

# AWICS Housing News

## October 2015



Homes owned by Wakefield & District Housing in Crofton, West Yorkshire.

### Table of contents

Table of contents .....	1	Welsh Homelessness Policy — success for new policy .....	11
Welcome.....	2	AWICS Webinars — a convenient way to access training .....	12
Housing and Planning Bill .....	2	Housing Associations .....	13
Welfare Reform and Work Bill .....	3	Upcoming Seminars .....	13
Extension of Right to Buy to Housing Associations.....	5	Upcoming Webinars .....	13
New Build by local authorities — councils set up housing companies .....	6	New books available from AWICS.....	14
Sale of high value council homes — reports raise doubts .....	8	Client and reader survey (please give us feedback) .....	14
Scottish National Housing Trust — 1000 <sup>th</sup> home built through investment vehicle .....	10	Editorial notes .....	14
		About 'AWICS' .....	14

## Welcome

Dear Readers,

In this edition, we provide a summary of the Housing and Planning Bill and then cover the issues of the extension of the 'Right to Buy' scheme to housing associations and the associated sale of high value council homes. It is a contentious matter and some of the details are complex. We offer a seminar and a range of specialist topical webinars to highlight these matters in detail. We cover the cases of Southwark Borough Council and Cambridgeshire County Council that have responded to the budget and legislative pressures by establishing their own housing companies. This is a particularly interesting development for more local 'control' of housing supply. Associated with this is the higher-level debate on the devolution of housing powers to local authorities through formal agreements with the government, a topic that we also discuss. Lastly, we cover Wales' approach to tackling homelessness more proactively and Scotland's success in developing housing units through the public-private Scottish National Housing Trust investment scheme.

We hope you find this month's edition informative and we welcome any feedback you might have. Please share your thoughts and suggestions with Adrian at [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk)

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## Housing and Planning Bill

The government published its long awaited 'Housing and Planning Bill' last week. It contains provisions for the extension of 'right to buy' to housing association tenants and for the sale of high value council homes. However, because the Bill provides for ministers to implement the detailed policies in these areas by regulation many questions remain unanswered.

Nonetheless, two important elements of the new policies have emerged:

- Housing Associations will be compensated for the 'right to buy' sales by a 'grant'. While details of how this grant will be calculated and what conditions may be attached to it have yet to be announced this has led to some concern in the sector that the compensation received by housing associations may not match the 'full compensation' that housing associations thought was contained in the 'voluntary deal'. There will also be a role for the Homes & Communities Agency to monitor the performance of housing associations on 'right to buy' and home ownership.
- There will be a duty on councils to consider selling high value vacant social housing. However, rather than handing over to government the actual proceeds of the sales of high value council homes, the government will calculate what it thinks each council should receive from these sales and will require them to contribute this amount. This can be seen as a 'clever' move by the government as it guarantees their income and leaves it to local authorities to decide which homes to sell and how to fund the levy. How the government will calculate these sums has yet to be announced but if councils don't sell as many homes as the government envisages they will have to find other ways of making the payments.

Clearly the regulations will be awaited with interest by housing associations and local authorities.

Other measures in the Bill include:

- Powers to reduce regulatory control over housing associations – but no details have been provided about this.
- The 'pay to stay' regulations, including an obligation on tenants to declare their incomes, powers for councils to receive information from HM Revenues & Customs, payment of the additional income to government and regulatory powers.
- Changes to planning rules to allow developers to provide 'starter homes' for home-ownership as an alternative to social or affordable housing.

- Duty for councils to promote 'starter homes' and to keep registers of people seeking land for self-build or custom house building
- Government intervention if councils don't adopt local plans.
- Controls over 'rogue landlords'.
- Automatic planning permission on 'brownfield' sites
- Additional planning powers for the Mayor of London

These matters will be considered further at:

- Our seminar 'Right to Buy Extension, sale of High Value Council Homes and Rent Reform' that will be held in London on 30<sup>th</sup> November. For details or to make a booking please click here: <http://www.awics.co.uk/rtb.asp>
- Our webinar on Sale of High Value Council Homes on 24<sup>th</sup> November. For details please click here: <http://www.awics.co.uk/webinar3.asp>
- Our webinar on Right to Buy for Housing Association tenants on 10<sup>th</sup> December. For details please click here: <http://www.awics.co.uk/webinar2.asp>
- Our webinar on Social Rent Reforms on 14<sup>th</sup> December. For details please click here: <http://www.awics.co.uk/webinar4.asp>

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## **Welfare Reform and Work Bill**

The Welfare Reform and Work Bill was introduced to Parliament in July 2015 and at the time of writing (October 2015) is under consideration in the House of Commons. It is expected to be passed later in 2015.

The government has stated that:

*"The measures in the Bill are intended to support the Government's commitments to increase employment; slow the growth of the welfare budget to help achieve a more sustainable welfare system; and support the policy of rewarding hard work while increasing fairness with working households."*

The Bill contains 26 clauses divided into 26 chapters. These are as follows:

- Reports
  - Full Employment; Reporting Obligation
  - Apprenticeships: Reporting Obligation
  - Support for Troubled Families: Reporting Obligation
- Social Mobility
  - Workless households and educational attainment: Reporting Obligations
  - Social Mobility Commission
  - Other Amendments to the Child Poverty Act 2010
- Welfare Benefits
  - Benefit Cap
  - Review of benefit Cap
  - Freeze of certain social security benefits for four tax years
  - Freeze of certain tax credit amounts for four tax years
  - Changes to child tax credit
  - Changes to child element of Universal Credit
  - Employment and support allowance: work-related activity component
  - Universal Credit: limited capability for work element
  - Universal Credit: work-related requirements
- Loans for Mortgage Interest
  - Loans for Mortgage Interest

- Section sixteen: further provision
  - Consequential amendments
- Social Housing Rents
  - Reduction in Social Housing Rents
  - Exceptions
  - Exemption of a registered provider for social housing
  - Enforcement
- Final
  - Power to make consequential provision
  - Extent
  - Commencement
  - Short title

The main measures included in the Welfare Reform and Work Bill related to welfare reform are:

- Working-age benefits, including tax credits and Local Housing Allowance, will be frozen for four years from 2016/17.
- The household benefit cap will be reduced to £20,000 (£23,000 in London).
- Support through Child Tax Credit will be limited to two children for children born from April 2017.
- Those aged 18 to 21 who are on Universal Credit will have to apply for an apprenticeship or traineeship, gain work-based skills, or go on a work placement six months after the start of their claim.
- There will be reductions to tax credits for people on low incomes.

The government has identified that the Bill will have the following financial implications:

- The Bill is expected to make significant savings to public expenditure.
- HM Treasury and relevant Departments are considering how any additional Departmental costs arising from the provisions in this Bill will be managed within existing Budgets.
- The loans for mortgage interest provision will create a charge on public funds.
- Any other additional costs arising from provisions in this Bill will be funded by HM Government, and will not impact on public funds.
- The duty to report on troubled families will give rise to additional public expenditure. The duty to report on children living in workless households and educational attainment may also do so, and so may the new functions of the Social Mobility Commission (as the Commission is publicly funded). The loans for mortgage interest provision will create a charge on public funds. A Money resolution will be needed to cover this expenditure. Since the loans provisions provide for repayment of loans, the Money Resolution will include provision for the payment of sums received into the Consolidated Fund.

We have published a briefing paper that considers all the implications of the Welfare Reform and Work Bill. It contains sections on: Reports, Freezing of Benefits, Universal Credit, Loans for Mortgage Interest, Social Housing Rents, Applicability of the Bill and Financial Implications of the Bill. This briefing paper can be freely downloaded from our website at: [link](#).

We are also holding a seminar on welfare reform in Oldham on 4<sup>th</sup> November 2015. This seminar will consider all the implications of the government's welfare reforms for housing and local government. For further information or to make a booking please visit our website: [link](#)

## Extension of Right to Buy to Housing Associations

The government was elected on a commitment to extend the 'Right to Buy' to tenants of housing associations. Ministers are proposing to fund the extension by forcing councils to sell off their most expensive vacant homes and replace them with cheaper properties. At the Chartered Institute of Housing conference in June 2015 Brandon Lewis MP, the Minister for Housing explained the policy. He acknowledged that it 'will be challenging for housing associations', but insisted that their tenants should not 'be treated differently' to council tenants. He said:

*"I know these changes will be challenging for housing associations but I also know they care deeply about their tenants. That's why I'm calling on them to support our vision and become the champions of aspiration... For thirty years, 'Right to Buy' has set a benchmark for how the government can help working people. But there is a problem – and that is the unequal treatment of 1.3 million tenants living in social housing managed by housing associations, who have received far less assistance, or none at all."*

The policy has significant implications for housing associations in England that go beyond the implications of selling homes at a discount. Housing Associations are currently in the private sector but the government's view appears to be that they should be treated as if they are in the public sector. The extension of the 'Right to Buy' to housing associations means that tenants in housing association homes would benefit from substantial reductions in the purchasing price for their home. The Chartered Institute of Housing has estimated that 145,000 housing association tenants of the 221,000 that would be eligible will exercise the 'Right to Buy' over the next five years. This calculation was included in their submission to the Communities and Local Government Committee inquiry into the viability and sustainability of housing associations.

In line with the discounts applied to council-owned 'Right to Buy' schemes, discounts of up to £77,900 outside London and £103,900 inside London will be introduced. According to the National Housing Federation, 221,472 tenants could be eligible and able to afford to buy their housing association home. To fund the scheme, 210,000 'high value' council properties in England will be sold off to generate a projected receipt of £4.5billion.

A number of commentators have questioned the legitimacy of legislating to allow the sale of assets owned by housing associations as they are not part of the state but are charities and not-for-profit companies. For example, Brendan Sarsfield, Chief Executive of Family Mosaic Housing Association told 'Inside Housing' that:

*"We are independent organisations trying to meet housing need. We are not agents of the state and this is treating us as if we are. It is starting to feel more about the destruction of social housing than enabling aspiration."*

And, Ian Munro, Chief Executive of New Charter said:

*"It's ludicrous. We are private not-for-profit organisations and this is a sequestration by any other name."*

The government has promised to replace every property sold under the extension of 'Right to Buy' with a new 'affordable home'. Under guidance on the existing 'Right to Buy' policy, council homes replaced have to be for social or affordable rent. However, official planning guidance states that 'affordable housing' can now include low-cost homes for sale for buyers whose needs are not met by the market. Starter Homes – properties sold at a 20% discount to first-time buyers under forty years of age – will be counted as 'affordable' under proposed changes to planning guidance. Starter homes can be for a value of up to £450,000 in London.



In the event legislation has been avoided as Communities & Local Government has come to a 'voluntary agreement' with the National Housing Federation on behalf of its constituent members.

There are those in the sector who have considered whether the policy could be challenged in court or defied in practice. However, Housing associations were warned they would face regulatory pressure if they are not ready to implement the 'Right to Buy' when it is introduced. In June 2015, Matthew Bailes, Executive Director for Regulation at the Homes and Communities Agency said that regulatory standards demand housing associations comply with all relevant law. Therefore, if the government legislates to introduce 'Right to Buy' discounts for tenants it will also become a regulatory requirement, with landlords facing potential governance downgrades should they fail. However, as the policy is now being introduced by 'voluntary agreement' it is unclear what the Homes & Communities Agency could do other than 'naming and shaming'.

Mr Bailes also stressed that landlords must ensure they have capacity to build replacement homes if required, and understand the impact on loan covenants. He told 'Inside Housing' that:

*"I suspect there will be some expectation to replace sold stock, so associations need to know if they can do that within whatever time scale is set... If the stock sold is security for loans, you will need to be able to find replacement security, and have a pipeline to do that without upsetting covenants."*

We have published a briefing paper on the extension of the Right to Buy to housing associations. It contains sections on:

- Proposed extension of 'right to buy' to housing associations.
- Eligibility of tenants
- Impact on housing stock
- Impact on the status of the sector
- Impact on financial standing of the sector
- Replacement Housing
- Effect on Retrofits
- Challenges and Exemptions to the Policy
- Impact in Rural areas
- Justification of the extension of 'right to buy'

You can download this paper from the AWICS website through this link:  
<http://www.awics.co.uk/rtbha.asp>

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### **New Build by local authorities — councils set up housing companies**

There is general agreement that England is facing a 'housing crisis' and that a lack of social and affordable housing is a significant part of this. There is therefore an appetite in many local authorities to build new council homes as part of their response to the crisis. Indeed, many local authorities have already embarked on new build programmes.

In the face of regulatory and budget pressures, more local councils are preparing to develop new properties through private subsidiaries. A survey by '3Fox International' analysed local authority's development activities. The survey found that 12% of English councils have now set up a housing company to generate more income from investments in new build. A further, 34% of local authorities are currently debating this idea. According to this research, an important factor (indicated by 61% of respondents) is the need to find a long-term settlement for housing policy in their area.

Commenting on the research, Pat Hayes of the London Borough of Ealing, said:

*"I am surprised so many authorities have set up housing companies or are thinking about it. We set ours up to address a specific housing issue; namely, the lack of good quality, institutionally-funded, market-price, rental accommodation. I am slightly concerned that some authorities may see housing companies simply as a way of generating a financial surplus, rather than a means of intervening in the housing market to catalyse the delivery of intermediate price accommodation."*

In this article, we focus on the development companies recently set up by Southwark Borough Council and Cambridgeshire County Council. We reported on Southwark's plan in our last newsletter. This year, Southwark took the decision to set up an independent development company limited by shares. It has been suggested that it could help the council to avoid the 'Right to Buy' scheme, council property sale, and borrowing caps. However, Councillor Livingstone of Southwark Borough Council said that the independent company was set up to allow the council to realise its building ambitions of developing 11,000 units by 2043 and not to circumvent government policy on 'right to buy' or public sector borrowing. He said:

*"There is a challenge around Right to Buy and how it takes away from housing stock, but we're not doing this to get around that. It's a way for us to build 11,000 new homes."*

Our second example, Cambridgeshire County Council, is interesting as it is taking steps to become a commercial property developer and use rent receipts for funding local public service delivery. For this the council identified 34,000 hectares of farm land on which it intends to develop up to 1,200 homes for private sale or market rent. It may help the authority in saving around £100million that has been cut from its budget over the next five years. Of the three initial sites it intends to develop, only the first one is known. In an initial phase, 350 units will be developed close to the village of Burwell. For this the council has set aside £18million. This is also significant as the Council is a County Council and does not exercise housing powers that are instead vested in the district councils.

Financial Director Chris Malyon at Cambridgeshire County Council said:

*"The financial challenges are massive, particularly in adult social care. Unless we are going to completely decimate public services, we must mitigate against austerity. We are minimising risks by owning the land and the fact that the property market in Cambridgeshire is strong,"*

Council leader Steve Count (Conservative) further added:

*"Previously councillors had agreed to develop a full business case to test whether developing housing on some council-owned land is an attractive financial proposal. This is part of the council being much more commercial in ur thinking and using appropriate assets to support our communities and achieve income to invest in frontline services like protecting vulnerable residents and mending our roads."*

	<b>SOUTHWARK COUNCIL</b>	<b>CAMBRIDGESHIRE COUNCIL</b>
<b>INCORPORATED</b>	2015 (decisions for incorporation taken)	Not yet, but the council plans to setup a wholly-owned company to manage the properties
<b>COMPANY</b>	Southwark Housing Company. Private company limited by shares	Yet to be set up
<b>GOALS</b>	Develop 11,000 new homes	Avoid budget cuts and build 1,200 homes on three sites in public ownership

AWICS is holding a seminar on 'Local authority new build and the financial implications'. This seminar considers the financial implications for local authorities of building new council homes, the implications of government policies and options for building new homes. The seminar will address the following questions:

- What is the context in which councils are developing new council housing?
- How can new council housing be financed?
- The costs and benefits of a new build scheme. How to appraise a new build project?
- What delivery vehicles can be used? What opportunities may exist in the future?

The session is accompanied by a very useful book entitled: "Local Authority New Build: The Financial Implications"

The Venues and Dates are:

- London: Novotel Hotel, Waterloo – Tuesday 1<sup>st</sup> December 2015
- North: Clough Manor Hotel, Oldham – Tuesday 8<sup>th</sup> December 2015

For further information or to make a booking, please follow this link to the AWICS website:  
<http://www.awics.co.uk/newbuild.asp>

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### **Sale of high value council homes — reports raise doubts**

In the AWICS briefing paper on the sale of high value council homes, we considered the implications of the government's proposal to force councils to sell their most valuable housing once it becomes vacant to compensate housing associations for the 'right to buy' and to build more affordable, cheaper properties with the proceeds. The government argues that this will mean the number of affordable homes will double for each home sold, thereby increasing the national housing supply. The government says that the remaining funds raised from the sale of valuable council stock will go towards freeing up brownfield land for development. Right-to-build plans that are also be in the housing bill, would give people the right to be allocated land with planning permission to self-build or commission a home to be built for them.

The implications might be particularly significant for London and its high-priced property market. For example, Shelter calculates that the high value council home policy might extend to 97% of properties in Kensington & Chelsea and 76% of stock in Westminster.

Hence, London Councils have called for the sale receipts to be ring-fenced to the London area to ensure capital receipts contribute to new house building there. To achieve this, Boris Johnson, the Mayor of London, has offered a building programme of 15,000 new homes for affordable rent based on the receipts of high value home sales. However, the ring fence would mean that council homes would not be replaced in areas outside London. Overall, some observers, including Shelter but also Savills expect a shortfall of sales receipts compared with the amount required to compensate housing associations for the sales under the 'Right to Buy' scheme.

For example, Martyn Kingsford, OBE for the Chartered Institute of Housing London Board, concluded that there:

*"May not be sufficient capital receipts per year to meet the total cost of compensating housing associations for selling their homes at a discount."*



He also drew attention to a very different context in London where even one and two-bed flats already come in at a very high price tag. For example, a one-bedroom former council flat in Notting Hill comes in at around £400,000. The majority of suitable properties in inner London are flats. Furthermore, council receipts will depend on turn over. Flats can only be sold once tenants move out. It concludes that this may only generate £3.2 billion in receipts of which London may generate 78% while areas such as South West England might generate nothing at all.

In a report published by Shelter this year, that follows a similar line, comes to somewhat more damning conclusions on the current execution on the Right to Buy extension to housing associations in link with the sale of high value council homes. The report reads:

*“The primary impact of the forced sales will be the loss of social homes, particularly in more expensive areas – where the need for low rent homes is most acute. While the government’s initial estimate of 15,000 homes being forcibly sold per year is probably too high, Shelter estimates that almost 113,000 council homes are likely to be above the value threshold, and hence liable to be forcibly sold. Due to the uneven distribution of council stock and house prices, Shelter estimates that 78,778 of these will be lost from the twenty most effected local authorities. Half of these twenty areas are in inner London – but they also include more suburban places like Dacorum and Epping Forest, and northern cities like York, Leeds and Newcastle. Unless specific exemptions are introduced there are likely to be particularly damaging losses to the stock of specialist, adapted and rural housing. These types of housing have been built to meet the needs of specific groups like elderly or disabled people, and would be excessively expensive to replace. Jeopardising new building. The forced sell-off of high value council assets will fundamentally undermine councils’ existing building and estate regeneration plans, and introduce new unanticipated inefficiencies and costs.”*

Campbell Robb, chief executive of Shelter, said:

*“More and more families with barely a hope of ever affording a home of their own and who no longer have the option of social housing, will be forced into unstable and expensive private renting... The Government needs to scrap this proposal and start helping the millions of ordinary families struggling with sky high housing costs. Selling off large swathes of the few genuinely affordable homes we have left is only going to make things worse for all those struggling to keep up.”*

Instead Shelter suggests that the government considers dropping its policies that see councils selling properties on the open market. They consider that, if ‘Right to Buy’ for housing association tenants is progressed, the government should decouple it from the sale of council-owned housing stock. It should not establish compulsory sales and mandatory transfer payments. If however, the compulsory sale is implemented, then the government should, at the very least, implement exceptions for newly built properties for at least thirty years and in regeneration areas. It should also exempt specialist stock, for example for individuals in special care needs. It should also constrain the criteria of what counts as a vacated high value property, for example, by excluding homes involved in mutual exchanges, or vacation due to anti-social behaviour, and homes that received major public maintenance investment in the past fifteen years. The government should also enforce a principle of like-for-like replacement, which might represent the establishment of a waiting list for property sales.

Shelter also gave an indication of consequences for areas that are particularly affected by sales. It says that it may mean that prospective council tenants will remain on waiting lists for a longer time. It also expects a conversation of formerly council owned low-rent accommodation to private buy-to-let properties with high rents. The sales of rent paying high value council homes may disincentives councils from rebuilding as both the long-term prospect of the property stock are left in ambiguity and their rental income is reduced. In addition, accommodation for specialist groups, such as the elderly, may be lost.

The report by Shelter can be downloaded here: **The forced council home sell-off**

In the Housing and Planning Bill the government has put forward an interesting approach to the sale of high value council homes. The Bill proposes that the government will calculate what it considers a likely level of receipts from the sale of high value council homes for each local authority and that the local authority would be obliged to pay the government this sum regardless of the actual level of sales. Coupled with this is a duty for local authorities to consider the sale of high value homes. This approach means that the government would be assured of receiving the receipts that it needs to fund 'right to buy' in housing associations and the brownfield fund while leaving it to the local authorities to identify the specific homes that are to be sold.

Some commentators have suggested that this approach will give local authorities more flexibility in deciding which homes to sell and in theory this may be the case. However, if in practice the target receipts are challenging to achieve (as would seem likely) councils may be forced to sell all vacant high value homes and still have to find further resources by selling other homes or by making savings in revenue or capital budgets.

Furthermore, the Housing and Planning Bill does not identify how the government will calculate the target receipts for each authority. This calculation is to appear in regulations. Most analysis that has been carried out to date assumes that the government will define a high value council home in the same way as the Policy Exchange did in their recent paper that advocated the policy. However, this may not necessarily be the case and the government may select a different definition – for example, one that spreads the requirement to sell homes and contribute to the 'right to buy' in housing associations more widely. In effect, it could become a 'tax' on the housing revenue account that councils could meet however they chose but with the government suggesting that market sales of high value homes would be their preference.

This leads us to think about the self-financing settlement. In 2012, the government increased the indebtedness of most local housing authorities as the price of ending the housing subsidy system. This calculation was based on various assumptions about income, expenditure and cash flow that supported the government calculation of the level of debt that is affordable. At the time, it was said that the calculation could be re-visited in the event of significant changes in external factors or government policy. Some authorities are already arguing that this should happen because of the 1% annual rent reductions that are included in the Welfare Reform and Work Bill. It could also be argued that the calculation should be revisited in the light of the sale of high value council homes. However, it is unlikely that the government will agree to this – unless it was part of a process to increase debt again!

We are holding a webinar on the 'Sale of High Value Council Homes' on 24<sup>th</sup> November 2015. This webinar considers the United Kingdom government's proposal to oblige local authorities to sell high value council homes to fund the extension of the 'right to buy' to housing association tenants. For more information or to make a booking please go to <http://www.awics.co.uk/webinar3.asp>.

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### **Scottish National Housing Trust — 1000<sup>th</sup> home built through investment vehicle**

In September 2012, a new milestone was reported for the Scottish National Housing Trust. Across Scotland, 1,000 homes have been successfully delivered over the past four years. The total value of these units is £146million. It has also been reported that the Scottish National Housing Trust development activities have supported 1,300 jobs involved in the construction of these properties.

Originally the Scottish National Housing Trust was a collaboration between the Scottish Government and the Scottish Futures Trust. Under the Scottish National Housing Trust investment model, developers and local authorities co-fund the development of new homes. The Scottish Government underwrites the local authority's financial risk. Each party commits to make the newly developed homes available to below-market rent for a period up to ten years after which the units are sold with existing tenants offered a preferential buyer status.

Housing Minister Margaret Burgess celebrated the announcement. She said:

*"It is a remarkable achievement for all those involved that more than 1,000 National Housing Trust homes have now been completed across Scotland. By giving people the chance to have a good quality home at an affordable rent, this ground-breaking initiative is making a huge difference to people's lives. The National Housing Trust is providing affordable homes without the need for grant subsidy and is well on track to deliver over 2,000 new homes in communities across the country."*

*"The initiative is also boosting our construction sector and wider economy, helping to strengthen communities, promote social justice and tackle inequality. Against a challenging financial background, the Scottish Government is doing everything it can to increase supply. Over the lifetime of this Parliament, planned investment in affordable housing will exceed £1.7billion and we will surpass our target of 30,000 new, affordable homes."*

Speaking at Scotland's Housing Conference, Gail Matheson, representing the developer who contributed to the development of the 1000<sup>th</sup> Scottish National Housing Trust-funded house, said:

*"[We have] been delighted to have been involved with the National Housing Trust initiative. Since the introduction in 2011, we have built 135 homes with a further seventeen due for completion shortly. The construction work has been a boost to the economic activity in the area and the homes have provided many people and families with a very real way of being able to become home owners. A deposit to support a mortgage is a requirement for lenders and National Housing Trust allows people to save for a mortgage whilst staying in the home that they will buy. The initiative has proved to be extremely popular and demand remains high for the flats and houses that we have built."*

Overall, the Scottish National Housing Trust intends to deliver up to 2,000 units.

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## **Welsh Homelessness Policy — success for new policy**

Wales is in the news for its new, more proactive approach to tackling homelessness. The Welsh Government's Housing (Wales) Act, that came into force in autumn of last year, puts greater legal responsibility on Welsh local councils to provide (also preventative) assistance to anybody who faces homelessness or is in risk of becoming homeless. Now, Welsh local authorities are required to provide assistance to those in risk of homelessness within 56 days.

Crises and the Rowntree Foundation have applauded the new policy in a report. The Homeless Monitor 2015 concluded that the measures introduced in the Housing (Wales) Act 2014 'ushered in major changes' with a 'stronger legal emphasis on prevention and relief'.

The report further pointed out that the Welsh Government is on track to meeting its target provision of social housing at the number of 10,000 units during this parliamentary term. Furthermore, there has been a fall in reported homelessness. The total reported cases in 2014/15 were just over 5,000 and thereby 8% lower than in 2009/10, the previous year with the lowest level of reported homelessness.

However, the level of homelessness, at 3.9 cases per 1,000 households, still remains above the English average of 2.3 cases per thousand households.

Jon Sparks, the chief executive for Crises, said:

*“By enacting the Housing (Wales) Act 2014, the Welsh Government has set an example for the rest of the UK. Too often, people facing homelessness, particularly in England, are turned away from help by their council because there’s no legal duty for their homelessness to be prevented. □ This legislation means that Welsh councils must now offer real support to anyone facing homelessness. This is a major step forwards. Yet there are still big challenges ahead. We’re particularly worried about the Renting Homes Bill, which will leave people with far less security of tenure, while welfare reforms are hitting parts of Wales particularly hard.” □*

Julia Unwin, the chief executive of the Joseph Rowntree Foundation, said:

*“Shifting the emphasis toward preventing homelessness is the right thing to do. It will mean that people facing an emergency can get help before they lose their home, and will help to reduce the number of people who are made homeless.*

*“But we’re concerned about the growing number of people in Wales who rent their home privately face having even less security. The Renting Homes Bill will reduce the already flimsy rights they possess and will mean that more people face the uncertainty of living month-to-month without the essential stability that everyone’s home should provide.”*

One weak point, that report points to however, is the Welsh Proposal to abolish six-month rent protection for newly signed contracts. Proponents suggested that it increases a property owner’s willingness to rent to the lower end of the market, fitting to the new statutory responsibilities for preventing homelessness. On the other hand, opponents of the policies argue that a suitable lack of rent protection will cause a lack of regulatory reassurance to individuals in need of protection. A further factor that has been pointed out in light of the softer stance to rent protection is the fiscal settlement with the United Kingdom government under the Barnett formula. In comparison to Northern Ireland and Scotland, the Welsh settlement makes it exposed to cuts in the housing budget.

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## **AWICS Webinars — a convenient way to access training**

For a long time, AWICS has provided dedicated seminar series and in-house training to customers all over the United Kingdom. Since 2006, over 3,000 individuals across England, Scotland, and Wales attended our courses to carry out their roles more effectively.

Traditionally, AWICS has arranged training seminars in good quality conference venues around the country. For example, we have held seminars in London, Oldham, Wrexham and Falkirk. Our training venues are ideal for the small groups and we traditionally restrict our training seminars to a small number of attendees.

However, we have now broadened our training offer. The Internet has become a medium we have all become used to and therefore we invite you to join us in webinars in the autumn and winter of this year.

These webinars will look at a range of subjects of interest to clients in local government and housing and will be held between October and January. They will last between 1½ and two hours and will offer participants plenty of opportunities for questions and discussion as well as a presentation on the topic. The cost will be £50 a session plus value added tax.

The webinars will confirm to the same standards that clients have come to expect at our seminars and workshops but will offer a different format in which to learn and exchange information and points of view. Participants in each webinar will also receive a digital copy of the presentation used and a digital copy of a briefing paper on the subject.

## Housing Associations

AWICS has revised and updated its service offering for housing associations. It now includes a series of timely and relevant webinars as well as new topics in light of the emerging Welfare Reform and Work bill amongst other topics.

## Upcoming Seminars

The seminars and workshops for 2015 will retain the same high standards for which 'AWICS' is well known and will include some new and topical subjects. The 2015 series of seminars and workshops are listed below. To book, please go to <http://awics.co.uk/seminars2015.asp>

<i>Seminar subject</i>	<i>Upcoming seminars</i>
<b>Local Authority Housing Finance</b>	London — 10th Nov 2015
<b>Welfare Reform — the implications for local government and housing</b>	Oldham — 4 <sup>th</sup> Nov 2015
<b>Right to Buy Extension, Sale of High Value Council Homes and Rent Reform</b>	London — 30 <sup>th</sup> Nov 2015
<b>Local authority new build — the financial implications</b>	London — 1 <sup>st</sup> Dec 2015 Oldham — 8 <sup>th</sup> Dec 2015

## Upcoming Webinars

The list below AWICS' current online training program. Our live webinars are about 2 hours in length and conveniently delivered online and accessible on your computer. Please book at <http://awics.co.uk/webinars.asp>

<i>Webinar subject</i>	<i>Upcoming Webinars</i>
<b>Right to Buy for Housing Association tenants</b>	Online — 10th Dec 2015, 2pm
<b>Social Rent Reforms</b>	Online — 14th Dec 2015, 2pm
<b>Introduction to the Housing Revenue Account</b>	Online — 5 <sup>th</sup> Nov 2015, 2pm
<b>Self-Financing in the Housing Revenue Account</b>	Online — 12 <sup>th</sup> Nov 2015, 2pm
<b>Sale of high value council homes</b>	Online — 24 <sup>th</sup> Nov 2015, 2pm
<b>Welfare Reform and Work Bill</b>	Online — 16 <sup>th</sup> Nov 2015, 2pm
<b>Business Planning in the Housing Revenue Account</b>	Online — 3rd Dec 2015, 12pm

Further information will be posted on our website as it becomes available and can be requested by emailing [enquiries@awics.co.uk](mailto:enquiries@awics.co.uk).



### **New books available from AWICS**

AWICS publishes books on technical topics useful for those providing public services. We have recently release the following two fully updated books:

- Developments in Local Authority Housing Finance
- Right to Buy Extension, sale of High Value Council Homes and Rent Reform

For more information or to make a purchase please visit: <http://www.awics.co.uk/publications.asp>

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### **Client and reader survey (please give us feedback)**

Please consider to give us feedback on how we are doing through our client survey: [link](#).

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### **Editorial notes**



This edition of the AWICS Housing News was edited by Sebastian Weise. Sebastian is a freelancer and recently completed a PhD at the Centre for Digital Innovation at Lancaster University. He is knowledgeable about participatory urban planning, local government, government reform, and geospatial services.

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

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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 - <http://www.awics.co.uk/seminars2015.asp>
- In-House Training - <http://www.awics.co.uk/inHouseCourses.asp>
- Independent Residents' Advice – <http://www.awics.co.uk/IndependentTenantAdvice.asp>
- Technical Books - <http://www.awics.co.uk/TechnicalBooks.asp>
- Free Information Service - <http://www.awics.co.uk/informationsservice.asp>

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The successful candidate will have the vision to imagine and develop new mechanisms to enable the accelerated delivery of housing. They will also have the ability and experience to;

- understand and assess the need for affordable housing;
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- enable the delivery of affordable housing including working with private house builders

Eden District Council administers one of the most beautiful areas in England but with much of the area consisting of small rural locations, the delivery of affordable housing is challenging yet rewarding. The post holder will work with a wide range of partners and will need to ensure that they share a vision and that each contributes effectively. To ensure the efficient delivery, the post holder will also need to work closely with the rest of the small and supportive housing team together with Council Members, Parish Councils and the public.

If you think you have the vision and stamina to make a significant and positive impact on this key priority for the Council then this might be the job for you.

For further details of either post including the job description, person specification and an application form;

- visit our web site on [www.eden.gov.uk/jobs](http://www.eden.gov.uk/jobs)
- email [human.resources@eden.gov.uk](mailto:human.resources@eden.gov.uk)
- Telephone (01768) 212210
- or apply in writing to Human Resources, Town Hall, Penrith, Cumbria, CA11 7QF

**Please note all applications must be made on the Council's standard application form and CV's will not be considered. No agencies please.**

**The closing date for applications is 10am on Monday 16 November 2015**

**Interviews will take place on 25 or 26 November 2015**

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