

# **Clarion Housing Groups Engagement with Walsall Council**

## **Introduction**

For more than 100 years Clarion has provided high quality, genuinely affordable housing across England. Our history means we focus on the long term and big picture rather than short term responses to political or ideological ideas. Clarion is the largest housing association in the Europe with 125,000 properties across more than 170 local authorities

## **Engagement with the Council**

Although Clarion is the UK's largest Housing Association we have a relatively small presence in Walsall where we have just fewer than 500 Homes. Managed from our local office in Birmingham our stock is primarily located in the following areas: Darlaston, Highgate, Delves, Bloxwich, Pelsall, Reedswood. Our last development in the locality was 3 properties in the Delves last year.

For the Walsall area we take all our allocations from the council as presently we don't keep any waiting lists for Walsall although our aim nationally is to retain 25% of our vacancies for direct applicants. We therefore fully partner with the council in the allocation of our properties in the borough. Our local staff also attend the Walsall Housing Working group where local housing issues are discussed.

## **Impact on benefit cuts, current government policy and any barriers facing Clarion Housing**

We feel that to address the current housing crisis all players must focus on increasing the supply and quality of all tenures (social, affordable, PRS, low cost home ownership, and all other tiers of home ownership). We want to build more homes for social rent but constraints around funding mean we have to cross-subsidise to deliver this. However, the demand for sub-market housing including affordable and social rents is greater than even our financial capacity, and indeed the entire housing association sector's financial capacity, can support. Grant remains the most cost-effective way to deliver new genuinely affordable housing. But we recognise the pressures on Homes England's grant programmes.

### **Barriers we face to delivering more homes**

The price of land is invariably the biggest barrier to building affordable homes.

Speed of development is also a key challenge and in order to increase build out rates, planning issues needs to be addressed; such as reducing the number of pre-commencement conditions before a developer can get onto the site. Good relationships with planning authorities can do much to ameliorate these delays.

In addition to general needs affordable homes Clarion caters for a substantial number of older and retired people, ensuring they have access to the support they need to remain living independently, particularly as their circumstances change. Clarion manages over 7, 000 sheltered and extra care supported housing places in 67 local authorities. . Our portfolio also includes a wide range of services including homelessness schemes, addiction recovery and

domestic abuse refuges; we have no services of this type provided in the Walsall area but are able to provide support for vulnerable people who may need to move out of area.

The ongoing unstable funding environment for this sector is a significant barrier. We are watching with interest the Government's introduction of the new 'sheltered rent' and how this may affect the 48 homes for older people that we manage in the area.

### **Barriers to maintaining stock levels of existing social housing.**

Walsall is in the second VRTB pilot area. The eligibility criteria for this pilot have not yet been confirmed by MHCLG although it is intended to test the practicality of residents 'porting' their discounts to buy a different home from the one they live in, and the process for replacing sold homes.

Clarion has estimated that we have a relatively a small number of stock affected and that low numbers of residents will be eligible participate in the pilot. However as the pilot will allow replacement housing to be counted anywhere in the country, the long term impact on local housing available for low income families is likely to be negative.

### **Other Barriers**

Like all other registered housing providers we are working hard to address the uncertainty arising from ongoing Welfare reforms, in particular the transition to Universal Credit (UC).

The core aims of UC, i.e. to encourage financial independence and support movement into and progression in work are closely aligned to Clarion's own aspirations for its tenants. The issues we have with UC are more around the delivery and administration of the new benefit, and the transitional arrangements adding a further layer of complexity to an already complex system than with the underlying principles. Vulnerable tenants unquestionably find the legacy benefits system challenging and a system that promotes and encourages independence will always favour the most able.

We welcome the recently announced changes to UC and in particular the removal of the 7 day waiting period. In a number of cases the transition to UC has contributed to some extent to eviction alongside other factors. Yet our analysis has shown that in many of these cases the claimant has also struggled under legacy benefits and may have had high levels of pre-existing arrears. We are well resourced to support our tenants with the transition to UC but, as ever the key to successful intervention is the tenant's willingness to engage.

Other uncertainty arising from Government interventions in Housing Association activity have been ameliorated by the recent rent settlement. This provides greater certainty for rental stream and the move towards rent levels reflecting local incomes rather than pegged only to the housing market is very welcome. However adjusting affordable rent levels cannot compensate for wider issues of poor affordability resulting from seven years of stagnated incomes. Clarion's commitment to providing affordable housing for a wide range of residents at a variety of price points alongside our ongoing programmes of training and access to employment aims to address these interconnected issues.

## **Serving Local Residents**

### **Jobs and Training Support for residents**

Clarion Housing Group's community foundation Clarion Futures has identified Walsall as a priority target area. Currently we do not have any permanent delivery activity based in Walsall but can support individuals from the area to develop an employment and training action and offer guidance in meeting their progression goals. In addition to this we offer a range of online learning courses and can support individuals to access a range of grants employment and training specific grant funding (customers must meet the eligibility criteria and be able to evidence need for a grant). From April 2018 we will be developing delivery locations within the area and plan to deliver a range of additional activities including, job clubs, sector specific training courses and Sector Based work Academies

### **Neighbourhood Investment**

We have a Community Grants Programme to all residents across the country which we are promoting across the midlands and elsewhere. Under this programme funds of between £1000 - £5000 are available to community groups for projects which will show clear benefits for Clarion residents and surrounding neighbourhoods.

### **Money Advice and Digital Engagement**

We have a national offer for our residents not just specific to Walsall regarding Money Advice and Digital engagement. The Money team helps people manage their outgoings and access free debt advice, banking services, savings and affordable loans and cut their energy bills. The Digital team helps people get online and make the most of the internet, including applying for jobs, shopping, accessing services and chatting online to reduce loneliness and isolation.

### **Rent Collection and Welfare Benefit Advice**

Clarion is clear that it is not good customer care to allow customers to get into debt. Customers are made aware that Clarion will be firm but fair on rent arrears and that if any payments due are not made or an agreement not kept, prompt recovery actions will be taken. Early personal contact will be attempted to provide advice and prevent arrears increasing. Clarion consider personal contact essential to successful arrears recovery and will always try and make personal contact before any action is taken. All information is considered relevant and key information will be recorded on our system.

Clarion supports it's customers by assessing if they need help or support in dealing with their own affairs and can arrange and provide any relevant assistance which may include a referral to an internal or external support specialist. Internally this can be to the dedicated Welfare Benefit Team who provide support and assistance with claiming benefits such as Universal Credit and discretionary housing payments. During the financial year 2016/2017 this support totalled £8.3m in discretionary housing payments, arrears reduction and other benefits. Clarion can also support customers with visits from the Tenancy Sustainment Team

who are dedicated to helping them maintain their tenancy. External support can also be recommended and this would include the Citizens Advice Bureau and Step Change.

All of the above is instrumental in keeping Clarion arrears as low as possible.

Within Walsall the current arrears are 2% against the current Clarion performance of c3.7%. At this time we have only been made aware of 4 customers in the area on Universal Credit and their arrears before they moved to Universal Credit were 23.69% and they are now at an improved 14.98%.

## Homelessness

For the Walsall area as we take our allocations from Walsall MBC we are not usually advised of the reason the household was homeless. Most of our homeless referrals are though for younger people leaving temporary accommodation. We understand however that Walsall does not have a borough-wide CBL system and we are therefore considering how we can better identify demand for our properties in the borough.

We offer homeless applicants one item of white goods to help them furnish their flat. We are also able to refer residents to our dedicated Welfare Benefits Officer for the West Midlands who can help customers including Homeless Households who need our support

## Future Plans

By merging Affinity Sutton and Circle to form Clarion we believe we are better able to work our balance sheets, drive efficiency, and invest in new and existing homes as well as our communities and services.

Clarion will be investing £15 billion nationally to build 50,000 homes over a 10 year period, establishing good quality communities and places for the next 100 years our ambition is to build 50,000 homes in ten years. This will make us one of the top ten developers in the country in our own right. Two thirds of the programme will be affordable and developed by Clarion Housing, while homes for private sale are delivered and marketed through our development company Latimer. The proceeds from sales are reinvested in our social purpose. We are able to develop sites in all the areas we operate and should a suitable opportunity arise in Walsall we would consider this.

Clarion Housing Group's community foundation, Clarion Futures, invests **£10 million** a year to improve the lives of our residents and the communities where they live, making it one of the largest social investment programmes in the country.

We prioritise helping our residents into work and training; combatting financial exclusion; delivering digital services, helping young people fulfil their potential; and improving neighbourhoods.

### Over ten years Clarion will:

- Support over **2,000** people into work each year.
- Provide **250** high-quality **apprenticeships** a year.

- Give **3,000** residents free debt advice and provide over **2,000** affordable loans annually, helping residents take control of their finances.
- Assist **15,000** young people a year to make a better start in life through targeted interventions.
- Deliver **£1 billion** of social value.

We'll work in partnership with residents and the wider community to deliver our programme and seek additional external funding of £5 million per annum where this can benefit residents.