



## Now or never for social housing

With the Housing and Regeneration Bill rapidly making its way through Parliament, housing minister Caroline Flint's outspoken comments on unemployed council tenants distracted attention from some of the more important housing issues facing the UK in general and local government in particular that desperately need to be addressed.

In the late 1990s, the dominant issue for social housing was tackling the £19b repairs backlog: ten years on, it is the shortage of affordable housing. With 1.6m people already on council waiting lists for housing and many more people living in overcrowded conditions with their families, something must be done. Government has already acknowledged that three million new homes need to be built by 2020 to meet this urgent need – tacit recognition that the market has failed to replace affordable stock sold off under the Right to Buy.

The role of local government is vital in responding to this crisis. And yet the Housing and Regeneration Bill appears to undervalue the key role councils can play in developing, facilitating, building, managing and maintaining the number of properties necessary to plug the gap. It is my belief that no one sector can deliver three million homes exclusively; therefore the response has to come not just from the private sector, but also from Arms Length Management Organisations, Registered Social Landlords and those authorities that have retained their stock.

Unfortunately, as it stands at present, a bias exists in the finance system against those councils whose tenants have voted for the local authority to be their landlord and, in my view, it is important that the Housing and Regeneration Bill takes steps to address this. Although Government has established a review of the Housing Revenue Account (HRA) system, this will not be complete for another 12 months. For many authorities this will leave them in limbo for a year at best and at worst will 'straight-jacket' them into pursuing options against their own will and that of local people. This is despite recent figures released from DCLG that show adequate resources will exist in the national HRA over the next 15 years to fund direct local authority investment.

A number of organisations, including APSE, are putting forward amendments to the Bill which would give councils the room to manoeuvre they require. Amending the way the national HRA formula works at present would give the Secretary of State the power to enable local government to deliver something that the Prime Minister has stated is the highest priority for his Government – delivering affordable homes for all.

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