

**Thursday 3 February 2011  
Kent Housing Group  
Special CSR Meeting**

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National Housing Federation represents 1,200 independent, not for profit housing associations in England and campaigns for better housing and neighbourhoods

- 300 housing association members in the South East, providing 333,700 affordable homes
- Last year our members built over 7,300 new homes in the region
- Housing associations provide homes for one in every 11 households in the South East



- Comprehensive Spending Review Headlines
- Rents
- Key questions
  - for local authorities
  - for housing associations
- What the Federation is doing



# CSR Headlines: Individuals and households

- Supporting people cut 11.6%
  - Part of formula budget so vulnerable to erosion
- £7 billion further cuts to benefits
  - Working tax credit, time limiting contributory Employment and Support Allowance, cuts to child benefit,
- Additional grants for social care to LAs
  - Increase in social care grant and new ring fenced public health grant, disabled facilities grant to rise with inflation
- Wider reform of public services
  - New funding streams, voluntary sector involvement
- New/ continued funding for green homes initiatives
  - Renewable Heat Incentive, Feed in Tariffs (FiTs)

- **National Affordable Housing Programme**

- £4.5billion allocated resources over next 4 years 2011 - 2015
  - £2.3billion for existing commitments
  - £2.2billion for new homes
  - £200million for mortgage rescue
  - £200million for empty homes, gypsies and travellers and places for change
  - Government believe this will deliver 150,000 new homes
- Extra £2bn for decent homes programme

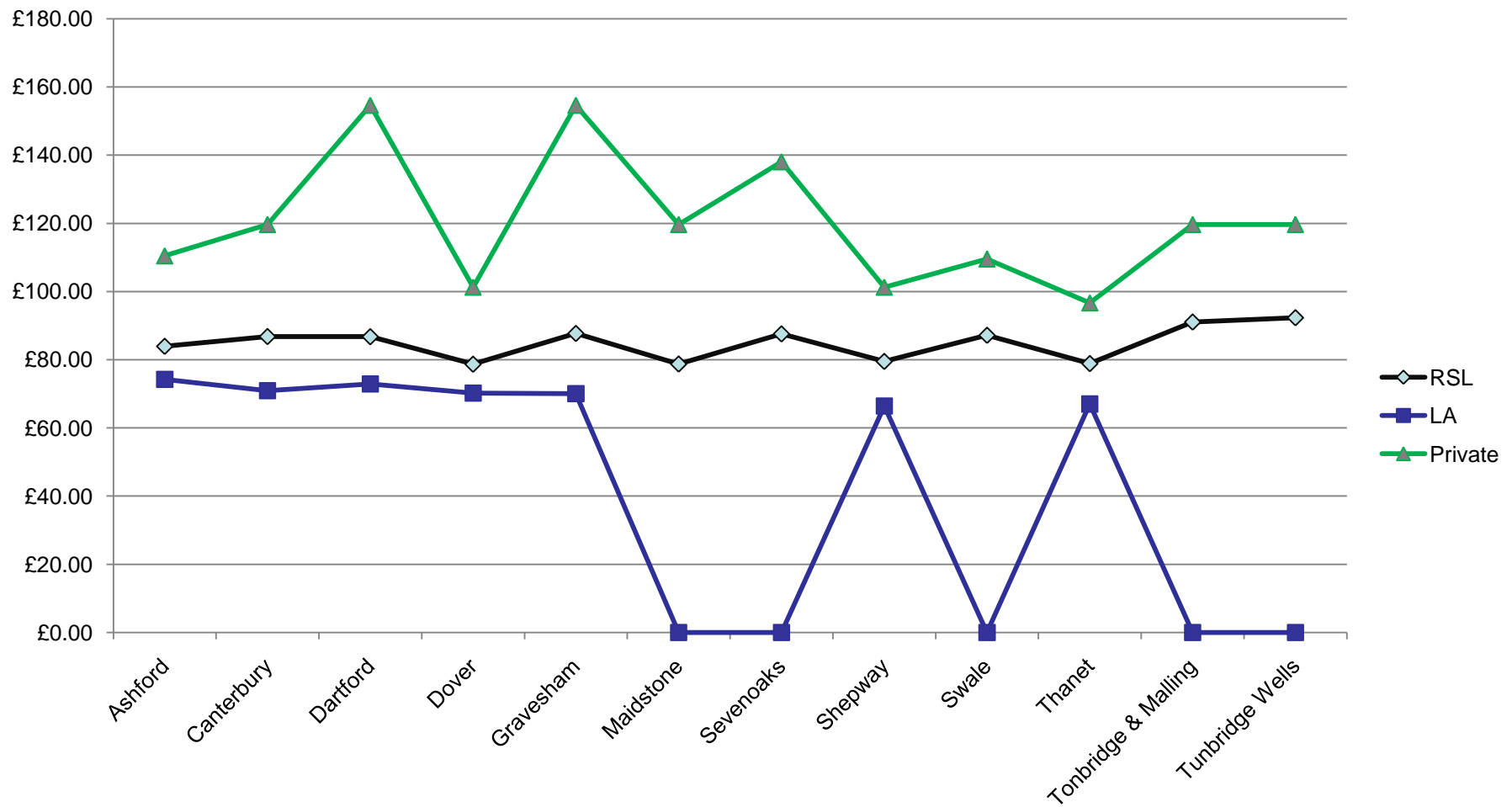
63% cut in real terms

Radical Reform: Real flexibility

# Headlines: Rents

- Rent flexibility on re lets and new build up to a 80% of market rent subject to regulator/HCA approval
- Risks
  - New Local Housing Allowance
  - Specialist and supported housing
  - Housing benefit cap
- Rent formula
  - RPI plus 0.5% apply until 2012 (RPI 4.6% in September) 5.1%

# Rent levels in Kent: HA and LA across all sizes Private for 2 bed



- 1) What is the revenue risk from the new intermediate rent? Should it really follow normal allocation process?
- 2) How will the mechanism to agree flexibility deals with the Homes and Communities Agency operate in practice?
- 3) How will social market and low cost homes ownership schemes be supported in the new NAHP?
- 4) How will supported and specialist housing be supported in the new NAHP?

- 1) Will you discuss bids with local authority partners prior to HCA negotiations?
- 2) Do you support our view that LAs should be encouraged to consider the economic mix of their waiting lists for nominations?
- 3) Will local authorities want additional revenue generated in their areas and if so what does it mean?

# Investment framework – key questions for housing associations

- 1) What is your appetite for development under the new framework?
- 2) Have you modelled the new investment framework and does it work in the areas in which you operate?
- 3) What type of offers could you bring to the negotiating table? (e.g. efficiency savings)
- 4) What certainties are critical for you to commit to four year agreements?
- 5) As the HCA are bringing less to the table should this lead to less HCA requirements?

# What is the Federation doing?

- Lobbying and campaigning
- Ongoing high level discussions CLG, HCA and DWP
- CLG/HCA advisory group and 'shadow' CSR new homes delivery group
- Housing association member briefings and consultation
- Radical reform: real flexibility



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