

Annual Report: 2014-15



FOR MORE INFORMATION:

VISIT: WWW.ARCH-HOUSING.ORG.UK

EMAIL: INFO@ARCH-HOUSING.ORG.UK

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Welcome to our Annual Report, Clr Paul Ellis, Chair

I'm delighted to introduce our Annual Report for 2014/15 – a year which has seen significant changes for both ARCH and for the environment in which stock retained councils operate.

Last year was very busy for us and I'm proud to have served as Chair. Our primary focus has been to implement a revised member offer and respond to the new government's housing policy proposals, ensuring that **the voice of the stock retained sector** is heard.

In 2014, we commissioned a review of our member services and began to implement a number of planned changes to **raise our profile** and **improve the range and quality of services** provided to members. In January

2015, we strengthened our management team by appointing John Bibby as our first Chief Executive to take our plans forward, oversee operations and support ARCH Policy Adviser, Matthew Warburton.

We also launched our new fortnightly e-bulletin which replaced our quarterly newsletter. This was introduced to **improve communication** with our members and ensure they're kept up-to-date with key developments and the work that we're doing on their behalf to respond to these developments in the sector. It's been **well received** by our members and has nearly 500 subscribers. The e-bulletin was also linked to improvements to the style and content of our website which receives over 1,000 visits per month from members and others. We also launched a programme of events for members and will be closely monitoring the demand and feedback from events to further **develop the programme**.

Our **membership continues to grow** with nine stock retained councils joining us since April 2015. We'll continue our drive to increase and retain membership.

We've also continued to build on the common ground we hold with The National Federation of ALMOs (NFA) by publishing a joint pre-election Manifesto to **influence** the political debate which was launched at the House of Commons.

The 2015 General Election saw the election of the first Conservative Government in 18 years which resulted in a significant **shift in housing policy** affecting the stock retained sector - we prioritised our work programme to respond accordingly. The government's Manifesto pledges, coupled with the surprise announcements in the Summer Budget, represent a significant **challenge to the stock retained sector**; it heralds a complete new landscape for our sector as well as a major risk to local authority housing business plans.

In responding to this new agenda, we've worked to ensure that **our sector's voice is heard at all levels** in government. We had correspondence with the Housing Minister and met with senior officials from the DCLG to open a dialogue on these challenges. We also made formal representations to the Public Bills Committee on the Welfare Reform and Work Bill and we're preparing formal representations on the provisions for sale of high value council housing and introduction of a mandatory 'pay to stay' scheme as set out in the Housing and Planning Bill.

Now, more than ever, it's vital that our sector has a **strong voice** and I look forward to working with colleagues and partners to ensure that our voice is heard. I trust you will find this annual report both informative and inspiring.

Finally, I'd like to **thank all our members** and the ARCH Executive Board for their support and the time and energy they've contributed to the work of ARCH in what has been a very challenging but very exciting year. Thanks must also go to the ARCH Tenants' Group for their valuable contributions, in particular to the Group's representatives on the ARCH Board, Jenny Hill and Marlene Price, BEM, Chair and Vice-Chair respectively of the ARCH Tenants' Group.

Achievements over the year



Improving our membership offer

In February 2015, we successfully launched our new fortnightly e-bulletin and improved the content of the website with a clearer focus on policy briefings and news on developments affecting the stock retained sector. In October 2015 we commenced a series of events focussing on the government's legislative programme.

We also ran our successful annual conference in December 2014, co-hosted with HouseMark at Warwick University. It provided an opportunity for our members to learn from the knowledge and experience of a number of high profile speakers such as Terrie Alafat in her previous role as Director of Housing at The DCLG, James Wolf, Deputy Director at The DWP, Oke Eleazu, former Director of Customer Services at Sainsbury's and Emma Maier, Editor at Inside Housing.

Several ARCH members also shared examples of best practice in a series of workshop sessions and

were able to network with senior colleagues across our sector.

Member recruitment

Once again we froze the cost of annual membership subscriptions for 2015/16 – meaning that membership remains extremely good value for money compared to similar organisations such as The NFA and The NHF. We welcomed nine new members: The Royal Borough of Greenwich, Rotherham Borough Council, South Kesteven District Council, Basildon Council, Northumberland County Council, Brighton and Hove City Council, Castle Point Borough Council, Stevenage Borough Council and Pembrokeshire County Council .

Increasing our national profile

In February 2015, we launched our pre-election manifesto for housing with The NFA at a high profile reception at the House of Commons.

In October 2015, John Bibby was invited by the Welsh Government to address a steering group of the 11 stock retained councils in Wales. As a result we're currently looking into the possibility of establishing a Welsh division of ARCH.

John has also addressed a number of national conferences including the CIH Welsh Housing and Eastern region conferences, HouseMark benchmarking clubs and the London Operational Housing Directors Forum. Links have been established with

senior officials in other key national housing organisations including the Tenant Participation Advisory Service (TPAS), District Councils Network (DCN), Local Government Association (LGA) and Society of Local Authority Chief Executives (SOLACE). We've also developed closer relationships with our sister organisations in the stock retained sector - The NFA and Councils with ALMOs Group (CWAG).

We recognised the need to work closely with central government and have established contact with key officials in the DCLG who attended the ARCH Board meeting in September 2015.

The media is increasingly looking for us to comment on matters affecting the sector. We've been featured in articles in Inside Housing, Social Housing Magazine, 24 Dash, Municipal Journal and the Local Government Chronicle.

More recently, along with The NFA, we provided key information to support BBC national news reports into the housing crisis.



Achievements over the year

Procurement of a new support services contract

Our current support services contract with HouseMark and The CIH will come to an end in December 2015. We reviewed and updated the contract specification and invited competitive tenders for procurement of a new support services contract for the next three years from January 2016. We're pleased that HouseMark has been successful in their bid to provide support services for the period 2016 to 2019. We look forward to building on our existing relationship and further improve on the services we provide to our members.

Improve communication with the ARCH Tenant Group

Our Tenants' Group come together to discuss and debate the key issues affecting the future of council housing. With John now on board, he regularly attends meetings of the group alongside Carole Halfacre, Tenant Group Co-ordinator.

Next year, group meetings will increase to ensure that tenants have the opportunity to consider key policy matters coming before the ARCH Executive Board and the Tenant Group Chair and Vice-Chair will continue to attend the ARCH Board to provide a tenant view on key decisions taken by the Board. The group again held a successful annual conference in September 2015 for tenants of ARCH members. You can read more about the Tenants' Group in this report.



A message from John Bibby

I was honoured to be appointed as the first ever Chief Executive of ARCH. Little did I know that when I took on the role, the whole landscape in which stock retained councils operate would change beyond recognition within a matter of a few months.

The success ARCH had in making the case for the introduction of self-financing in April 2012 is now overshadowed by the housing policies being introduced by the new Conservative Government.

Within months we've seen the previous Conservative led Coalition Government's ten year social rent policy thrown into reverse with the announcement of a mandatory rent reduction of one percent per year over the next four years. This will leave stock retained council's facing reductions in rental income of amounting to some £2.4billion over the four years compared to that forecast in their housing business plans. The impact over the full 30 year life of councils' housing business plans is even greater, with some £30billion less available for investment in council housing over the period.

At the same time, as the majority of social housing tenants can expect to see their rent reduced by some 12% in real terms over four years, some half million hard working tenants with household incomes of over £30,000 pa (£40,000 in London) will see their rents rise under the Government's mandatory 'pay to stay' scheme from April 2017 by up to 40% towards the equivalent market or near market rent for their home. These changes will present significant challenges for stock retained councils and the relationship they have with their tenants.

Whatever the political viewpoint on the government's proposals to extend the Right to Buy to housing association tenants, the decision to help pay for this by imposing a duty on stock retained councils to sell their higher value council stock has been met with widespread dismay in the stock retained sector.

These proposals have yet to be enacted in legislation but the power to do so is contained within the Welfare Reform and Work Bill and the Housing and Planning Bill currently laid before Parliament. We have been proactive in representing the interests of our members, and the stock retained sector generally, in responding to this new agenda.

Stock retained councils will also need to respond to the government's announcement on the review of lifetime tenancies in the social housing sector, details of which at the time of writing this Annual Report had yet to be announced.

Going forward, it's essential that the stock retained sector has a strong and unified voice to ensure that stock retained councils and the tenants they serve get the best deal. My priorities over the next 12 months will be to continue to press the case for a secure future for council housing and assist members in responding to the new landscape in which they now find themselves.

I look forward to continuing to work with the ARCH Board to deliver these objectives and to working closely with elected members, tenant representatives and officers in stock retained councils to support them in responding to the challenges ahead.



What do we do?

We represent the views of our members and the stock retained sector, providing an opportunity for stock retained councils to work collectively, be heard nationally and achieve efficiencies through collaboration, sharing of best practice and joint working.

We're the association of councils in England and Wales who, with the support of their tenants, have retained ownership and management of their council housing stock.

We provide a voice for the stock retained sector with the aim of ensuring a sustainable future for council housing by:

- Representing, supporting and listening to member councils and their tenants
- Helping members overcome the challenges faced by the sector and responding to the Government's housing policies and legislative programme
- Lobbying the Government to ensure a real future for council housing
- Demonstrating the benefits of the stock retained sector in meeting local and national housing needs
- Promoting best practice in the sector and celebrating the success of the sector in delivering cost effective quality housing services.

We're governed by an Executive Board of representatives from 11 member councils elected annually from its wider membership. We also have an established national ARCH Tenants' Group comprising tenant representatives elected from among member councils. The group nominates two

representatives to sit on the ARCH Board ensuring that the voice of tenants is considered in developing policies and responses to issues concerning the management and maintenance of council housing.

Membership fees

Membership fees are currently £2,000 (plus VAT) per annum per council irrespective of size or stock held (special rates apply for fees to include a place at the ARCH Annual Conference). Fees have been held at the current rate for several years.

Membership enables unrestricted access to information and data on our website and subscription to the fortnightly e-bulletin for any number of elected members, tenants and officers from member councils. In addition members benefit from limited numbers of free places at our events and seminars and the annual ARCH Tenant Conference.

If you'd like further information on ARCH and the benefits of ARCH membership please contact Julie Morton, ARCH Administrator: julie.morton@arch-housing.org.uk or visit our website: www.arch-housing.org.uk.



Accounts

We've made a small operating surplus of £4,447 in the last financial year and total reserves at 31 March 2015 stood at £112,562.

However the re-procurement of the support services contract is expected to result in an increase in operating costs from January 2016 and the Board is preparing a revised three year medium term financial strategy, taking into account the current level of balances in reserves to ensure that income and expenditure remains balanced over the period.

Income and expenditure account

Income

Membership fees	£ 121,296.00
Sundry receipts	£ 424.00

Total £ 121,720.00

Surplus £ 4,447.00

Total reserves c/fwd £ 108,115.00

Expenditure

Policy and research	£ 57,309.00
Meetings/seminars/events	£ 26,434.00
Tenant Participation	£ 23,745.00
Insurance	£ 449.00
Professional fees	£ 1,720.00
Travel expenses	£ 2,591.00
Printing & design	£ 1,415.00
Sundry expenses	£ 3,334.00
Bank charges	£ 276.00

Total £ 117,273.00

Reserves as at 31 March 2015 £ 112,562.00

The ARCH Tenants' Group

The ARCH Tenants' Group was launched in November 2008 and is made up of tenant representatives from ARCH member authorities across England. It's a sub-group of the ARCH Executive Board.

The group meets four times a year and the Chair and Vice Chair are Directors of the ARCH Executive Board and act as a liaison point between the two.

Tenants are recruited every two years from across England to ensure the ARCH Tenants' Group fully reflects ARCH's membership across the country.

Being part of the group enables tenants to influence and learn about policy at a national level, develop new skills and confidence, represent their council and its tenants at a national strategic level and meet likeminded tenants around the UK.

Jenny Hill, Chair of the group, said:

“As we represent our councils and their tenants at a national level, we have a great opportunity to influence some of the discussions feeding into consultation papers. We're also able to have input into the ARCH Executive Board. Our meetings cover topical discussions about policy changes, implications and issues affecting tenants within the stock retained sector.

“We work together as a group to develop publications, plan the annual tenants' conference and discuss what's happening in our own areas of the country. It's a fantastic platform for tenants to get involved and do things that they may otherwise not have the opportunity to do.”



Key highlights and achievements of 2014-15

2014 Tenants Conference hosted by Birmingham City Council attended by 140 tenants from ARCH member councils across the country

Input into strategic business discussions at executive level on the ARCH Board

Launching the manifesto at the House of Commons which some tenant group members attended

Receiving topical presentations about Council Housing policy changes

2015 Tenants Conference hosted by Croydon Council attended by 121 tenants from ARCH member councils across the country

Our members

Arun DC	LB of Croydon	South Derbyshire DC
Babergh DC	LB of Hammersmith and Fulham	South Kesteven DC
Basildon BC	LB of Islington	Southampton City Council
Birmingham City Council	LB of Wandsworth	Stevenage BC
Bolsover DC	Lewes DC	Stoke on Trent City Council
Bournemouth BC	Mid Suffolk DC	Stroud DC
Brentwood BC	North Kesteven DC	Swansea City & CC
Brighton & Hove CC	North Tyneside MBC	Tamworth BC
Broxtowe BC	North Warwickshire BC	Tendring DC
Cambridge City Council	Northumberland CC	Uttlesford DC
Canterbury City Council	Norwich City Council	Vale of Glamorgan Council
Castle Point BC	Nuneaton and Bedworth BC	Warwick DC
City of Lincoln Council	Oxford City Council	Wealden DC
City of York Council	Pembrokeshire CC	West Lancashire BC
Crawley BC	Reading BC	Winchester City Council
Dacorum BC	Redditch BC	Woking BC
Dartford BC	Rotherham MBC	Wokingham BC
Epping Forest DC	Royal Borough of Greenwich	
Exeter City Council	Royal Borough of Kingston upon Thames	
Gosport BC	Rugby BC	
Gravesham BC	Runnymede BC	
Great Yarmouth BC	Sheffield City Council	
Ipswich BC	Slough BC	
Kettering BC	South Cambridgeshire DC	



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