

## **News reporter of the year**

### **Exclusive: 7% rise in Right to Buy flats rented privately**

<https://www.insidehousing.co.uk/news/news/exclusive-7-rise-in-former-right-to-buy-homes-now-rented-privately-53507>

The Right to Buy remains one of the most divisive policies in the history of UK social housing, and this year Nathaniel Barker has contributed to the debate with two major investigations.

The first of these, published in December, was the most thorough analysis yet of how many former Right to Buy homes are in the public domain. Nathaniel obtained figures from 111 councils to show rising numbers of former council homes were being flipped to private rent – effectively making council estates honey pots for buy-to-let investors.

This piece was followed up widely in the national press: in *The Times*, on the front page of the digital edition of *The Independent* and in *The Guardian*. It was even cited in the Labour party's major *Housing for the many* policy paper.

Nathaniel showed his skill as a news hound a couple of weeks later, using Land Registry data to reveal that a councillor in Milton Keynes – England's 'Right to Buy to Let capital' – [was renting out 10 of his own local authority's homes](#).

### **Councils spend millions using Right to Buy flats as temporary accommodation**

<https://www.insidehousing.co.uk/news/news/councils-spend-millions-using-right-to-buy-flats-as-temporary-accommodation-55891>

Nathaniel followed up the previous investigation in April with another major piece of Freedom of Information work. He gathered data from 100 councils to find that £8.4m was being spent annually to rent back council homes they had sold at a discount which were now in the private rented sector.

This story perfectly encapsulated the issue with the policy: the loss of homes for poorer families, resulting in the same homes being rented out at greater expense to the public purse.

It came in a year when the Right to Buy has again been close to the top of the agenda politically – months after Nathaniel's piece the Chartered Institute of Housing called for a suspension of the policy and the government has announced a consultation on changes. Nathaniel's journalism undoubtedly contributed to our understanding of how and why it is going wrong.

### **Housing association under investigation over fire safety concerns**

<https://www.insidehousing.co.uk/news/news/housing-association-under-investigation-over-fire-safety-concerns-56639>

With this scoop, Nathaniel broke the story of major fire safety failings at a housing association in the North West.

Through skilled patch work and news gathering, he was able to stand up an anonymous tip-off despite little cooperation from the organisation involved or the Regulator of Social Housing (RSH) and craft it into a detailed story.

The result is a story which embodies *Inside Housing's* core purpose as a publication: to hold the social housing sector to account – particularly on issues of tenants' safety.

The RSH's eventual announcement about the situation at Knowsley Housing Trust two weeks later confirmed that Nathaniel's original story was entirely accurate.

It was then raised in the House of Commons and covered by the BBC and the *Liverpool Echo*, with *Inside Housing* well ahead of the curve.

# INSIDE HOUSING

## A tinted view

How tenants are being stigmatised by politicians and the media

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## Taking your leave

What the sector is doing to help new parents who want to share their leave

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# Councils spend millions renting RTB flats

**Right to Buy** Growing number of homeless households puts pressure on council budgets

**Nathaniel Barker**

Town halls are spending millions of pounds a year renting ex-council flats from private landlords to provide accommodation for homeless households, *Inside Housing* can reveal.

Freedom of Information Act requests to more than 100 stock-

retaining local authorities in England identified 23 that have been forced to spend millions leasing back homes sold under the Right to Buy to use as temporary accommodation for the growing number of homeless households.

Together, they are currently paying buy-to-let landlords around £8.4m a year to rent 725 flats - all of

which the councils once owned - for this purpose. Much of the bill will be footed by the taxpayer in the form of housing benefit.

Almost all the councils in question were in London and the South East.

Councils have been increasingly reliant on temporary accommodation as the number of homeless households has rocketed since 2010.

The cost of renting back flats councils once owned is likely to be significantly higher, as some central London councils with severe housing pressures would not release the data.

Enfield, Brighton & Hove, Lewisham, Southwark and Barnet councils reported the largest figures.

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# £8.4m



→ The shortlist for Rising Stars 2018, see page 12



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**12 Rising Stars 2018** We profile the 10 candidates in the running to be named this year's up-and-coming star of the sector

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**20 Terrie Alafat** What role do we want for social housing?

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How the portrayal of social housing by politicians and in the media is stigmatising tenants

### And 4 pages of jobs

**From the web**  
[www.insidehousing.co.uk](http://www.insidehousing.co.uk)

#### ● Eight most read

1. Labour proposes scrapping affordable rent in social housing review
2. Corbyn: housing associations' 'diminished role' limiting social housing development
3. Regulator names two new board members
4. Clarion finance chief to take over at Sovereign
5. Government announces major developer will cover fire safety costs in tower block
6. Peabody offers to re-employ Windrush generation caretaker sacked in 2012
7. Woman dies in fire at supported housing scheme
8. Private landlord hit with record fine for fire safety failures

### Cladding

# Fire safety costs to hit projects

**Housing association says cutbacks necessary to cover costs**

**Nathaniel Barker**

A South West housing association has warned it cannot meet the cost of removing dangerous cladding from its tower blocks without serious knock-on effects to its new build and refurbishment programmes.

Plymouth Community Homes, which manages around 16,000 homes following a stock transfer from the city council, has three high rises covered in Grenfell-style aluminium composite material cladding at the Mount Wise Estate. It insists the system was compliant with building regulations when installed during a refurbishment in 2000.

Work is yet to start on removing the material 10 months on from the Grenfell Tower fire last June, in which combustible cladding is thought to have contributed to the spread of flames.

The association requested funding help from the government to meet the £14m estimated cost of the remedial work, but was told cash would only be made available in cases where financial restrictions would stop work from going ahead.

As it would be able to meet the costs without becoming unviable, Plymouth Community Homes faces deferring the money from planned capital works for existing stock and new build. That would mean cutting 220 homes from its development programme or cancelling extensive refurbishment and modernisation work to 14 other blocks.

John Clark, chief executive of Plym-



One of the Mount Wise towers

outh Community Homes, told *Inside Housing*: "The big question is: is it actually right to charge social housing tenants for something that is a failure of the national building regulations?"

"As a housing association the only money we have comes from our tenants. It is unfair to say it's not right for leaseholders in private blocks to have to pay for this work, but that you charge someone in social housing, who are some of the poorest and most vulnerable people in society."

Ministers have previously said leaseholders in private blocks with dangerous cladding should not be made to foot the bill for its removal.

Mr Clark added that he had suggested alternative ways the government could provide financial help - such as making the works VAT exempt or cancelling the final year of the 1% rent reduction - without success.

Experts have said cladding on the Mount Wise towers would have to be immediately replaced after removal in order to maintain the 16-storey buildings' watertightness.

### Right to Buy

# RTB flats used for temporary housing

→ Continued from front

Sir Steve Bullock, executive member for housing at London Councils, said: "We have seen the boroughs increasingly relying on the private rented sector to meet the rising demand for temporary accommodation including ex-council units."

Councils are likely to come under increasing pressure because of new duties in the Homelessness Reduction Act, which came into effect this month. Labour-led Southwark Council rents 93 ex-council flats for £1.36m a year. It said it has increased renting from private landlords for temporary

"We have seen boroughs increasingly relying on the private rented sector."  
*Sir Steve Bullock, executive member for housing, London Councils*

accommodation by 85% in the past year - during which time it has acted as a pilot authority for the new homelessness legislation.

Labour-led Enfield Council rents 130 ex-council flats at an annual cost of £1.8m. Ahmet Oykenner, cabinet member for housing and regeneration, said: "Without the [Right to Buy] we would have more than 20,000 properties, [meaning] we would have no crisis in Enfield and would be able to house homeless households."

According to government figures, there were 78,930 households in temporary accommodation in England at the end of December 2017, including 120,510 children. More than two-thirds of homeless households are in London. The Ministry of Housing, Communities and Local Government has been approached for comment.



Table sales are now open for the  
**Housing Heroes Awards** on  
**Monday 25 June at Manchester Central.**





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## Housing association under investigation over fire safety concerns

NEWS 08/06/18 7:00 AM BY NATHANIEL BARKER

### concerns

NEWS 08/06/18 7:00 AM BY NATHANIEL BARKER

The housing regulator has launched an investigation into a Merseyside landlord after fire safety concerns were raised, *Inside Housing* understands.



Picture: Getty

#### Sharelines

[Twitter](#) ▶ Housing association given IDA over fire safety concerns #ukhousing

[Twitter](#) ▶ Interim chief executive in place at housing association receiving IDA #ukhousing

Knowsley Housing Trust (KHT), which owns around 14,000 homes, was

Knowsley Housing Trust (KHT), which owns around 14,000 homes, was issued with enforcement notices on three of its residential blocks by Merseyside Fire and Rescue Service in November 2017.

Around the same time, an internal audit is thought to have highlighted concerns about the association's compliance with health and safety regulations.

After being notified of the enforcement notices and the audit findings, the Regulator of Social Housing (RSH) launched an in-depth assessment of KHT in February.

The RSH is yet to issue its regulatory opinion on the review.

#### READ MORE



**It is time for decisive government action on fire safety**



## Regulator investigates second REIT-linked association

A spokesperson for KHT said: "The actions required by the notices were already in our schedule of works and completed prior to the deadline, resulting in the notices being discharged.

"Simultaneously, an internal audit that was already planned identified areas of improvement required in relation to statutory compliance."

The landlord "immediately put in place a formal rectification plan and appropriate resources to ensure that our focus remains on our customers and in addressing the issues identified", the spokesperson added.

Meanwhile, Bob Taylor, chief executive of KHT and its parent company First Ark Group, has brought forward his retirement by several months.

Mr Taylor, who has held the post for 14 years, announced his decision to retire at the end of 2018 in March. However, last week Mr Taylor stepped aside to be replaced by an interim chief executive.



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"In March 2018, it was announced that the First Ark Group chief executive would retire with effect from 31 December 2018," the spokesperson for KHT said.

"In light of this decision and the process of change we are going through at the group, the board have decided to bring in an interim chief executive to focus on the future, while we undertake the long-term permanent recruitment of the new group chief executive.

"The senior leadership team and the board can still draw on Bob's significant experience until he leaves the organisation, but he is no longer in the business on a day-to-day basis. The First Ark Group board would like to take this opportunity to thank him for his service."

There is no mention of an interim chief executive on KHT's website.

KHT's most recent regulatory judgement, published in November 2016, was 'G1 V1' – the highest possible grading for governance and financial viability. The association's chair, Helen White, is chair of the Regulatory Board for Wales.

A spokesperson for the RSH said: "In-depth assessments (IDAs) are bespoke to the presenting risks in each provider and their duration depends on how long it takes to get assurance on those risks.

"Following the conclusion of an assessment, we seek to publish our findings as quickly as we can and where we identify potential non-compliance, we communicate this as a Grading under review.

"We do not comment on IDAs before they are concluded."

Fire safety

Govt agency/department/organisation

Housing Association/RP

North West

People

Regulation and Governance



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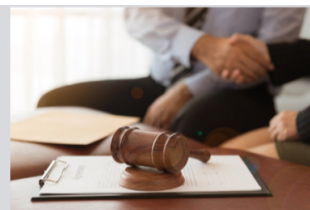
**Large housing association looks to exit care sector**



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**European development funding will end in 2020 in event of a no-deal Brexit, government reveals**



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**Chance to solve a crisis**



**Welsh housing association building falls by a third**

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# INSIDE HOUSING

## Cheers to that

Care home cocktail parties are helping tackle loneliness among older people  
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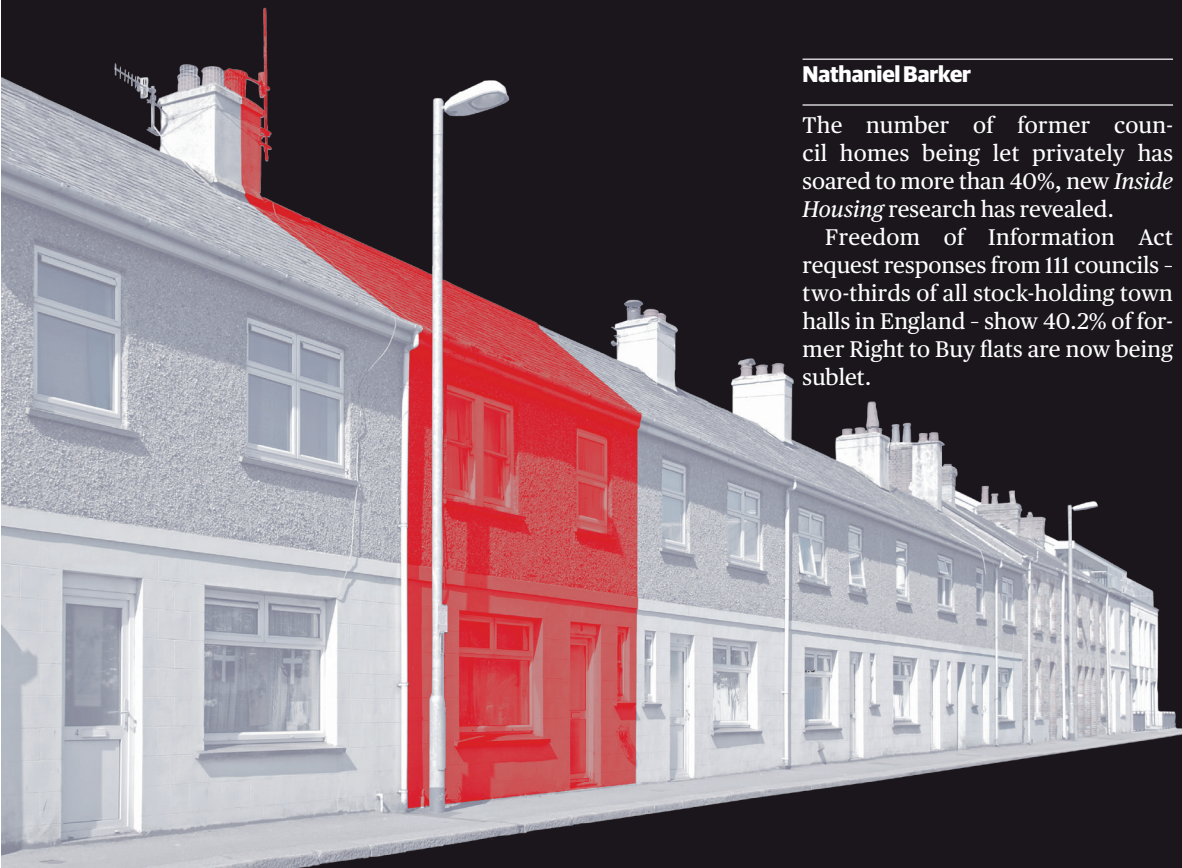
## Q&A: Alison Inman

The president of the Chartered Institute of Housing on domestic abuse and Grenfell  
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# RTB sublets above 40%

**Right to Buy** *Inside Housing* research shows former council homes being let privately has risen 7%



## Nathaniel Barker

The number of former council homes being let privately has soared to more than 40%, new *Inside Housing* research has revealed.

Freedom of Information Act request responses from 111 councils - two-thirds of all stock-holding town halls in England - show 40.2% of former Right to Buy flats are now being sublet.

This is a 7% rise from the 37.6% recorded last time *Inside Housing* carried out this research in 2015 - a rate of growth which would see more than half of all former Right to Buy homes rented privately by 2026.

Eamon McGoldrick, managing director of the National Federation of ALMOs, said true subletting figures could be "at least" 5% higher than shown by the data.

He said: "Leaseholders are allowed to sublet but some of them don't actually inform the council that they're doing it, possibly because they think it will be an issue."

"So there will be another number on top of this figure that haven't given the freeholder an away address."

The councils have sold a total of 180,260 leasehold properties under the Right to Buy since its introduction in 1980, with 72,454 now registered with an 'away address', indicating subletting.

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→ **The need for more social rent, see page 16**

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## And 4 pages of jobs

### Scotland

# FOIA set for Scottish HAs

## Scottish landlords could be covered by Freedom of Information Act by 2019

Sophie Barnes

The Freedom of Information Act (FOIA) could apply to housing associations in Scotland from April 2019, depending on the outcome of a parliamentary vote.

In a long-anticipated move Joe FitzPatrick, minister for parliamentary business, announced a draft order on Wednesday to extend Freedom of Information to registered social landlords in Scotland.

Mr FitzPatrick said: "The Scottish Government regularly reviews coverage of Freedom of Information Act legislation. Previous orders have designated a range of arm's-length trusts providing cultural, leisure and sporting services, private prison contractors, grant-aided and independent special schools.

"The proposed order extends the statutory right to request information to registered social landlords [RSLs] insofar as they - as private bodies - undertake functions for which they are already subject to regulation and

oversight by the Scottish Housing Regulator. This will give RSL tenants, and others, the same rights to information as those enjoyed by tenants of local authorities."

Responses to a government consultation on the move will inform the final legislation and subject to a vote in parliament it is expected the order will come into effect from April 2019.

Helen Moore, chair of Glasgow and West of Scotland Forum of Housing Associations (GWSF), said housing associations will now have to manage "significant red tape which the FOIA system inevitably brings, and this will have to be funded by tenants' rents".

She said: "Providing information in an open and accessible way has always been an important principle for our members. That approach will continue to develop, and we know that being subject to Freedom of Information does not in itself make an organisation naturally open and transparent. But what will very much change with FOI is that housing associations, whatever their size, will need to put time and money into preparing to manage the significant red tape which the FOI system inevitably brings, and this will have to be funded by tenants' rents."

### Right to Buy

# RTB sublets above 40%

→ Continued from front

John Bibby, chief executive of the Association of Retained Council Housing, said the figures were not surprising. "The government has promised a root-and-branch green paper on social housing and it will be interesting to see if that includes Right to Buy and its impact," he said.

Milton Keynes is the 'Right to Buy to let' capital, with 70.9% of flats sold through Right to Buy now in the PRS.

Another six councils - Bolsover, Brighton & Hove, Canterbury, Cheshire West and Chester, Stevenage, and Nuneaton & Bedworth - have leasehold subletting levels of more than 50%. The average private rented sector rent is £88 per week in England, while private rents are £210. In London, this gap grows from £108 for council rents to £359 for private rents. The data comes as Welsh Assembly members voted through a bill to abolish the Right to Buy in Wales on Tuesday. Data provided by eight of the 11 stock-retaining councils in Wales, not included in the figures above, shows that 42.3% of flats sold under the Right to Buy are sublet.

Scotland scrapped the Right to Buy in July 2016. In England, however, the government still plans to extend the policy to housing association tenants, with a pilot planned for next year.

→ See analysis on p12 for more

## From the web

[www.insidehousing.co.uk](http://www.insidehousing.co.uk)

### ● Ten most read

1. Ruth Cooke named next Clarion chief executive
2. HSE to prosecute housing association over child lift death
3. Councils in Universal Credit areas dig deeper into DHP funds
4. Outer London councils hit out at Khan's plans for housebuilding boost
5. Further changes are needed to Universal Credit
6. GLA director warns of 'mad' end to grant programme
7. The Ledbury Estate building safety scare - what happened next?
8. ALMO under threat as South West council reviews housing options

9. Council gives Genesis green light for major north London estate regeneration
10. No borrowing cap flexibility before 2019 for councils discussing bespoke deals

### ● Blog

A drastic overhaul of policy is needed to help older people downsize, says Jane Ashcroft, [insidehousing.co.uk/comment/53485](http://insidehousing.co.uk/comment/53485)



### ● Blog

David Cowans presents four innovative ways to boost housebuilding that were missing from the Budget, [insidehousing.co.uk/comment/53471](http://insidehousing.co.uk/comment/53471)

