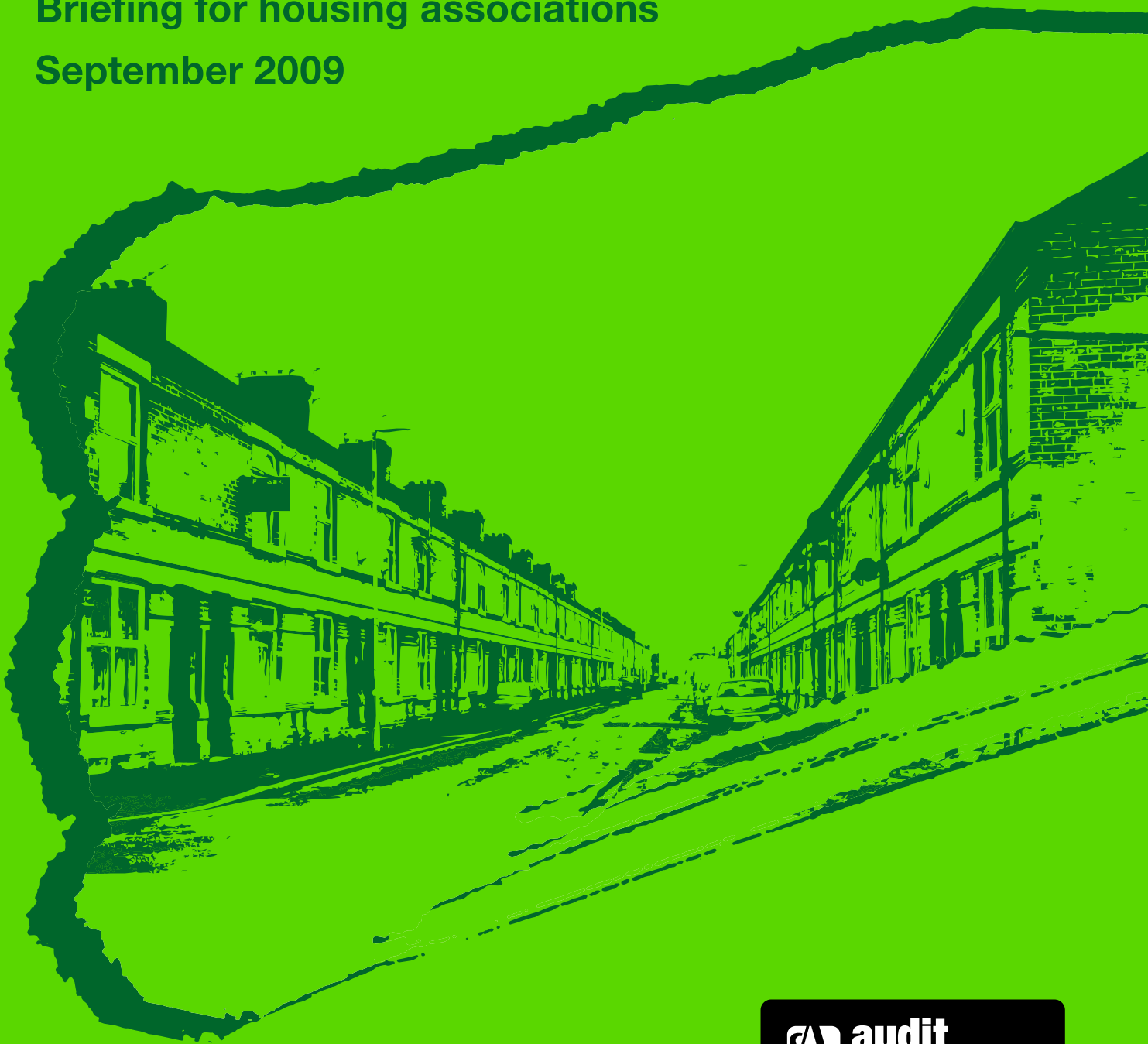


# Building better lives

Getting the best from strategic housing

Briefing for housing associations

September 2009



**The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.**

**Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.**

**As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.**

---

## Introduction

### Housing matters

This briefing for housing association staff and board members explains the importance of the strategic housing function in local authorities and why housing associations should ensure they get involved.

The policy, investment and regulatory environment are changing in a way that places more emphasis on councils' strategic housing role and partnership working. Housing associations have an essential part to play.

Most councils have prioritised the delivery of new, affordable homes as part of their local area agreements and the Homes and Communities Agency (HCA) plans to engage with councils in a single conversation about all housing and regeneration issues in a local area. Housing associations need to engage with councils in their local strategic partnerships so as to be part of, and influence those delivery plans for new housing and regeneration.

## Strategic housing and the role of housing associations

A good strategic housing function can contribute to the wider well-being of an area by helping to make a place where people want to live with good quality housing from which they can select a type and tenure appropriate to their needs, aspirations and means. But it is also about making sure no communities are disadvantaged because of the housing they occupy or have available to them.

The Audit Commission model for a good strategic housing function for councils:

- is based on a vision for housing in the area that is consistent with broader place shaping ambitions;
- is well informed and understands local housing needs and markets;
- has effective housing partnerships and relationships;
- uses regulatory powers as well as influence; and
- has skilled and competent staff.

Housing associations have a key role in the formulation and delivery of this model.

---

## Key findings from our Building Better Lives report

### **Managing their housing responsibilities well can help councils create sustainable communities**

- Even councils without their own housing stock have housing responsibilities that provide opportunities to improve their areas.
- Improving housing can improve public health and children's education, and make communities more sustainable and you as a housing association have an important part to take in this.
- Improving the housing stock that already exists will help more people than building new houses, but more homes are also needed in most places in the country. It is housing associations that are building most of the new affordable homes.

### **Well-targeted spending on the housing stock can also yield financial benefits**

- Every £1 spent on providing housing support for vulnerable people can save nearly £2 in reduced costs of health services, tenancy failure, crime and residential care.
- Spending between £2,000 and £20,000 on adaptations that enable an elderly person to remain in their own home can save £6,000 per year in care costs.
- If only 5 per cent of empty homes could be brought back into use, councils could cut their annual homelessness costs by £½ billion. You as housing associations can maximise your income by reducing the number of empty homes you manage.

### **Funding and regulatory changes reinforce the need for councils to manage housing strategically**

- Councils without a local investment strategy agreed with their partners will not secure funding and support from the Homes and Communities Agency. You need as a housing association to have good partnerships with the councils in which you have homes so as to maximise funding opportunities for new homes and regeneration initiatives.
- Comprehensive Area Assessment will assess how well housing is contributing to councils' and their partners' ambitions for their area. You can be key in helping councils achieve their housing ambitions.
- Although councils directly commit only a small proportion of the money spent on housing in their area, they need to influence markets and funding flows as well as deliver services.

---

### **Imaginative councils have managed to improve local housing**

- Councils with a clearly expressed vision for their area have found it easier to attract developers and funding. You as a housing association need to know the vision for the areas where you work so land and development opportunities are not wasted.
- Creative councils have worked in partnership to tackle homelessness, reclaim empty properties and improve housing quality in ways they could not have achieved alone. Housing associations can be key in providing, for example, homelessness services and accommodation for councils.
- Some councils have used regulatory powers and accreditation schemes to improve the quality of housing without spending significant sums of public money.

### **But most still struggle to grasp the opportunity strategic housing presents**

- Three-quarters of councils whose strategic housing function was inspected by the Audit Commission were rated fair or poor; only one of the first 85 councils inspected rated excellent.
- Even well-regarded councils assessed their own performance on strategic housing as mixed.
- Fewer than half of districts think they have the skills they need. After two years of a government-funded training programme, a third of all councils still lack the skills to understand and influence housing markets.
- Few councils recognise how housing strategy can meet objectives beyond housing, or engage with a wide enough range of delivery partners.
- 143 local area agreements – 94 per cent of areas – have prioritised new and/or affordable housing targets, but fewer than a third prioritised targets relating to the existing stock.

---

## Questions to ask yourself

- 1 How is my housing association involved in the local strategic partnerships in areas where we manage, own or hope to develop stock?
- 2 Have we contributed to the preparation of the housing and sustainable community strategies in areas where we have a presence?
- 3 Do we know what is in the housing and sustainable community strategies in areas where we have a presence?
- 4 Have we been involved in the preparation of, and signed off the implementation plans of the housing and/or sustainable community strategies in areas where we work?
- 5 Have we been involved in setting and prioritising the housing-related targets within the councils' local area agreements in areas where we operate?
- 6 Do we know what the housing-related targets are in the local area agreements where we work?
- 7 Have we been consulted and signed off the delivery plans for the relevant targets within the local area agreements?
- 8 What contribution are we expected to make to targets in local area agreements in areas where we operate?
- 9 Are we involved with councils' single conversation with the Homes and Communities Agency?
- 10 How can councils help us achieve our business objectives?

If you require a copy of this document in large print, in Braille, on tape, or in a language other than English, please call: **0844 798 7070**

If you require a printed copy of this document, please call: 0800 50 20 30 or email: [ac-orders@audit-commission.gov.uk](mailto:ac-orders@audit-commission.gov.uk)  
This document is available on our website.

For further information on the work of the Commission please contact:

**Audit Commission**

1st Floor  
Millbank Tower  
Millbank  
London  
SW1P 4HQ

Telephone: 0844 798 1212  
Fax: 0844 798 2945  
Textphone (minicom): 0844 798 2946

[www.audit-commission.gov.uk](http://www.audit-commission.gov.uk)

We welcome your feedback. If you have any comments on this report, are intending to implement any of the recommendations, or are planning to follow up any of the case studies, please email: [nationalstudies@audit-commission.gov.uk](mailto:nationalstudies@audit-commission.gov.uk)



**Audit Commission**

1st Floor  
Millbank Tower  
Millbank  
London  
SW1P 4HQ

Telephone: **0844 798 1212**  
Fax: 0844 798 2945  
Textphone (minicom): 0844 798 2946

[www.audit-commission.gov.uk](http://www.audit-commission.gov.uk)

Stock code: LEB 3570