



Homes &  
Communities  
Agency

## **Affordable Homes – Spending Review Outcome**

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# Affordable homes – Spending Review outcome

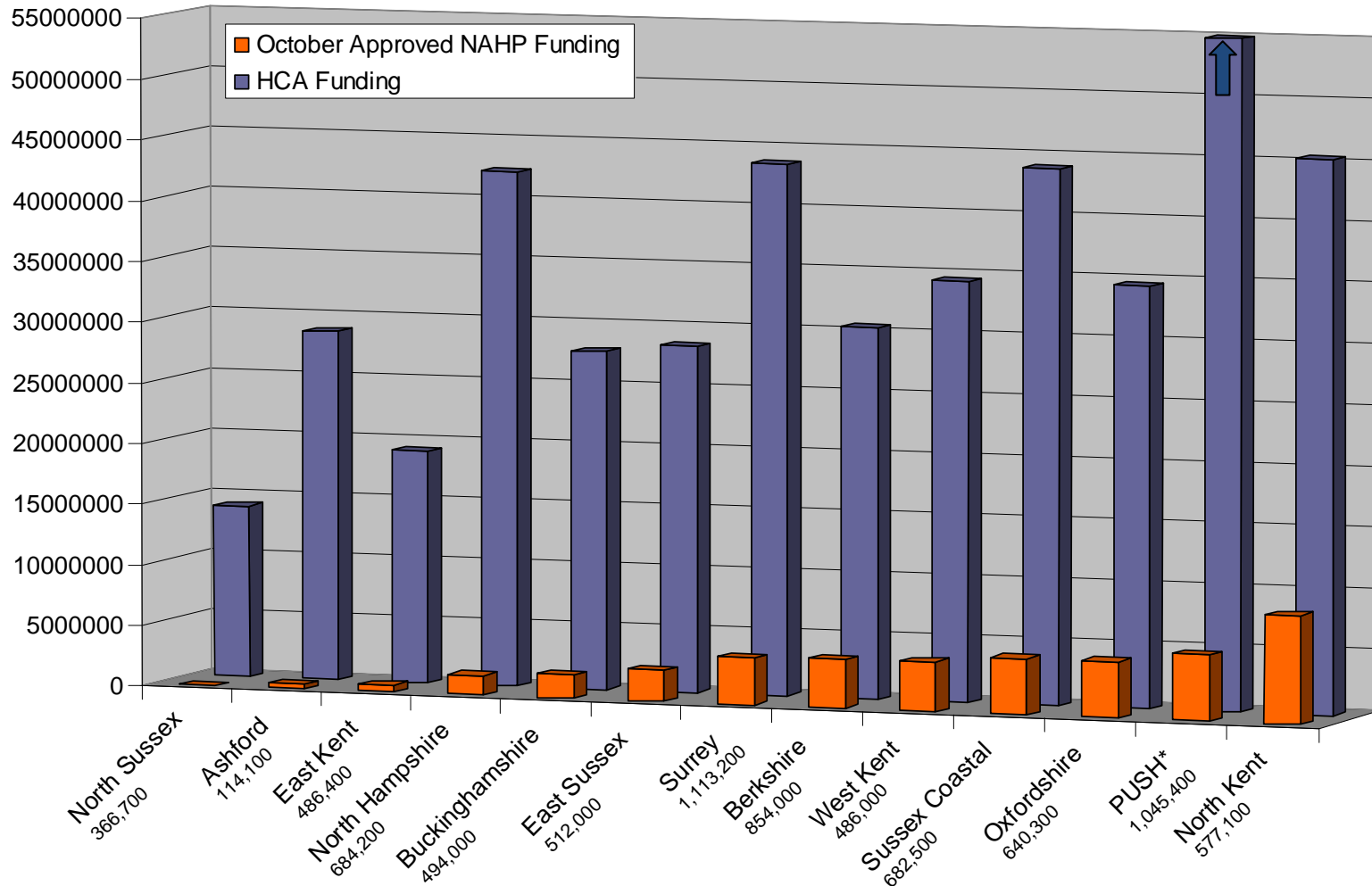


- Government investing over £6.5bn in housing, including over £2bn to make existing social homes decent and £4.5bn to fund new affordable homes
- £4.5bn includes provision for:
  - Affordable rent
  - bringing empty homes back into use
  - Mortgage Rescue
  - Places of Change
  - Gypsy and Traveller sites

# Oxfordshire

- In 2008-11 the HCA committed £127,547,637 in Oxfordshire across various programmes
- However..... the landscape is changing and figures will be substantially reduced going forward
- Although, from 2011 onwards we have already committed £19,970,981.

# HCA committed affordable housing funding



# What is “affordable rent”

- Affordable Rent will be set at up to 80% of local market rents.
- Tenancies to be reviewed after an agreed period of time, and decisions on future tenancy made depending on tenant’s circumstances.
- Tenants in homes where the new affordable rent is charged will be eligible to apply for housing benefit.
- DCLG and HCA will be setting out further details on affordable rent shortly.

# Affordable homes

- Affordable rent is intended to allow greater flexibility, focus state support on those in greatest need for as long as they need it and secure greater value for money for available investment.
- Low Cost Home Ownership will continue to be provided where appropriate.
- Together with existing contractual commitments, the new delivery model is expected to deliver up to 150,000 new affordable homes over the period.

# How is Affordable Rent to be introduced?

- Providers to work with the HCA to identify programmes of development over the next four years.
- Increased rent is intended to facilitate increased borrowing to develop new affordable units.
- “Something for something” deal – flexibility on converting existing social rent properties to affordable rent
- Existing commitments are higher in early years

# What does this mean for local authorities?

- Providers will need to work closely with local authorities to map and understand local housing need
- Affordable rent homes allocated through existing arrangements
- Local Authorities will continue to play a key role on nominations
- Local agreement on achieving mixed income communities
- HCA will work closely with LAs in agreeing packages
- HCA will work with LAs to enable LIP priorities

# What does this mean for existing tenants?



Tenancies and rents of existing social tenants, will be unaffected

# Affordable rent – next steps

- Develop programme framework with DCLG
- Stakeholder engagement
- Key messages – November/December
- Detailed framework – January
- Partner level negotiations – January - March



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