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To all ALMO APPG MPs and Peers and ALMO constituency MPs:

Given your involvement with ALMOs you will appreciate our concern about the media speculation that, following a report from the Chartered Institute of Housing, the Government's forthcoming Green Paper will include proposals to end security of tenure for council house tenants.

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To all other MPs and Peers with an interest in social housing:

Given your interest in social housing you will appreciate our concern about the media speculation that, following a report from the Chartered Institute of Housing, the Government's forthcoming Green Paper will include proposals to end security of tenure for council house tenants.

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The National Federation of ALMOs (NFA) is completely opposed to the removal of secure tenancies and believes that the implementation of such a policy by the Government would have a significant negative impact on tenants and the communities in which they live.

Already, the reporting of the suggestion that withdrawal of secure tenancies is being considered has caused concern and anxiety to many tenants, including some of the elderly who make up the largest number of tenants. Our arguments against any such proposal are:

❑ Security of tenure is essential for the sustainability of estate communities

Security of tenure is absolutely essential to the physical and mental health of our tenants. The Decent Homes programme has been highly successful in giving back to residents pride in their homes and communities and encouraging them to be more actively involved in the management of council housing. If tenants feel that they have no long-term future on estates and live under the threat of moving on when they become better off, then it will be impossible to sustain communities. The cost of managing the higher turnover of tenancies that would result would be prohibitive.

❑ The proposals contain a mixed message and a no-win situation

It is being suggested that, on the one hand, only those who are actively seeking work should be eligible for a tenancy whilst, on the other hand, those who secure employment and achieve a reasonable income should have their

tenancy reviewed to see if they should be moving on to private sector provision.

❑ **The stigmatisation of council housing as subsidised housing**

Whilst many owner-occupiers and private sector tenants receive subsidies through the benefits system and owners may now be receiving help with their mortgages from the taxpayer in the current economic situation, many council tenants do not pay subsidised rents. It is unfair and often inaccurate therefore for council housing to carry the stigma of subsidised housing.

❑ **Council housing should be a tenure of choice not a last resort for a temporary period**

The Government and the NFA agree with the Hills Review objective of promoting mixed tenure. To drive people who have become better off from estates completely undermines this. Mixed tenure on estates should be promoted through more flexible allocation systems. Dependency breeds dependency, and if young people other than the statutorily homeless cannot enter the sector then estates become unsustainable. There are more progressive ways of generating extra lettings and tackling worklessness than threatening to deprive people of their homes.

❑ **A carrot not a stick approach is needed**

Linking tenure with entering employment and income level is counter-productive and risks deterring residents from bettering themselves because of the fear they may lose their homes. The benefit system already has that effect and is the root of the problem. We should be boosting the life chances of tenants and developing positive incentives to help them into work, which ALMOs are renowned for doing successfully. Instead of forcing tenants out when they become better off, there should be incentives for those who seek to buy a home to move out of council housing, such as providing a ladder to help them achieve this by an extension of programmes including shared equity schemes.

❑ **The fundamental problem is the lack of supply**

Instead of destabilising communities and tenants, the Government should be considering how to accelerate an increase in the supply of affordable, social housing. This should be through:

- Bringing forward spending on new build and making the process less bureaucratic for ALMOs
- Granting funding to the main local provider of social housing, be it local authority, ALMO or RSL **at the local level** for the purchase of decent quality stock from the private sector according to local requirements. Money should not just go to large RSLs on a national basis or to bail out developers

- Enabling councils and ALMOs to buy back homes purchased under Right to Buy. Many are for sale but are not being sold leaving empty properties
- Provide more resources to enable providers to boost relocation programmes for those in inappropriate properties
- Speed up reform of the HRA subsidy system to enable local authorities and ALMOs to be self financing and have the resources to renovate properties as well as engaging in new build

As well as increasing the amount of housing available, most of these proposals would also act to stimulate the economy in a sector where this is desperately needed.

Given the anxiety recent publicity has caused, it would be very helpful and much appreciated if the Housing Minister, Rt Hon Margaret Beckett MP, were able to make a statement to reassure both current and prospective tenants that security of tenure will be maintained. Given the importance of these issues to the more than one million tenants the NFA represents, I should be grateful if you could urge her to do this and if you were also able to make a statement of your opposition to any such proposal.

I look forward to hearing from you.

Yours sincerely

Dennis Rees
Chair of the National Federation of ALMOs