

## INTRODUCTION TO MOTION TO RE-REGULATE HOUSING ASSOCIATIONS

- > People tend to think of HAs as they were in the 1970s & 80s: non-profit making providers of housing at social rents, more or less the equivalent of council housing. They were accountable to the Housing Corporation (now called the Homes & Community Agency) from whom they received public funding for the homes they built & promoted tenant involvement.
- > In fact there are 2.4m households renting properties owned by HAs – about 5m voters – many of whom live on estates handed over by councils to HAs
- > With the housing shortage, we hear a lot about the need for more council homes and the commitment by councils to build more homes with social rents > Islington 465 homes
- > But HAs have been going in the opposite direction.

In the 1990s, the regulations governing HAs already started to relax, but it was the Tories' 2016 Housing & Planning Act that completely changed the status and role of HAs.

Although they still receive public funding (albeit less under the Tories):

- They are no longer publicly accountable, which means they don't need regulatory consent to dispose of stock, merge, restructure, etc
- Local authority powers over HAs have been removed (eg. voting rights, seats on boards).
- They are no longer obliged to be non-profit making charities (though some have opted to remain so and are now, in the words of Savills (one of the agents they work with closely): "**private, independent organisations,**" that is, property companies. Eg. in 2017/18, Clarion HA had a turnover of £828m, up from £796 the previous year.
- The Housing & Planning Act gave the right to buy to HA tenants, which has been piloted in the West Midlands, entailing the loss of 3,000 homes. (This part of the Act may have been suspended now.)

### Consequences

1. Properties are left to deteriorate prior to their being sold. Eg. Circle-Anglia (now Clarion) have suspended their cycle of external maintenance and decoration to properties in area where I live.

2 Selling off stock in high value areas, much of it in London ([Show table](#)). The vast majority of this stock are homes at social rents (often voids, after tenant has moved or died); some properties let at the social (council equivalent) rents are being converted into homes to be let at 'affordable' rents (up to 80% of market rent):

> In context of London, the area of most acute housing need, HAs are thwarting attempts by councils to increase the number of homes at social rent. eg Savills reported in winter 2018 that 29% of all residential units in land sales in London, the SE & E England were HA properties.

> HAs say that they need to sell to build new homes **BUT**

- The areas where they are building usually aren't the same as where they have sold homes,

- The majority of homes they build aren't for social rent and beyond the means of most of those in housing need who have low or average incomes ([show tables](#)). Richard Partington wrote in the Guardian Nov. 2018 that the number of new homes built for social rent has fallen by almost 4/5ths in a decade. Ministry of Housing, Communities & Local Govt. reported that 47,869 homes for social rent were lost between 2012 and 2018.

3 HA tenants' involvement cut or abolished as the focus of most HAs has changed from being social homes providers to profit-making private property companies.

-----

**Cont. next page**

**Jim Strange, President of the Chartered Institute of Housing, said on 7th February, "Our analysis shows we lost more than 165,000 homes for social rent in just six years between 2012 and 2018 - and that figure could reach 199,000 by 2020 if we don't take action now"**

*(Lot numbers on yellow indicate that we have so far been unable to identify the recalcitrant social homes owner).*

## **Allsop property auction**

**9am on 14th February**

**Intercontinental London Park Lane, 1 Hamilton Place, W1J 7QY**

Lot 9)	120 Chevening Road, NW6 6TP	<i>(Single Homeless Project)</i>	1 bed (f)
16)	42 Sedgemoor Place, SE5 7SE	<i>(Hexagon)</i>	2 bed (j)
27)	60 Brentmead Place, NWE11 9LJ	<i>(TfL)</i>	3 bed (e)
34)	19a Orsett Terrace, W2 6AJ	<i>(WCC)</i>	studio (k)
44)	99 Gore Road, E9 7HW	<i>(Peabody)</i>	4 bed (p)
47)	162a Ashmore Road, W9 3DE	<i>(WCC)</i>	1 bed (k)
48)	62 Brentmead Place, NW1 9LJ	<i>(TfL)</i>	3 bed (e)
63)	55 St Pancras, West Sussex, PO19 7LT		2 bed (t)
72)	66 Brentmead Place, NW11 9LJ	<i>(TfL)</i>	3 bed (e)
79)	205b Gloucester Terrace, W2 6HX	<i>(WCC)</i>	2 bed (k)
83)	31 Common View, Stedham, West Sussex, GU29 0NX		2 bed (t)
91)	39 Buchan Road, SE15 3HQ	<i>(vendor using Guardians)</i>	3 bed (f)
94)	54 Heathfield Gardens, NW11 9JA	<i>(TfL)</i>	4 bed (e)
97)	36d Wallerton Road, W9 3PL	<i>(WCC)</i>	1 bed (k)
102)	2 St Richards Cott, Easebourne St, GU29 0BD	<i>(Hyde)</i>	3 bed (t)
107)	139 Endlesham Road, SW12 8JN	<i>(Wandle)</i>	2 bed+1 bed+studio (d)
108)	294a Old Ford Road, E3 5SP	<i>(Peabody)</i>	1 bed (p)
113)	29 Cleve Way, West Sussex, RH14 9RW	<i>(Hyde)</i>	2 bed (t)
123)	4 Duck Lane, West Sussex, GU29 9DE		1 bed (t)
129)	181 Parchmore Road, Thornton Heath, CR7 8HD		3 bed (c)
132)	113 a/b Cadogan Terrace, E9 5HP		1 bed + 2 bed (a)
133)	Fl 4, The Villas, 147 Gresham Road, Surrey, TW18 2AG		1 bed (f)
149)	71 Brightfield Road, SE12 8QE	<i>(Peabody)</i>	2 bed (p)
154)	10 Monbretia Close, St Mary Cray, BR5 3TL	<i>(Wandle?)</i>	3 bed (d)
164)	1 Cutforth Road, Herts, CM21 9EA		3 bed (c)
171)	8 St Johns Ct, Church Road, TW20 9QA		1 bed (h)
173)	46 Widford Road, Hunsdon, SG12 8NW		3 bed (c)
178)	14 Springdale Road, N16 9NS	<i>(Family Mosaic)</i>	2 bed (p)
187b)	75 Charles Avenue, PO19 7HE		3 bed (c)
196)	231 Queenstown Road, SW8 3QD	<i>(Peabody)</i>	4 bed (p)
197)	44 Old Mead Road, Wick, BN17 7PU		3 bed (t)
217)	67 Tyneham Road, SW11 5XQ	<i>(Peabody)</i>	2 bed (p)
218)	5 Swallowtail Road, RH12 5YD	<i>(Hyde)</i>	1 bed (t)
225)	4 Smalicroft Close, BN17 5QZ	<i>(Hyde)</i>	2 bed (t)
228)	1st fl, 6 Church Rd, St Leonards, TN37 6EF		1 bed (o)
232)	19 Swallowtail Road, RH12 5YD	<i>(Hyde)</i>	1 bed (t)
252)	Somerset Gdns, Creighton Rd, N17 8JY	<i>(Peabody)</i>	1 bed (p)
257)	76 Russell St, Peterborough, PE1 2EU		3 bed (t)
260)	3 Sandford Cres, Newport, TF10 7QW	<i>(Wrekin Housing Trust)</i>	2 bed (x)

261)	19a Chatterton Road, N4 2EA	(Family Mosaic) 2 bed (p)
267)	18 Deerleap, Bretton, PE3 9YA	(Hyde) studio (t)
268)	119 Sandiford Cr, Newport, TF10 7QP	(Wrekin Housing Trust) 2 bed (x)
274)	109 Sandiford Cr, Newport, TF10 7QP	(Wrekin Housing Trust) 2 bed (x)
289)	9 Mewburn, Peterborough, PE3 8SG	3 bed (t)

## Savills property auction

10am on 19th February

The Marriott, Duke Street/Grosvenor Square, W1K 6JP

Lot 1)	14b St Pauls Road, N1 2QN	(Peabody) 1 bed
2)	36a Dorothy Road, SW11 2JP	(Wandsworth Council) 1 bed
13)	28 Blackthorn Drive, Aylesford, ME20 6NR	3 bed
14)	1 Green Lane, Trottiscliffe, ME19 5DX	4 rooms
18)	78a Penge Road, SE20 7UL	(Peabody) 2 bed
19)	6b Crowland Road, N15 6UT	(Peabody) 3 bed
29)	74 Tollington Park, N4 3RA	12 rooms
35)	Rowlands Manor, Orpington, BR5 4AD	6x2 bed
39)	42a Church Road, Mitcham, CR4 3BU	(DLR) # 4 bed
42)	210-212 Deptford High Street, SE8 3PR	4x1 bed+1x2 bed
43)	6 Ponsonby Terrace, Millbank Estate, SW1P 4QA	(Peabody) 4 bed
44)	1 Ponsonby Terrace, Millbank Estate, SW1P 4PZ	(Peabody) 3 bed
66)	7 Spring Grove, Mitcham, CR4 2NN	(Peabody) 3 bed
79)	115 St Georges Road, Preston, PR1 1PR	1 bed
82)	46 Long Horse Croft, Saffron Walden, CB11 4BJ	3 bed
89)	23/23a Ridsdale Road, Penge, SE20 8AE	3 rooms+
90)	8 Blondell Road, Luton, LU3 1SH	3 bed
91)	10 Links Way, Beckenham, BR3 3DQ	2 bed

# (DLR) = Docklands Light Railway? Lot 39 is listed as DLR on the auction page where the seller is listed.

If this is indeed Docklands Light Railway it is Mayor Khan

(Savills do not disclose the conveyancing solicitors)

## BIDX1 digital property auction

online - 26th February

[www.bidx1.com](http://www.bidx1.com)

Lot 2)	32 Raleigh Road, Penge, SE20 7JB	(Wandle) 2 bed (d)
3)	5b Lordship Park, Stoke Newington, N16 5UE	(Family Mosaic) 1 bed (p)
5)	87a Gosberton Road, Balham, SW12 8LG	(Wandle) 1 bed (d)
7)	8 Forest Edge, Buckhurst Hill, IG9 5AA	(MOPAC) 3 bed (m)
8)	21a Balham Park Road, SW12 8DT	(Wandle?) 1 bed (d)
10)	17 Robinson Road, Hackney, E2 9LX	(Peabody) 2 bed (p)
11)	59 Endlesham Road, SW12 8JY	(Wandsworth Council) 3 bed (s)
12)	1 Addington Rd, Croydon, CR2 8RE	(Dio Southwark) 3x1 bed/2x1 bed (w)
13)	77 Smyrlls Road, Walworth, SE17 2QWP	(Family Mosaic) 3 bed (p)
14)	24 Alder Way, South Croydon, CR2 6JX	4 bed (d)
15)	19b Dallin Road, Plumstead, SE18 3NY	(Hyde?) 1 bed (t)
23)	18 Boston Road, Croydon, CR0 3ED	(Hyde) 4 bed (d)
30)	14 Lydon Hse, Dobson Rd, Crawley, RH11 7UQ	studio (t)

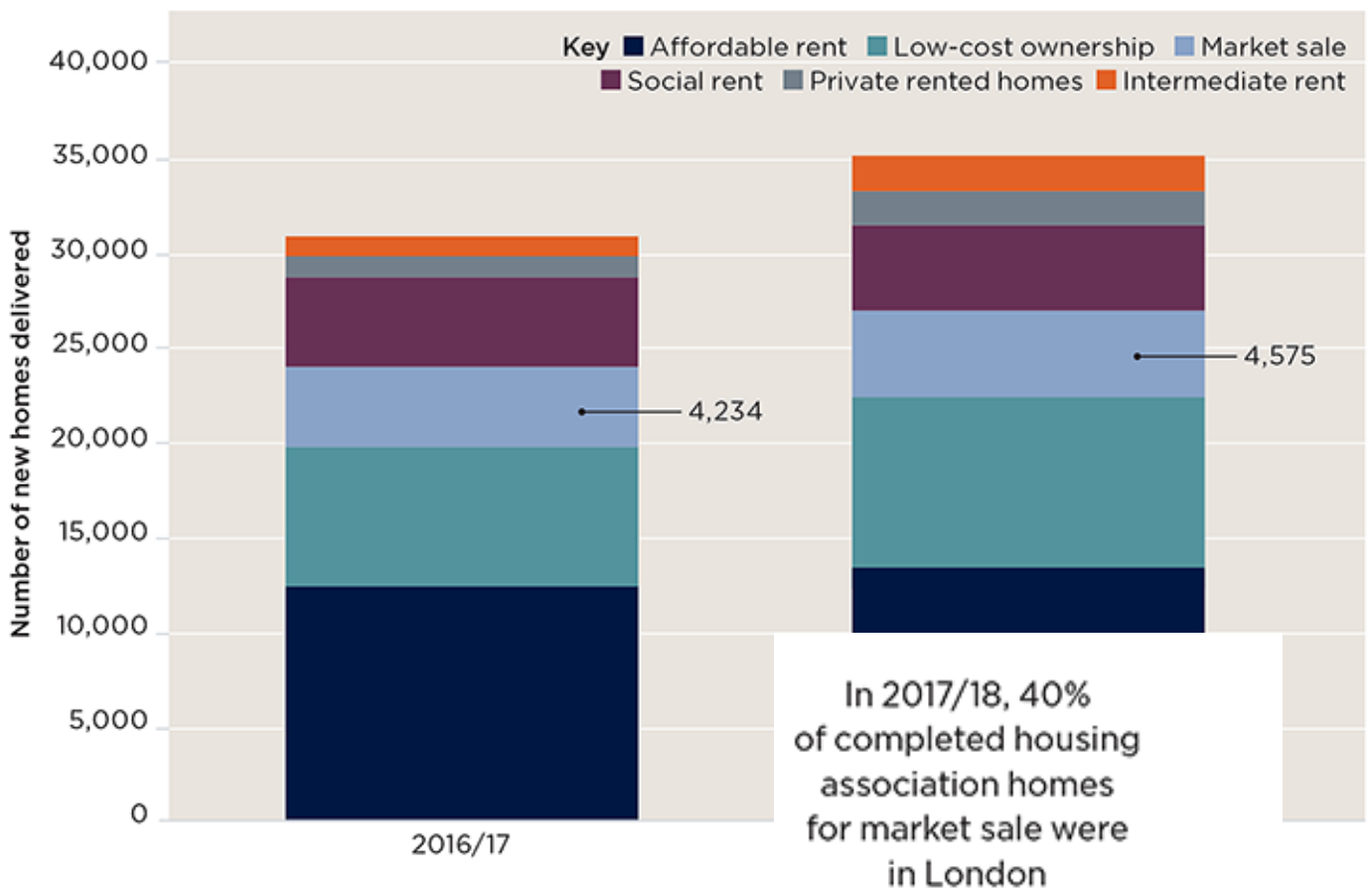
34)	203a Queens Road, Peckham, SE15 2NG	(Wandle) 3 bed (d)
35)	8 Peabody Estate, Lordship Lane, N17 7QT	(Peabody) 3 bed (p)
37)	192 Gilders Road, Chessington, KT9 2EA	(MOPAC) 3 bed (m)
41)	Fl 4, 42 Moreton Road, Sth Croydon, CR2 7DL	(Hyde) studio (t)
42)	13 Maurice Close, Kimbolton, PE28 0HD	2 bed (t)
43)	24 Khyber Road, Battersea, SW11 2P2	(Wandsworth Council) 2 bed (s)
44)	157 Kirkwood Road, Peckham, SE15 2BG	(Southwark Council) 2 bed (i)
49)	Fl 10, Clarkson Ct, 48 Benhill Ave, SM1 4DA	2 bed (d)
55)	30 Ashmore Hse, Dobson Rd, Crawley, RH11 7UG	studio (t)
56)	147 Waveney Road, St Ives, PE27 3FN	1 bed (t)
57)	45b Ashbourne Gr, East Dulwich, SE22 8RN	(Southwark Council) 3 bed (i)
58)	31a Oberstein Road, Battersea, SW11 2AE	(Wandsworth Council) 2 bed (s)
59)	26 Charminster Ave, Morden, SW9 3EL	(MOPAC) 3 bed (m)
60)	Fl 25, 9 Evancook Cl, Peckham, SE15 2HL	(Wandle) 2 bed (d)
61)	99 Morton Way, Southgate, N14 7AN	(MOPAC) 3 bed (m)
64)	199c Camberwell Gr, SE5 2HL	(Southwark Council) 2 bed (i)
65)	116 Woodlands Road, Isleworth, TW7 6JY	(MOPAC) 3 bed (m)
66)	47a Crowland Road, Tottenham, N15 6UL	(Peabody) 1 bed (p)
67)	29 Ashmore Hse, Dobson Road, Crawley, RH11 7UG	studio (t)
68)	37 Union Road, Northam, SO14 0PT	3 bed (t)
74)	29 Lydon Hse, Dobson Rd, Crawley, RH11 7UQ	studio (t)
75)	46 Geoffrey Cr, Fareham, PO16 0QQ	3 bed (t)
81)	4 Gibbs Close, Southampton, SO45 3RR	2 bed (t)
85)	12 Fry Close, Rochester, ME3 0EE	3 bed (t)

Cont. next page

[https://www.savills.co.uk/research\\_articles/229130/267647-0/new-homes-and-housing-associations---winter-2018](https://www.savills.co.uk/research_articles/229130/267647-0/new-homes-and-housing-associations---winter-2018)

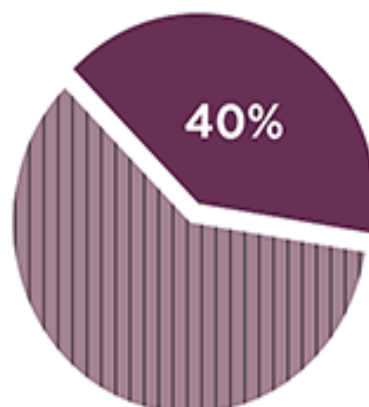
**FIGURE 2 | Homes for market sale** The proportion of homes for market sale by the top 50 housing associations is increasing

Source: Savills Research and Inside Housing



## 2017/18

Affordable rent = approx.  
14,000



Shared ownership = approx. 8,000

Market sale = 4,545

Social rent = about 3,500

## INSIDE HOUSING 8.3.19

### **Clarion to build 650 homes in north-west London**

[by Luke Barratt](#)

The UK's largest housing association has said it will build about 650 new homes in the London borough of Brent over the next three years.

Clarion Housing Group has purchased a major site called Minavil House, where it plans to deliver a £109m scheme as part of its ambition to **deliver the 650 homes, more than 550 of which will be of some kind of sub-market tenure.**

On the Minavil site, it ***plans to build 251 new homes, of which 215 will be for shared ownership and 36 for affordable rent.***

**It is also splitting its 135 sub-market homes on a separate scheme in the borough – where it is developing a disused industrial site – between shared ownership and affordable rent.**

Philip Browne, new business and partnerships director at Clarion, said: “Clarion has a major role to play in tackling the housing crisis and we are investing £13bn nationally in our development programme.

“London is at the sharp end of the housing crisis and delivering affordable housing in the capital remains an absolute priority for us.”

The Minavil House **scheme includes around £8m of grant funding from City Hall**, Clarion said.

James Murray, London’s deputy mayor for housing and residential development, said: “We are working with partners across London to build more social rented and other genuinely affordable homes.

“We welcome Clarion’s commitment to building more affordable housing in Brent, and we will continue to work together to tackle London’s housing crisis.”

London Living Rent is one of three types of ‘genuinely affordable’ homes from the Mayor. The others are ‘London Affordable Rent’ for households on low incomes and ‘London Shared Ownership’. This is a part-buy part-rent product for those taking their first step onto the property ladder.

London Living Rent homes are for middle-income households who now rent and want to build up savings to buy a home. This can be either through shared ownership or outright purchase. Landlords are expected to encourage their tenants into home ownership within 10 years.

The homes will be offered on tenancies of a minimum of three years. Tenants will be supported to save and given the option to buy their home on a shared ownership basis during their tenancy. They will also be given extra priority for other shared ownership homes across London.

[The opaque art of rent setting: London Affordable Rent explained](#)

## **How much rent will I pay for a London Living Rent home?**

The amount of rent you pay will vary according to where you live in London.

Across London as a whole the average monthly rent for a 2-bedroom London Living Rent home is around £1,000 a month. That is two-thirds of the median market rent.

The Mayor has published benchmark London Living Rent levels for every neighbourhood in the capital. These are based on a third of average local household incomes and adjusted for the number of bedrooms in each home.

In most boroughs this will be a significant discount to the market level rent.

To ensure family-sized London Living Rent homes are affordable, the rent for a 3-bedroom home will be set at just 10% above the 2-bedroom rent.



## **How does the GLA define 'genuinely affordable'?**

Providers should be providing their homes for rent at the benchmarks set out in the funding guidance. There is no single definition of what makes a home genuinely affordable if rent is set above those benchmarks. GLA will not specify a percentage of market rent which it considers genuinely affordable; simply being within LHA caps does not necessarily mean that a home is genuinely affordable to Londoners. Providers will have to provide evidence to the GLA, including rent levels compared to both market rent and local incomes.

Through the GLA's consultation on its Supplementary Planning Guidance, boroughs will be asked to provide the GLA with their preferred local tenure split, and providers should also be mindful of this preference when considering what type of homes are genuinely affordable.

## **CIH paper 2016**

The new four-year Shared Ownership and Affordable Homes Programme allocates £4.1 billion mainly to shared ownership (S/O) products but also to rent to buy. Part of this will of course by now be committed, although some committed schemes may prove no longer viable as the market responds to Brexit. There is a case for adopting a different approach to the management of this programme to allow a more varied output of homes, including a larger number of rented homes, including some homes at social rents. This could be achieved by offering housing associations more flexibility over the design and mix of their development programmes.

At the same time, it would be sensible to encourage part of the revised output to be built at social rents, given that homes at affordable rents put more pressure on HB costs and lower rents assist those in low-paid jobs. Some 1.3 million households on low or middle incomes are spending more than 35% of their income on housing costs, many being dependent on HB. Studies have shown that building for social rent repays its extra capital cost via savings to the HB budget after 20 years.<sup>14</sup> This would require a higher level of grant per home. Recent work by Savills for the JRF and NHF suggested grant rates for what they call 'living rents' at £76,000 per unit in London and £46,000 per unit elsewhere in England – equivalent to approximately 30% (35% in London) of the assumed total cost of each home.<sup>15</sup> Such grant levels are higher than those for homes at affordable rents but carry the strong advantages of long-term savings in HB costs and in providing more affordable housing for those in low paid work

## INSIDE HOUSING 8.3.19

---