

SOUTH EAST ENGLAND REGIONAL ASSEMBLY

REGIONAL HOUSING FORUM

Minutes of the meeting held on 25 June 2007

Present:

Sharon Smith	CIH SE Regional Committee – Chair
Simon Frost	South Coast Money Line
Nick Webb	South Coast Money Line
Martin Reid	Brighton & Hove Council
Matthew China	Chichester District Council
Peter Morton	Elnbridge Housing
Glenn Austin	GOSE
Roger Tilley	Tanner & Tilley
Catherine Stubbings	Regional Assembly
Mark Williams	Regional Assembly
June Cass	Regional Assembly
Paul Abey	Housing Corporation
Helen Burton	West Sussex Chief Housing Officer Group
Barbara Compton	Cities in the South East
Kate Dallip	SEEDA
Brian Horton	National Housing Federation
Carl Petrokofsky	SE Public Health Group
Graham Ashworth	Housing Advisory Group Representative
Kevin Hetherington	Reigate – Banstead District Council
Arlene Kersley	Community Council for Berkshire
Ian Walker	Housing Advisory Group Representative
Michael Veryard	Buckinghamshire Housing Enabler Steering Group

Apologies for absence and substitutions:

Martin Tugwell	Regional Assembly
Andrea Cannon	SERIG
Kathryn Williamson	RAISE
Caroline Tindall	NHS Trust
Nick Ronald	National Housing Federation

Roger Tilley for Pete Errington	The Home Builders Federation
Carl Petrokofsky for Jo Nurse	SE Public Health Group
Ian Fitzpatrick for Neil Fuller	East Sussex Chief Housing Officers Group
Graham Stratford for Paul Staines	Oxfordshire Chief Housing Officers Group
Meurig Lloyd for Mike Stimpson	Southern Private Landlords Association
Steve Kethero for Chris Woolf	GOSE

I. Minutes of the previous meeting and matters arising

The minutes of the meeting were recorded as correct.

Point 1.5 - to be addressed later on agenda.

2. Presentation: South Coast Money Line

2.1 Simon Frost explained that the Southern Home Loans Partnership is a consortium comprised of South Coast Money Line plus five local authorities – Eastleigh, Gosport, Portsmouth, Chichester and Brighton & Hove. It was set up in 2004 in response to a Government initiative to offer loans to home owners who would not normally have access to affordable finance. After two years' research and scheme development the SHLP began trading in 2006.

2.2 South Coast Money Line is a not-for-profit Community Development Finance Institution established in May 2000 to deliver fair finance to vulnerable and financially excluded groups. In seven years they have lent more than £2million of which £½ million was in the last two financial years.

2.3 LA Funding consists of three funding elements:

- Membership Fees – An annual fee to cover cost of scheme delivery.
- Loan Capital – LA provides 75% of loan capital
- Loan Subsidy – LA pay 4% loan subsidy upfront for each loan.

2.4 The aim of the scheme is to provide a loan scheme which meets the needs of local authority private sector renewal. There are two loan schemes: capital repayment and interest only. Loans are secured with an Equitable Mortgage and are regulated under the Consumer Credit Act. Terms and conditions ensure monies can only be used for the purposes of eligible works assessed by local authorities. A one off £40 fee is payable by client to secure the loan at the Land Registry. In some circumstances unsecured loans of less than £1,000 can be offered.

2.5 Future schemes planned include an Interest Roll Up scheme and a Shared Appreciation scheme aimed at clients who are over 70 years and would require no repayments by the client.

2.6 Benefits to the client include:

- 5% fixed rate for entire term of the loan.
- Home visits
- Income maximisation
- Financial report – Financial guidance
- Ability to settle loan early
- Working with Partnership Organisations
- An additional benefit not anticipated is the identification of entitlement to benefits for clients.

2.7 Benefits to the Local Authority

- Potential for a secure long term source of funding at relatively low cost to the authority and without start/stop funding problems.
- SCML have a proven track record for loan delivery

- Financial expertise
 - Spread of costs amongst members
 - Scheme operating successfully
 - Transparent accounting
 - Providing additional marketing
 - Saving LA Capital by identifying clients that can use other funding sources.
- 2.8 Barbara Compton asked how the Partnership dealt where people required more than the £15,000 maximum loan amount available, as stated in the presentation. (Note - Simon Frost has requested that the minutes be amended to reflect the following information):
- 2.9 “The maximum unsecured loan SCML currently lends is £20,000. Home improvement loans are secured with an equitable mortgage or equitable charge and effectively there is no limit – other than the normal lending criteria tests”.
- 2.10 Kevin Hetherington asked why local authorities should use the SCML and not ‘Houseproud’. Simon Frost explained that the benefit of SCML is that their schemes are tailored to individual local authority requirements and also SCML works closely with Housing Officers.
- 2.11 Carl Petrokofsky raised the issue of how consumers can get good quality information. Matthew China stated that marketing is very good and a lot of work is done with older people groups.
- 2.12 Martin Reid indicated that Brighton and Hove had received RHB innovation funding to set up the scheme. It was suggested that the Southern Home Loans Partnership might be an early candidate for RHB “kite-marking”.
- 2.13 Meurig Lloyd asked if the scheme could be advertised through individual mortgage brokers and could there be a similar scheme that private landlords could tap into. Simon Frost replied that this was something that they are keen to take forward and to this end they have already have had one meeting with an IFA. He also pointed out that private landlords are currently able to access the scheme through the local authority.
- 2.14 Graham Stratford asked why interest rates are set below market rate. It was explained that the rates were set with the aim of trying to persuade people that grants are no longer available and they should be looking at loans. There is no consortium decision as to when to change the rates and this is to be discussed. It is intended that by year seven no membership fees will be payable by the local authority.

3. Older People – Discussion on priorities for research

- 3.1 Cath Stubbings explained that a paper will be prepared for the RHB Awayday meeting in September based on identified priorities for research.
- 3.2 Information sources identified so far for further review are:

- RHS Review response from Public Health.
- RHS Review response from International Longevity UK
- RTPI Housing for an ageing population
- Dept of Health LIN/ Extra Care Toolkit
- HBF retirement group response to RHS review
- Age Concern report (2006)
- SIPSE – ‘Aging Assets’
- Audit Commission – national study
- Examples outside Region

3.3 Issues identified by the Forum prior to the meeting:

- Extra care and the complexity that surrounds funding schemes
- Land availability
- Raising awareness amongst Planners

3.4 The Group made the following comments on implications and priorities:

- Emphasis should be on how older people access funding and equity release and the issue of how to improve trust amongst older people.
- It should be recognised that people are requiring sheltered housing at a later stage in life and that they now have greater expectations and require more modern facilities.
- In relation to the above there needs to be a debate on what people want and how they are best supported.
- In some areas building of certain types of market housing encourages in-migration of older people. There needs to be more information on what is being provided, how the stock profile is changing, demography, and the implications for the region.
- Need for wide spectrum advice on options available.
- As a priority it should be looked at how older people are being forced to move out of rural areas due to lack of facilities.
- There is need for good practice examples of incentives and stock types that will enable the release of affordable family housing.
- People’s aspirations and concerns around extra care in the future should be looked at before committing capital.
- Paul Abey advised that Housing Corporation strategies on Older People and Supported Housing are to be launched in the near future.

3.5 It was concluded that the priorities should focus on future choice and the aspirations and expectations of current occupiers of family homes.

Lifetime Homes and design standards were seen as areas receiving sufficient attention in other arenas.

- **Action:** Carl Petrokofsky, Graham Stratford, Martin Nurse and Roger Tilley to join Steering Group to help finalise the paper for the Board (and Carl to canvass SERFA for additional interest).
- **Action:** Carl Petrokofsky to circulate Department of Health Strategy to Group for responses.

4. RHB PSR Funding 2008-11 Update

- 4.1 Steve Kethero stated the Board had approved the paper at the 14 May meeting. The amount to be made available is not yet known but there will be a submission going to CLG this week.
- 4.2 Barbara Compton asked how the Board can justify moving the emphasis of funding away from need and towards a loan agenda. She asked what are the transitional arrangements if there is no cut off date of 31 March .
- 4.3 Steve Kethero responded that evidence of need will attract funding. As far as the loans agenda is concerned it is up to the local authority to set out what is appropriate to local circumstances and the stage of development and trust in such schemes. It is important to share best practice across the region. The Board is considering kitemarking best performing authorities. In respect of transitional arrangements, business planning will take into account when delivery is taking place so the money will already have been allocated.

5. RHB Funding Submission to Government Update

- 5.1 This was presented to the Board under agenda Item 5 at the 20 June meeting. The amount of funding is not yet known, therefore the submission is based on percentages. The largest slice is affordable housing at 84% with smaller sums for other programmes.
- 5.2 It is intended the submission will be with the Chair of the Board by 26 June and sent to CLG on 28 June.
 - **Action:** Link to be circulated with minutes.

6. Other Key Points from RHB meeting on 20 June

- 6.1 The progress report on the National Affordable Housing Programme was presented to the Board on 20 June. All targets were exceeded. The Housing Corporation is looking to establish more achievable key worker targets.

7. Update from Chair of Regional Homelessness Forum

- 7.1 Peter Morton stated that figures show homelessness numbers have reduced and that this in reality is due to earlier intervention. He explained that the work of the Group is to look at the issue of how homelessness occurs and how it is tackled.
- 7.2 He gave an overview of the work of the Group.
- A Youth Homelessness Sub Group has been set up to look at youth homelessness.
 - A Regional Conference on homelessness has been organised to take place on 20 July.
 - The Group is looking at the role housing advice plays in preventing homelessness and also looking at the role of private sector renewal.
- 7.3 He advised that Shelter have completed research in respect of the role of the private rented sector in addressing homelessness, which looks at the substantial numbers of people housed in the private sector as the only choice, and also at the role of private sector renewal. A Sub Group has been set up on the back of the research findings and the Group will be exploring them further. It will also look at the loss of accommodation in the private sector; the issue of how RSLs engage with local authorities on homelessness; how to make best use of stock and nominations; the impact of the local housing allowance (opportunities and threats) on both the private rented sector and homelessness prevention/provision.
- 7.4 Meurig Lloyd pointed out that the Local Housing Allowance will have big implications. It will open up opportunities in the private sector market but there will be a need for guarantees. He pointed out that many local authority schemes are still at an early stage with their schemes.
- 7.5 Concern was raised about what would happen if there was a loss of private sector rented stock following the massive growth that has occurred in this sector. There was also concern around housing for military personnel returning to this country from abroad.
- 7.6 Peter Morton stated that Glenn Austin is drafting an end of year paper on homelessness which will be circulated to members of the Homelessness Group to bring in views.
- **Action:** Glenn Austin to circulate draft of end of year report to Homelessness Group for views.

8. Input of RHB Review day 5 September

- 8.1 The RHB on September 5 will be an Awayday including a visit and a workshop. The workshop will look at a number of unfinished issues including the accommodation needs of young ex offenders.

- **Action:** Cath Stubbings to contact people over the next couple of weeks to discuss production of briefing material for the workshop session.

9. Any Other Business:

There were no items under Any Other Business

The meeting closed at 4:15 p.m.

Date of next meeting: 1 October 2007