

22nd November 2010

Press release

LOCAL DECISIONS: A FAIRER FUTURE FOR SOCIAL HOUSING?

Government today issued proposals to deliver reform across social housing. The consultation paper, “Local Decisions: A Fairer Future for Social Housing”, outlines reforms to the sector that are far reaching, but will they result in a fairer future for tenants? The jury is still out, as far as the Northern Housing Consortium (NHC) is concerned.

Charlotte Harrison, Director of Policy and Strategy at the NHC commented, “We fully understand that Government are grappling with the management of a scarce resource, alongside promotion of mobility and, crucially, sustaining community cohesion. Whether these reforms will deliver against these agendas is not proven – mainly because in the current consultation paper there is little detail on the factors that will be taken into account in, for example, determining whether to reissue a new fixed term tenancy. Clearly, we believe that any approaches to reform and flexibility of tenure should not result in disincentives around work. However, we would question whether these reforms send out the right message in tackling worklessness.”

“Our concern is that the new flexibilities in tenancies being proposed should not actually result in confusion and add further complexity to the system, rather than creating the more simplistic approach Government claim to want to achieve. It’s clear that, under the auspices of ‘localism’, much of the reform will be centred on Local Authorities (LA’s) determining the most appropriate approach dependent on the needs of their local areas. For example, today’s announcements reverse the 2002 reforms and will give LA’s new powers to determine who qualifies to access social housing. We have concerns about what additional resources will be provided in times when resources and capacity is already an issue?”

“Future access to public funds to deliver new homes will be on a “something for something” approach, with providers contributing through cross-subsidy income and operating efficiencies, combining to form a “bespoke delivery agreement” with the HCA. We would urge agreements over operating efficiencies to take into account past performance in “sweating assets”, rather than “one size fits all” approach, as we believe providers in the North have been very effective in maximising assets to achieve effective delivery and value for money.”

“We will be working with our Members to respond to this consultation and will be discussing the detailed likely impact of the reform paper with Richard McCarthy of Communities and Local Government as part of our Northern Housing Summit, and a podcast of an interview with Richard will be available at to view at <http://tinyurl.com/29qontm> from Tuesday 23rd November.

ENDS

Notes To Editors:

- 1. Local decisions: a fairer future for social housing;** This document sets out the Government's plans for radical reform to the social housing system. It includes changes on tenure; the management of waiting lists; and the homelessness duty. It also covers the introduction of a new 'affordable rent' tenancy and changes to the system of council housing finance. It includes measures to improve mobility, tackle overcrowding and under-occupation. The reforms will ensure that social landlords can make better use of social housing and target support where it is needed most.

- 2. *The Northern Housing Consortium*** is a not for distributed profit, non political organisation which draws its membership from Local Authorities, Arms Length Management Organisations, Registered Providers and other organisations involved in housing. Its coverage encompasses the North East, North West and Yorkshire & Humberside. Its primary role is to support and represent its members who are responsible for 86% of social housing in the North. With over 30 years of experience and influence, the Northern Housing Consortium has legitimately claimed its role as “the Voice of Housing in the North.”
Further information can be found at www.northern-consortium.org.uk