

Briefing Paper

National Housing Federation Board Members Conference

October 2011

1. Introduction

- 1.1 The National Housing Federation (North) held a conference for Board Members in Liverpool on 19th October 2011. Adrian Waite attended the conference as a representative of Impact Housing. This briefing paper summarises the proceedings.
- 1.2 Unless otherwise stated the views in this briefing paper are those of the speakers at the conference and do not necessarily represent those of Adrian Waite, 'AWICS' or Impact Housing Association.

2. Raising the Sector's Political Profile

- 2.1 This presentation was made by Derek Long, Assistant Director (North) of the National Housing Federation.
- 2.2 The role of the National Housing Federation is to make representations to politicians for the benefit of housing associations and their tenants, to support and promote the work of housing associations and to campaign for better housing and neighbourhoods.
- 2.3 There is legislation on the 'big society', energy, welfare and localism. The legislation will be followed by regulations. Benefit reforms will hit housing association 'bottom lines'. There are 700,000 housing association tenants with the preserved right to buy but the short-term effects of government announcements are not expected to be significant. Housing has become more political and politicians (including local politicians) are interested in housing. Housing was not a big issue during the general election but is now a big issue. It is interesting that David Cameron talks of building more homes while Ed Miliband talks about making choices and giving homes to those who show responsibility.
- 2.4 The Freedom of Information Act does not apply to housing associations at present. However, Grant Shapps is arguing that it should be extended to Housing Associations either voluntarily or by statute. The media has an appetite to cover housing associations and to do this in a way that lacks thought and experience.
- 2.5 A pre-election stimulus package before the 2015 election can be expected to include additional funding for housing.

- 2.6 The government's housing policy preferences are for the south and its housing policy is designed for the south so there is a need for housing associations in the North to engage with members of parliament and councillors. Government understands the housing market in the south but not in the north.
- 2.7 Communities & local Government will publish its housing strategy in November 2011. The Localism bill will create elected Mayors in Liverpool, Manchester and other cities. There will be a democratic filter in unresolved complaints about housing involving members of parliament and councillors – it is difficult to see why this is necessary as the existing system has worked well and has not been criticised. Local authorities will have a general competency power. Local authority tenancy strategies will have an impact on lettings.
- 2.8 Political change can be expected. The reduction in the number of parliamentary constituencies will result in fierce selection battles. More local authorities are likely to come under Labour administrations. The north may become less significant politically despite some prominent Conservatives - such as George Osborne and William Hague representing northern constituencies.
- 2.9 Members of Parliament like housing associations because they offer affordable housing, are not-for-profit, improve neighbourhoods and are local providers. However, they question them for accountability, complacency, customer focus, quality and value for money. Most Members of Parliament do not understand housing associations very well. Housing associations therefore need to emphasise the good they do and the challenges they face.
- 2.10 A Member of Parliament receives 25,000 emails, letters and calls a year and can spend an average of four minutes on each contact. Sending hard copies has been found to be more effective than emails. It is useful to get to know their interests, make contact with constituency staff, be proactive and contact them first and respond to queries promptly.
- 2.11 When inviting politicians to events give months of notice. Create photo opportunities that involve meeting real people. Choose suitable dates and contact the private or constituency office. Consider having a political champion on the Board. Make frequent contact with Members of Parliament and Councillors.
- 2.12 Housing associations should be aware of the change of emphasis with the change of government. There is an emphasis on responsibilities rather than rights.
- 2.13 During the next general election the National Housing Federation will invite all candidates to sign an affordable housing pledge.

- 2.14 The government's right to buy proposals will be difficult to implement and many replacement homes will be at 80% of market rents. Despite the switch from social rents to rents at 80% of market rents, Lord Freud (a minister) has stated that the net effect of government reforms to rents and housing benefit is to reduce housing benefit payments. In the Northwest 80% of social homes are under-occupied as there is a lack of alternative stock. However, these tenants will lose housing benefit under the government's proposals.

3. The Economic Climate and its Impact on the Sector

- 3.1 This presentation was made by Brian Cronin, Chief Executive of the Arena Housing Group.
- 3.2 Housing Associations usually come out of recessions stronger than they went into them. The economics of recessions work in favour of housing associations as long as risk management is addressed.
- 3.3 There is a world financial crisis but the private sector has more cash and more profits than five years ago – for example, the energy companies. It is the financial system rather than the economic system that has collapsed. The financial system has collapsed due to excessive private and public borrowing. Since 2008 the public sector has been paying the money back especially through the bank bailouts. This is paid for by taxpayers and so suppresses the financial system. All the banks are now re-capitalising. The Bank of England reports that all United Kingdom banks have higher capitalisation than they had in 2006. However, they have kept the cash rather than lending it.
- 3.4 The Bank of England is now to do £200million of quantitative easing. The aim is to bring about a fall in the exchange rate thus encouraging economic growth.
- 3.5 'Stagflation' (inflation and stagnation) is a possibility. It happened in Japan in the 1990s as a result of which the Japanese government has the highest level of lending in the world as it borrowed to finance building of infrastructure that failed to stimulate growth.
- 3.6 In the United Kingdom the private sector is stagnant and the public sector is contracting but experts expect a slow improvement over five years.
- 3.7 An economic currency does not work unless you have a common economic and fiscal policy. The Euro has one currency in seventeen different fiscal economies and it does not work. There is a two tier Europe – one based around Germany and the other in Southern Europe and this is not sustainable. The proposed answer is a sustainability fund run by the former Prime Minister of Belgium who was also previously Chairman of Dexia Bank.
- 3.8 The Chinese economy is growing. It has a quarter of the world's population. Last quarter its growth rate slowed to 9%. However, it is mainly (80%) agricultural and poor with only 20% being urban and developing – similar to England in the 1840s.

- 3.9 Housing Associations are usually recession-proof. In recession there are low interest rates, low wage increases and low cost inflation. Rents become real inflators with demand increased due to increased waiting lists. Stock transfer business plans are based on interest rates of 6.5% to 7% but actual rates of interest are now 0.5%. Most housing associations now have falling wage bills. We should not panic if there is a recession.
- 3.10 Housing Associations should avoid economic management. They should stick to managing the business and to risk management.
- 3.11 Globally, housing association income is 87% rent, 10% service charges and 3% other income (mainly Supporting People). Supporting People has a low marginal cost with a high impact on individual schemes that makes the difference between the schemes being viable or not. Expenditure is 36% repairs, 23% management, 19% interest, 11% service costs, 6% depreciation, 2% care support and 4% other.
- 3.12 Arena Housing Group recently put out a repairs and maintenance tender with a valuation of £14million and tenders came in at £10.5million. Housing associations should be seen as priority customers by building maintenance companies and high profit margins should not be accepted. Management costs and capital financing costs are also down. For long-term plans interest rates of 6% to 6.5% should still be assumed. There is a need to keep expenditure and income on service costs and care costs in balance. The hierarchy of priority is rents, repairs & maintenance, people, interest.
- 3.13 The Affordable Housing Programme now depends on the availability of credit, and direct rent payments. Gearing per unit has increased from 10% in 1989 to 50% in 2008 and 85% today. Regeneration funding has been cut by 90%. Grants used to cover 98% of development costs. Sales are at a low level and while prices in London have recovered to 2006 levels in London this is not the case elsewhere.
- 3.14 The benefit cap will prevent people on benefits from affording 80% affordable rents in London at the outset and this effect will then creep to other areas. It will be one thing to charge an 80% affordable rent and another to collect it. Supporting People cuts are not significant in gross terms but can have a high impact on the viability of schemes at the margins making a scheme unviable.
- 3.15 The 2010 Comprehensive Spending Review is the largest deficit reduction scheme ever attempted in the United Kingdom in such a short time. The housing budgets of Communities & Local Government had the largest reductions of any government department by some margin.
- 3.16 Tax and benefit changes are having the greatest adverse effects on the poorest sections of the community.
- 3.17 Interest rates are expected to increase to 3.5% by 2015 but this is still a lower level than is assumed in most housing association business plans.

- 3.18 Inflation (Consumer Price Index) is now 5.2% and the Bank of England expects this to fall to 1.9% in 2014. (The range of possibilities is -0.5% to 4.4% with the most likely range 1.5% to 2.5%). However, this is still above the government cash limits and it is therefore likely that a decision will be taken to make further reductions to budgets than those that have already been announced.
- 3.19 House prices are expected to be static but this conceals regional variations. London prices have already returned to 2006 levels but elsewhere in England prices are still 12% below 2006 levels with the figure for the North being 30%. Between 2011 and 2016 it is expected that house prices will fall by 10.5% when compared with the general level of inflation.
- 3.20 Conclusions are:
- The core business should be robust with rents increasing and low increases in costs.
 - Interest rates should be manageable.
 - Supporting People budgets are being cut.
 - There is pressure on housing associations to extend their role.
 - The Affordable Housing Programme will shift risks to housing associations and higher gearing will be needed.
 - Implications of 80% affordable rents rather than social rents are unclear.
 - This changes the ethos of the business but this is a situation that will not be reversed as to do this would reduce the number of new builds.
 - Housing associations will need to work hard to encourage people to get out of benefits dependency. This will have to include looking at employment and training opportunities for tenants.
 - Benefits restrictions will have an impact especially the restrictions on single occupancy.
- 4. Worklessness – How can Housing Associations actively encourage customers back to work?**
- 4.1 This session was presented by
- Marcus Johnstone of Regenda.
 - Leala Irvine of St Vincent's Housing Association
 - Mark Jory of Helena Partnerships.
- 4.2 The workless are defined as the registered unemployed and those of working age who are not actively seeking work. The causes of worklessness are many and include: young people raised in workless households, the inter-generational workless, those with low aspirations, lack of financial incentive, lack of information advice and support, and those with 'hectic' lifestyles (health, mental health, drugs or alcohol). Many workless people have been found to be 'borderline agoraphobic'.

- 4.3 According to the Hills report, 60% of social housing tenants are workless. Many fear a loss of housing benefit if they were to return to work but this may change with the housing benefit changes. There is often a lack of literacy, Numeracy, information technology or language skills. To tackle this Regenda has entered into partnerships with providers of further education and training with services such as 'English as a Second Language' (ESOL) being delivered at a local or estate level. Factors identified include:
- Lack of confidence and social skills leading to demoralisation that gets worse over time including lack of contact and social isolation. Regenda has introduced work clubs, cook4confidence and premiership into employment – a partnership with Everton FC aimed at young men.
 - Lack of relevant work experience that is sought by employers. Regenda offers voluntary work (Get Britain Working Work Together), in-house work experience (Get Britain Working) and training in academies like Liverpool Community College.
 - Lack of information. People become disengaged and don't know what jobs are available or how to apply for them. They need help with CVs and job applications. Regenda provides this through service level agreements with eight partners and through referrals
- 4.4 There are 670,000 people who will be affected by the housing benefit changes from 2013. The average loss of income will be £14 a week or £725 a year. Those most affected will be those with rooms not used as bedrooms.
- 4.5 The priority at St. Vincent's Housing Association is to set up or link up with work clubs. This is seen as an ideal opportunity to reach more customers. It is seen as local, accessible and approachable. Partners are involved at all levels.
- 4.6 The approach is to get talking and networking. Contact is made with work clubs in each area. Contact is made with partners and agencies. Potential venues and community groups are visited. Job Centre Plus (JCP) advisor meetings are attended. There is a need for publicity so everyone is aware.
- 4.7 In Rochdale in April 2011 there were no work clubs in place. St. Vincent's Housing Association therefore approached established partners, community centres and housing associations. Key areas where work clubs could be supported were identified. Applications were made to the JCP for set up costs.
- 4.8 The first work club opened in May 2011 at Sparth Community Centre. There are now six work clubs in Rochdale. St. Vincent's Housing Association, Regenda and Rochdale Boroughwide Housing are all involved. Eight to ten people attend each session. Fifteen St. Vincents Housing Association and Regenda tenants have secured employment.
- 4.9 The five critical success factors are:
- A multi-agency approach
 - Continuity
 - Dedicated and flexible staff.
 - Community involvement.

- Promotion through success stories.
- 4.10 Helena Partnerships have six projects: Lettings, Events, Training, ICE Fund, Apprenticeships and Jobs Flashes. There are three partners: Starting Point, Next Step and Connexions.
- 4.11 The Next Step Lettings project employs two workers. IAG is offered to every new tenant. There is an opt-out approach. It is not an easy project.
- 4.12 The Events project aims to bring jobs into communities. It includes: Recruitment events in neighbourhoods that are sector themed (for example, hospitality), advice agencies, training agencies and events with employers with vacancies such as Asda, Marks & Spencer, Tesco, Anchor Care and Park Inn.
- 4.13 The role of Helena Partnerships in the Training programme is hosting. It provides links between providers and funders and the chamber and working links. Sectors involved include security, care and hospitality.
- 4.14 The Helena ICE fund is designed to remove barriers to training and employment and includes offering grants of up to £100 to tenants.
- 4.15 Apprenticeships are negotiated with developers, contractors and sub-contractors. There is St Helens Chamber employment training. There is funding from CRT for in-house apprentices.
- 4.16 Vacancies are notified to tenants through: Starting Point and the JCP, Jobs flashes to front line staff, vacancies on Helena Homes TV (HHTV) and vacancies on screens in offices.
- 4.17 These presentations left me wondering how far housing associations should go in taking on responsibility for ensuring that tenants enter work or training. There are two reasons for wishing to do this: First, to increase tenants' quality of life by ensuring that they return to work; and second to ensure that tenants are able to pay their rent by ensuring that they have adequate incomes. However, housing associations have limited resources and how far should their mission extend beyond providing a decent home?

5. Delivering the Affordable Homes Programme 2011-15

- 5.1 This presentation was given by:
- Adam Morton, Investment Policy Officer, National Housing Federation.
 - Claire Griffiths, Plus Dane Group.

- 5.2 Before 2007 the United Kingdom economy had tended to grow at between 2% and 3% a year. However, since then growth has declined and in the second quarter of 2008 the economy began to contract. In 2008/09 the economy contracted by 6.5%. and growth only returned in the last quarter of 2009/10. In the last quarter of 2010/11 the economy contracted again - a fact that the government attributed to cold weather. However, winters come every year and in Germany, where the weather was even colder, the economy grew by 1%. In the second quarter of 2011/12 growth was only 0.2% and the International Monetary Fund downgraded its growth forecasts for the United Kingdom.
- 5.3 The 2010 Comprehensive Spending Review represents the largest and most rapid deficit reduction programme that has ever been attempted by a United Kingdom government. It is far more severe than the reduction in the deficit that took place when the deficit was last reduced from 1993/94 to 1997/98.
- 5.4 The 2010 Comprehensive Spending Review made a 19% reduction in departmental and capital budgets. The largest reduction is in Communities & Local Government where the departmental budget is reduced by 51% and capital spending by 74%. There is a 63% cash cut in the national affordable housing programme.
- 5.5 The national affordable housing programme is £4.5billion, but this includes £2.3billion for existing commitments and £0.4million for mortgage rescue, empty homes, places of change and gypsy and travellers' sites. This leaves only £1.8billion for new affordable homes.
- 5.6 The government plans to introduce 'flexibility' to fill the 'capital hole' and a new affordable rent tenure at up to 80% of market rent (on a proportion of re-lets and new build) in return for an agreement on new supply.
- 5.7 The £1.8billion is intended to deliver 170,000 new homes. However, 67,000 of these are homes in schemes that are already committed and 23,000 of these are mortgage rescue homes. This leaves a target of only 80,000 new affordable homes. Of these 79% are for affordable (80% of market) rent and 21% are for affordable home ownership. Of these most are intended for London and the Southeast. Northwest England has been allocated only 9,311. 18% of re-lets will be converted to 80% affordable rents. Contracts worth over £450million have already been signed.
- 5.8 Changes to housing benefit are being made. Reductions in benefits for tenants who are under-occupying their homes will see housing benefit reduced for 120,000 tenants in Northwest England alone. Benefits will be capped at £26,000 a year and this will affect the ability of housing associations to develop new homes especially larger homes and homes in high value areas. The universal credit and direct payments will be introduced from April 2013 for tenants apart from the elderly and vulnerable. This will probably increase rent arrears and reduce the ability of housing associations to borrow.

- 5.9 The draft national planning policy framework has been welcomed by the National Housing Federation in that it includes a presumption in favour of sustainable development and a focus on mixed and balanced communities. However, the National Housing Federation would like to see it amended to include an expectation of on-site delivery of affordable housing and a statutory duty for housing needs assessment.
- 5.10 Average social rent levels are 73% of market levels across England. However, there are regional variations from 65% in London to 80% in the Northwest. Moving to affordable (80% of market) rents therefore represents a larger change in London than other areas.
- 5.11 In London there is a 'stand-off' in many areas with local authorities refusing to agree schemes that include affordable (80% of market) rents and stipulating that all rents should be at 60% of market rents (i.e. social rents).
- 5.12 There is a 'drop dead' date in March 2015. The Homes & Communities Agency cannot guarantee any funding for completions after this date so there is effectively a 2.5 year programme rather than a four year programme.
- 5.13 The National Housing Federation has a number of concerns about the current investment model including: transfer of risk, increased debt funding and lack of flexibility. There is a need for a long-term sustainable investment model that delivers a range of tenures at scale, supports innovation, offers excellent value for money and is financially viable. The nature of the funding regime has changed so that housing associations now have to broaden the range of products on offer. Andrew Stunnell, a Liberal-Democrat minister at Communities & Local Government, has questioned whether this is deliverable at a recent housing conference.
- 5.14 The National Housing Federation intends to publish a paper in March 2012 that will include its conclusions following studies carried out with the involvement of various parties.
- 5.15 At the end I asked Adam Morton whether there was any answer to the question: How can we develop when we have no money? He said there was no answer to this!
- 5.16 Plus Dane Group have 12,500 units – half in Cheshire and half in Merseyside. Some housing is urban and some rural. They have built 1,300 new units in three years. Since April 2011 their development activity has been 'frantic'.
- 5.17 Under the 2011/15 affordable rent programme, the Homes & Communities Agency has required additional capacity from:
- Affordable rent, that is defined as 80% of market rent inclusive of service charges. The point about service charges is significant as it eliminates the difference between affordable and social rents in sheltered housing and apartments.
 - Converting a proportion of re-let / void conversions from target rent to affordable rent.

- Conversion of 2008/11 schemes to affordable rents. These were built at the old grant rates but have been let at the new affordable rent. This is the largest short-term revenue source.
 - Converting existing general needs to affordable home ownership. The Homes & Communities Agency expectation includes sale to existing tenants with a mechanism to assist in addition to the right to buy / acquire.
 - Disposal of existing stock where applicable. The Homes & Communities Agency requires associations to create capital receipts. This is of particular benefit to the larger housing associations as they can get large value uplifts.
 - Additional capacity generated from uplift in rents for new supply.
 - Other subsidy including surpluses, recycled capital grants fund and Disposals Proceeds Fund (DPF), free or discounted public land, market rent and outright sale.
 - Private finance.
 - A small amount of grant per unit – typically £15,000 to £22,000.
- 5.18 This approach may have pushed gearing to the limits for those associations that take part in the affordable housing programme.
- 5.19 Putting together a competitive bid for this unknown territory involved:
- Engagement with subsidiary boards and residents.
 - Working in partnership with local authorities on local investment plans and bid priorities and tenancy and conversion strategies.
 - Working at a senior level across the Northwest region with other registered providers, including the sharing of legal costs. The legal advice was that no one in their right mind would sign the Homes & Communities Agency contract but in practice none of it was negotiable.
 - Compiling final bids and revising the impact on the business plan.
- 5.20 The stock profile will change from 2011 to 2015 from 92% target rent and 8% home ownership, rent to buy and market rent; to 77% target, 13% affordable and 10% home ownership, rent to buy and market rent. Affordable rent averages £88.88/week compared with target rent of £76.23/week. 345 re-lets at affordable rent therefore generates £226,821 a year enabling £3.8million to be borrowed and 44 new units to be constructed.
- 5.21 Issues for affordability and access include:
- The impact on the current waiting list when 80% re-lets are converted:
 - Sandbach 2010/11 – 22 voids conversion leaves four for social rent. 36% of waiting list can afford new affordable rent (70% currently).
 - Toxteth 2010/11 – 86 voids conversion leaves seventeen for social rent. 35% of waiting list will be able to afford the new affordable rent.
 - In both areas the average income of newly forming households suggest they could afford the new rents.
 - A major issue is the creation of potential benefit dependency and what happens to people on the current waiting list. Rents are increasing but incomes are not.

5.22 Risks include:

- Increase in refusals due to affordability with an impact on void performance.
- Changes of circumstances and inability to afford new rents leading to increased void costs and arrears.
- Lettability of 'social product' against the private sector as rents converge.
- Impact of benefit changes including universal credit and the single room rate for the under 35s.
- Potential for re-enforcing welfare dependency as rents increase by a higher proportion than wages.
- Potential for a whole new market for housing associations.
- The Homes & Communities Agency framework contract.

5.23 The opportunity has been taken to identify 'core' neighbourhoods and to dispose of stock outside them, to focus on neighbourhood investment and to dispose of high maintenance and high refurbishment cost properties. Low-cost home ownership has not been a major factor given the mortgage market, issues around selling shared ownership homes and experience of low levels of right to buy.

5.24 Dane Plus found that there is a need for new homes to be built and empty homes brought into use. There is a need to work closely with local authority partners. In the longer-term 80% rents may prove to be unaffordable if housing benefit is required. They have adopted a neighbourhood led approach that will consider neighbourhood plans in deciding which properties to re-let at affordable rent and which to dispose of. The future role in meeting the housing need of people for whom the market has failed is unclear.

5.25 In summary, Plus Dane concludes:

- The Group compiled a robust submission to remain a major developer of affordable housing in the region, but they wanted capacity to grow in other ways, to respond to the huge agenda that has opened up before them.
- The future will be a mix of opportunities. Plus Dane is well placed to continue to grow their offer and enhance their neighbourhoods. The Homes & Communities Agency contract will be one aspect of this but at least half of the other development will come from other sources.
- They have worked closely with their partners over the last ten months to ensure that their proposals supported the partners' aspirations.
- There is a need to plan for the 'unknowns' including market rent, impact of benefit reforms, the housing market, waiting lists and the wider market.
- There is a need to acknowledge the 'knowns' including reducing delivery costs, using assets differently, attracting equity and developing differently.

6. The Big Picture

6.1 This presentation was given by Yvonne Davies, Director of Scrutiny & Empowerment Partners.

- 6.2 Housing associations are inventive, strong and resilient and are asking whether there are options other than cuts. £11billion is to be saved from the welfare budget by 2014/15. The affordable housing programme is down from £8billion to £4.5billion. In local government there is a trend towards shared services, merged services and deleting the post of Chief Executive Officer.
- 6.3 The Scottish government has already produced a new housing strategy and the new housing strategy for England is expected in November 2011. It will address housing, homelessness and support. It will consider the financing of new housing supply. It will address value for money that is a 'big issue' with the regulator. It will seek to encourage home ownership and mobility. It will seek to deliver high quality sustainable homes and to protect the vulnerable.
- 6.4 Communities & Local Government will spend November to February consulting on the new Tenant Services Authority standards. However, it is not expected that there will be any significant changes to the draft standards on Governance and Value for Money (with a social benefit slant). They will focus on consumer protection and serious detriment. They will include targets for value for money. Final standards will be issued in February or March for implementation in April.
- 6.5 Localism is designed to make everything the fault of the local authority! Tenants are to become partners of landlords and it will be the landlord's fault if anything goes wrong! Local authorities are to produce tenancy strategies that will be followed by housing associations' tenancy policies. Government will introduce intermediate rents and fixed term (five year) tenancies. Councils will be able to introduce local allocations policies that could include replacing Choice Based Lettings with their own schemes. The private sector will be able to house the homeless.
- 6.6 Boards will become responsible for consumer protection in the absence of consumer regulation. Tenant empowerment will include scrutiny, the right to manage and annual reports to tenants. Tenant cash back schemes will start from April 2012 with between three and nine pilots. Tenants will be able to carry out repairs and get cash back dependent on local agreements. Up to £320 a year will be available if they opt out of the repairs service. There will be a new complaints procedure including independent panels and a new housing ombudsman with a 'democratic filter'. A complaint will have to go through a Member of Parliament, a Councillor or a Tenants' Panel before being referred to the ombudsman. This process will not involve board members.
- 6.7 A renewed emphasis on value for money will see board and committee structures being 'knitted together'. There will be an emphasis on tenant participation structures, continuous improvement, performance and measurable results. Surveys of tenants are seen as costly and questions are being asked about what meaningful action results from them. Their use will decline.
- 6.8 Housing benefit demonstration projects will start in June 2012. There will be direct payments to tenants with payments switching back to landlords if tenants fail to pay. The pilots are about exceptions and additional financial support and not about the principle of direct payments.

- 6.9 Housing associations must approve a new single equalities scheme including equalities objectives under the Equalities Act 2010 that has been enacted since April 2011. There is also a need to consider the position since the Commission for Racial Equality and Human Rights published its housing guidance in July 2011. There is a need to consider new equalities groups. Equalities objectives must appear on websites. Research in Plymouth has recently identified single men aged between 21 and forty as the most deprived group although they are not one of the groups that are defined in the Act.
- 6.10 Changes to funding for long-term care under the Health & Social Care Bill will have an impact on support schemes. It is worrying that there is an absence of housing providers at the table when this is discussed in government. There is a need to prepare for the ageing society including housing, health and well-being. There is the question of how to deliver what is left of Supporting People.
- 6.11 The government is promoting 'right to buy' and will encourage co-operatives and possibly more stock transfer. Housing associations may not be able to deliver the new build replacements for right to buy sales. The average discount is already 46%.
- 6.12 Other challenges include: changes to planning policy, anti-social behaviour (the Freedom bill will prevent housing associations from using CCTV), green issues, loan sharks and financial inclusion, social cohesion in deprived areas and how to fund supporting people services.
- 6.13 Housing Associations will need:
- Heightened awareness of risk.
 - A more commercial and business like approach.
 - Room for specialism and expertise.
 - To share services and money.
 - Never to give up because people rely on them.

Adrian Waite
October 2011

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