

# AWICS Housing News

## November 2019



**The Houses of Parliament where the Queen's Speech was delivered in October**

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### **Queen's Speech 2019: The Implications for Housing**

The Queen's Speech of 2019 was made on 14<sup>th</sup> October 2019.

This was an unusual Queen's Speech. The usual purpose of a Queen's Speech is to set out the government's legislative programme for the coming Parliamentary session. However, in this case, the government has no intention of allowing Parliament to sit for a full year because it is planning a general election.

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The policies outlined in this Queen's speech will not, therefore, be put to Parliament in legislation, but will be put to the electorate in the general election. Following the general election there will be another Queen's speech. Some commentators have described the process as the government using the Queen to launch their election manifesto!

Nonetheless, the Queen's Speech presumably reflects the government's intentions and includes the legislation that they would intend to introduce were they to be re-elected.

In a background briefing, published alongside the Queen's Speech, Boris Johnson, the Prime Minister, wrote that:

*"This Queen's Speech delivers on my promise as Prime Minister to get this amazing country of ours moving again. People are tired of stasis, gridlock and waiting for change. They don't want to wait for improvements in their hospitals. They don't want to wait for their streets to be made safer. They don't want to wait for their schools to have the funding they need to give their children the superb education they deserve. And they don't want to wait any longer to get Brexit done and to answer that clarion call of 17.4 million people in the greatest exercise of democracy in our national history."*

Prior to the Queen's Speech, the Local Government Association requested a Housing and Planning Bill that would empower councils to deliver the homes and infrastructure that communities need. This would include streamlining the local plan process, providing greater clarity and certainty in planning to reduce hostile applications, giving councils greater powers to act where housebuilding has stalled, scrapping permitted development rights and devolving Right to Buy so that councils retain all receipts and can set discounts locally.

The Queen's Speech did not contain any commitment to such a Housing and Planning Bill.

However, to make sure residents are safe in their homes, the government will take forward legislative measures that put in place new and modernised regulatory regimes for building safety and construction products. They will also ensure that residents have a stronger voice in the system.

Prior to the Queen's Speech, the Local Government Association requested a Building Safety Bill that would implement the Hackitt Review recommendations and enshrine a tough new building safety system into law. This Bill would place new duties on building owners alongside a regulatory regime with effective sanctions and tougher product safety and assurance standards.

The announcement is not surprising. The creation of a new regulator has been part of the government's plans for post-Grenfell reform for some time. This is all part of moves to implement the findings of Dame Judith Hackitt's review of building safety. Theresa May's government had planned to introduce legislation in 2020 so the Queen's Speech has confirmed that Boris Johnson has not abandoned the plans. However, it has not provided any more detail than was available already.

Kate Henderson, Chief Executive of the National Housing Federation, said that:

*"Today's building safety proposals from the Government are very welcome – fixing the broken regulatory system must be a top priority for ministers. However, ensuring that every building is safe requires more than a new regulator. The Government also has to make sure that funding is available to meet the cost of essential safety works where the regulatory system has failed."*

*“They also must provide clarity and coordination on how these works are to be carried out. This would enable housing associations to complete them as quickly as possible, and continue their other important work building new social housing.*

*“The Budget on 6 November is the Government’s opportunity to make sure that this money is in place, as well as much-needed funding for new social housing.”*

It is universally accepted that Britain is facing a housing crisis. The lack of reference to the housing crisis and the lack of any new proposals to tackle the housing crisis are significant omissions from this Queen’s Speech.

I have written a briefing paper that summarises the main implications of the Queen’s Speech for public services – including housing - and some of the reactions to it, as well as providing some context and commentary.

After publishing this briefing paper, a Housing Association Chief Executive wrote to say that:

*"I do look forward to your Briefings. They cut through the political 'guff' to look at the real financial implications of government proposals, just like the Institute for Fiscal Studies. Thank you, Adrian."*

To view or download your copy of the briefing paper, please click here: [https://awics.co.uk/files/module\\_document\\_pdfs/queens\\_speech\\_2019\\_-\\_the\\_implications\\_for\\_public\\_services\\_-\\_briefing\\_paper.pdf](https://awics.co.uk/files/module_document_pdfs/queens_speech_2019_-_the_implications_for_public_services_-_briefing_paper.pdf)

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## **Spending Review 2019: The Implications for Housing**

The Spending Review of 2019 was announced by Sajid Javid, the Chancellor of the Exchequer, on 4<sup>th</sup> September 2019. The statement sets departmental budgets for just one year rather than the usual three years, due to uncertainty over the impact of Brexit.

Sajid Javid outlined £13.8 billion of investment in areas including health, education and the police in what he said was the fastest increase in spending for fifteen years. He said that:

*"No department will be cut next year. Every single department has had its budget for day to day spending increased at least in line with inflation. That's what I mean by the end of austerity."*

On being appointed Prime Minister, Boris Johnson said that:

*“We will review everything... including planning regulations, stamp duty, housing zones, as well as the efficacy of existing government initiatives.”*

As Mayor of London from 2008 to 2016, Boris Johnson was responsible for housing policy in London. There were several occasions when he called in and approved planning applications with minimal levels of affordable housing after they had been refused by the Boroughs. Boris Johnson in a speech to the Conservative conference in October 2018 said that:

*“As soon as you get a mortgage, as soon as you have a stake in society, you are less likely to go on strike and you are more likely to vote Conservative.”*

Since becoming Prime Minister, Boris Johnson has indicated that he intends to shift the emphasis further towards owner-occupation, especially through a new part-rent part-buy product. The Ministry of Housing, Communities & Local Government already allocates most of its housing budget to home ownership products, although under Theresa May there was some increase in resources for social and affordable rented housing.

This now seems likely to be reversed with no grant being made available in future for the development of new social housing in England outside of London. This is bad news for local authorities and housing associations and worse news for people who cannot afford market rents and are inadequately housed or homeless.



### **The Spending Review did not provide much additional resources for housing**

In the event, very little was provided for housing. Funding pledges for the housing sector included an additional £54million to help tackle homelessness, £40million to go towards Discretionary Housing Payments, and £24million to support the government's Building Safety Programme in response to the Hackitt Review.

The additional £54million for homelessness is to:

*"Tackle rough sleeping and homelessness, including improving the use of support services to address the significant needs of rough sleepers, many of whom have complex mental and physical health needs".*

The additional £40million for discretionary housing payments is:

*"To tackle affordability pressures in the private rented sector in England and Wales"*

There were several calls ahead of the Spending Round for the government to restore Local Housing Allowance rates to ensure they cover the most affordable 30% of rates. However, the government has decided to continue to freeze these rates.

Homes England will receive:

*"Additional funding to deliver more homes where people need them."*

However, when asked by 'Inside Housing', a Treasury spokesperson declined to confirm the amount that will be provided.

Terrie Alafat, Chief Executive of the Chartered Institute of Housing, said that:

*"We are disappointed the government has not included housing in those areas, like health and education, (in) getting a long-term additional funding settlement. We are facing a national housing crisis, and every day we do nothing about it, it's getting worse."*

Theresa May repeatedly stated that housing was her 'number one domestic policy' and in 2017, Sajid Javid addressed the conference of the National Housing Federation, saying that:

*"We need to return to the time, not so very long ago, when social housing was valued. It was treasured... "Well, I'm proud to stand here today and say that you have a secretary of state who is totally committed to the cause."*

So, it appears that priorities have changed. As Peter Apps wrote in 'Inside Housing':

*"Sajid Javid's first major fiscal event as chancellor was a worrying sign that housing is dropping down the priority list. That's not what many expected on his appointment.*

*"Housing was entirely absent from Mr Javid's Spending Round speech, bar a relatively minor boost to the cash available for reducing homelessness.*

*"Since 2013, this is the first big chancellor's speech that I can remember which has declined to mention housing at all.*

*"This should worry anyone who has spent the past few years 'making the case for housing', as the sector is fond of saying. You may need to make it again.*

*"When Mr Johnson took over, the sector fretted that he might take the retrogressive step of returning to a 'homeownership-only' focus for housing policy. The fear now is that he might have no focus on it at all."*

While the spending review provides additional resources for public services, this is generally not enough to replace the resources lost during the years of 'austerity' or to meet the needs of a growing and ageing population. Furthermore, some important services, notably housing, appear to have been neglected.

I have written a briefing paper that summarises the spending review's implications for public services – including housing - and provides some commentary.

A County Councillor who read the briefing paper wrote to me to say:

*"Thanks Adrian. Thorough coverage here. Well done!"*

To view or download your copy, please click here: [https://awics.co.uk/files/module\\_document\\_pdfs/spending\\_review\\_2019 - the implications for public services - briefing paper.pdf](https://awics.co.uk/files/module_document_pdfs/spending_review_2019_-_the_implications_for_public_services_-_briefing_paper.pdf)

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## **City of York Council Scrutinises its Housing Revenue Account**

In September I was invited to attend a meeting of the City of York Council's Housing & Community Safety Scrutiny & Policy Committee to provide them with an independent viewpoint during their consideration of the Council's Housing Revenue Account Business Plan.

The City of York Council has retained their council housing and now own and manage just over 7,000 houses and flats. The 'housing crisis' is especially acute in York with a shortage of housing, especially of affordable housing, and one of the widest affordability gaps in the North of England. The Council is keen to respond to this.

The Council's existing business plan sets out the investment required to:

- Maintain the housing stock to provide good quality sustainable council homes to meet a range of needs for today and future generations.
- Achieve and maintain high standards of housing management and effective tenant involvement.
- Assist people in housing need to access social housing and to offer support to help vulnerable tenants to maintain their tenancy and independent living.
- Respond to and pre-empt changing demand patterns, maintaining a balanced portfolio of housing to address a wide range of needs.

- Increase the environmental sustainability of the council's housing stock.
- Deliver the investment programme in a cost-effective manner in accordance with sound procurement principles.

In July 2018, the Council's Executive approved the delivery of new homes across seven council owned sites to be undertaken through the housing revenue account with a priority that all the homes – whether for market sale or affordable rent/sale - set a benchmark for high quality and environmental sustainability as well as addressing housing need. The sites will include the provision of 40% affordable housing - double the amount that would be required under current planning policies. Further amendments to the programme have increased the number of sites to eight and the homes delivered to at least 600 over the next five years including 250 affordable homes for rent and sale.



**Artist's Impression of new council housing planned for Lowfield Green, York.**

Prior to the meeting I prepared a short report containing my thoughts. In the report, I refer to the housing crisis and its impact in York; the financial robustness of the housing revenue account; management of the housing capital programme; strategic issues; national issues; and options that the Council may have to deliver more new housing including affordable and social housing.

The meeting considered a series of reports prepared by officers as well as mine. I feel very privileged to have been able to contribute to a very lively and interesting discussion about how more affordable and social housing could be provided in York.

Following the meeting, one of the councillors wrote to me to say:

*"I'd like to thank you for your extremely helpful contribution for last night's meeting and your report has certainly assisted me in understanding the options that the City of York Council has in respect of decisions regarding the building of social housing using land owned by the council... I'll be raising some of the issues you've raised at the Executive meeting on Thursday."*

The City of York Council live streams most of its meetings and recordings of these meetings can be viewed online. A recording of the meeting can be viewed on 'You Tube' at <https://www.youtube.com/watch?v=cBoRJycoEYM>

A copy of my report can be viewed or downloaded at: [https://awics.co.uk/files/module\\_document\\_pdfs/city\\_of\\_york\\_council\\_housing\\_and\\_community\\_safety\\_scrutiny\\_and\\_policy\\_committee\\_notes\\_of\\_adrian\\_waite.pdf](https://awics.co.uk/files/module_document_pdfs/city_of_york_council_housing_and_community_safety_scrutiny_and_policy_committee_notes_of_adrian_waite.pdf)

The committee's agenda and public reports pack can be viewed or downloaded from the Council's website at: <https://democracy.york.gov.uk/documents/g11583/Public%20reports%20pack%2023rd-Sep-2019%2017.30%20Housing%20and%20Community%20Safety%20Policy%20and%20Scrutiny%20Committee.pdf?T=10>

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## **The Sheerwater Regeneration Scheme in Woking**

Since August 2018, AWICS has been the Independent Tenants' Advisor for the tenants of Sheerwater in Woking where there is a regeneration scheme. Plans to transform Sheerwater were approved by Woking Borough Council in April 2017. By using the existing sense of community, the regeneration provides an exciting opportunity to create a thriving, balanced and sustainable community for the future that meets the housing needs of residents.

In June 2019 works started along Spencer Close in readiness for the leisure facilities phase. The road in the close was widened, vehicular access was restricted and there were parking restrictions in Devonshire Avenue.

In July 2019 additional works started. They are described in the August 2019 residents' newsletter. [To view or download a copy of the August newsletter, please click here.](#)

A new scale of homeloss payments came into effect from 1st October 2019 under a government statutory instrument. Homeloss payments now have a minimum of £6,400 and a maximum of £64,000 (up from £6,300 and £63,000 respectively). At the same time the Council has increased disturbance payments that now range from £2,000 for a studio to £4,650 for a five-bedroom home.



**Flats at Sheerwater**

Any secure council tenant who lives in the regeneration area and who has questions or concerns about the Sheerwater Regeneration scheme may contact the Independent Tenants' Advisor for advice. We can be contacted free of charge by telephone or email as follows:

- Freephone helpline number: 0800-321-3461
- Email address: [sheerwater@awics.co.uk](mailto:sheerwater@awics.co.uk)

For further information about our work at Sheerwater, please click here: <https://awics.co.uk/a-new-vision-for-sheerwater>

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## Update on Impact Housing Association and Riverside Housing Association

Readers of this newsletter will recall that I was a member of the Board of Impact Housing Association from 2009 to 2015 and was Chair from 2011 to 2015. Throughout that time, Impact maintained a top V1/G1 rating with the Regulator. However, in 2017, Impact was downgraded to a non-compliant V3/G3 and the Board proposed a 'merger' with the Riverside Group that could more accurately be described as a 'takeover'.

As a shareholding member of Impact, I was shocked at the way the Board behaved, mainly because of:

- Their mismanagement of Impact that led to the downgrade.
- Their decision to bring forward the 2017 AGM to before the Regulator announced the downgrade so that they could tell members that Impact's finances were 'strong and stable' contrary to the conclusions of the Regulator.
- The agreement that they reached with Riverside failed to protect Impact's values, services or tenants; and was supported by misleading information. It was also made without enough engagement with shareholding members or tenants.

I opposed the 'takeover' at the 2018 AGM, but it was approved.



**Impact Housing Association's AGM in 2017. Members were told that the finances were 'strong and stable' but the following week the Regulator downgraded the association for financial viability from V1 to a non-compliant V3.**

Interestingly enough, only a year after the 'takeover', everyone who was a member of the Board of Impact prior to the downgrading has been replaced. Impact also has a new Finance Director.

Both Riverside and the Impact Board made great play at the time of the 'takeover' about how Impact would continue to act independently within the Riverside Group. Tenants were even told in writing that their landlord would not change. In view of Riverside's highly centralised business model, I questioned this at the time. I asked whether Riverside planned to do with Impact what they had previously done with the Carlisle Housing Association – namely wind them up and integrate their homes and operations into the parent housing association. I was assured by representatives of Riverside at the highest level that this would not happen.

However, Riverside and Impact have now decided – only a year after the 'takeover' - to make a 'transfer of engagements'. This would mean that all Impact's operations, including their housing stock, would move to Riverside and they would become the landlord.

To view or download the text of the letter that Chairman Cullinan has sent to tenants to inform them of this proposal, please click here: [https://awics.co.uk/files/module\\_document\\_pdfs/text\\_of\\_letter\\_sent\\_by\\_impact\\_housing\\_association\\_to\\_their\\_tenants\\_nov\\_2019.pdf](https://awics.co.uk/files/module_document_pdfs/text_of_letter_sent_by_impact_housing_association_to_their_tenants_nov_2019.pdf)



Impact was always 'more than just a Housing Association' and provides a wide range of other services including a community centre at Salterbeck in Workington; foyers in Kendal, Penrith and Whitehaven; a furniture service; and a domestic violence service. This approach is not consistent with Riverside's business model so I also raised concerns about whether these services would continue to be provided. The response from Riverside's representatives was rather vague. I would not be surprised if we see some services closed.

You may be thinking that I am just having a moan. However, I think that this may be a cautionary tale for other housing associations and their tenants and that the Regulator of Social Housing should consider taking a different approach to regulation to ensure greater transparency and accountability especially when providers are downgraded or when mergers or takeovers are being considered.

I wrote about this in my response to the Housing Green Paper in November 2018. A copy of my response can be viewed or downloaded by clicking here: [https://awics.co.uk/files/module\\_document\\_pdfs/social\\_housing\\_green\\_paper\\_-\\_awics\\_response.pdf](https://awics.co.uk/files/module_document_pdfs/social_housing_green_paper_-_awics_response.pdf)

The government has yet to respond to the consultation on the Green Paper. Whichever party or parties form the next United Kingdom government, I hope that their Housing Minister will address these issues.

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### **Housing Revenue Account Balances**

In many local authorities there is a lively debate about what an appropriate level of housing revenue account balances should be. These balances generally represent surpluses that have been accumulated in years when rent collected exceeded expenditure on housing. On the one side there are those who argue that it is prudent to maintain a substantial level of balances to guard against the risk of over-spending; while on the other side there are those who argue that if the Council has collected rent money from the tenants then it should be spending it on something that benefits the tenants and / or the community. I think both arguments have merit and am often asked what an appropriate level of housing revenue account balances would be.

I don't think there is a correct answer to this question. The level of balances that it is appropriate to maintain depends on the circumstances in the individual local authority. Relevant factors to consider are the risks that the authority faces, the robustness of its financial management arrangements and the nature of its costs.

In practice, different local authorities maintain widely different levels of housing revenue account balances; and there may be good reasons for this. I have recently carried out an interesting analysis of the housing revenue account balances of 26 local authorities whose accounts I have had reason to study. These 26 authorities hold, between them, over £1.0billion in housing revenue account balances of which £548million are in general balances, £293million in major repairs reserves and £186million in earmarked reserves. Between them, these authorities have an annual rent income of £1.9billion, meaning that their balances, on average, represent 6½ months of rent income. Manchester City Council had the highest level of balances in relation to rent income at 21 months; while Birmingham City Council had the lowest at 1.4 months.

To view or download a copy of the analysis, please click here: [https://awics.co.uk/files/module\\_document\\_pdfs/housing\\_revenue\\_account\\_balances.pdf](https://awics.co.uk/files/module_document_pdfs/housing_revenue_account_balances.pdf)

## Social Housing Green Paper and Capital Receipts

In my response to the Ministry for Housing, Communities & Local Government (MHCLG) Green Paper on Social Housing last November, I argued that Local authorities should be given more flexibility over the management of 'right to buy' and 'right to buy' receipts should be localised. Currently, councils must offer tenants the 'right to buy' their homes with large discounts with most of the proceeds being taken by HM Treasury and not being available to fund new council homes.

I am pleased to see that the Local Government Association (LGA) has joined me in calling for reform of 'right to buy' so that councils would keep all the receipts from homes sold under the scheme. As the LGA points out, the number of homes councils can build 'continues to dwarf' the homes sold under 'right to buy'. During the last quarter of 2018/19 local authorities in England sold 2,612 homes under 'right to buy' but only 1,406 were started on site or acquired as part of the 'right to buy' replacement policy, according to the MHCLG. This is despite councils building 2,560 homes in 2018/19, the most since 1992/93 when they built 2,580 homes, but far fewer than the 100,000 to 200,000 homes a year that were built in the 1950s, 1960s and 1970s.

Councillor Judith Blake (Labour, Leeds City Council), the LGA's housing spokesperson, told the 'Public Finance' magazine that:

*"The number of new council homes being built is not able to keep pace with those sold under Right to Buy. (The policy) continues to enable many families to achieve the dream of getting on the housing ladder and owning their own home, but it urgently needs reform."*

She also said that if councils were able to retain all the receipts from 'right to buy' this would:

*"Allow them to replace the social rented homes sold, which would help avoid families being pushed into the private rented sector, reduce homeless and housing benefit and enable people to save up for their own home."*

This follows a report from the Children's Commissioner for England that found that children were living in unsuitable accommodation, including shipping containers, because local authorities did not have enough temporary accommodation. The commissioner called on the government to invest 'properly' in housebuilding to reduce homelessness.

The government has yet to respond to the consultation on the Green Paper. Whichever party or parties form the next United Kingdom government, I hope that their Housing Minister will address these issues.

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## Warm Homes Eden

Eden District Council in Cumbria has launched a 'Warm Homes Eden' service that is designed to help people who struggle to keep themselves warm. It is an energy efficiency scheme that came from Eden's Affordable Warmth Partnership working together. Cumbria Action for Sustainability delivers Warm Homes Eden for the Affordable Warmth Partnership. It offers:

- Energy efficiency advice including with saving money on heating costs and switching to a cheaper tariff; and reducing or clearing any water or energy debt.
- Making homes warmer with draught proofing and insulation.
- Replacing inefficient heating.
- Inclusion on Electricity Northwest's Priority Services Register.
- Access to the energy supplier's warm home discount.
- Accessing a gas connection.

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- Access to a benefit entitlement review.
- Being connected to the fire service for a safe and well visit.

The scheme is targeted at vulnerable people and those with modest means.



**Penrith Town Hall where Eden District Council is based**

At the launch, Councillor Judith Derbyshire (Liberal-Democrat), Housing & Health Portfolio Holder at the Council said that:

*“Eden District Council is delighted to be working with other agencies, by both jointly funding and delivering this Warm Homes Eden project. The project is designed to help residents to save money on their heating and make their homes warmer. Offering an energy efficiency service for low income households is a key objective for Eden District Council because we have such a pre-dominance of solid wall properties, which can be hard to heat. Two thirds of the district is not connected to the mains gas network and reliant on other more expensive forms of heating.”*

Further information is available on the Eden District Council website at: <https://www.eden.gov.uk/housing/housing-support-and-grants/warm-homes-eden/>

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### **Housing Development in Scotland**

The Scottish government wants 50,000 affordable homes to be built in Scotland between 2016 and 2021 and has put a large amount of funding behind this ambition. In January, it announced it would increase affordable housing funding by £70million to £826million in its 2019/20 Budget.

Aileen Campbell, the Communities Secretary, said that:

*“At the heart of our ambition for a fairer Scotland is that everyone has access to a safe, warm and affordable place to call home. This increased budget forms part of the single biggest investment in, and delivery of, affordable housing since devolution with over £3billion committed, which will deliver good quality, secure and affordable homes, which will in turn help create strong, sustainable communities.*

*“We have set an ambitious target to deliver at least 50,000 affordable homes over the course of this parliament, including 35,000 for social rent and are making good progress towards that. By ensuring councils and housing associations have financial certainty, we are confident that this commitment can be fulfilled.”*

The affordable housing budget also increased in last year’s budget, when the Scottish government also created the £150million Building Scotland Fund.

The Scottish Federation of Housing Associations has welcomed the increased funding but called on the Scottish Government to go further and confirm funding beyond 2021, when the current parliament ends. The Scottish Government is currently consulting on its plans post-2021 and warned in a consultation document last year that:

*“The current level of spend would be challenging to sustain”.*

Sally Thomas, Chief Executive of the Scottish Federation of Housing Associations, said that:

*“While we welcome the Scottish government’s funding of £826million, which is part of its commitment to build 50,000 affordable homes, we would urge the government, and all political parties, to commit to a longer-term programme of delivery beyond the lifetime of this parliament. It is vital that the post-2021 Affordable Housing Supply Programme maintains the existing levels of funding to meet outstanding and future need. As well as longer-term funding, it is equally important that we ensure we have the right homes in the right places to meet people’s needs and aspirations.”*

The Scottish Federation of Housing Associations is calling for reform to the planning and land system that it says needs to be changed to provide affordable land for housing development. It also believes the Scottish government should reform the housing system so that:

*“A range of high-quality affordable housing is available to meet people changing needs throughout their lives”.*

In its annual assessment of the risks facing housing associations, the Scottish Housing Regulator noted that several landlords are embarking on ‘sizeable development programmes to build new homes, often after a significant period of time since they last developed’ and announced that:

*“We are therefore planning to engage with a number of landlords to get assurance about how they plan to manage the risks associated with development.”*

In April 2019, it was announced that an additional £80million over the next two years will help councils to deliver affordable homes across Scotland. The investment will mean local authorities will share a total of £1.3billion between 2019/20 and 2020/21 to help achieve the Scottish Government’s development plans. Kevin Stewart MSP, Minister for Housing, said that:

*“We believe that everyone should be able to live in a warm affordable home. Our investment and delivery of affordable housing is the biggest since devolution and I am determined to see it benefit communities across Scotland. This investment backs up our ambitions with financial certainty. We will continue to work in partnership with councils and housing associations to deliver quality homes to meet local needs.”*

And Councillor Kelly Parry (SNP, Midlothian), the Community Wellbeing spokesperson at the Convention of Scottish Local Authorities, said that:

*“I am pleased to acknowledge the additional resources that will come to councils in this financial year and in 2020/21 to support the growth of affordable housing for all in our communities.”*

The extra affordable housing investment available for each local authority area is decided by a needs-based formula agreed with the Convention of Scottish Local Authorities in 2012. Since 2007 more than 82,000 affordable homes have been delivered, including 55,920 homes for social rent. In 2019/20 council areas will benefit from an extra £42million on previously announced funding for affordable housing. In 2020/21, councils will benefit from an additional £38million.

## Housing Development in Wales

One of the key priorities of the Welsh Government is increasing the supply of affordable homes in Wales. On several occasions, the Welsh Government has made it clear that councils have a key role to play not only in facilitating an increase in supply, but also in building again.

In July 2019, Julie James, the Welsh Minister for Housing and Local Government said that:

*“After the United Kingdom government finally seen sense on this and lifted the borrowing cap, we are working very hard with councils to make sure we reach an agreement with them to take that cap off where it still applies.*

*“We are then going to do the work with them and other public agencies in Wales to identify the public land necessary to start the social house build that we desperately need.*

*“To work with them, to identify what levers we have that can assist them to do that to use that borrowing to actually build the social housing we so desperately need.*

*“When you have got to the point where the Conservative government in England has finally realised that then you can see the time is right. We are already in good conversations with them about how to get that going as fast as possible.”*

By the summer of 2019, Council houses were being built in parts of Wales for the first time in decades in response to a shortage of affordable housing. More than 8,000 council homes were completed in 1976, compared to an annual average of 15 between 2000 and 2018. Cardiff, Carmarthenshire, Anglesey, Denbighshire, Flintshire, Wrexham, Powys, Pembrokeshire, Swansea and Vale of Glamorgan councils are among those now building their own homes again. However, even with hundreds of homes being built or bought in some counties, the numbers are way below the council-house building programmes of the 1970s.

The Welsh Government wants private companies, councils and housing associations to build 20,000 affordable homes by 2021.

However, critics say that the Welsh Government lacks ambition. For example, Leanne Wood AM (Plaid Cymru) said that 20,000 homes should be built by councils and housing associations alone, paid for with borrowed money:

*"It isn't enough. They need to seriously ramp up those targets, seriously ramp up what's being built."*

Councils have been able to borrow more to build homes since April 2019 after Prime Minister Theresa May removed a cap on borrowing limits. The Welsh Government wants councils to take advantage of these new rules allowing them to borrow more money. However, a Welsh Government cap stops them putting up rents quicker than inflation. Cardiff City Council says it could raise more cash and develop more homes if the Welsh Government allowed it to increase rents. They would like to build 1,000 council homes by 2022 and a total of 2,000.

Our latest publication 'All You Want to Know about Welsh Local Authority Housing Finance' is a useful overview and introduction to this important subject. For more information or to order a copy, please click here: <https://awics.co.uk/all-you-want-to-know-about-welsh-local-authority-housing-finance-1>

## 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.

All feedback from readers is welcome and should be sent to [adrian.waite@awics.co.uk](mailto:adrian.waite@awics.co.uk)

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## 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>

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

We are holding our 2020 series of seminars on 'All You Want to Know about Service Charges in Social Housing' between February and October 2020. This seminar gives an introduction and overview to this important subject and is 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 following rent restructuring in 2002. Financial constraints are leading many local authorities and housing associations to look at reviewing their approach to service charges. It appears from the global accounts of registered providers that most housing associations are under-recovering service charges by about 12% and the situation in local authorities is similar.

This seminar is 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 people including councillors, board members, housing managers, legal staff, finance staff, tenant representatives and members of the service charges team with limited experience!

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#### What the Session Covers:

- 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 Flats
- Service Charges in Supported Housing
- Service Charge issues and how to ensure excellent customer service?

The session is 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 2020"

Delegate fees: The cost of this seminar in London is £260 plus VAT making a total of £312. However, there is a £20 discount for people who book a month or more in advance making the cost £240 plus VAT making a total of £288. The cost of this seminar in Leeds is £210 plus VAT making a total of £252. However, there is a £20 discount for people who book a month or more in advance making the cost £190 plus VAT making a total of £228.

#### Venues and Dates:

- London: Novotel Hotel, Waterloo – 18th February 2020
- North: Novotel Hotel. Leeds – 2nd June 2020
- London: Novotel Hotel, Waterloo – 6th October 2020

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

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## 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](http://www.awics.co.uk) or contact Adrian Waite at [Adrian.waite@awics.co.uk](mailto: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 - <https://awics.co.uk/seminars-2020>
- 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

**Luton Law Centre** (LLC) is seeking an experienced Immigration Solicitor or Caseworker (at least OISC level 2) to join their small, friendly team.

Applicants should have a minimum of one year's experience of Immigration law.

This is an exciting opportunity for a committed and enthusiastic solicitor/caseworker to join the Law Centre team. They are looking for an individual who is fired by their ambition to assist people in need, and who shares the Law Centre's values. The successful applicant must be willing to work hard, be imaginative, flexible, willing to extend their current skill set and, above all, want to make a difference.

Luton Law Centre was formed in 1989. Since then, it has provided members of the local community with specialist legal advice. It is made up of a small team of committed and passionate social welfare lawyers and caseworkers. It is also part of the Law Centre Network, which as a movement specialises in providing advice, casework and representation to the most disadvantaged members in the community.

The Law Centre runs a wide range of immigration and asylum cases covered by Legal Aid, as well as fixed-fee immigration advice and casework. Its immigration solicitors also provide advice through the Law Centre's specialist telephone advice line on a rota basis. They are also taking part in a joint Law Centres EU Settled Status Complex Cases Project.

The post-holder will form an integral part of the team that delivers their immigration fixed fee advice and casework and first and second tier support under the EU Settled Status Complex Cases Project. If the post-holder is IAAS level 2 accredited or OISC level 3 accredited they will also deliver immigration and asylum casework under their Legal Aid Agency contract. The post holder will also participate in the rota to provide advice through our specialist telephone advice line.

The Law Centre is seeking candidates who can offer 35 work hours per week. It is open to a job share and/or a certain degree of flexibility.

LLC are also interested in candidates who have LAA Supervisor Status, or are able to achieve this within a reasonable timeframe.

The salary offered for this post is £25,000 - £32,000 p.a. depending on experience and qualifications.

To apply, please download the application pack from the [Luton Law Centre website](http://Luton Law Centre website) or request it by email to [pgilson@lutonlawcentre.org.uk](mailto:pgilson@lutonlawcentre.org.uk) or by telephone to 01582 482 000.

If you would like to place an advertisement in the 'AWICS Housing News' please contact Adrian Waite at [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk) or 017683-51498.