



ARCH PRESS RELEASE

26th February 2010

ARCH welcomes fairer deal for council housing

The Association of Retained Council Housing (ARCH) is pleased that ministers seem to have listened to its calls for a fairer housing finance system, with announcements that the reviled HRA system is to be dismantled at last and councils will have the opportunity to build up to ten thousand new homes a year.

Following housing minister John Healey's announcements that the Housing Revenue Account system is to be scrapped, John Bibby, secretary of ARCH and director of housing and community services at Lincoln City Council, said: 'ARCH was set up to campaign for a fairer housing finance system for councils whose tenants have chosen for their local authority to be their landlord. This new deal seems to go a long way to achieving that. The housing minister's announcements that the current unfair, opaque system can be replaced with a locally controlled, self-financing one looks very positive. It is good news that councils will be able to keep rents and receipts from sales, the proposed debt allocation is more reasonable than we feared it might be and Management and Maintenance Allowance and Major Repairs Allowance uplift levels appear reasonable. This should provide most councils with sufficient headroom in their business plans to be able to maintain existing homes and build the new homes our residents so desperately need, which will also stimulate local economies.'

He added a note of caution however: 'Of course, it remains to be seen how the proposals will translate in each individual council's circumstances and the settlement has to be fully confirmed in the Comprehensive Spending Review. Concerns also remain as to restrictions that have been kept in place on capital investment. But overall this seems a positive outlook upon which retained stock councils can at last hopefully plan a sustainable future for their local communities.'

The minister's announcements coincide with the launch of research by ARCH in partnership with the Association for Public Service Excellence (APSE) demonstrating the benefits of stock retained authorities in meeting local government and communities' wider social, environmental and economic goals. *Under One Roof: The holistic benefits of retained council housing* shows how councils that own and manage properties are delivering value to local communities in addition to their housing role.

Mr Bibby said: 'The research shows clearly the wider benefits that can be delivered by retained council housing. With a fairer funding system in place these benefits can now hopefully be fully maximised.'

For further information and commentary

Contact: John Bibby, secretary of ARCH and director of housing and community services at Lincoln City Council, on tel: 01522-873200

Notes for editors

1) The Association of Retained Council Housing (ARCH) is a cross party political body which was set up for councils whose tenants have chosen the local authority as their landlord. ARCH brings councils who own and manage housing together to get the best deal for their tenants. For further information ARCH visit: www.arch-housing.org.uk
Contact: email@arch-housing.org.uk

2) The DCLG news release and full details of the housing minister's announcements on 25th March are available at:

www.communities.gov.uk/news/corporate/1519143 and
www.communities.gov.uk/consultations/selffinancingprospectus

3) The closing date for the consultation is 6th July.

ARCH will be seeking views of its members and responding to this consultation.

4) AEXH has campaigned for a fairer finance system for stock retainers and made detailed submissions to the review of the HRA. For full details visit: www.arch-housing.org.uk

5) ARCH' research publication *Under One Roof: The holistic benefits of retained council housing* was published on 25th March in partnership with the Association for Public Service Excellence (APSE). The research demonstrates the way in which direct control of housing stock can help fulfil wider economic, social and environmental goals and enable local services to be delivered in a more joined-up manner.

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