Lessons to be learned

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As the Government prepares to either accept the NHF's voluntary deal on extending the Right to Buy to Housing Association tenants or pushes ahead with legislation to introduce it, it is crucially important for the country as a whole that the Government learns the lessons from the past and does not make the housing situation worse by repeating the mistakes of the Right to Buy policy in council housing.

Although initially increasing home ownership across the country and giving many people the control over their own housing they wanted, we have also seen many un-intended consequences of the Right to Buy policy over the last 35 years and would urge the government to ensure the same things don't happen again in the Housing Association sector.

The council sector has lost many of its best and largest properties and they have not been replaced. Over time this has meant that councils have less ability to house ordinary families who would benefit from secure, affordable housing in their local areas. Council housing has become an increasingly marginalized sector, housing only the most vulnerable in society rather than being a tenure of choice for those on low incomes whilst many people stay on waiting lists for year after year with no real prospect of being offered a tenancy.

In this context we very much welcome the government's promise to enable Housing Associations to replace those lost homes but are concerned that will be at the cost of more losses of social housing from the council sector through the enforced sale of "High Value Assets" and they will not necessarily be replacing social rented homes in the areas they are sold from.

We know from the survey we carried out last year with the Local Government Association and the Chartered Institute of Housing that councils are struggling to replace the homes that have already been sold under the Right to Buy and there is a significant amount of bureaucracy and regulation that hampers council's ability to build replacement homes. I sincerely hope Housing Associations don't have as many barriers put in their way to build new homes otherwise we will be lucky to be able to replace 1 in 7 of those homes sold.

Although for many tenants the chance to own their own home at a significant discount was a wonderful windfall, for others it has meant being left with homes that they cannot afford to maintain properly and responsibility for repairs and service charges which they cannot manage. When the Right to Buy was first introduced people always said you could spot the homes that had been sold by the new windows and doors, now unfortunately many people can spot the homes that were sold by the old windows and roofs and many of our members are having to buy back ex RTB homes in an attempt to regenerate local neighbourhoods.

Some owners have used the opportunity to move on elsewhere and let their old council home out privately at much higher rents. In August this year Inside Housing reported

something that many people in council housing have known for a long time – that over 40% of council flats sold through the Right to Buy are now being let to tenants in the private rented sector at much higher rents than previously charged by the council.   Often in high demand areas local authorities are also having to lease these properties back to house homeless households at a much higher cost to the taxpayer. This is not helping to increase homeownership across the population or helping hard working families afford to buy their first home.

The easiest and most obvious solution to unaffordable house prices across the country and increasing homeownership is to build more homes, for both sale and rent. The extension of the Right to Buy policy to Housing Associations will not help that happen quickly or easily, rather we need an understanding from government that public investment in social housing is exactly the type of infrastructure investment that would help this country improve its productivity, get people into work and reduce the benefit bi