

# Social housing reform

The **Pinnacle Interim Management** team gives us the lowdown on recent reforms to social housing policy, and how interim managers can get involved.

The government has introduced some complex and fast-moving housing reforms. Here we highlight the key announcements already made and also consider the role interim managers can play in this period of dramatic change in the sector.

## What has changed?

The housing proposals in the Localism Bill are within the context of a wider package of measures to reform the social housing system, including:

- 50% reduction in capital grant;
- 80% market rent to be changed on new affordable homes;
- potential to charge 80% rent or convert some affordable homes to shared ownership;
- or outright sale on some re-lets or voids;
- phased changes to housing benefits; and
- loss of tenancy for life.

The government says these reforms reflect the 'localism agenda' because more decisions about housing are able to be taken locally, and they will make the system for allocating social housing fairer and more effective.

Other reforms already announced include changes to the way social housing is regulated, the council housing finance system and bringing empty homes back into use as affordable housing.

## Proposals in the Localism Bill

Flexible tenure social landlords are normally only able to grant lifetime tenancies. However, social landlords will be able to grant tenancies for a fixed length of time (minimum 2 years, no upper limit). All current social tenants will keep their current tenancy arrangements.

Older people and those with long-term

illness or disability will continue to have a guarantee of a secure tenancy. Councils will continue to be able to offer lifetime tenancies if they wish.

The National Housing Federation supports these proposals and believes landlords in conjunction with tenants and others, are best placed to decide duration of tenancy.

The Chartered Institute of Housing supports the reforms in principle, but has some concerns over prescribing lengths of tenancy and any proposals which could see tenancies ended by an income-based means test.

## How social housing is to be allocated

Local authorities must continue to ensure that social homes go to the most vulnerable and those who need it most ('reasonable preference groups'). Flexibility to decide what categories of other people may qualify for social housing, restricting access to the housing register in some instances, has been introduced.

Under the Localism Bill, for example, existing tenants seeking a transfer can be offered available properties before opening them up to general applicants coming through.

The National Housing Federation wants to see a move away from almost all of housing association lettings going to people coming through allocation schemes.

The Chartered Institute of Housing challenges the view, restricting access to housing registers will create more options for other people to meet their housing needs.

## Homelessness legislation

Under the current rules, people who become homeless are able to refuse offers of accommodation in the private

rented sector.

Under the Localism Bill, the main homelessness duty can be brought to an end with an offer in the private rented sector, without the applicant's agreement.

Any offer in the private rented sector must be for a fixed term of at least 12 months. The accommodation would have to be suitable for everyone in the household and there is a right to a review (and appeal).

There is protection for homeless persons because the homelessness duty would recur if the applicant became homeless again within a period of two years through no fault of his or her own (and was still eligible for assistance).

The National Housing Federation questions this approach because of changes to housing benefit and using the private rented sector should be considered only as one option.


The Chartered Institute of Housing welcomes proposals but has "serious reservations" about the availability, affordability and suitability of private sector housing in many areas.

## Pinnacle Interim Management

Given the complexity and pace of change in the industry, housing providers, therefore, need to play a balancing act. On one hand, they must consider what they need to do for the purposes of localism and the other aforementioned reforms. On the other hand, they must manage services on reduced budgets whilst making savings and delivering value for money.

## The housing professionals choice

Pinnacle Interim Management is a core part of Pinnacle PSG's overall business.



Pinnacle PSG's experience and 15 year track record within the housing market means our team can offer a unique proposition to housing providers; a pool of talented interim managers working at all levels who have the ability to make a difference to the way services are run, teams are managed and challenges are tackled, and access to support, guidance and training from Pinnacle PSG's team of senior housing professionals.

We fully understand the challenges that housing providers face and the needs of residents and communities. This is highly important when placing people into organisations - we are able to help providers identify their weaknesses, develop ways of creating long-term value and find the perfect interim manager to fit their specific role and culture.

Pinnacle Interim Management has already attained a strong track record through placing a range of senior professionals in a diverse array of organisations. Moving forward, Pinnacle PSG housing professionals, Alwyn Lewis and Andrew Wilson, aim to work alongside their existing clients to identify gaps in their teams and build new relationships with housing professionals.

## Our values

**Investing in people:** we offer training and development opportunities to all our candidates so you can be assured that your interim is best supported with a refreshed skill set.

**Transforming places:** Pinnacle Interim Management is run on these principles and that's why our placements are built on the value of building long-term relationships which focus on the needs of the communities you work in and deliver long-term value for money.

**Maximising potential:** the support candidates receive from Pinnacle PSG means clients always receive excellent value for money and our team is always accessible to clients offering continuous support.

By combining the best from our staff, the people we serve and the places we manage, we can maximise the potential for stronger, more sustainable communities.

## Get in touch

If you would like to discuss how our interim management service may assist your organisation or would like to join our candidate list, please contact

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Alternatively, please email

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