

UNDER ONE ROOF

JANUARY 2013

A MONTHLY ROUNDUP OF LOCAL
AND NATIONAL HOUSING NEWS

ISSUE 12

MINISTER URGES COUNCILS TO SET FIXED-TERM TENANCIES

Councils were given the option of using fixed-term (flexible) tenancies under the Localism Act 2011. They are also required to develop a tenancy strategy, under which housing associations must have regard to the council's stance on tenure. Mark Prisk – Housing Minister has called on councils to make better use of powers to set their own housing policies after an *Inside Housing* survey found many local authorities are rejecting fixed-term tenancies (29 out of 50 English councils).

REFERENCE: *Inside Housing*, 'Minister urges councils to set fixed-term tenancies', 11/01/2013, Carl Brown. Available at: http://www.insidehousing.co.uk/tenancies/minister-urges-councils-to-set-fixed-term-tenancies/6525296.article?dm_i=1HH2,17WT2,7UMWDZ,44HBF,1.



GOVERNMENT SET TO INVEST £200M IN BUILD TO RENT

A £200m investment fund to accelerate the building of new high quality homes for private rent was launched on 20 December. The Build to Rent Fund will invest equity or loan finance in a range of viable projects in England where there is both local demand and support for new private rented housing. By focusing on larger proposals (including portfolios of sites), with 100 new, privately rented units or more, the fund will accelerate development and attract new investors into the sector. The Fund could be used to cover development costs such as land, construction or management costs. Once the development is complete and fully let, the developer will refinance or sell on its interest and repay the finance back to government.

REFERENCE: Homes and Communities Agency, 'Government set to invest £200m in Build to Rent', 20/12/2012. Available at: http://www.homesandcommunities.co.uk/news/build-to-rent?utm_medium=email&utm_source=Chartered+Institute+of+Housing&utm_campaign=2029771_News+and+views+9+January+2013&dm_i=YRX,17I6J,7E6H64,43OSV,1.

Give us your views between 28 January and 26 April:

- Should we adopt fixed term (flexible) tenancies rather than tenancies for life?
- Should we change the rights for people to succeed (or take over) a tenancy following the death of a tenant?

BABERGH AND MID SUFFOLK DISTRICT COUNCILS' STRATEGIC TENANCY POLICY CONSULTATION

The Localism Act 2011 introduces a number of important changes to the way in which Babergh and Mid Suffolk District Councils can use their powers as social landlords.

One of the requirements is for us to jointly develop and then publish a document called a Strategic Tenancy Policy.

The Strategic Tenancy Policy must explain how the Councils intend to manage their tenancies.

It must also set out the issues that the Councils expect their Registered Provider partners (who develop new affordable housing within the districts) to take account of as they design and implement their own policies.

We are consulting on two parts of the Policy.

Firstly, whether we should adopt fixed term (flexible) tenancies. Secondly, whether we should change the rights for people to succeed (or take over) a tenancy following the death of a tenant.

The use of fixed term (flexible) tenancies will not affect any of our existing tenants.

Babergh and Mid Suffolk District Councils think these new powers are very important and believe that we should have more ability to make our own decisions about housing and therefore changes should be adopted.

The Councils believe the use of flexible tenancies will result in a fairer and more flexible arrangement which will ensure the right people are housed in the right homes.

We will be seeking views on our proposals within a consultation which will run from 28 January 2013 to 26 April 2013.

How to give us your views

To take part in the consultation, please visit one of the websites to download the consultation documents or to complete the survey online: www.babergh.gov.uk/STP or www.midsuffolk.gov.uk/STP.

To contact us or for further information, email: STP@midsuffolk.gov.uk or STP@abergh.gov.uk.

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MARK PRISK LAUNCHES SOCIAL TENANT EMPOWERMENT PROGRAMME

Mark Prisk - Housing Minister, has launched a new training programme designed to empower social housing tenants.

The 'Tenant Training and Support Programme' will aim to give residents the skills they need to hold their landlord to account, whether on their own, by setting up a tenant panel, or by taking over the management and maintenance of their homes and neighbourhoods themselves.

The £1.2 million scheme is being run by the Tenant Participation Advisory Service (TPAS), and will offer support by bringing tenants together from different neighbourhoods to discuss their experiences and inspire new tenant panels.

It will also help individual tenants to engage with their landlords on a range of issues and services, and will offer face-to-face training with expert advisors for around 5,000 tenants. Participants will be able to sign up to Community Cashback, which enables tenants to take over the management of their neighbourhood, from overseeing maintenance and minor repairs to signing up new contractors to run cleaning services.

Mr Prisk said: "Communities across the country want to use the powers they have to ensure their needs are reflected in the services they receive. But many simply lack the confidence to challenge the people in charge. That is why we've put this new tenant training scheme in place, helping make their voices heard and giving people the skills they need to ensure the changes that matter to them are made".

Steve Meakin, TPAS chair, said: "This is exactly the programme we've all been waiting for. I urge any tenant who wants to be involved and make a difference in their community to get in touch and take advantage of the free support and training on offer."

REFERENCE: 24dash.com, 'Mark Prisk launches social tenant empowerment programme', 07/01/2013. Max Salsbury. Available at: <http://www.24dash.com/news/housing/2013-01-07-Mark-Prisk-launches-social-tenant-empowerment-programme>.

COALITION'S MID-TERM REVIEW

The government has published its [mid-term review document](#), which provides an update on the progress it is making in implementing the Coalition's five year policy programme set out in the Coalition agreement which was signed in May 2010.

A joint press conference was held to launch the document, at which the Prime Minister listed a number of issues on which the Government will be making further announcements, including help for first-time buyers.

The review document held few surprises. It lists the achievements of the government to date and recommits the Coalition to around 180 policies across all areas of Government.

The document promised to boost the rate of house building by:

- Creating a debt guarantee scheme for up to £10 billion to support increased building of both new affordable homes and homes for private rent;
- Supporting first-time buyers through an extension of the FirstBuy equity loan scheme, as well as continuing to champion the NewBuy scheme to increase the availability of mortgages on new build property;
- Removing restrictions on developers, so that those who can prove that a council's affordable housing requirements make a project unviable will see such requirements reduced or removed; and
- Bringing more empty homes back into use, supporting the release of public sector land and reducing planning delays in order to accelerate major housing projects.

REFERENCE: HouseMark News Issue 609, 'Coalition's mid-term review', 09/01/2013. Available at: <http://www.housemark.co.uk/newsletter.nsf/1/584E1BF9F968AC8580257AED004107E1?OpenDocument>.

ANTI-SOCIAL BEHAVIOUR BILL PUBLISHED

Jeremy Browne - Minister of State for Crime Prevention, published the draft Anti-social Behaviour Bill on 13 December. The draft Bill intends to deliver the Coalition agreement on reforming anti-social behaviour (ASB) tools and powers. It introduces the basis for setting up a structured form of restorative justice for low level crime and anti-social behaviour.

Implementation is unlikely to be for at least 18 months. In the meantime existing powers will continue to be available (including ASB Orders, or ASBOs) and any orders obtained under the current regime will remain enforceable after the new act commences under the transition arrangements in the draft Bill.

REFERENCE: The Home Office, 'Publication of the draft Anti-Social Behaviour Bill', 13/12/2012. Available at: <http://www.homeoffice.gov.uk/publications/about-us/parliamentary-business/written-ministerial-statement/anti-social-behaviour-bill-wms/>.

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PRISK ANNOUNCES NEW HOMES BONUS FOR 2013/14

Mark Prisk - Housing Minister has announced the provisional allocation of funding for New Homes Bonus in 2013/14 of £661m. The nature of the funding means that each year the allocation grows.

The New Homes Bonus, introduced in 2011, is designed to create a financial incentive to encourage local authorities to facilitate housing growth. Local authorities receive the bonus - broadly equivalent to the council tax levied on the new homes - on each additional property, with an enhancement for affordable homes and caravan pitches. The money is paid for the following six years as an unringfenced grant.

Over 142,000 new builds and conversions have been added to the English housing stock in the year to October 2012, and nearly 13,000 empty properties have been brought back into use. 37% of the net additional homes were affordable properties.

REFERENCE: Coalition Watch, 'Prisk announces new homes bonus for 2013/2014', 10/12/2012. Available at: <http://www.coalitionwatch.info/2012/12/prisk-announces-new-homes-bonus-for.html>.

GREEN DEAL CASHBACK SCHEME OPENS

Energy and Climate Change Secretary Edward Davey has announced the launch of the government's £125 million Green Deal Cashback Scheme.

The Green Deal Cashback Scheme is a first-come, first-served, limited offer where householders can claim cash back from government on energy saving improvements like insulation, front doors, windows and boilers.

The Cashback will only be available to householders who get a Green Deal assessment, have work arranged through a Green Deal Provider signed up to the scheme (this could be directly with a national brand or through a local trades person linked with a Provider) and make a contribution to costs.

The worst off households and those in harder to treat properties will benefit from energy efficiency measures being installed for free, or at a significantly subsidised cost – primarily as a result of the Energy Company Obligation (ECO), a subsidy from energy suppliers towards the cost of improvements worth up to £1.3 billion.

REFERENCE: Coalition Watch; HouseMark, 'Green Deal cashback scheme opens', 14/01/2013. Available at: <http://www.coalitionwatch.info/2013/01/green-deal-cashback-scheme-opens.html>.

SERVICE CHARGES ELIGIBLE FOR BENEFIT

The Department for Work and Pensions (DWP) has published a list of service charges eligible for benefit to help end uncertainty for social landlords. The housing sector has raised concerns that fewer service charges might be covered by benefit after the DWP published new regulations. In light of concerns that this could lead to a reduction in service charge eligibility and therefore income, the DWP redrafted the regulations last month to include four categories of payments.

The DWP then on 21 December, published guidance specifically aimed at social landlords listing exactly what charges can and cannot be claimed by benefit.

The Chartered Institute of Housing had previously raised concerns that charges for estate management, such as communal garden maintenance, may no longer be covered. However, these charges are listed in the new guidance. It appears there is still likely to be some uncertainty that there could be legal disputes as social landlords try to shoehorn charges into one of the four headings in the guidance.

REFERENCE: Inside Housing, 'DWP spells out service charges eligible for benefit', 10/01/2013. Carl Brown. Available at: http://www.insidehousing.co.uk/tenancies/dwp-spells-out-service-charges-eligible-for-benefit/6525260.article?dm_i=1HH2,17QE2,7UMWDZ,43V20,1.

MPs VOTE IN FAVOUR OF 1 PERCENT BENEFITS CAP

The Government's Welfare Benefits Up-rating Bill passed the second reading in the House of Commons on 8 January, unamended, and now passes to the House of Lords.

The Bill seeks to implement the Chancellor of the Exchequer's proposal announced in the Autumn Statement, limiting increases in most working-age benefits to one per cent for three years from 2013-14 as part of a package to deliver additional welfare savings.

The impact assessment carried out shows that nearly 10m households will lose out as a result of the Bill.

REFERENCE: HouseMark News Issue 609, 'MPs Vote in Favour of 1 Percent Benefits Cap', 09/01/2013. Available at: <http://www.housemark.co.uk/newsletter.nsf/1/BD0263AEB4AD812B80257AEE00414E22?OpenDocument>.

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WHAT DID THE CENSUS TELL US ABOUT HOUSING?

The December publication of the latest data from the 2011 census kicked off widespread analysis. Headlines focused on the impact of migration over the last decade. However, there are also some big social issues hidden in the housing data. The census confirms the impact of two of the biggest housing stories over the past decade: 1) the rise of private renting and the fall in owner occupation, and 2) the scale of the transfer from council-owned social housing to housing associations. There is also a lesson in relying on census data, where other administrative data sources can be used for cross-referencing.

Growth of the private rented sector and fall in owner-occupation

Results from the census show the dramatic increase in the scale of private renting, by almost 50% over a decade. Between 2001 and 2011, the number of private-rented households increased by 1.63 million in England and Wales, from 12% of all housing in 2001 to 18% in 2011 (if you include in this sector those living rent free). Unsurprisingly, given difficulties of accessing mortgage finance, the proportion of people owning their own homes has fallen significantly. Although still the biggest component of all housing, accounting for 64% of all housing in 2011, owner occupation has fallen from 69% of all housing in 2001.

Census data shows – but undercounts – the shift in social housing

The second significant story seen in the census housing data is the scale of the shift from council to registered social landlord housing. In total, 18% of all households were self-reported as renting social housing in 2011, similar to the 19% in 2001. But within these figures, the impact of stock transfers from councils to housing providers is clear. The proportion of social housing now managed by registered social landlords is significantly up, with that owned by local authorities correspondingly down.

However, the census undercounts the true scale of the shift. In 2011, census data identified 1.8m properties run by registered social landlords in England, well below the 2.3m identified in housing provider returns to the Tenant Services Authority. Similarly, the 2.1m council owned properties from 2011 data is well above the 1.7m identified in Department of Communities and Local Government data. Up to half a million people in the census appear to have misreported their housing as council owned rather than registered social landlord.

More detailed data from the census will be published on 31 January 2013 and will be available to housing providers under the [Community Insight Tool](#) (*Opens new window*).

REFERENCE: *The Guardian Professional; Housing Network*. ‘What did the census feeding frenzy tell us about housing?’, 02/01/2013. Available at: http://www.guardian.co.uk/housing-network/2013/jan/02/social-housing-census-data-2011?utm_medium=email&utm_source=Chartered+Institute+of+Housing&utm_campaign=2029771_News+and+views+9+January+2013&dm_i=YRX,17I6J,7E6H64,431K7,1.

MPs RALLY FOR FAIRER RURAL FUNDING

A Cross-party group of MPs has called on the government to reconsider the impact its funding settlement will have on rural communities.

The group said the 2013/14 Local Government Financial Settlement threatened to further widen the gap between the funding given to rural and urban councils which would entrench the injustice suffered by rural areas.

Urban councils already receive 50% more per head than rural areas despite evidence that many services are more expensive to deliver in sparsely populated areas.

The Rural Services Network has calculated that rural residents pay £75 more in council tax than urban residents, yet government grants for urban areas are 50% higher per head of population.

The Rural Fair Share Campaign is calling on the government to amend the provisional settlement to reduce the gap between rural and urban councils in the coming year.

It also wants Communities Secretary - Eric Pickles, to set out a plan to close the funding gap between rural and urban councils to no more than 40% by 2020.

REFERENCE: *Rural Services Network Online; Ruralcity Media*, ‘MPs rally for fairer rural funding’, 14/01/2013. Available at: <http://www.rsnonline.org.uk/politics/mps-rally-for-fairer-rural-funding>.

PRIVATE RENTED SECTOR RENTS

Labour is calling on private landlords to offer longer-term tenancies and predictable rents to enable families to plan their finances more effectively. In a policy review document entitled ‘*Private rented housing: providing stability and affordability for renters and families*’, launched on 10 December, Labour argued the private sector should give stability and financial certainty to private renters by offering predictable rents over a long period.

The document said Labour wants to remove the barriers that stand in the way of longer tenancies and incentivise landlords to offer renters greater stability if they want it. It wants to work with the sector to decide what these incentives could be.

REFERENCE: *Inside Housing*, ‘Labour calls for longer-term predictable PRS rents’, 10/12/2012, Rhiannon Bury. Available at: http://www.insidehousing.co.uk/tenancies/labour-calls-for-longer-term-predictable-prs-rents/6524975.article?dm_i=1HH2,13O3S,7UMWDZ,3FPGF,1.

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TELL US WHAT YOU THINK



Contact: Aimi Myhill (Housing Policy Officer)

Address: Mid Suffolk District Council Offices

131 High Street, Needham Market
Ipswich, IP6 8DL

Tel: 01449 724773

Fax: 01449 724727

Email: Aimi.Myhill@midsuffolk.gov.uk

Web: www.midsuffolk.gov.uk

www.babergh.gov.uk

THIS NEWSLETTER PROVIDES A MONTHLY ROUNDUP OF LOCAL HOUSING NEWS FOR THE BABERGH AND MID SUFFOLK DISTRICTS, AS WELL AS HEADLINE NATIONAL HOUSING NEWS.

IF YOU HAVE ANY SUGGESTIONS FOR IMPROVEMENT, OR IF YOU HAVE ANY IDEAS FOR FUTURE NEWS ARTICLES, PLEASE CONTACT US USING THE DETAILS TO THE LEFT.