

Copy from Hansard House of Commons Written PQ to the DCLG by **Chris Huhne MP** (Hansard extract: Written answer 1145W)

## **Housing**

**Chris Huhne:** To ask the Secretary of State for Communities and Local Government what (a) statutory provisions and (b) departmental guidelines provide authorisation for action by housing associations in respect of (i) refurbishment of their existing stock, (ii) new build and (iii) replacement of existing stock by higher density new build; and what financial incentives are provided to housing associations in each case. [111181]

**Yvette Cooper:** Housing associations are independent not for profit organisations who are regulated by the Housing Corporation, a non-departmental public body.

Sections 18, 20, 21, 27 and 28 of the Housing Act, 1996 sets out the statutory provisions to provide and

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recover grant via the Housing Corporation to registered social landlords (RSLs) and other developers in respect of housing activities as specified under Section 2 of the Housing Act 1996 of refurbishment of existing stock, new build and replacement of existing stock.

The Department has not published guidelines on the conduct of these activities but approves the Housing Corporation's prospectus for the Affordable Housing Programme. More specifically Housing Corporation policy on providing grant is as follows:

- (i) for work to existing stock: funding for maintenance is available only for pre-1988 stock and is provided only exceptionally taking account of the level of housing associations' own resources and their ability to fund such works themselves. For re-improvements to existing stock, funding will be available only if the improvements meet a regionally identified priority need (such as for supported or sheltered housing);
- (ii) for new build, grant is awarded based on a competition, for schemes that meet regionally identified priorities, following a value for money assessment by the Corporation;
- (iii) for replacement of existing stock by higher density new build, grant is awarded based on a competition, for schemes that meet regionally identified priorities, following a value for money assessment by the Corporation. Additionally, in some regions (those where this is supported by the Regional Housing Board advice) there is a requirement that replacement schemes should show a net gain in the number of social rented properties.

The Department also enters into gap funding grant arrangements with RSLs who take negatively valued housing stock through voluntary transfer from local authorities. Current guidance is contained within the Department's published Housing Transfer Manual 2005 (and 2006 Supplement).

In June 2006 the Department issued “A Decent Home: Definition and Guidance for Implementation for all local authorities and RSLs”. The guidance explains a number of Decent Homes policy amendments and seeks to clarify issues that have arisen in the implementation of the programme. It also sets out how we see social landlords building on the success of the programme working more flexibly to go beyond the Decent Homes programme to undertake more radical solutions to transform some of the poorest neighbourhoods into mixed sustainable communities.

We also want to encourage local authorities, ALMOs and RSLs to ensure they are considering the need for new build in their area alongside decent homes.