

Home economics

Does council housing have a role in providing affordable homes for future generations?

John Bibby believes it does – but a new funding system needs to be developed to make this possible

Council housing has been around for a long time – the first local authority homes were built at the Boundary Estate by London County Council in the 1890s.

The question is how much longer can we expect to still have homes that are owned and managed by local government in this country. Five years? Ten years? Or a matter of months?

Those of us responsible for housing in local authorities where tenants have voted for the council to own and manage their homes hope it will be for the foreseeable future, if not indeed for generations to come.

But council housing has become the “poor relation” of social housing in recent years. Its political popularity has waned and, consequently, its funding. Despite the fact that one million tenants in 100 councils have been through the process of appraising options and decided to stick with the council as their landlord, the future of council housing has not looked promising.

When 120 delegates met up to share their views on the future of council housing, at the second annual tenants’ and residents’ conference organised by the Association of Retained Council Housing (ARCH) in Derby, it was made clear that council housing does not have a sustainable future under the current financial regime. Professionals and tenants all agreed that a more transparent and equitable funding system is required.

Janette Bobey, a tenant representative from Milton Keynes, commented: “We all know we are not being given the same rights as other housing organisations. This is unfair and unjust.”

Council housing may have, “no more than 10 years”, Local Government Association housing policy expert Ruth Lucas told the conference. Phil Morgan, chief executive of the Tenants’

Participation Advisory Service, was even more pessimistic. He believes that retained stock authorities have to work very hard to make the case for a sustainable future during the review of the housing finance subsidy system, the housing revenue account (HRA), which was launched at the beginning of March. Otherwise they might not have a future at all after the review concludes in April 2009, he suggested.

But I believe that a glimmer of hope for the future of council housing has now emerged in the shape of that review. It is worth noting that for the first time in many years there seems to be an acknowledgement by the Department for Communities and Local Government that local authorities will continue to provide and manage housing. ARCH was set up to provide a collective voice for councils that own and manage stock and to lobby for a fairer deal for their tenants. We will be part of the consultation process and will be feeding the views of tenants into that review.

We do not know what the outcome of the review will be. Its scope is still being defined and the results will not emerge for another 18 months or so. But there is dawning recognition that local authority housing works and we will be arguing for a better funding system to help maximise its potential to contribute to the urgent need for affordable homes.

ARCH has commissioned the Tenants’ Participation Advisory Service to develop the best possible residents’ governance model to capture residents’ views to inform its response to the HRA review and other consultations. We hope the review will look at housing finance in the widest possible terms – so that the full potential of local government’s provision and management of

affordable homes is explored.

Housing has at long last moved to the top of the political agenda, with government plans to build three million new homes by 2020. The role of local authorities in meeting these targets was not maximised in the Housing and Regeneration Bill that is currently at the final stages of its parliamentary process. Councils were only able to build 277 homes in 2007 and many are struggling to maintain and refurbish existing properties.

With the credit crunch putting the brakes on mortgage borrowing, the need for sustainable, affordable housing in the UK is likely to grow even more acute as access to owner-occupation for first-time buyers on low incomes becomes more difficult. With a more transparent and equitable funding system, local authorities could play a much greater part in meeting that need.

The fact that councils who own and manage housing also have strategic responsibility for a broad range of matters – including tackling climate change and enhancing local environments, providing services for elderly and vulnerable people, tackling deprivation and boosting local economies – means housing can be provided in a way that takes a holistic approach to meeting local and national priorities and needs.

All of this is why ARCH is fighting for council housing to have a sustainable future and will be putting forward a compelling argument for a finance system that makes it possible.

As ARCH’s national chairman, councillor Milan Radulovic, of Broxtowe Borough Council, told delegates at the tenants’ conference: “One million tenants want to remain with the council. We want a national debate on the future of housing and that looks at all options – and that includes council housing. ARCH is about making sure we are heard. We are not asking for favours. We are asking for what is right and what works for all those people who want to remain with stock-retained authorities.”

John Bibby is secretary of the Association of Retained Council Housing (ARCH) and director of housing and community services at Lincoln City Council. For further information visit: www.arch-housing.org.uk or email: ARCH@lincoln.gov.uk

“

The need for sustainable, affordable housing in the UK is likely to grow even more acute. With more transparent and equitable funding, local authorities could play a much greater part in meeting that need

”