

**FOR IMMEDIATE RELEASE 25 Jan 2016**

### **Housing Bill threatens to reverse council house-building renaissance**

Ahead of the second reading of the Housing and Planning Bill in the House of Lords the National Federation of ALMOs (NFA) and Association of Retained Council Housing (ARCH) have combined forces to call upon Peers to support amendments to the Bill that will ensure that the recent renaissance in council house building is not reversed.

Since government introduced its new regime of self-financing for council housing in 2012 there has been a surge in local authority house building with over 6,000 new council homes having been built in England. Council house-building is now at a 23 year high. Yet, despite the welcome contribution this has made towards the Governments own targets on housebuilding, the Housing and Planning Bill (in its current form) threatens to not only halt but reverse, this progress.

The Bill includes measures to force councils to sell off their high value homes to fund discounts offered to housing association tenants through the extended Right to Buy (RTB). At present it makes no provision for the replacement of council homes sold outside of London. These measures combined with the 1% cut in social rents contained within the Welfare Reform and Work Bill will significantly curtail councils' ability to fund future new build programmes. The loss of both valuable assets and capital receipts denies councils and ALMOs the ability to re-invest in new housing locally. Councils already have to find, from their own resources, the cost of discounts given to their own tenants exercising the Right to Buy. The additional payment being levied upon councils may force councils into taking on extra borrowing in order to make payments to Government.

In a joint briefing the NFA and ARCH are calling on peers to support amendments to the Bill which will ensure that across the country every council house sale funds the construction of at least one new affordable home (two within London).

Hugh Broadbent, NFA Chair says:

*'We believe that across the whole country government should provide for at least one for one replacement, with no overall loss of social rented accommodation. This in part has been recognised by Zac Goldsmith MP's amendment to ensure that for every council home sold in London at least two are built to replace it. But this does not go far enough to address the problem across the whole country. We are urging Government to uphold the principle of self-financing and make vital changes to the Housing Bill to enable ALMOs and Councils to continue to build homes within our communities.'*

**END**

**Notes:**

Together the NFA and ARCH together represent more than 1 million council homes in England.

Details of our proposed amendments to the Housing and Planning Bill Clauses: 72, 78, 81(2), 84, 113 can be found here: <http://www.almos.org.uk/include/getDoc.php?did=7403&fid=8593>

**NFA -The National Federation of ALMOs** [www.almos.org.uk](http://www.almos.org.uk)

There are 39 ALMOs (arm's length management organisations) across England managing 542,808 council homes across 42 local authorities.

**ARCH - Association of Retained Council Housing** [www.arch-housing.org.uk](http://www.arch-housing.org.uk)

Working on behalf of local authorities who own and manage their properties, we are here to get the best deal for councils and tenants.

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