70% of overseas workers are in their twenties or thirties compared with just over 50% of their United Kingdom colleagues. Federation spokesman Steve Turner told the 'Guardian' that:

"We needed evidence that demonstrates housebuilding should be treated as a special case; hopefully this quite clearly demonstrates that it is a special case and heavily reliant on European Union labour."

And Stewart Baseley, the Federation's executive chairman, said that:

"The results of this census clearly demonstrate the reliance the industry currently has on non-United Kingdom workers. Output is up a massive 74% in recent years but achieving the very challenging targets set by government will require further big increases in workforce capacity. While the industry is investing heavily in recruiting and training young people leaving our schools, colleges and universities, continued access to overseas workers is absolutely essential."

Another survey of 400 housebuilding companies by McBains has found that the construction of new homes has fallen significantly since the European Union referendum. It also found that house builders are sceptical that the government's target of building one million new homes by 2020 will be met.

The survey shows just 38% of respondents had increased their rate of house building over the last year. This compares to 50% of house builders when asked the same question in a previous survey undertaken for McBains in May 2016 before the European Union referendum.

London is the area where the rate has increased most over the last year – 50% of respondents said their rate of house building had increased, but this is down compared to 2016 when 60% of respondents said they had increased their rate.

Housebuilders blamed the decrease on a weakening of demand (38% of respondents), not enough skilled labour (22%), non-availability of finance (22%) and planning permission taking too long (22%).

The survey also found that only 30% of house builders think the government's ambition of building a million homes by 2020 will be achieved. The main reasons house builders think the target will not be met are:

- Not enough land (48% of respondents)
- Planning permission taking too long (41%)
- Non-availability of finance (37%).

The survey also asked house builders what they thought the government should do to increase house building with 36% of respondents saying it should release more publicly-owned land and 32% wanting incentives for large construction companies to develop more quickly. Other findings from the survey were that:

- Asked what the biggest issue facing their company at the moment in terms of restricting the amount they can build, 28% of respondents cited land availability and 24% skills shortages;
- The trades where those skills shortages are most acute is in general construction professions (33% of respondents) and bricklayers (17%);
- The reliance of the house building industry on skilled itinerant workers from outside the United Kingdom: on average, house builders say non-United Kingdom citizens account for 20% of their labour force but this increases to 33% in London;
- 36% of respondents say they are worried about Brexit impacting the availability of workers because of freedom of movement restrictions (47% in London);
- One in five house builders (26%) have found it harder to recruit staff from non-United Kingdom countries since the European Union referendum, with this worst in London (38%);
- Half of house builders – and almost six in 10 in London – are also worried about the impact Brexit will have on their business in terms of fewer properties bought by overseas buyers.

Michael Thirkettle, Chief Executive of McBains, told 'Housing 24' that:

"This survey shows the shadow of Brexit still looms large over the house building industry. Uncertainty over the terms of European Union withdrawal are having a real impact, with the survey showing a weakening of demand because United Kingdom investors are biding their time on committing to new projects."

Housing Business Planning in Slough

Slough Borough Council owns and manages over 7,100 rented and leasehold. Its ambition is to retain ownership of its good quality housing stock, regenerate areas where this is necessary, build new homes and offer homes to residents at affordable, but realistic, rents.

In the short-term the housing revenue account remains financially strong and will allow the council to continue to invest £100million over the next seven years to repair, maintain and invest in its current stock, whilst investing £40million in directly developing new, affordable, homes over the next four years.

This follows the regeneration of Britwell, which saw the Council investing significantly in improving the infrastructure and safety of the area as well as delivering a new community hub and 258 new homes.

The Your Homes, Our Homes Project will see the re-commissioning of repairs, maintenance and investment services that will offer opportunities to invest in Slough's neighbourhoods and communities further and to provide truly customer focussed services to residents. It will also provide the opportunity to build a local, in-house capacity to undertake maintenance work. The Council remains committed to realising its vision of ensuring that neighbourhoods provide a safe and healthy environment for all residents and visitors.

The Council's priorities for service delivery will be to:

- Design and commission an innovative repairs, maintenance and investment service;
- Engage and empower residents to influence decisions that affect them, their home or their neighbourhood;
- Deliver efficiencies to maximise income and commercial opportunities to generate additional income to invest in the Council's housing stock and contribute to the development of new, affordable, homes;
- Achieve value for money through the rigorous management of contractors and other agencies;
- Take prompt, effective action to tackle anti-social behaviour and enviro-crime to ensure that all neighbourhoods provide a safe and healthy environment for all residents and visitors;
- Deliver a focussed landlord service that meets the Council's statutory housing duties and complies with current legislation and which is accessible to all of the Council's current and potential tenants and leaseholders
- Review the Tenancy Strategy and the Allocations Policy to reflect the Council's aims and ambitions as well as residents' needs and expectations.

Priorities for investment of housing revenue account resources are:

- Repairs, maintenance and investment programmes for Council owned homes
- £40million developing new homes for residents in need of affordable homes.
- Compliance with regulatory and legislative requirements in relation to services delivered
- Shifting the money spent on works to property away from reactive day to day repairs and towards planned and cyclical maintenance and investment works
- Modernising and maximising the use of IT systems to achieve efficiency savings

The Council has taken an ambitious but responsible approach to the management of its housing finances. An important part of this is its approach to borrowing and debt. The Government has set a limit of £177million on the total amount of debt the council can use for the housing revenue account. None of the current commitments will trigger borrowing up to this level. The council's Treasury management is responsible and prudent and focussed on lowering the amount of debt to reduce interest payments. The Council is committed to repaying as much of its debt as soon as possible but acknowledges that they are not in a position to pay off debt in its entirety at the present time.

Over the next four years the Council is committed to using its reserves to fund the programme to build new homes whilst maintaining at least £1million in reserves to protect the housing revenue account from unexpected fluctuations in income and expenditure. Beyond this the Council will need to decide on the right balance between investing in new and existing homes in the short and medium term, which will increase liabilities, and containing or reducing debt. One factor in this decision will be the rent levels to charge on newly-built homes.

Although the housing revenue account is strong in the short term, there are significant uncertainties and threats in the future, including:

- The long-term impact on income of the Government taking control of rent setting;
- The impact of Government policy to force the sale of 'higher value' Council homes as they become empty
- The effect on HRA income of welfare reforms and, in particular, the introduction of Universal Credit and further caps on the total amount of benefits that a household can receive

The Business Plan shows that if the impact of these, operating either singly or in combination, is significant, they could threaten existing investment plans and lead to the council being faced with difficult choices on how to prioritise investment. Together these uncertainties and threats represent the endpoint of what had previously been regarded as a long-term agreement with the Government over the self-financing of the HRA.

The full business plan can be viewed on the Slough Borough Council website at: <https://www.slough.gov.uk/downloads/HRA-business-plan.pdf>

Information about business planning and the assistance that can be provided by AWICS can be found at: <http://awics.co.uk/business-planning>

Eildon Housing Association enters into Innovative Partnership

Kevin Stewart MSP, the Scottish minister for local government and housing, has offered his support to an innovative partnership agreement between Eildon Housing Association and Hart Builders that will deliver at least 388 high quality new affordable homes across nine sites in the Borders.

During a visit to the first of these developments to get underway, at Sergeants Park, Newtown St Boswells, the minister witnessed the formal signing of an agreement that will be a key plank in the record breaking investment being made in the Borders by Eildon Housing Association, supported by Scottish Government grant funding. This programme is part of the Scottish Government's commitment to deliver 50,000 new affordable homes across Scotland. Kevin Stewart said that:

"Making sure everyone has a safe, warm and affordable home is central to our drive for a fairer and more prosperous Scotland – and our ambition to deliver 50,000 affordable homes during the lifetime of this Parliament will help to deliver this.

"I am therefore delighted that our support of Eildon Housing Association will help this innovative partnership with Hart Builders to provide 388 much needed affordable homes at nine sites across the Borders, and I'd like to congratulate all those involved in getting the first of these developments underway.

"I also welcome the news that over the next three years this building programme will deliver a wide range of benefits for local communities- including employment opportunities, schools' initiatives and site based work experience."

Nile Istephan, Chief Executive of Eildon Housing Association said that:

"Eildon is delighted to be taking forward this record breaking investment in our local communities. The social and economic impact of housing investment is truly transformational, and the scale of this investment will generate benefits for our communities for generations to come. We appreciate the grant support provided by the Scottish Government alongside our partnership arrangements with Scottish Borders Council, in taking this work forward.

“The scale of the programme, covering several years and being delivered across various sites, means that we are able to carefully plan the delivery of these new homes to make the maximum impact in terms of new homes and training and employment opportunities. We look forward to working with Hart Builders, their sub-contractors, our wider design teams, as well as Scottish Borders Housing Association, in delivering this ambitious programme.”

Colin Macdonald, Managing Director of Hart Builders (Edinburgh), said that:

“Hart Builders are delighted to formalise and extend our successful working relationship with Eildon. Working in partnership on nine sites over the next three years offers a unique opportunity to showcase the benefits of a multi-disciplinary approach to developing much needed affordable homes in the Borders. Many of the sites involved in the programme have challenging constraints that require innovative technical solutions which need tested to ensure buildability, affordability and long-term sustainability can be maximised.

“Equally important, our partnership also allows us to jointly develop a wide range of community benefits and offer local training and employment opportunities, capacity building for local businesses, schools initiatives, site based work experience in conjunction with DYW and Scottish Borders College and hopefully some interesting community projects which residents of all ages can be involved in.”

Handovers will commence in the spring of 2018 once the first houses at Sergeants Park in Newtown St Boswells are completed; after completion Eildon will have provided 115 new homes on this site. The Partnership is looking to deliver at least 127 new homes in Galashiels along with an extra care scheme for older people providing 38 self-contained apartments. 66 new homes are planned at the former high school site in Earlston with further plans to redevelop Tweedbridge Court in Peebles, replacing it with a mix of 34 houses and flats. A key element of the Partnership is to work with local communities to create a legacy that goes beyond the provision of the new homes, as such Eildon and Hart Builders are working with the Borders College to explore training, employment and other community benefits that can be factored into the programme.

Community Housing Cymru calls for review of Affordable Housing

Community Housing Cymru, the membership body for Welsh housing associations, has called for a review of the affordable housing policy in Wales to enable housing to achieve its full potential to improve people’s lives and the places in which they live. The call comes as Community Housing Cymru announces its twenty-year vision for housing associations in Wales, that includes a commitment to double the sector’s delivery rate by building 75,000 new homes and creating 150,000 jobs by 2036.

The twenty-year vision, revealed at Community Housing Cymru’s Annual Conference, pledges to make good housing a basic right for all in Wales by 2036 by establishing housing as the starting point for successful lives and successful places.

Ten years ago, the Essex Review of Affordable Housing in Wales laid the foundation to enable housing associations to achieve more. Today, housing is firmly established as a priority in Welsh Government’s Prosperity for All strategy. However, Community Housing Cymru wants to see even more ambition, improved partnership working and recognition that affordable housing is the key to prosperity so that housing associations can do even more to tackle Wales’ housing crisis and add value to communities across Wales.

Community Housing Cymru's 'Housing Horizons' vision outlines a plan to increase and accelerate the work housing associations are already doing to make Welsh communities more healthy, prosperous, and connected. Other commitments for 2036 include:

- Spending 95p of every pound in Wales
- Exploring the establishment of a housing innovation hub to enable the development of flexible homes to meet people's changing needs
- Ensuring that all housing association homes will meet near-zero-carbon standard

The call for a housing policy review, alongside the launch of the sector's long-term vision, comes as new figures reveal the vital economic impact of Welsh housing associations. Data released today in Community Housing Cymru's latest Socio-Economic Impact report demonstrates that, in 2016/17:

- Welsh housing associations built 2,207 homes - an increase of 17% on last year's figure.
- 34% of these homes were built without Social Housing Grant.
- The sector directly spent over £1billion, with 84% ploughed into the Welsh economy.
- For every person employed by a housing association, another one and a half jobs are supported elsewhere in the Welsh economy.

Stuart Ropke, Chief Executive of Community Housing Cymru said that:

"Our vision for Wales in 2036 is one where good housing is a basic right for all. Housing is the cornerstone of a stable community – it affects our health, the connections we make within communities and, fundamentally, the prosperity of our places.

"From doubling the delivery rate of affordable homes to ensuring that the right services are built around these homes, it's crucial that we establish the most effective policy environment to create a solid foundation for current and future generations. This is why we need a review of housing policy in Wales.

"Our latest socio-economic impact report demonstrates that we have a strong track record of building, investing and re-investing. We have big ambitions and we're embarking on this next stage of the journey to build a stronger and more prosperous Wales, but we cannot do it alone. Today, we're laying down a challenge to housing associations and our partners across the public, private and third sectors to work together to ensure that good housing is a basic right for all in Wales by 2036."

Housing in Northern Ireland

The Northern Ireland Federation of Housing Associations have published their 2017 Global Sector Accounts. They show that during 2016/17, Northern Ireland's twenty housing associations spent £289million, delivered more than 1,600 new social rented homes, and helped just under 700 people to purchase their first home. The accounts also show that the sector continues to be a key economic driver in the region, with annual turnover of £312million and total assets of £3.5billion.

Housing associations are among the largest social enterprises and charities in Northern Ireland, employ 3,226 staff and manage 49,332 housing units. In addition, housing associations and their partners spend £8.7million each year investing in other facilities and services in their local communities.

Ben Collins, Chief Executive of the Northern Ireland Federation of Housing Associations told '24housing' that:

“The report presents a picture of a strong and resilient sector, showing balance sheet growth and the generation of surpluses to fund the building of new homes and ensure continued delivery of quality services to tenants. However... it should be noted that overheads have increased by 13.5% and surpluses decreased by 4.8% from 2015/16, which highlights the challenging environment in which housing associations operate.

“Housing associations continue to provide much needed homes and services which otherwise would not be delivered... We are keen to do more, working in partnership with the public and private sectors... Focusing on continued efficiency and securing a positive public policy environment will be key to achieving this.”

One of the most significant challenges during the year was the collapse of the Northern Irish Executive in January that led to a delay in the setting of rates, and a decrease in the 2017/18 development target due to a reduction in the capital spend budget. Other issues affecting the sector include the potential impacts of Brexit, reduced revenue streams – especially within the Supporting People programme – and welfare reform including the introduction of Universal Credit.

Meanwhile, the Northern Ireland Department for Communities has announced that the number of households in housing stress in Northern Ireland has reached a record high, according to their annual housing statistics. In 2016/17 there were 37,611 households on the social housing waiting list with 23,694 in housing stress. That is a rise of 20% in ten years and 82% since 2002/03.

The department’s housing statistics also show the number of new dwellings started in 2016/17 was 7,727 that is 10% higher than the previous year and the highest number since 2010. The number of homes completed also rose to 6,467 – a 12% increase continuing an upward trend. The average weekly rent for a private rented home is £94 per week compared to a social sector home at £75. The annual housing statistics also shows a rising number of households who qualify for full assistance under the law – 11,889 in 2016/17.

Nicola McCrudden, Chartered Institute of Housing director for Northern Ireland told ‘Housing 24’ that:

“The number of households in social housing need is at an all time high. This indicates that housing affordability is becoming an increasing problem for many families on lower incomes.

“Housing associations are continuing to provide much needed housing... They provided 1,387 new social homes in 2016/17 which is a 15% increase on last year.

“The ongoing recovery of housebuilding is largely being driven by the private sector and while this is welcome, particularly for those who can afford to buy new homes, we should not forget about the significant part of our population who won’t be able to get on the housing ladder.

“Housing stress levels are highlighted in the programme for government, with the aim of reducing the gap between the number of houses we need and the number of houses we have.

“In the absence of devolved government is it vital that we get on with the job at hand and that is increasingly supply and providing more genuinely affordable options for housing.

“Levels of homelessness remain unacceptably high in Northern Ireland. There is a view that the private rented sector will be able to accommodate more people in housing stress, however it is critical that the sector is fit for purpose – issues such professional standards, rent affordability and better security need to be addressed urgently.”

Editorial Note

The AWICS Housing News is published by AWICS Limited. This edition was edited by Adrian Waite. Articles are written by Adrian Waite unless otherwise stated. However, the views expressed are not necessarily those of Adrian Waite or AWICS unless expressly stated.

AWICS Surveys

At AWICS we value feedback from our clients and from users of our website. This is for two reasons:

- We actively seek feedback from clients so that we can evaluate what we are doing now and use the information to improve our services in future.
- We like to have a dialogue with clients and users of our website so that we can understand their developing needs and provide services to meet them as part of a long-term commercial relationship.

We have therefore developed a series of surveys and questionnaires that can be found at: <http://awics.co.uk/questionnaires-and-feedback>

These include surveys about our seminars and our webinars. Whether or not you have attended one of our seminars or webinars recently, I would be grateful if you could assist us by completing one of our short surveys.

The survey on seminars can be found at: <https://form.jotformeu.com/71926426584364> and the survey on webinars can be found at: <https://form.jotformeu.com/73325960384360>

All You Want to Know about Service Charges in Social Housing - Seminar

We are holding the first of our 2018 series of seminars on 'All You Want to Know about Service Charges in Social Housing' on 27th February 2018. These seminars are designed to give an introduction and overview to this important subject and are fully up to date with all developments.

Service charges are an integral part of landlords' work in financing value for money services and sustaining customer satisfaction. They have always been relatively complex but with increased financial challenges and legal and financial complexity there is an increased need to understand how service charging works.

Housing Associations have traditionally levied service charges with most local authorities in England introducing them in the 'noughties'. Financial constraints and proposals for the future funding of supported housing are leading many local authorities and housing associations to look at reviewing their approach to service charges. The rolling out of Universal Credit is having an impact on benefit entitlement for service charges.

According to the Homes & Communities Agency, Service Charges income in English housing associations fell short of service charge costs by £300million (20%) in 2016, a wider margin than was the case in 2015. This represents a significant cost that could be avoided if full recovery of service costs could be achieved as is regarded as best practice. The situation in local authorities is similar.

These seminars are suitable for people who are not experts in service charges, but who need to understand the basics and achieve an overview of what is going on. It is suitable for councillors, board members, housing managers, legal staff, finance staff, tenant representatives, members of the service charges team with limited experience and others who realise that an understanding of service charges can place them at an advantage!

What the Sessions Cover:

- How do Service Charges work in Housing Associations and Local Authorities and for Leaseholders and Tenants?
- How are service charges calculated?
- How to de-pool service charges?
- When are service charges eligible for housing benefit / universal credit?
- Service Charges in Supported Housing
- Service Charge issues and how to ensure excellent customer service?

The sessions are accompanied by a very useful 100-page book that is designed for reference after the session entitled: "All You Want to Know about Service Charges in Social Housing 2018"

The cost of this seminar is £250 plus VAT making a total of £300. **However, there is a £20 discount for people who book a month or more in advance making the cost £230 plus VAT making a total of £276.**

Venues and Dates:

- **London:** Novotel Hotel, Waterloo - 27th February 2018

For further information or to make a booking, please click here: <http://awics.co.uk/all-you-want-to-know-about-service-charges-in-social-housing-2018>

We are also holding a Welsh version of this seminar in Cardiff on 14th February 2018. For further information or to make a booking, please click here: <http://awics.co.uk/all-you-want-to-know-about-service-charges-in-social-housing-in-wales-2018>

Other AWICS Seminars

Our next seminar is as follows:

- All You Want to Know about Local Authority Housing Finance
 - London – 13th March 2018

Information about all our seminars can be found at: <http://awics.co.uk/seminars-2018>

Feedback that we have received at our seminars can be found at: <http://awics.co.uk/course-feedback>

About 'AWICS'

'AWICS' is a management consultancy and training company. We specialise in providing support in finance and management to clients in local government and housing in England, Scotland and Wales. We are well known for our ability to analyse and explain complex financial and management issues clearly. Our mission statement is 'Independence, Integrity, Value'. We therefore provide support to clients from an independent standpoint that is designed to help the client to achieve their objectives. We are passionate about working with the utmost integrity. We believe that we offer the best value for money that is available today!

For more information about our services and us please visit our website at www.awics.co.uk or contact Adrian Waite at Adrian.waite@awics.co.uk. Services that we offer include:

- Management Consultancy – <http://www.awics.co.uk/ManagementConsultancy.asp>
- Interim Management – <http://www.awics.co.uk/interimmanagement.asp>
- Regional Seminars - <http://www.awics.co.uk/seminars-2018>
- In-House Training - <http://www.awics.co.uk/inHouseCourses.asp>
- Webinars - <http://www.awics.co.uk/webinars.asp>
- Independent Residents' Advice – <http://www.awics.co.uk/IndependentTenantAdvice.asp>
- Technical Books - <http://www.awics.co.uk/publications.asp>
- Information Service - <http://www.awics.co.uk/aboutUs.asp>

ADVERTISEMENT

InfoBaseCymru

Data for an intelligent Wales

Do you need to find data about Wales? Do you get confused with all the different sources of data out there?

InfoBaseCymru brings together statistics for Wales in an easy to use data website for you!

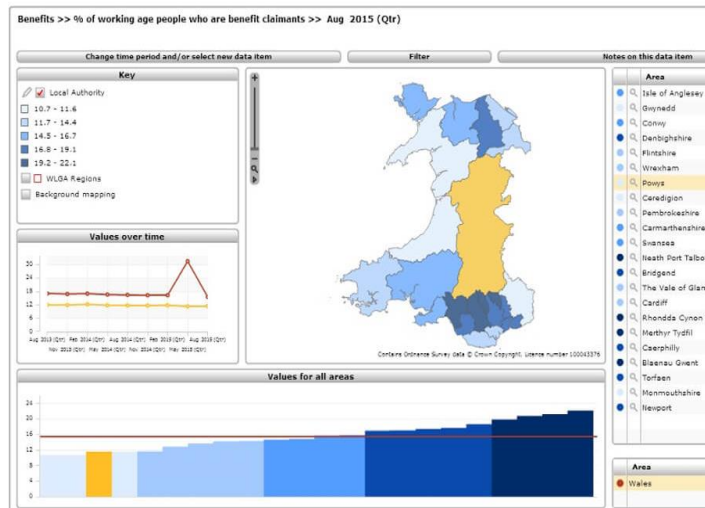
InfoBaseCymru




- is a freely available, national information system displaying publically available data about Wales from local authority level to a local area (lower super output area) level
- provides easy access to a wide range of data for Wales. The data covers a range of themes including: people; employment; business; education; health; housing; environment; transport; and community safety
- presents data in reports, tables and maps which are all easy to export

Extremely useful for providing the data you need for profiling your area, to underpin evidence based policy decisions and for funding bids.

Please contact us and we will do our best to help you find the data you are looking for.

InfoBaseCymru is accessed via the internet for public use, we can provide restricted shared access to specific data sets where necessary.



 www.infobasecymru.net
 InfoBaseCymru@dataunitwales.gov.uk
 @DataUnitWales

IF YOU WOULD LIKE TO PLACE AN ADVERTISEMENT IN THE AWICS HOUSING NEWS PLEASE CONTACT Adrian.waite@awics.co.uk

1