



TRANSFERstoday

A newsletter for all those involved in stock transfer

All home providers welcomed

The government's housing green paper has signalled the continued breaking down of barriers between stock transfer landlords, traditional housing associations, councils and the private sector, with ministers open to any approach that offers good value to maintain homes and build new ones.

Some arm's-length management organisations are exploring stock transfer and others are looking to set up partnerships with stock transfer landlords and builders to develop homes.

The National Housing Federation has welcomed the aspiration to deliver at least 45,000 new social homes a year by 2010-11 in the green paper *Homes for the future: more affordable, more sustainable*.

As newer stock transfer landlords complete their decent homes work, they will increasingly look to secure money to maintain and expand their stock.

Reforms wanted

The federation's chief executive David Orr said: "We now have a programme that is challenging but deliverable.

"Achieving it will be dependent not only on having the right levels of funding in place, but also on a number of further reforms – such as giving housing associations greater flexibility to lever in private finance and ensuring that public land is not sold off to the highest bidder."

The green paper reaffirms that both ALMOs and private developers will be able to bid against housing associations for grants to build homes from the Housing Corporation.

Two cases of traditional divisions being re-examined are in Salford and Stockton-on-Tees, where ALMOs could transfer homes to associations.

Salford council set up the

Both ALMOs and private developers will be able to bid against housing associations for Housing Corporation grants

New Prospect ALMO seven years ago, but it made little progress and failed to secure a good enough inspection rating to gain government funds.

Head of housing Bob Osborne said the council has a transfer planned for western districts of the city, a PFI project for an area dominated by high-rise blocks, and a new ALMO named Salix for the remainder.

A ballot in August showed 72.9% in favour of transfer, on a 53% turnout.

Mr Osborne said: "The area for the transfer has less non-traditional construction stock than the rest of the city .

"It will be called City West housing trust, and have 16,000 homes. There is only one high-rise and most of the stock is a traditional inter-war estate and an overspill area built in the 1960s, so the challenge

there is different from the rest of Salford.

"Transfer was chosen by the tenants who felt its ability to access extra funds through borrowing was important in the opportunities that would bring to improve homes."

Stockton-on-Tees council has commissioned consultants who are due to report in February on the options for the future of its ALMO Tristar Homes, which

is due to complete its decent homes work next year.

Chief executive Steve Boyd stressed that transfer was one option of many.

He said: "The council wants to go beyond the decent homes standard and so do tenants. Also, there is a housing shortage here and we need to build more homes as we lose about 400 homes a year through right to buy and demolition. ■

PROGRAMME

News:	Turnaround chief wins top award	2
	Concise contracts a hit with builders	2
	Call for changes to land valuing	3
Facts & figures:	Ballots and transfers in total	4
Tenants' focus:	Law to give tenants powers	5
Finance:	Making the move to merger	5
Feedback forum		6
Knowledge exchange:	Making green houses	6
Federation eye:	Untapped borrowing capacity	7
Point of contact		7
Policy & practice:	Tenants reject better homes	8

TRANSFERstoday

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business for neighbourhoods

NATIONAL HOUSING FEDERATION

Turnaround chief wins top prize

Transfer landlords were well represented among the winners of the National Housing Federation's annual neighbourhood awards.

Julie Fadden, chief executive of South Liverpool Housing, took both the leader of tomorrow category and the overall award from among the 10 categories.

South Liverpool Housing was formed by a partial transfer of 4,000 homes from Liverpool city council in 1999.

It had mixed fortunes and, when Ms Fadden took over in 2005, it had been judged failing by inspectors – with a rating of zero stars and little prospect of improvement – and was being considered for takeover.

She has turned it around and made SLH one of the country's most rapidly improving associations.

In January 2007, inspectors awarded two stars and judged SLH to have promising prospects.

Paul Clarke, the Audit Commission's lead housing inspector in the region, said: "For SLH to improve the services to this extent and gain two stars is a major achievement, for which all concerned should be congratulated."

Ms Fadden's innovations

have included Walkabout Wednesdays. On the first Wednesday of each month all staff leave their offices and go out to spot and tackle any problems they see on estates. This has helped to contribute to an 89% customer satisfaction rating.

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Westlea Housing won the local engagement and involvement award for its tenants' business plan.

It was set up in 1995 to take over 6,000 homes from North Wiltshire council. It now works throughout Wiltshire and Swindon.

The association launched the tenants' business plan project in 2005 to involve tenants in its business and financial planning process.

This allows tenants to see the financial implications of improvements, so that they can decide which they consider most important.

Finance might seem a dry subject, but 80 tenants took part and Westlea hopes to involve 100 next year.

Tenants are offered meetings, feedback cards and specialised working

groups, and can measure Westlea's progress against key objectives.

The plan drawn up by the tenants becomes part of Westlea's annual corporate business plan.

South Warwickshire housing association in Stratford-upon-Avon, won the communications awards for work around its 10th anniversary celebrations.

It wanted to use this opportunity to reach a wider audience and increase awareness of its work.

It devised a project for schools called Home of the Future, in which some 400 pupils aged 14-15 were invited to think about housing issues and develop concepts of what would be important in future homes for a range of occupants.

This project helped to improve awareness of the association among pupils and parents, and to bring young and older residents together, reducing the latter's fear of antisocial behaviour by younger neighbours.

Pupils and teachers found out more about housing issues, social diversity and sustainability, and the event helped to raise the profile of housing as a career option. ■

Fair results – with prospects

Three transfer landlords have been judged by Audit Commission inspectors to give a fair service with promising improvement prospects.

Moorlands Housing, set up in 2001 to manage 2,800 homes formerly owned by Staffordshire Moorlands council, was found to give high customer satisfaction and to take effective action against antisocial behaviour, but was urged to focus more on value for money and to improve its knowledge of residents to ensure its services were delivered equitably.

Cottsway housing association, also set up in 2001, manages 3,575 homes transferred from West Oxfordshire council.

It was praised for its maintenance and rent collection, but inspectors questioned its approach to asset management.

Two Rivers Housing was judged a good performer on improvements, repairs, gas safety and maintenance. However, inspectors said it relet homes too slowly and had a "mixed" record on rents collection and arrears.

Two Rivers manages nearly 3,500 homes. It was formed in 2003 in a transfer by Forest of Dean Council. ■

Concise contracts prove to be a hit with developers

Worthing Homes has won the client of the year category in this year's National Constructing Excellence awards, run by umbrella group Constructing Excellence.

Its winning idea was a "concise contract" to simplify its relations with builders.

Four pages, not 128

The association wanted to build new homes but felt the standard 128-page JCT design and build contract was too complex.

It developed the concise contract instead, which runs to a mere four pages. It is based on a partnership approach, giving the client control of design and specification and the developer control over the land acquisition and construction processes.

This frees both parties to focus on delivering homes rather than becoming enmeshed in disputing the contract's complexities.

The concise contract makes it clear that the developer is responsible for dealing with everything

necessary to complete the homes.

It is intended for use with trusted developers with which Worthing Homes wants to develop long-term relationships, and so omits most of the detailed "what ifs" of conventional contracts.

The association believes that the application of common sense can overcome many of the

Prices have stabilised and consultants' fees have fallen, and developers are bringing Worthing Homes more projects

problems for which a traditional contract provides.

Worthing's design team provides the outline design and development brief, and monitors the design and construction phases.

The concise contract has now been used on nine projects with four developers, and Worthing Homes says that prices have stabilised and consultants' fees have fallen.

Property services director Robin Roberts says: "The best thing is that developers are bringing us more projects." ■

Call for changes to land valuing

Ballot deferred over tenants' concerns

North West Leicestershire council has postponed its stock transfer ballot in September pending talks with the government over whether it could retain its housing and still meet the decent homes standard. Roger Bayliss, portfolio holder for housing, said that at a late stage research among tenants had shown they still had concerns about the ownership of their homes. "We are not cancelling the ballot, merely delaying it while we seek answers from the government," he said.

Tenants change mind over transfer

Tenants at Three Rivers council in Hertfordshire have voted overwhelmingly for a transfer to new landlord Thrive Homes, some 15 years after an earlier transfer attempt was defeated. Of the 2,916 votes cast, 80.6% were in favour, equivalent to a 62.5% turnout. Thrive Homes plans to spend £41m on improvements over five years.

Recycled robot gets to work

Rhys Icle, a 2m high working robot made from recycled materials, was the centrepiece of a learning day run by New Charter Housing for tenants, staff and their families to encourage children's interest in recycling. Paul Pritt, in the facilities management team, built the robot from recycled materials including plastic milk bottles, CD-Roms, floppy disks, soft drinks cans, shredded waste paper, newspapers, drinks cans, cardboard, glass bottles, tinfoil, spent batteries and electrical cables.

New group landlords in Northamptonshire

New stock transfer landlord Daventry and District Housing was launched in November in a partnership with Amber Valley Housing, known collectively as the the Futures Group. Amber Valley, which is also a stock transfer landlord, wanted a partner that was in the same region but distant enough for separate services to be maintained. Next to Daventry, South Northamptonshire council is set to transfer its homes to South Northants Homes after it secured a 57.2% yes vote. This new landlord will be part of a group with Aragon and MacIntyre housing associations.

West Kent housing association has called on prime minister Gordon Brown to take a new approach to land values if he is to tackle the housing shortage.

Chief executive Barbara Thorndick complained that it was hard for the association to buy land for new homes at a reasonable price given the soaring cost of sites in the south east.

West Kent is the stock transfer landlord in Sevenoaks, an area with notably high house prices.

This was worsened by the duty on councils, the NHS and other public bodies to sell surplus land at "best value", which she said they wrongly interpreted as meaning "highest price".

"The irony is that NHS trusts sell off land in the south east at prices we can't afford to pay and then seem surprised when they are unable to recruit nursing staff because they can't afford to live in the area," Ms Thorndick said.

Mr Brown has urged

"NHS trusts sell off land at prices we can't afford then seem surprised when nursing staff can't afford to live in the area"

councils, health trusts and the Ministry of Defence to make surplus land available for 160,000 new affordable homes to help meet the government's target of three million new homes by 2020.

But Ms Thorndick said this was "shutting the stable door after the horse has bolted, as much of this land has already been sold off or is being sold off at full market value".

She said an acre of land in Sevenoaks with planning permission for housing was worth more than £1m, "which makes it virtually impossible for housing associations to buy land on the open market for affordable homes".

Her comments came in response to an enquiry from the town's Conservative MP Michael Fallon about the availability of affordable housing for nurses at the refurbished local hospital. ■

TAKEN AS READ... current research and recent publications

GUIDE TO THE EU PROCUREMENT RULES

Price £65.00 (members £59.95) + p&p

This new edition addresses



changes and provides guidance on how the rules can be used to improve procurement and save costs.

INTERNATIONAL FINANCIAL REPORTING STANDARDS: THE POTENTIAL IMPACT FOR HOUSING ASSOCIATIONS

Price £49.95 (members £35.00) + p&p

This book covers the effect of these standards on accounting arrangements, systems and statements, and on strategic decisions.

SMALLER HOUSING ASSOCIATIONS: FIT FOR THE FUTURE

Price £29.95 (members £24.95) + p&p

This study looks at the views of smaller associations on challenges they now face and ensuring their viability.

ACHIEVING EXCELLENCE: BOARD APPRAISAL

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Achieving excellence and the following make up this pack: *Action for effective boards*; *Competence and*

accountability 2004: Code of governance; *In control: the board members' manual*; *Housing jargon: a decoder*; and *Turning hopes into homes: a history of social housing*.

PRIVATE FINANCE MANUAL: ONLINE RESOURCE

Price ex VAT: £395.00 (members £295.00), annual subscription £170.00 (£149 (members) thereafter) In a new, user-friendly format, with full search facilities, links to websites and a directory of lenders.

See www.housing.org.uk/prodserv, email: bookshop@housing.org.uk

Ballots and transfers in total

CHART 1: BALLOTS AND TRANSFERS FROM 1998

	Total transfer since 1998	Annual average from 1998	Confirmed transfers to come 2007-08	2006-08 programme ballots remaining
No of transfers	261	13	29	20
No of properties	1,082,463	54,011	112,453	46,445
No of councils transferring stock	182	9	21	12

Depending on a range of variables, 158,898 homes could potentially be transferred from councils to housing associations between now and 2008.

Chart 1 shows that the transfer of 112,453 homes should be confirmed this forthcoming year. More than 46,000 additional homes could be transferred depending on the rest of the 2007 programme ballots.

Over the past few years, we have seen an increasing trend for no ballots. However, the majority of ballots – an average of 72% since April 2007 – have voted yes to transfer to a housing association, an increase on 2006-07.

Sources: CLG housing website, National Housing Federation



CHART 2: AVERAGE BALLOT TURNOUT AND VOTES (%)

	1998-2004	2004-05	2005-06	2006-07	2006-08*
Turnout	75	69.7	70.4	69	68.4
Yes vote	72	71.5	64.4	67	72
No vote	28	28.5	35.6	33	28

CHART 3: INVESTMENT 1998-2007

Total cumulative funds committed to stock transfer	£16.4bn
Average price per dwelling	£5,659
Gross transfer price	£6bn

FORTHCOMING

For more information about events or to book a place, contact the business support team on 0870 01607 676 or book on line at www.housing.org.uk.

11 December
Supporting older people conference
London

12 December
Investment summit
London

22-23 January 2008
Environmental sustainability conference and exhibition
London

29 January
Inspections conference
London

1-3 February
National board members' conference
Birmingham

25-26 February
The leaders: forum and exhibition
Birmingham

28 February
Communications and marketing conference
London

26-28 March
Housing finance conference and exhibition
Coventry

Law to give tenants powers

Councils will have to provide support, advice and finance for tenants groups wishing to transfer, under legislation set out in the Housing and Regeneration Bill.

There are fairly clear suggestions that councils will have to allow transfer to go ahead when tenants want them, whatever political views the local authority holds.

This could apply to tenants of ALMOs who have become involved in management of their homes and are looking to go one step further when the funding to achieve the decent homes standard dries up.

Ballots for transfer will be compulsory, instead of being best practice, and rules around consultation will be tightened.

This is to make the

process more transparent as, according to papers supplementing the bill, the existing system had brought the process into disrepute.

This provision appears to be aimed not to force ballots – they are usual practice – but to prevent ballot results being challenged in the courts, as happened when the Parkside Estate in Tower Hamlets was transferred to Old Ford Housing.

There will no longer be an annual transfer round, and what happens until the bill is enacted is not clear. This provision is logical as the last of the rounds had the opportunity of gap funding, which will not be an option in future. The government may take on overhanging debt for some future transfers.

The new regulator, the Office of Tenants and Social Landlords, has been

This provision appears to be aimed not to force ballots – they are usual practice – but to prevent ballot results being challenged in the courts

welcomed by the National Housing Federation.

However, it is concerned some of its powers may affect the independent status of associations.

The federation recognises that a certain level of regulation is required, particularly around governance and finance as this reassures lenders and cuts lending costs.

The bill also lays down the mechanisms for councils to escape from the housing revenue account subsidy system. Most pay into a system that is not ringfenced, with a few receiving money back.

Regulations around the exemptions from the HRA may result in some councils that have retained homes and have land available keeping some income and using it to build new homes.

They may be able to apply for grant from the Housing Corporation or the new Homes and Communities Agency when it is formed. Funding is now a rolling programme instead of one bidding round for a two or three year programme.

While this is unlikely to lead to major building, the federation welcomes any additional affordable housing. ■

Des Kelly, policy officer,
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FINANCE

Making the move to mergers

The growing popularity of group structures in the 1990s was partly explained by the potential they offered to combine increased scales of economy, while preserving autonomy.

Housing associations have become involved in a variety of arrangements resulting from a desire to increase scale of activity, spread overheads, access specialist skills and services, increase influence and achieve more favourable terms from suppliers and funders, for example.

New stock transfer organisations now seem to account for most mergers taking place, with many joining existing groups and new groups being created.

The desire to increase scale is often mitigated by a concern to maintain independence and autonomy. Associations have made choices about arrangements they wish to make.

But the message is clear – more financial strength and support reduces the risks for a new organisation.

It also provides the opportunity not only to meet the decent homes standards but also the potential to develop new affordable housing.

Ongoing and recent stock transfer group deals include:

▶ Shropshire Housing Group, formed by South Shropshire housing association and the new Meres & Mosses HA which

But the message is clear – more financial strength and support reduces the risks for a new organisation

transferred in July 2007.

The group has 4400 homes.

▶ The newly formed Rochford HA joined Sanctuary housing group in September 2007

▶ The transfer from Harborough Council to Seven Locks Housing will see the formation of the Acclaim Group, together with Dales Housing around December 2007

▶ Daventry & District Housing has joined Amber Valley Housing to create the Future Group.

▶ South Northamptonshire Council is to transfer around 2,900 homes to the new Grand Union HG, which

will merge with Aragon HA next year.

▶ Roddons HA, the transfer from Fenland Council has joined Circle Anglia.

▶ Castle Morpeth LSVT has joined ISOS housing group.

▶ Ribble Valley Homes is proposed to join new group Vicinity, with Rodney HA and Beechwood & Ballantyne HA.

▶ Tarka Homes, the transfer from Torridge council is due to join the new Westward housing group, together with Westcountry housing association. ■

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FIVE-POINT PLAN TO SOLVE THE HOUSING CRISIS

In his speech at the National Housing Federation conference in September, federation chair John Cross set out five key challenges to the government to solve the social housing crisis.

Speaking on a platform alongside housing minister Yvette Cooper, John said: "First, we need a more flexible rent regime. The rent formulae must be more responsive and relevant.

"To build more homes for lower levels of grant, we must be allowed to increase rents by RPI plus 1%, instead of RPI plus 0.5%."

He went on to explain that, while RPI plus 1% would increase rents by only 30p a week, it would provide 20% more capacity.

"Second, the sector must be allowed and encouraged to build more homes for sale whether that be for outright sale or the various shared ownership tenures.

"Third, housing associations must be free to use assets – and the surpluses they create – to build secure businesses.

"Fourth, housing associations must be given the freedom to build homes of the right design, type, in the right places, and to the right standards.

"Finally, we need ministers to recognise the competing demands on housing association resources, including their duty to invest in communities." ■

The views in *Transfers Today* do not necessarily reflect the views of the editor or the National Housing Federation

Making green houses

The government is in danger of missing its target to ensure all new homes are zero carbon by 2016, the National Housing Federation has warned.

The government is committed to ensuring that new homes will be more environmentally friendly than ever before. For example, through changes to the building regulations and the Sustainable and Secure Buildings Act 2004, energy efficiency of housing could increase by 20 per cent by 2010, saving 1.4m tonnes of carbon each year.

But federation chief executive David Orr pointed out that just 2% of new homes built by private developers meet minimum standards, compared to 92% of new housing association homes. He was speaking at the federation annual conference in Birmingham.

He said that reducing the carbon footprint of new homes was particularly critical, as one-third of CO₂ emissions came from the nation's housing stock.

Designed with the help of tenants, 26 house types have been manufactured in factories run by small local business. This has created more than 100 local jobs

He continued: "Given the seriousness of climate change, it is only right that the government is compelling housing associations to meet such tough, environmental standards.

"I am very proud to be leading a sector at the forefront of meeting the environmental challenge.

Do you have any experience or knowledge that could benefit others? Contact editor Joanne Kelsall, email: joannek@housing.org.uk

The task ahead is for the rest of the building sector to follow our lead and for government to require it of all of us."

A number of transfer landlords have risen to the challenge and are developing low-energy homes with a barely visible carbon footprint.

Sun-trap housing

For example, the 17 low-energy homes, designed for Testway Housing by Bill Dunster Architects are heated by solar panels backed up on overcast days by a communal wood-pellet boiler.

Each highly insulated home has a building-height glazed wall that traps the sun's heat, which is absorbed by the dense concrete structure of the building.

Radiators, fed by water from the wood-pellet boiler, are provided in the lounge and hallway as a back-up for severe weather conditions and low energy lighting is fitted throughout.

In the South West, North Devon Homes, South Somerset Homes and Ocean Housing have joined Devon and Cornwall Homes to form Advantage South West (ASW), which won a Housing Corporation gold award in 2006 for its innovative approach to procurement.

The partnership has harnessed modern approaches to construction to reduce costs, cut build times by one-third and produce high-specification timber-frame homes with low carbon emissions.

Designed with the help of tenants, 26 house types have been manufactured at two factories. Run by small local business, they have expanded to meet ASW's needs, creating more than 100 local jobs.

Finally, Mendip Housing gave its tenants the chance

Tenants voted for investment in green technology above building new homes, new services and lowering rents

to vote on how annual efficiency savings should be spent – and they chose to save the planet.

Each tenant was given £10,000 of vouchers and seven ways to spend the cash, by using special ballot boxes. Vouchers were then counted up to see which ballot box had racked up the most cash votes.

Their top three priorities were:

- ▶ improving homes by investing in more green, technology to save energy and the planet
- ▶ building new homes for the next generation
- ▶ investing in existing services, like getting more tenants involved in deciding the future of their homes and services to help the ageing population.

Vital information

The four remaining choices were: lower rents; reducing borrowing; investing in new services for tenants; and a "free" option where tenants made their own suggestions.

"The people who live in our homes are at the heart of our business so we try very hard to involve them in the decisions we make about the services we provide for them," says quality and assurance manager Ian Cory, who organised the event.

"This has given us vital information to help plan how we can reinvest savings we make in the future." ■

For more information, contact Joanne Kelsall, customer relationship manager, email: joannek@housing.org.uk

Untapped borrowing capacity

More could be done to encourage growth that delivers more homes, stretches grant further and delivers more community investment – beyond anything else suggested so far, according to the National Housing Federation.

Untapped borrowing capacity could be used to invest in homes and neighbourhoods.

Our solution stretches the sector. It is a leap we believe our members will be prepared to make.

But it requires other stakeholders to change their mindsets too – not only government but also lenders.

What we offer and what it will mean

The key assumptions in our modelling include:

- ▶ rents are allowed to rise by RPI +1%;
- ▶ average annual grant of £2.67b (equivalent to that in

Development at this level leads to higher risk. New understandings will have to be reached with lenders

the *Homes for the future: more affordable, more sustainable green paper*);

- ▶ steady growth of build for outright sale to 10,000 homes a year within five years;
- ▶ adequate interest cover maintained;
- ▶ community investment is increased by 10% per year for the next five years; and
- ▶ that the planning system continues to deliver land for new social housing at prices similar to those currently achieved.

Provided these conditions apply, then our modelling suggests that:

- ▶ in addition to building an average of 8,000 homes for sale each year, the sector can develop 274,700 social homes over the next five years;
- ▶ this capacity is delivered by matching £13.4bn of grant over five years to £20.5 billion of borrowing by housing associations;
- ▶ overall grant rates reduce from 44% to 39%;
- ▶ all-important interest cover covenants will be maintained – gearing will



Nearly 300,000 additional homes could be built over five years

increase on average to around 89%. Some larger housing associations are beginning to move towards gearing at this level.

Development at this level, whilst stretching grant, does undoubtedly lead to higher risk. This makes interest cover and asset security more critical, and new understandings will have to be reached with the lending community.

The continued financial viability and strength of the sector will obviously be a key expectation of lenders – not just those in the market at the moment, but also

potential new entrants to which the sector must remain attractive.

We share lenders' concerns in this respect – that is why we want to see a sustainable approach to investment, one that is underpinned by a strong and independent regulator – another concern we believe we share with the lending community. ■

Des Kelly, policy officer, National Housing Federation, email: desk@housing.org.uk

POINT OF CONTACT

These are regional National Housing Federation contacts. If you have a problem or issue about transfer, they can usually put you in touch with someone with relevant experience.

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Saying no to improvements

Thousands of tenants are refusing to have their homes improved to the decent homes standard.

It's true to say Decent Homes has been a national success. Since 2001, the number of non-decent homes in the social housing sector has been reduced by over 50 per cent.

Deadlines

By 2010 the government expects 95% of all social housing to meet the decent standard, with a small number of social landlords to set dates for delivery beyond 2010, where it is necessary to achieve better value for money or higher standards of housing.

Despite this, not all tenants want to live in a better home.

The Housing Corporation last year conducted a survey and asked housing associations how many of their tenants declined to have their properties modernised and improved as part of meeting the decent homes standard.

In a report, *Thematic review: decent homes standard*, published in July 2007, over 14,000 tenants of housing associations have refused works being carried out on their home.

Given that many tenants vote for a new landlord to get better homes, it is surprising that 90% of those refusing improvements are tenants of transfer associations.

In many cases, these are elderly tenants who do not want their home lives disrupted. Some tenants find new uPVC door locks complicated and run the risk of tripping over raised thresholds of door frames.

In these cases, landlords must wait until properties become void before they improve them. This can often be after a tenant dies.

The reason stock transfer associations are more likely to face refusals is because they tend to have a high proportion of older tenants. Tenants with traditional housing associations are likely to be younger and keener on home improvements.

Although the survey did

"It's unfair to blame an association for having non-decent homes where tenants say they don't want the work done"

not include arm's-length management organisations, it is likely they will be in a similar position to that of transfer associations, as

they have a large proportion of older tenants.

Under revised government rules, a refusal by a tenant does not qualify as a decent homes "failure".

However, public service agreements include decent homes targets that fail to acknowledge that not all tenants want their homes improved. The National Housing Federation has lobbied the government to change this.

"It's unfair to blame an association for having non-decent homes where tenants say they don't want the work done," says Des Kelly, policy officer at the federation.

Voids and costs

Even if associations are not penalised where tenants refuse improvements, they still face problems in terms of longer void turnaround times while modernisation is carried out and loss of rent.

While this does not have a major impact on business planning, refusal also means works are completed out of sequence, which means that contractors are not available at the time.

Financially, housing associations also lose the economies of scale from carrying out improvements to

Ninety per cent of those refusing improvements are tenants of stock transfer associations

many properties at one time.

The Housing Corporation wants tenants to be aware that they cannot be forced to have improvements carried out, and that associations should respect the wishes of tenants and realise they will not be penalised should works be delayed because of a refusal.

Often tenants need reassurances from their landlord. Landlords can do this through working closely with them, visiting them at home and liaising with relatives.

Fortunately, many tenants who initially reject improvements go on to change their minds and ask for the work to be carried out soon afterwards.

Ultimately, the numbers involved are not expected to have a huge bearing on whether social landlords hit the decent homes target in December 2010. ■

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