

AWICS Housing News

March 2015



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Elphicke-House Housing Review Outcomes

In the wake of the on-going housing crises, the Elphicke-House Review was published on 27th January 2015. The report was commissioned by the Chief Secretary to the Treasury, Danny Alexander and Communities Secretary Eric Pickles on behalf of the government in January 2014. Authored by Natalie Elphicke (a housing finance lawyer and chair of the charity Million Homes, Million Lives) and Keith House (Eastleigh Council leader – Liberal Democrat), the goal of the review was to establish how local councils could use their existing housing stock and rental income for reinvestments into new housing building projects.

The review is set in the context of the dwindling council-owned housing stock from right-to-buy schemes that entitle long-term tenants to acquire a rented property at a discounted purchasing price. The London data projections until 2023/24 led Mr Copley, housing spokesperson for the London Assembly, to speak of a potentially 'devastating scale of reduction in council housing stock'. Of revenues from sales of council-owned property, only 43% was reinvested into new council developments, 30% was transferred to central government, and the remaining 27% were consumed by administrative costs. Statistics from 'Inside Housing' detailed that since 2012, more than 26,000 homes have been sold in England, while just over 2,700 new homes have been built!

In the words of the authors the review looked into how councils could regain a pro-active approach to house building and increase the reinvestment activities of local government. Commenting on the objectives of the review, Keith House stated:

"It's our job as local authorities to deliver homes and communities, not just act as sausage machines for planning applications".

Central government is interested in capacity generation for public-led investment in house building activities at the local level. For the review, the government therefore set a number of important requirements. For example, the review included the clear requirement that any recommendations that encourage local authorities to increase their house building activities cannot touch the existing financial borrowing caps for local authorities.

The report encourages councils to move into the role of Housing Delivery Enablers, taking a more active role not only in assessing housing need but also in effectively delivering on housing demand. Ms Elphicke, co-author of the report, remarked:

"For more than a decade there has been an ambition to increase house building by about an extra 100,000 each year. That hasn't happened. That's a £15bn to £20bn opportunity for house builders which has been left on the table."

The key conclusions and recommendations of the report are as follows:

- In 2012, the government introduced self-financing schemes that give local councils more control over their housing management and development. While local management has been successful it has not yet been used to the extent that it could be.
- For example, it was found that councils currently do not make much use of existing schemes such as the opportunity to borrow money within the existing borrowing caps to deliver new council-led development schemes locally.
- Local government should be given the opportunity to request the 'disposal' of large sites that are owned by arms of the national government, such as the National Health Service or Network Rail.
- It was also found that while large financial institutions are interested in investment opportunities in local councils' housing stock, they face difficulties in making those investments. Therefore, the report advised the establishment of an independent financial intermediary organisation that would help financial institutions to invest in housing stock and council-led development schemes around the country.
- To raise further investments, the report suggested that local government pension schemes should invest into local housing schemes run by the council at around 3% of their equity

The findings of the report were well received by government officials. Danny Alexander, chief secretary to the treasury remarked:

"Local authorities already play a key role in meeting housing needs in their areas across England. However, as this review demonstrates, there is clearly scope for them to go further to help solve the country's current housing crisis. I warmly welcome this review and look forward to its core recommendations being taken forward."

The government accepted a number of recommendations immediately.

- The government appreciated the recommendation that local councils without housing stock but existing land holdings should start investing in new housing.
- The government said that it would improve the explanations of and support for neighbourhood planning to encourage opportunities for local house building.

- Information on land holdings that contribute to the Housing Revenue Account will be made more transparent to help developers and others better understand councils' land holdings.
- The government will put additional effort into monitoring smaller development schemes that can be accessed by developers to bring forward development on smaller sites.

For a number of complex recommendations, the government said that it would require more time for further consideration:

- Government acknowledged that better information sharing on land possessions of councils should be encouraged, but required more time for the practical implications of doing so.
- The government also suggested that it needed more time to consider the feasibility of an independent Housing Finance Institute that was recommended to serve as intermediary between local government property holdings and the financial resources of large investors. However, this recommendation has now been accepted (see below).

Construction news reported that at least four councils have announced plans for establishing their own house building companies spending at least £130million to develop or refurbish 9,000 homes. Most authorities plan to put work out for tender, which has the potential to generate a major new income stream for contractors. Money will likely come from the treasury's Public Works Loan Board.

As a response to the review, local councils without existing housing stock are said to be considering building council homes if the government accepts the recommendations. For many it would be their first new built in a generation. For example, Liverpool City Council and Sunderland City Council, both of which transferred their existing housing stock to housing associations in 2008 and 2001 respectively, indicated that they are to explore proposals.

Ken Lee, Chair of the Chartered Institute of Public Finance & Accountancy's housing panel commented less enthusiastically about the findings of the review. He considers that greater reforms to finance regime would be required saying:

"Local authorities could be helped with their resources by allowing them to keep all the money from council house sales to plough back into the provision of further housing. [...] The report could have also recommended the reinstatement of the Prudential Code as the controlling limit on investment, rather than an artificial ceiling that bears no relation to local needs."

The spokesperson for the Local Government Association, Peter Box, further suggested that the government's borrowing cap should be lifted:

"Councils must have a lead role in building if we are to deliver the homes and infrastructure we need, as this report recognises," he added. 'It is positive that the report recommends a stronger role for councils in joining up public sector land and highlights opportunities for new ways of financing housing which the LGA is working with councils to explore.'"

The full report can be downloaded here: [link](#).

The government has now accepted the suggestion that there should be an independent financial intermediary to support financial institutions invest in council-owned housing stock and development schemes around the country. On 16th March, Danny Alexander, Chief Secretary to the Treasury, announced the foundation of an independent Housing Finance Institute. The privately funded institute will address the gap in skills and knowledge in delivering local authority housing. According to the press announcement, the institute will advise 'in areas such as setting up and managing public private sector joint ventures or developing capacity and skills in areas such as land assembly or developing investment vehicles'.

Commenting on the changes, Danny Alexander said:

"I have prioritised the investment of almost £2 billion to ensure we can deliver on average 55,000 new affordable homes a year until 2020. We are also taking the lead in exploring ways to boost housing supply: as I announced last year, we will be directly commissioning, building and selling homes to speed up the process at Northstowe in Cambridge. This new institute will help local authorities to make a big contribution to ensuring the United Kingdom builds new homes in the numbers our people need."

Keith House, co-author on the report, expressed his support. He said:

"I'm delighted that the government is following through on one of our key recommendations and is establishing a Housing Finance Institute... By working together, central and local government, with the construction and finance industries, can make a real difference in boosting housing supply to solve the nation's current housing crisis."

The announcements fall in line with the chancellor's announcement to establish up to 20 new housing zones across the United Kingdom that are part of the government's push to ease the housing crises by delivering 200,000 homes. The 2015 United Kingdom budget foresees that the housing zones will contribute a total of 45,000 homes.

We are holding our 2015 series of 'All You Want to Know about Local Authority Housing Finance' between March and November. This series of seminars and workshops is designed to give an introduction and overview to this important subject and is fully up to date with all developments.

This seminar and workshop is designed for people who are not experts in housing finance, but who need to understand the basics and achieve an overview of what is going on. It is suitable for councillors, housing managers, tenant representatives, finance staff who have limited experience of local authority housing finance and others who realise that an understanding of housing finance can place them at an advantage – especially when considering the financial opportunities and threats that exist for local authority housing!

The session will answer the following questions:

- How does the Housing Revenue Account work?
- How does the Housing General Fund work?
- What are the Implications of Self-Financing?
- What are the Financial Opportunities and Threats for Local Authority Housing?

The session includes a participatory case study and is accompanied by a very useful 100 page book that is designed for reference after the session entitled: **"All You Want to Know about Local Authority Housing Finance 2015"**

Remaining Venues and Dates:

- **North:** Clough Manor Hotel, Oldham – 7th July 2015.
- **London:** Novotel Hotel, Waterloo – 10th November 2015.

Further information is available on our website at: <http://www.awics.co.uk/lahfin.asp> from where you can also book a place online.

United Kingdom Budget 2015

On 18th March 2015, George Osborne, Chancellor of the Exchequer, presented his fifth and potentially last budget announcement ahead of the next general election. It is a budget that he described as a 'budget for Britain', part of his long-term economic plan. The Chancellor stressed that it was a balanced budget and put much emphasis on the strong recovery of the United Kingdom economy during the last five years. He said:

"We choose, as the central judgment of this Budget, to use whatever additional resources we have to get the deficit and the debt falling. No unfunded spending. No irresponsible extra borrowing."

This means further reductions in public spending of £30 billion until 2017/18 to the 2000 levels. Sales of bank shares, lower than expected welfare expenditure, and more favourable interest rates will contribute to reducing the deficit. A surplus of 0.2% is now planned for 2019/20. Among Osborne's plans is the aspiration to turn the United Kingdom back into a nation built on 'savings', and jobs. Some of the main features were:

- More flexible ISAs, inclusive of help-to-buy ISA schemes, and a removal of the personal saving tax.
- Housing zones outside of London to build a further 45,000 homes
- 'City deals' with Manchester, Peterborough, and Cambridge for further powers over business tax income.

It was generally felt, that the budget stopped short of radical reform. Representatives of the Chartered Institute of Public Finance & Accountancy and the Local Government Association complained that the devolution of powers is progressing slowly and that government needs to undertake radical reform to safeguard local government services. Representatives of the National Housing Federation and Chartered Institute of Housing suggested that the underlying cause of the housing crisis, a shortage of affordable housing, was not addressed by the budget. A major transport study for the North was also delayed. In consequence, councils in the North were disappointed to learn that no concrete figures could be announced.

Supporting the housing sector was an important topic in Osborne's budget. The government announced a plan to develop up to 200,000 new homes by the introduction of housing zones outside of London. The other highlight was the introduction of a new help-to-buy ISA that could cost up to £250 million in the next fiscal year, to help first-time buyers.

The Help to Buy ISAs will apply to first-time buyers, and for every £200 they save, the government will top it up with £50. The maximum hand out is capped at £3,000. The value of the house is capped at £450,000 in London and £250,000 anywhere else in the United Kingdom. The scheme starts in Autumn 2015 and will cost up to £250 million in the first year. Critics have questioned why the taxpayer should subsidise someone who can afford to spend up to £450,000 on buying a house.

Twenty housing zones for construction will be introduced outside London to contribute towards the goal of delivering 200,000 new homes. Housing zones are areas of land for which the central government provides funding for infrastructure and acquisition of the site. The local authority and its developers commit to provide an agreed level of social and private housing to a certain deadline. The announced zones are expected to provide up to 45,000 homes.

About £1million will be invested into the London Land Commission to pay for the development of a database of major brownfield and public sector land.

The government will commission a study into some of the largest midlands estates to look at the challenges they face, future interventions and successful approaches.

Given the increase in employment figures, the Chancellor forecasts that expenditure on welfare will decrease by £3million in the next fiscal year. Some commentators were surprised that the budget speech featured few announcements on welfare related matters. It was also not immediately clear how the savings in welfare spending will be achieved.

Compared to the Autumn statement, the welfare bill is expected to be £3billion a year lower. Together with the already budgeted £21billion welfare reductions, the Chancellor thus expects a further £12billion reductions in welfare spend until 2017/18.

Much welcomed was the announcement of a new £1.25billion investment into mental health services. Osborne announced a 'major expansion' of spending on mental health services for children and those suffering from mental health issues.

With the general election being held in May and the local government financial settlement already announced it is probably not surprising that the budget contained no significant announcements in the local government and housing sectors.

In the case of local government the steps towards localism and devolution appear to be quite timid with the government dictating what powers and resources are devolved to which local authorities and on what terms. For anyone wanting devolution of significant powers over policies and budgets in all areas including health, welfare and taxation to ALL parts of England the progress is disappointing. It is also resulting in local government becoming even more of a fragmented 'Swiss cheese' with different structures and different powers in different places.

In the case of housing, the budget papers make an interesting reference to how house prices have increased by 9.8% during 2014 while average earnings have increased by 2.2%. This is clearly making housing increasingly unaffordable. However, the government's announcement on housing zones will make, at best, a modest contribution to housing supply; while the 'help to buy ISAs' will add to demand thus probably increasing prices. Absent from the budget were any announcements on increasing the capacity of either local authorities or housing associations to deliver the increased numbers of social and affordable homes that are clearly needed.

In this context the challenges for the housing and local government sectors are likely to intensify. Both sectors have shown a remarkable resilience and ability to innovate during recent years. Both sectors will need to continue to look to their own resourcefulness to find ways to continue to provide local services and housing to communities.

We have published a briefing paper on the United Kingdom Budget 2015 and its implications for housing and local government. This can be freely downloaded from our website at: <http://www.awics.co.uk/dynamicdata/data/docs/united%20kingdom%20budget%202015%20~%20briefing%20paper.pdf>

Service Charges in Social Housing

Since August 2014, new regulations have applied for services charges that housing providers charge leaseholders. The regulations known as the 'Social Landlord's Mandatory Reduction of Service Charges (England) Direction 2014' are sometimes referred to as Florrie's law, due to the unfortunate story of Florrie, a retired elderly lady, who was never in debt in her life. Controversially, Newham Borough Council issued her with a £50,000 bill for roof repairs. In response to this and similar cases, the Department for Communities and Local Government has introduced a cap on service charges for leaseholders.

The directive limits service charges to leaseholders to £15,000 in London and £10,000 elsewhere in England over any five-year period. The cap applies if the capital expenditure is either partly or wholly funded by the public purse through grants or other financial assistance. Costs beyond the threshold need to be funded by the authorities themselves. At the time Eric Pickles commented:

"Under 'Florrie's Law' authorities will no longer be able to levy huge bills for future government funded repair work on people who simply have little or no hope of meeting their demands."

The cap is to be enforced by making it a condition of receiving funding under the Decent Homes Programme or any other government funding of council housing.

Where landlords have to spend in excess of the cap on major repairs the additional cost of the repairs to the leasehold dwellings will fall on the landlord and will therefore be met by the tenants. Some would regard this as unjust and it is possible that some landlords will react to the regulations by deferring necessary works because they would result in charges that would exceed the cap.

The government also asks service providers to explain clearly to leaseholders what financial support is available, such as loans and deferred payment options, offer affordable repayment terms, and provide details on the tendering of repair work transparently on their website. Many tribunal cases that have been lost by landlords underline the need for proper consultation and for the work to be necessary and to represent value for money.

There is considerable evidence that residents continue to be dis-satisfied with the management of service charges by landlords. For example, we were recently approached by a local authority leaseholder who complained:

"October 2013 saw the Council take over the management of a small group of units from a Housing association who were generally mis-managing these properties. A letter was received from the Council saying works would be carried out by various contractors over the next year without describing the details."

"Various works including painting the common stairway serving six units, replacing eaves ship lap eaves and associated gutters and down pipes, repointing, replace various decorative timber clad dings and replaced one gable brickwork and reconstructed same. The eaves and gable reconstruction involved a perimeter independent scaffold and motorised hoist."

"We understand from another leaseholder who in the process of selling his unit that we are likely to receive charges in excess of £3000.00 for this work, as yet not finalised. At no time were we approached to discuss the nature of the work or associated costs. Do we any rights to refuse payment or redress against the Council?"

The Council does not appear to have carried out sufficient consultation in this case or to have given residents sufficient notice and details of the works. It is possible that the Council would not be able to justify its charges if it came to a tribunal.

We are holding our seminar 'All You Want to Know about Service Charges in Social housing' on the 20th of May. This seminar is designed to give 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. Housing Associations have traditionally levied service charges with most local authorities in England introducing them in the 'noughties'. In Wales, local authorities are currently in the process of introducing service charges. Across the United Kingdom the rolling out of Universal Credit is having an impact on benefit entitlement for service charges.

This seminar and workshop 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 councillors, board members, housing managers, 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!

The session will answer the following questions:

- How do Service Charges work:
 - In Housing Associations and Local Authorities?
 - 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?
- How to ensure excellent customer service?

The session includes a participatory case study and 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 2015"**

Venue and Date:

- **London:** Novotel Hotel, Waterloo – 20th May 2015

Further information is available on our website at: <http://www.awics.co.uk/schs2015.asp> from where you can also book a place online.

Homes & Communities Agency's new policies on housing regulation (including Value for Money standards

It was widely seen as a disaster for the social housing sector in the United Kingdom, when the Cosmopolitan Housing Group collapsed in 2012. At that time, they faced a severe liquidity crisis in the aftermath of a merger with Chester and District Housing Trust when it encountered several cash flow problems. On top of that, poor governance practice led to failures in accounting for the actual value of its housing stock. In attempting to avert a similar example in the future, investigations that followed Cosmopolitan Housing Group's collapse concluded that better training for housing association staff was required along with improved practices for the record keeping of housing associations' existing housing stock.

From 1st April 2015, new regulations issued by the Homes & Communities Agency will allow housing associations to on-rent to non-social housing subsidiaries. Preceding consultations indicated stakeholders generally welcomed this change as a way for housing associations to manage their exposure to risk in response to market conditions more flexibly. It was hoped that this would prevent another similar disaster for social housing from happening.

Alongside these changes, the Homes & Communities Agency issued a code of practice to ensure that housing associations are fit for purpose to deliver affordable homes in a sustainable, and responsible way. This is what the changes entail:

- All housing associations with more than 1,000 homes are required to undergo stress tests against their business plans. They are required to administer the stress tests themselves under hands-off oversight by the Homes & Communities Agency.
- Where warning signs become apparent, a team of regulators will visit housing associations for further in-depth scrutiny.
- Housing associations are required to keep detailed assets and liabilities registers.
- For-profit providers, but not housing associations, are required to ring-fence their affordable homes holdings. There is some debate as to what administrative costs this may cause.
- Regulators are equipped with fourteen additional staff, inclusive of five senior financial analysts, to undertake inspections.

Julian Ashby, chair of the Homes and Communities agency, suggested that while oversight is needed, the agency wants to avoid over-regulation:

"We are being careful to avoid prescription. [...] The standards are quite high level, but it's for the associations and boards to comply with that. It's not fair for us to tell them how to do it."

Housing associations are as yet unsure what may trigger a response by the agency. Nick Atkin, chief executive of the Halton Housing Trust, stated in the housing press that:

"I think the Homes & Communities Agency is more forensic and is becoming more rigorous. [...] Increasingly housing is going to be expected to stand on its own two feet, but there has to be a balance between innovation and risk."

More generally, Matthew Bailes, Director of Regulation at the Homes and Communities Agency, commented on the changes to improve risk management and governance of social housing providers:

"The regulator has a key role in maintaining investor confidence, supporting providers to deliver more new homes. If providers are going to continue to build more homes now and in the future, they need to be resilient, and that means getting a thorough understanding of their business and planning ahead now. Effective risk management will enable the sector to deliver a lot more over an economic cycle"

The new Value for Money standard of the Homes and Communities Agency is intended to increase the transparency of service delivery in the sector and encourage service providers to live up to the government's expected standards. 2014 was the second time that the housing providers had to run this self-assessment.

A survey of 71 landlords undertaken by Housemark found that half of social landlords are still unsure what they have to do in response to new value for money standards, expressing continuing uncertainty with the new regulations.

Announcing the outcome of 2014 assessments on 18th February 2015, the Homes & Communities Agency concluded that overall there was more transparency and robust evidence of how providers delivered Value for Money standards. The agency announced that only eight providers had failed to provide the sufficient evidence for the self-assessment and as a result for four providers the governance rating was downgraded from G1 to G2.

Jonathan Walters, Deputy Director of Regulation at the Homes & Communities Agency, noted:

“Our Value for Money standard is important; it can help ensure that tenants receive better services and that providers can maximise investment in new supply. We had set clear expectations for an improved performance this year and in the main providers have responded, with self- assessments that are transparent, robust and allow tenants and other stakeholders to hold them to account on their overall performance.”

Commenting on the general context that housing associations face in the current climate, Adrian Waite, said:

“Housing Associations face significant challenges. The economic background continues to be one of recession with many tenants managing with reduced incomes. The government has reduced the Affordable Housing Programme, introduced rent reforms including intermediate ‘affordable’ rents and is ‘reforming’ housing benefits. The Homes & Communities Agency has made changes to financial regulation with an increased focus on viability, value for money and risk management. Local authorities have reduced Supporting People Grant. Terms on which loans are available are less favourable than in the past. Asset Management and Treasury Management are seen as being increasingly important. However, housing associations are being remarkably innovative in their response with many developing new sources of income including increased service charges and having ambitious new build and regeneration schemes.”

We are holding our seminars & workshops on ‘All You Want to Know about Housing Association Finance’ in May and September 2015. This seminar and workshop is designed to give an introduction and overview to this important subject and is fully up to date with all developments.

Do you think that a working knowledge of service charges would put you and your colleagues in a position of advantage? Whether you are a Housing Manager, Board Member, Tenant Representative or even a member of the Finance Team; whether you are in a housing association or in a council that has partnerships with housing associations, you could benefit from one of our sessions at which you will learn: **“All You Want to Know about Housing Association Finance”**

The session will answer the following questions:

- What financial environment are housing associations working in?
- How do the finances of Housing Associations work?
- How do housing associations fund new development?
- What are the financial opportunities available to housing associations?

Delegates will gain an overview of the finances of housing associations and will keep up to date with developments in housing association finance. The session includes a participatory case study and is accompanied by a very useful book that is designed for reference after the session entitled: **“All You Want to Know about Housing Association Finance 2015”**

Venues and Dates:

- **London:** Novotel Hotel, Waterloo – 19th May 2015

- **North:** Clough Manor Hotel, Oldham – 29th September 2015

Further information is available on our website at: <http://www.awics.co.uk/hafin15.asp> from where you can also book a place online.

New funding for Extra Care Housing

The past few years have seen considerable reductions to local authority budgets. The National Audit Office has estimated that budget cuts to local government represent a reduction of 28% in real terms between 2010/11 and 2014/15. As a result of these cuts, housing services to vulnerable people were amongst the big losers. For example, the Supporting People programme, a housing support and advice scheme for vulnerable people, experienced cuts of, on average, 45% between 2010/11 and 2013/14.

However, the government has now announced £155million in additional funds for further development of assisted living from its Care and Support Specialised Housing Fund (CASSH). Of that, £120million is allocated to providers outside of London. In this round, priority is given to providers who seek to deliver housing for people with learning disabilities and mental health issues.

Norman Lamb, Minister of State for Care and Support, commented:

“Well-designed and high-quality specialised housing is a vital part of improving the health and wellbeing of many people. Phase 2 of this fund will increase the range of housing options available, particularly for those living with mental health conditions and learning difficulties, allowing more people to live independently.”

Andy Rose, chief executive at the Homes & Communities Agency, noted:

“Specialised housing is vital in helping older people, and those with disabilities or mental health problems, to benefit from independent living. It can help people to maintain good health and improve quality of life, while reducing costs in the health sector.”

Extra care housing is defined as housing that has been designed to accommodate older frail citizens. In many cases, extra care houses present themselves as alternatives to care homes, giving the elderly residents the greatest possible level of care while offering the comfort of a home. This usually includes having their own front door, a self-contained property, and the legal right to occupy the property.

Impact Housing Association, of which Adrian Waite is Chair, has identified Extra Care Housing as a priority and is developing new schemes including one that started on site on 25th March 2015.

AWICS Clients' news round-up

Sevenside Housing Association

A new housing development by Sevenside Housing Group has been officially opened in Morda, Shropshire. The £2.27million development project, which commenced in 2013, was part-funded by the Homes and Communities Agency. It delivers 21 properties of mixed tenure and unit type on a Rural Exception Site, giving preference to residents with local ties. Sevenside's chief executive, Sarah Boden, said:

"We are very pleased by the success of this development. Our aim is to build excellent homes in thriving communities and this aim is realised in Morda."

Mike Sambrook, managing director at SJ Roberts (the contractor), said:

"We worked closely with Severnside Housing from inception of the Morda scheme and are delighted with the resulting development. The project brought up some interesting site challenges but, by working collaboratively with Severnside and the rest of the design team, these were successfully dealt with."

AWICS recently completed a review of value for money for Severnside Housing Association.

Oldham Borough Council

Oldham Borough Council has given permission for a unique £7million re-development of the land between Cambridge Street, Durham Street and Lynn Street in Werneth. The developer, Community Build Werneth Ltd., will develop 37 homes that were designed by the people that will eventually live in them. After the site had been vacant for almost a decade, the new scheme is seen as a milestone. Councillor David Houle said:

"It is a brilliant scheme and shows great confidence for the future. They are going to be large houses in which families can grow and prosper. It is one of the future ways we can improve Oldham."

Director of contractor CBW Sajjad Malik, said:

"This is a real milestone. Having the permission will allow us to move on and start getting everything into place."

Oldham Borough Council was recently awarded Vanguard status in the pilot of the Government's Right to Build scheme. It established a new online register for people interested in building their own homes. Signing up will help the council to establish the likely required number, size and the sort of buildings that registrars plan to build. On the other hand, the council will be able to get in touch with registrants once a site becomes available. Councillor Dave Hibbert stated:

"As a co-operative council, we want to offer residents the opportunity to develop and build their own homes and contribute to the regeneration of the borough. Custom build homes are often cheaper, greener, more affordable and more innovatively designed than standard market housing. They offer a real alternative to buying 'off the peg' houses that may not meet your household's needs."

The Warm Homes Oldham initiative will continue for a third year. It helps residents in Oldham out of fuel poverty. Last year alone, solid wall insulation was installed at eighty homes.

AWICS recently advised Oldham Borough Council on the introduction of service charges. The Council also sends delegates to AWICS seminars and workshops.

Basildon Borough Council

For the first time since the 1980s, Basildon Borough Council will build new council homes. For this the council set up its own house-building firm, Sempra Homes, and invested up to £200,000 into a first phase of house building to bring forward fifty new homes. In the second phase a hundred new homes will be added on ten additional sites. The council hopes that the first residents can move into their new homes for Christmas 2015. Chief Executive, Bala Mahendran, said:

"Basildon was built on hope and we are now trying to create opportunities for Basildon and Basildon's people by cutting out the middle man. This is a significant step."

From its £10.6million investment into Sempra Homes, Basildon Borough Council expects a £5.1million return. Phil Turner, council leader, stated that

"We are not housing people from outside the borough. We are meeting residents' aspirations and fulfilling their dreams. Residents have to be good neighbours and good tenants looking after their properties and not be a nuisance. There will be zero-tolerance. It's very much tough love."

AWICS has advised Basildon Borough Council on business planning and self-financing.

Lambeth Borough Council

Alongside eight other boroughs of London, Lambeth Borough Council will be benefiting from £145million of additional decent homes funding to invest into completion of refurbishments that were not completed during the programme that ran from 2011 to 2015. The fund can be used on external and internal works. Commenting on the "Decent Works Backlog Funding" program, Brandon Lewis, housing minister, said:

"The government is giving London this significant funding boost, which will improve the lives of thousands of council tenants by bringing their homes up to a decent standard. And the changes we have brought in to protect leaseholders will help tenants by ensuring the repairs on their home get done without landlords imposing unreasonable charges."

Backed by the Troubled Families initiative, launched across England in 2011, a special team at Lambeth Council has successfully managed to put 1,000 troubled families back on track. The Aspirational Lambeth Families team achieved their target ahead of schedule and earlier than other boroughs of London. Numbers published by the Department for Communities & Local Government in the summer of 2014 indicated that it was the best in London getting more adults back into work faster than elsewhere. As a result, the team was able to enter the second phase of the scheme ahead of schedule giving it money for a further 551 families. Jane Pickard, acting cabinet member for children, young people and families, said:

"Intervening with parents and children to prevent problems happening in the first place is the key to how we approach all our services for children and young people. The Troubled Families programme is enabling us to expand that work. The end result is a transformation for the families themselves, a saving for taxpayers on a range of services from health to prisons, and a benefit to communities who see a fall in crime and anti-social behaviour."

Lambeth Council has appointed Neil Wightman as the new Director of Housing Management. As part of his new role, Mr. Wightman will oversee the re-integration of the housing service from Lambeth Living back into the Council. We wish him best of luck in this exciting, new role.

AWICS has assisted Lambeth Borough Council with a housing options appraisal, advice on accounting and as an independent residents' advisor. The Council also sends delegates to AWICS seminars and workshops.

Community Trust Housing

Good news was also reported from Community Trust Housing. Community Trust Housing was established as a community-based housing provider following a transfer of council-owned property stock. Community Trust Housing is well underway to deliver a £110million regeneration plan on Stockwell Park Estate, Robsart Village, and neighbouring street properties to be completed by 2017. AWICS has recently completed an options appraisal for Community Trust Housing. More information can be found on their website at: <http://www.cth.org.uk/>

AWICS Survey

We have created a questionnaire because we would like to know what our customers and others in the world of housing, local government and public services think about us and our services.

WHY NOT TAKE PART?

We would be grateful if you could complete it. It should take you no more than ten minutes. It should help us to offer services in future that will better meet your needs.

Those who take part are eligible for discounts on our books

You may remain anonymous if you wish.

To take part in our survey, please visit: <http://form.jotform.me/form/50612526489459>

Editorial notes



This edition of the Housing newsletter was edited by Sebastian Weise. Sebastian is a freelancer and PhD student 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.

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 us and our services 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/seminars2015.asp>
 - In-House Training - <http://www.awics.co.uk/inHouseCourses.asp>
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