

INFLUENCING / INFORMING / NETWORKING



**CEO FORUM - HELD BY THE HOUSING FORUM AND AFFINITY SUTTON – LEEDS
WEDNESDAY 10TH JUNE 2015**

TOPIC: "A HOUSING DIVIDEND FROM DEVOLUTION"

KEY WORDS: DEVOLUTION, AFFORDABLE RENT, RIGHT TO BUY EXTENSION, PERSONALISATION

Devolution to northern cities and their economic hinterland is part of the Government's legislative programme. The Housing Forum met to consider the impact on housing prospects in Leeds and Yorkshire. **Keith Exford's** view on the course of devolution is that it is unstoppable; with some commentators saying that the level of devolved powers proposed does not go far enough. The London Mayor may well push for further powers and that is likely to be helpful to the prospects of other cities. Government focus is on home ownership – with a number of initiatives for purchase but how well do these policies hold together overall?



The conclusion of the forum were:

- Getting devolution right can offer the transport, infrastructure and land supply support essential to building homes at the scale we need.
- Devolution could offer purchasing scale to the housing supply chain and the capacity to introduce modern methods of construction to address the skills shortage.
- Devolution can bring additional Government investment to councils but this will be on the basis of a minimum 80% return.
- Closer relationships should be built between housing associations and local councils, to provide additional policy and strategic support and jointly provide neighbourhood services.
- Affordable housing development may be at risk due to the impact of welfare reform on development capacity



Liz Cook explained the new agenda for Leeds City Council which is to be a city for all residents, making social regeneration a priority with economic growth. Housing growth is part of the plan with an ambition to build 72,000 homes by 2028 with a 5 year land supply available. The City Council

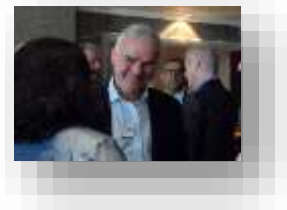
itself plans to build 1,000 homes over the next 5 years and has allocated £134m from HRA for the quality homes programme.

The Council has 58,000 homes in direct management and are prioritising improved housing management and asset management with specific consideration to be given to the 121 high rise blocks and their future role. Housing management will move towards a personalised service. Councils and housing associations could work together much more collaboratively on estate and community based matters with more cohesive delivery.

Post-election, the impact of extended right to buy for housing association tenants and the open market sale of higher value council properties will have an impact, as it will reduce the available pool of affordable and social rented housing. The next tranche of welfare reform will start to impact on those in low paid, part time or zero hours work.

What do we want from devolution? For Leeds and Yorkshire, boundaries are not settled and devolution will have to be to areas of sufficient size to operate with impact.

Tony Stacey set out the growth plans for the potential Sheffield City Region and with an ambition to build 70,000 homes over the next 7 years, output will have to be trebled and materials and building skills both on and off site would be needed. Housing supply as a political issue was set out in "Homes for Britain" which quickly gained momentum and called for the continuation of pressure on the importance of an affordable housing supply. Social enterprises and charities need funds which creates opportunities for housing associations to provide local support. Housing associations are also well placed to support personalisation in the health and social sector. The forthcoming welfare reforms will affect many more households: SYHA expect a tenfold increase in the number of families affected by the Overall Benefits Cap reductions.



The approach set out by **Mark Patchitt** at Riverside is look critically at cost effective asset management services, based around a more concentrated stock holding and working in fewer communities. Riverside are also investing in the modernisation of housing services, towards on-line transactions enabling savings to support money advice. The health sector is seen as very fragmented; devolution as seen in Manchester is a positive move towards an integrated health service. Most development programmes are now revenue supported and predicated on future rent rises over 30 years which may not be affordable to their customers. There are no tools proposed to deal with legacy of large scale northern regeneration with some local councils not pursuing the CPOs needed to assemble sites in ex HMRC areas-so a devolution "dividend" would be a body prepared to tackle compulsory purchase and land capacity issues.





The cross-sector membership
network for housing and construction

"More Homes, Better Homes"

The following contributed to the CEO Forum.

- 🏠 Frances Chaplin, Partner, PRP
- 🏠 Liz Cook, Chief Housing Officer – Housing Management, Leeds City Council
- 🏠 Geoff Egginton, Regional Director, NHBC
- 🏠 Keith Exford CBE, Group Chief Executive, Affinity Sutton (Host and Chair)
- 🏠 Richard Foxley, Senior Associate, HTA Design LLP
- 🏠 Shelagh Grant, Chief Executive, The Housing Forum (Co-host)
- 🏠 Beverley Grey, Business Development Manager, Wates Living Space
- 🏠 Nick Harne, Assistant City Manager - Housing Strategy & Renewal, Hull City Council
- 🏠 Charlotte Harrison, Executive Director (Policy & Public Affairs), Northern Housing Consortium
- 🏠 Nigel Ingram, Director, Aurora Estates
- 🏠 Pauline Mitchell, Assistant Director Housing & Building Services, Darlington Council
- 🏠 Naz Parkar, Executive Director – North East, Yorkshire and the Humber, Homes & Communities Agency
- 🏠 Jez Lester, Assistant Chief Executive (Asset Management), Incommunities Group
- 🏠 Louise Murray, Development Manager, Wakefield & District Housing
- 🏠 Mark Patchitt, Director of Development & Growth, Riverside
- 🏠 Graham Scanlon, Business Development Director (North East), Keepmoat
- 🏠 Tony Stacey, Chief Executive, South Yorkshire Housing Association

THE HOUSING FORUM IS GRATEFUL TO AFFINITY SUTTON FOR HOSTING THE DEBATE.