

Minutes

HP02.07-19

Board	CIPFA Housing Panel
Venue	CIPFA, 77 Mansell Street, London E1 8AN
Date	19 March 2019
Chair	Ken Lee
Attendees	David Endicott / Pascale Mezac/ Phillip Winter/ Jane Harrison Nick Yandle / Joanne Pitt

1. Apologise – Lindsay Wishart / Julie Crook / Steve Partridge / Tony Deakin

1.1 Attendees

Minutes agreed as a correct as a correct record

1.2 Matters arising

- DWP have not come back about the 53 week issue - Panel agreed that they would monitor this
- Pensions – recognised that there is an issue about bringing the pensions on the balance sheet – request that next panel meeting we reflect on discussion and include in agenda.

2. Local Housing Allowance Round table

2.1 Presentation from Pascale

- Mixed group of stakeholders
- Pascale representative from CIPFA Housing Panel
- Ministerial round table with Amber Rudd was held
- London Council has done a lobbying panel but CIPFA has not made comment
- We could endorse the policy paper
- We could supply examples of the issues
- LHA always based on out of date figures so the pressure to improve this figure.
- Panel agreed that they could not lobby but want to link something with the spending review and this is their contribution to CIPFA commentary.

2.2. Key messages from panel Discussion

- Issue with LHA are because it is market rent based
- New homes are now going above the LHA in Derby showing how out of touch they are.
- North wales ignore the LHA as no active private rental market
- It was noted that that the CIPFA piece of work could be that LHA no longer represents anything local and Pascale's work from a few years ago would support this.
- The 30% is based on erroneous data

- Panel suggests that what the LHA is actually meant to be doing – could this be an insight piece ?
- Unless we build enough housing people will still have to access the private sector through LHA and LHA is not enough.
- The biggest cause of homelessness is that fact that tenants not able to pay rent due to LHA
- Availability of new homes on the increase but if many of these are shared to buy not rent
- It was noted affordability big piece of work in paradigm HA

2.3 Action

- Article from the panel
- Link to spending review – benefit Cap / LHA linked to CIPFA response LHA will be irrelevant with the benefit cap
- Raise the idea of insight with publication and Don to see if this would be useful.

3 Affordable Housing Commission submission

- Chaired by Richard Best – trying to find out why housing is not affordable any longer
- Panel asked – Does CIPFA want to make a comment?
- Housing Panel would like to comment but on the scale of the right to buy and the speed in which it comes in
- We as CIPFA should highlight this policy the use of public money and the use of public resource we should get maximum value for money. There are examples of waste because of government policy
- Transfer of wealth out of the public sector -You can't replace once sold
- We need a sensible discount and needs to be sustainable.
- Remove the RTB and then this will transform the building situation.
- The panel has asked CIPFA to respond but focus only on the inefficient use of public money around – follow discussion with Homes England
- The panel have agreed to support with samples and data
- There is an issue of the fact that people can get the grants to alter their home but cannot get the money to move them into a more appropriate property. This is an area of discussion.

4 Housing Conference

- Chair welcomed the work for the conference
- Chair there is work to do that together and wants to
- Idea that you do not have to do it all on their own
- Panel suggested should include stuff about leaseholders and leasing there are ideas about changing the leasing legislation
- Panel – will provide suggestions but too early at the moment to work
- The panel suggest that it should always be the 2 or 3rd week in January and keep it in London

5 Housing Update Paper

- The Panel went through the Paper HP03.03-19

5.1 Discussion on key messages and NFA update

- Concern that the supported housing sector is an area of concern. So many issues to contend with including care quality commission and little scope to reduce costs. Pressure increased and type of client group becoming increasing demands
- Panel is still waiting for the response to the spring green paper but expect that a response should be before the second anniversary of Grenfell (14th June) we expect this to be focused on tenant issues rather than finances but often these cross over i.e. cladding / sprinklers
- NFA – put supported housing on a sustainable funding level this is what NFA will be arguing this in their spending review submission
- NFA – wanting to take the lead and drive improvement in new build.
- NFA consulting on a charter and then they will pilot this consultation – This is about getting the tenants and the landlords working together
- Stronger Towns fund announced two weeks ago NFA linking this and include this in the spending review and working with members
- Also in the spending review NFA are including a call for money for fire door's as this is a regulatory failure

6, Universal Credit

- Arrears can be seen to be going up
- Reminder that this will be picked up in spending review
- Suggestion that as a panel they have a watching brief on this Pilot – Ask Sheldon to provide an update either a written brief or a verbal update

7. Regulator of Social Housing

- Benefits department no longer have the information to control the benefit cost because it will go into UC and therefore that direct link with LA will be lost
- So they have decided to go down the Nrosh route
- All the calculation on the CPI plus 1% would be done on the individual house per house level not on an aggregate level
- Still stuck with a 1999 valuation on the property to determine the rent
- Collection of data on rents
- Panel commented that the amount to detail is considerable that they have to provide the S of SH
- Concern that this will be an issue with LA who do not have the resources to complete these forms
- May be difficult to get the data that they want
- Compliance issue – if you don't know what you own how do you know if you have a gas certificate for that property

7.1 Time line

- Rent standard in from April 2020 incorporating
- Consultation in April 2019 which will apply to PRP and LA
- Support – Panel will offer practical help to the SH regulator through meeting - need to raise awareness. Panel will to provide pit holes

8 Housing Questionnaire presentation by Vijay

- Noted that you said it was all backward looking so we have a third iteration and this includes more future predictive work
- We have had a meeting with MHCLG (Lucy Hancock) this was a fact finding mission and it has been passed to Tony Hatch so CIPFA will keep in touch
- Housing profile – back end completed
- Housing score card – to be developed April
- Aiming to be finished by the end of the summer
- 5 years previous and going forward 2020- 2025
- Attended CLIP meeting and LA seemed happy to be part of the profile testing
- E mail about the indicators

8.1 Comments from the panel

- Felt whole approach good and down loading from existing data sets - refining it as they go
- Keen to see the next iteration
- Does not like it coming down to one composite or the weighting – CIPFA confirmed that this was just an idea
- Additional questions
- Average rates of right to buy sales and discounts
- Debt per property could be highlighted (leverage)
- Chair said that Steve Partridge would be a good link and support
- Longer term view – 30 years right scale but not possible in this and certainty is more based on 5 years rent.
- Response to make sure you don't ask for too much detail – think about why the data is being collected.

9. Plans for Brexit

- Regulator sends out some comments
- Water treatment sites chemical
- IT issue – where is your data and cloud and IT

10. CIPFA Update

- SORP for both RP and LA up
- TIS panel opportunities

11. AOB

- Thanks you to Nick Yandle who is moving to a new job

12. Next meeting

- July 3 Mansell Street