



ARCH PRESS RELEASE

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ARCH WELCOMES BIGGER HOUSE-BUILDING ROLE FOR COUNCILS

The Association of Retained Council Housing (ARCH) has welcomed signals that ministers appear to finally be listening to its calls for councils to have more opportunity to meet local housing needs.

Commenting on announcements – as part of Prime Minister Gordon Brown's Building Britain's Future statement, that a total of £1.5bn investment in affordable homes will be available over the next two years – ARCH's secretary John Bibby said: 'We seem to have finally turned a corner in housing policy. The Government has taken on board common sense arguments about the role local authorities can play in delivering new homes and boosting the economy.'

'We have been told that councils are expected to deliver some 3,000 of the 20,000 new affordable homes planned. ARCH is confident that stock retained authorities can access the skills needed to deliver new, environmentally friendly properties at good value for money properties and will also build upon their vast experience of working with partners to deliver affordable homes.'

He added: 'This is, however, still a fraction of the number of homes local authorities could build to meet pressing local needs. But ARCH is encouraged that this investment is being coupled with proposals to enable councils to keep receipts from sales and rental income.'

The Government has noted the house-building funds will come from re-allocation of existing budgets within the Department for Communities and Local Government and other departments. Mr Bibby said: 'We await detail of where exactly the funding is coming from, but it would not be acceptable if money which would otherwise have been spent on existing housing stock were shifted to enable this initiative.'

ARCH is happy to see changes to the current rules for allocating council and other social housing as part of this package of measures. However circumstances vary in different parts of the country and existing and upcoming equalities must be borne in mind when rules for allocating housing are altered.

These *Building Britain's Future* announcements were made as proposals under the review of the Housing Revenue Account (HRA) finance system were expected. New building powers must obviously also be examined alongside proposals for reforming the HRA.

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