



The Chartered Institute of Housing

HOUSING 2011 CONFERENCE



Housing 2011 Session Information

Localism... localism... localism

Localism is the 'buzz word' going around, the government vision to transform Britain into the 'Big Society' run by local citizens and local groups. What does this mean in practice? Is it deliverable in the current climate? How far is local? How do you manage local area differentials e.g rent/income levels? Do providers have capacity? Devolution of power to individuals, community groups, families, co-operatives and small businesses, is aimed at giving greater freedoms to decide on local priorities but will these freedoms be exercised fully with such limited resources?

KEY FACTS

- Localism Bill centred around 5 core elements:
 1. Community Empowerment
 2. Decentralisation and strengthening local democracy
 3. Reform of planning system
 4. Social Housing Reform
 5. Changes to London governance structures
- During 2011-15, only £4.5bn of funding is available for Affordable Housing. £2.2bn for the affordable rent programme.
- New Homes Bonus will reward local authorities with a bonus equal to the national average for the council tax band for any additional property with an enhancement of £350 for affordable homes.



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BACKGROUND

Following the government's radical shift in policy, a range of reforms have been introduced, some with significant impact for the future of housing. The fragility of the housing sector will pose further risks; a fragmented mortgage market, limited housing investment, affordability pressures and barriers around the new social housing model are some of the challenges.

The Decentralisation and Localism Bill includes reform around planning, social housing and community empowerment. The social housing reforms outlined do present some real opportunities and challenges.

Social housing provisions in the bill will enable the introduction of fixed term tenancies with a recommended minimum of two years, incentivised housing delivery through the New Homes Bonus and modifications to council housing finance. Some registered providers have put in bids for affordable rent funding to develop housing to be let up to 80% market rate.

Furthermore greater flexibility around allocations is expected to boost mobility and aid better asset utilisation. Specifically local authorities and registered providers will have more power to manage housing waiting lists, introduce the affordable rent model, utilise a home swap programme for social tenants, discharge the homelessness duty in the private rented sector, tackle over-crowding and under-occupation.

The sector has however voiced concerns towards elements of the proposals, the ability and capacity to deliver on localism; practical impacts of the social housing reforms and collective impact of welfare reform, regulator reform, housing benefit reform and planning reform.

OTHER INFORMATION

Localism and decentralisation bill link is available through the following **Parliament UK: Bills before Parliament-localism bill**

CIH Localism briefing at <http://www.cih.org/policy/CIHLocalismBill-reportstagebriefing-May11.pdf>

CIH has produced other briefings on some of the other reforms including the Welfare Reform and Social Housing which can be found at: <http://www.cih.org/policy/papers.htm>

A report by JRF looks at the fragility of the housing market and emphasises the social and economic benefits of having a stable sustainable housing market. Available at <http://www.jrf.org.uk/>

UPDATE

As the Localism Bill makes it way through Parliament, some core messages pertinent to housing are filtering through about some of the proposals.

A minimum **fixed term of two years** for a flexible tenancy has been highlighted as too short, CIH recommends a minimum of five years for general needs tenancies. Government anticipates majority of tenancies will be longer especially for vulnerable groups.

In discharging the **homelessness duty** to the private rented sector, local authorities will not be required to set up private rented sector accreditation schemes. The private let used to discharge the homelessness duty must be for a fixed term of 12 months. CIH argues for greater regulation of the PRS if it is to be used.

Social tenants seeking **transfers** are to be taken out of the allocations framework unless in reasonable preference. Government does not think there will be need for a second system, the measure is seen as an additional flexibility that will mitigate risk of challenges from those on the waiting list. CIH has argued for changes to the current system rather than removing existing tenants.

This is a Pact session

Developing the Housing Pact 2011 – Our commitment to deliver the best possible outcomes for communities



Building on the successes of the 2010 Pact, we will:

- Identify the priorities we want local and national government to address
- Make commitments to specific housing practice

Through four main themes which reflect the challenges and opportunities being faced:

- The housing advantage
- New ways of working
- Setting our own course
- Money

To be presented to the Housing Minister at the end of the conference.

Be part of the session, vote on the CIH Stand, or tweet to **#housing2011**.



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