



NFA and ARCH express disappointment at lack of consultation on voluntary RTB agreement with Housing Association sector by Government

The National Federation of ALMOs (NFA) and the Association of Retained Council Housing (ARCH) have joined forces in expressing their disappointment to Government Ministers over the lack of consultation, with the local authority and ALMO sectors, in relation to the voluntary agreement to extend the Right to Buy to housing association tenants.

We understand that over the summer there has been negotiation between the National Housing Federation (NHF) and Government on a voluntary agreement, the details of which are being put to housing associations this week by the NHF prior to submission of a formal offer to Government. These are all matters that impact on ALMOs and stock holding local authorities, and in which local councils have legitimate interests as strategic housing authorities.

However stock retained councils and ALMOs have thus far been excluded from discussions that have apparently taken place between the Government and the housing association movement on this deal. Yet, under the deal, stock retained councils and their ALMOs are integral to the implementation of the agreement which is financially dependent on sale of high value council assets to compensate housing associations for the discount offered. The deal will also impact significantly on local authority allocation policies, nomination arrangements, and the disposal consents regime.

The NHF offer includes commitment to one for one replacement of housing association homes sold, in exchange for full re-imburement of the RTB discount. We welcome this commitment but we believe that local authorities as strategic housing authorities have a legitimate interest in both the location, tenure and mix of replacements (social rented, affordable rent, shared ownership and owner-occupied) that will be provided.

Given councils are in effect being asked to fund the deal through disposal of their own housing assets, it would be wholly reasonable for the NFA and ARCH to expect Ministers and the housing association sector to include some provision for full and proper engagement and consultation with stock retained councils and their ALMOs on the issues before any final 'deal' is struck.

Details of our concerns have been set out today in a joint letter from ARCH and the NFA to the Rt Hon Greg Clarke MP Secretary of State for Communities and Local Government asking for an early meeting to discuss these aspects of the deal that is being put before the housing association sector, and have requested that the Government do not enter into any such deal with the housing association sector until stock retained councils and ALMOs have been fully

consulted on the implications of these arrangements and the associated arrangements for the sale of high value council assets required to fund the deal.

There are clearly many issues to be addressed in the practical implementation of such a proposal, ARCH and the NFA would welcome the opportunity of discussions on how we may work constructively with the Government and the housing association sector to promote the efficient asset management of both housing association and council housing without detriment to the viability of local authority Housing Business Plans developed under the self-financing arrangements introduced in 2012 by the Conservative led coalition, under the Localism Act 2011.

Together the NFA and ARCH represent more than 1 million council homes in England - a quarter of all people living in social housing, across 108 local authorities.

Notes:

National Federation of ALMOs (NFA) Arms' Length Management Organisations (ALMOs) were first established in 2002, managing council housing at arms' length from their parent local authorities. There are currently 40 ALMOs which manage around 564,000 council properties across 43 local authorities. www.almos.org.uk

Association of Retained Council Housing (ARCH) ARCH represents 65 councils who have retained their housing management in-house - they currently manage around 584,000 homes. www.arch-housing.org.uk

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