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Richard Saunders chair, County Sports Partnership Network

We can't all be Olympians but we do all need to be more active

"While the whole country bathes in the incredible success of the Rio Olympic Games, it's timely to think about the shape of sport in this country.

First let's consider sport in the way most of us see it, ie. the classic team games and individual pursuits that we saw in Rio. If the medal count is any indicator this part of our system is in great shape.

So what about the rest of us? Is success at the top level of UK sport translating into the expected boost in grassroots participation?

Slow growth

In a word, no. There are clear reasons for this, but I am also pleased to be able to say that the network of County Sports Partnerships (CSPs) that I chair, has a key role in overcoming some of these hurdles (pun intended!)

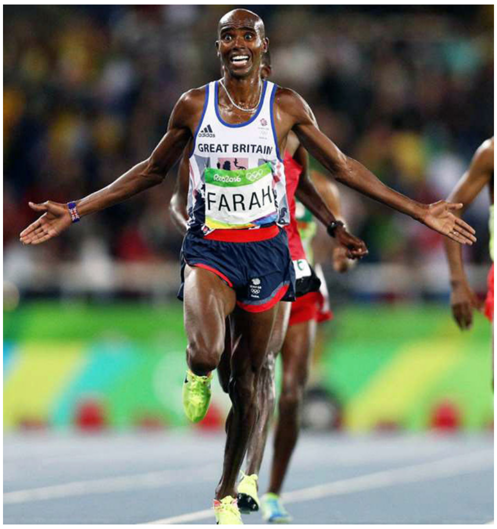
In England, the last two funding cycles have been led by Sport England and driven by a political directive focused on the non-governmental sporting bodies (NGBs) with a view to increasing the numbers of adults taking part in sport.

Much has been written about the impact of the London Olympics in 2012 and their legacy. While the number of adults participating in sport has remained broadly the same, the expected increase in levels of participation across the population has not been realised. It may well be the same with Rio.

Sport in schools is a crucial part of the jigsaw, but this has had a turbulent few years and has at times been a political football.

While government funding levels have been maintained, there has been a shift in focus from secondary to primary education, with funding available to all primary schools in England to help engage children in competitive sport.

At the secondary level School Games Organisers (SGOs) are charged with supporting competition and the engagement of older children. Investment in school sport is set to



The success of Olympians such as Mo Farah has not translated into increased participation in sports

increase with much of the proceeds from the soft drinks sugar tax being directed into this area.

However, once again the focus of the government's investment is shifting. More of the public funding agencies around health and social care are waking up to projections of the growing cost of an increasingly older and inactive population.

As a result, the government has asked Sport England to focus not on 'sport', but on what can be done to increase the levels of physical activity across the population.

> "Sport England's new strategy is clearly focused on reducing inactivity... the word 'sport' has often been omitted."

New focus

As a result, Sport England's new strategy 'Towards an Active Nation' is clearly focused on reducing inactivity. It will not be NGB-centric, but it is based on a completely fresh approach, where the word 'sport' has often been omitted.

It is a sophisticated approach to behaviour change and will focus on finding ways of bringing new partners together to raise activity levels across the population. It is

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THIS ISSUE

Edited by Stuart Macdonald and Zina Smith

James Murray deputy London mayor for housing and residential development

Tackling London's housing crisis is a marathon, not a sprint

GREATERLONDONAUTHORITY

"Sadiq Khan was elected mayor of London in May with a strong mandate to build more new and affordable homes for Londoners. Housing was the biggest issue in the mayoral elections, but we know that solving the housing crisis won't happen overnight – it'll be a marathon not a sprint. That's why we have set to work straight away and will be working every day to make a difference.

The mayor has been working to get London building again (see box: Khan's openers). He is making progress on setting up Homes for Londoners, a key part of his approach to boosting housing supply. This new, powerful initiative, at the heart of City Hall, is a partnership of those committed to increasing the supply of new homes and will be the driving force of his housing commitments.

Khan's openers

- 50 per cent of all new homes in London to be affordable.
- Homes for Londoners board established to boost supply.
- London living rent of no more than a third of local incomes.
- Supporting housing associations to double building to 180,000 homes.
- Require greater transparency on housebuilder scheme viability assessments.

Increasing supply

The Homes for Londoners board will be chaired by the mayor, and will include me, four borough leaders, the Transport for London commissioner, the chair of the G15 group of London's largest housing associations, and two representatives from the private residential property sector.

With a tight focus on housing delivery across London, the board will cover the full spectrum of housing delivery issues: making best use of public land; ensuring proper co-ordination of housing and infrastructure investment (particularly transport investment); delivering the mayor's affordable housing programme; drafting the next London Housing Strategy; and much more besides.

Affordability

But it is not just about the number of new homes. Affordability is also a key concern for the new mayor. For many years house prices and rents have risen faster than earnings, leaving many Londoners paying higher and higher proportions of their income on housing costs.

The mayor's long-term strategic target is for 50 per cent of all new homes in London to be affordable. But in the past year just 13 per cent of homes receiving planning permission were affordable, so there's some way to go. The new administration is pressing ahead to increase the number of affordable homes delivered through the planning system, with new supplementary planning guidance soon to be published for consultation.

By interrogating viability appraisals more rigorously and being ambitious, clear and practical when it comes to affordable housing, the Greater London Authority is already seeing developers respond positively to the challenge.

A new 'living rent'

The mayor also wants a clearer definition of affordable homes including social rent, shared ownership and a new housing product, the 'London living rent'. The latter is an intermediate product for new build homes, with rents no more than one third of local area incomes. It is aimed at helping people on middle incomes rent more affordably, giving them the opportunity to save for a deposit to buy a home. It benefits the 'squeezed middle', stuck renting and currently unable to access either social housing or homeownership.

The mayor has inherited a huge challenge on housing, but is already taking the first strides in the marathon that is tackling London's housing need.

To discuss the issues raised in this article, email Maggie Rafalowicz, maggie@campbelltickell.com

We can't all be Olympians but we do all need to be more active

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about health and lifestyle and not traditional sport.

Is this right? Arguably yes. Sport is in good shape as the Rio games showed, and there are many clubs across the country full of young children. Football, rugby, netball and other clubs are often full to capacity with multiple age group teams available.

But we know that in mid-teens this fantastic base evaporates as girls' participation in particular plummets and the habit is lost, often for life. So the focus is now on finding new ways to transition this huge base into a lifelong habit.

This will mean innovation and the breaking down of some old stereotypes. It will mean engaging new partners to create new opportunities. It will be about local solutions and not national programmes spread across the country.

Unique network

In this, the hugely important role of the CSPs will be vital in bringing the right bits of a new jigsaw together. CSPs are a unique network of 45 independent (often charitable) organisations that cover every local authority, every school, and every health and wellbeing board across the country.

The impact of Rio, the continuation of lottery funding and the work of the NGBs will continue to provide pathways for those who will always be committed to sport. However the real job for us now is to ensure that the rest of the population remains active and, where appropriate, finds their own personal challenges.

For more information or to discuss the issues raised in this article, email zina@campbelltickell.com

Carl Brazier director of housing and customer services at Stoke-on-Trent City Council and a board member at First Choice Homes Oldham

Voluntary right to buy – a council view (part one)

City of Stoke-on-Trent

"Whichever type of right to buy (RTB) you talk about – and there are many – it has certainly resulted in a great deal of discussion, tension and concern recently.

Despite much comment to the contrary, I believe housing associations can make a success of the government plan for voluntary right to buy (VRTB). I also hope it will happen in collaboration with local councils.

Before I get into my reasoning, let's first recap on the types of RTB that currently exist in England:

- preserved RTB for stock transfers;
- two forms of council RTB (either the numbers agreed as part of the self-financing deal or the one for one RTB system);
- voluntary right to buy for housing associations.

Confused? I am, and I've been in this profession for 20 years working for both councils and housing associations.

Here to stay

Many people debate – no, let's be honest – argue about the merit of RTB and whether it serves a purpose. However, we need to be realistic and accept that, in England at least, RTB exists and will continue to do so for the foreseeable future. So, let's do the best we can to make it work and not look for reasons to say it won't.

Whatever your view though, there is nothing wrong with looking at what might make it work better and deliver what the government wants – homeownership and housing delivery. The latter also results in jobs and growth, and the domino effect this in turn creates.

So, let's focus on the voluntary deal with housing associations. How will housing associations manage this and how will the relationships with councils evolve, given that the government's plan to fund the policy through council asset sales will impact on local authorities?

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Achievable

Although I don't know the detail of each housing association's business plan, and I appreciate there are regional differences, I believe VRTB should work. At Stroud District Council we managed to utilise RTB receipts to get halfway to one-for-one replacement and managed the other half by using our financial headroom/borrowing capacity. We also used some Homes and Communities Agency grant, which I know is hard to come by now, and utilised a cross-subsidy approach with existing rents or with deals struck with developers.

Housing associations do not have artificially restricted headroom like councils and will receive full compensation for homes sold, which makes replacing homes sold genuinely achievable.

Associations are also perceived as more fleet of foot than councils, more experienced in development, and have reserves to support building. So, if we were able to achieve RTB replacements at Stroud, I believe housing associations can really make VRTB replacements work.

A real opportunity

I believe this is an opportunity for housing associations to prove to the government that they can continue to deliver in what is a challenging time with policies such as the 1 per cent rent reduction. I'm convinced they can, and I hope they can, but it means thinking differently. I also hope that we might one day see the flexibilities of VRTB being extended to councils.

Talking of councils, how does this relationship work in the future? It should be one of true collaborative working where both parties can share risk and share a return. Will this happen? I hope so, because there is so much to do and I'm sure in different ways, we all wish to deliver.

Collaborative approach

So let's work together, and I encourage housing associations to contact the councils they work with, and even those they don't. I'm happy to be contacted myself to offer advice on how to build these relationships. But a word of early advice, you may need to do a bit of the running to get things moving and don't be alarmed that councils are thinking about their finances too.

Finally, surely it would make sense for there to be one form of RTB for the housing sector and one set of rules? Let's work together to try to achieve this; I'm convinced it would help to deliver more homes.

A version of this article was first published on the National Housing Federation's website. Carl will write more for CT Brief on VRTB once details of the scheme have been published. To discuss the issues raised in this article, email Maggie Rafalowicz, maggie@campbelltickell.com

Sue Harvey director, Campbell Tickell
Zina Smith marketing and communications co-ordinator, Campbell Tickell

CAMPBELL TICKELL

Business planning in post-Brexit uncertainty

Brexit has turned all our worlds upside down. Given the continued uncertainty, how can housing providers look to the future? Here, Zina Smith, marketing co-ordinator at Campbell Tickell, quizzes Sue Harvey, Campbell Tickell director, about post-Brexit business planning.

Q What do you think are the overall implications of Brexit on the UK economy?

A The truth is we just don't know. When economists pronounce on the likely outcome of events, we usually aim to identify relationships evident in the data describing similar previous events. So, for example, much was made of the 1929-1939 Great Depression when debating the merits of various policy responses to the global financial crisis of 2008/09. Extrapolating from one data point was risky, but needs must.

Q So how many historical comparators do we have for Brexit?

A Some have pointed to the collapse of the Soviet Union, which involved the break-up of a 70-year-old trading block but much else besides. And BBC Radio 4's *The Long View* helpfully compared this summer's shock to the English Reformation, but unfortunately without any insights into the impact on house prices.

Essentially we have no data points or robust comparators to help us understand the consequences of the referendum result. Moreover we will have to wait until March 2017 (with the publication of the Office for National Statistics' second estimate of third quarter GDP) to know if the vote triggered a recession.

Q What about now, what differences can we expect to see?

A We can expect that much of the short-term impact will come from changes in investor, employer and consumer confidence, as well as the exchange rate. And, while UK domestic banks are said to be on a sounder footing than in 2008/09, the Bank of England has been sufficiently concerned by a raft of sentiment surveys to announce a base rate cut to 0.25 per cent, the re-starting and extending of quantitative easing and some new incentives to keep the banks lending. The longer-term impacts will, of course, depend on the final shape of the EU divorce settlement and new trade deals with non-EU partners, both of which could take many years to finalise.

Brexit has been compared to the break-up of the Soviet Union, but will its impact be as far-reaching?

"In the face of so much uncertainty, housing associations and their boards should hedge rather than bet."
Sue Harvey, Campbell Tickell

Box 1: Possible perfect storm elements

- House prices fall (outright sale, right to buy, shared ownership).
- Sales volumes shrink or dry up.
- Cashflows are hit as homeownership products are flipped to rental products.
- Commercial subsidiaries fail.
- Possible impairments: landbanks, shared ownership, work in progress, loans and/or investments in subsidiaries or joint ventures.
- Major contractor failure.
- Gilt rates keep on dropping
- Pension deficits grow.
- Labour shortages.
- Rising costs of imported raw materials.

Q How can housing providers plan ahead in such circumstances?

A In the face of so much uncertainty, housing associations and their boards should hedge rather than bet. Instead of basing plans on point assumptions of house prices, wages, inflation, etc, they should explore strategies that are robust in the face of different outcomes.

Stress-testing is not just for regulatory Christmas, rather it is designed for precisely this kind of uncertainty. New perfect storms should be explored and early warning

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systems, triggers, mitigations and responses re-tested for relevance and appropriate scale (see box 1, previous page: Possible perfect storm elements).

Q Are there any possible upsides for housing providers to include in business planning scenarios?

A Yes, I think there may be. We are already hearing talk of using a fiscal stimulus and boosting funding for infrastructure if the performance of the economy disappoints.

If we had a significant economic downturn and if falling house prices caused sales of shared ownership homes to dry up (as they often have done in the past), we might see the return of subsidy to promote the building of new social or affordable rented homes. And if banks' non-performing loans start to rise, some kind of mortgage rescue scheme might even be on the agenda.

Box 2: Possible actions

- Monitor mortgage availability, especially for shared ownership.
- Frequently monitor house prices and transaction volumes, at local level and by property type.
- Keep a close eye on the marketing and pricing of competing new-build schemes.
- Closer monitoring and tighter control of commercial subsidiaries.
- Identify triggers for development slowdowns or halts, and tenure switch decisions.
- Validating that the next slice of security is charge-ready.
- Contingency planning for further collateral calls (where relevant).
- Monitor all possible impairments and ensure sufficient absorption capacity is created in the income and expenditure account in good time for the year-end.
- Monitor financial wellbeing of major contractors.
- Determine appetite for rescue and how would quickly assist someone in trouble.
- Scope quick responses to possible new government initiatives.

"We might see the return of subsidy."
Sue Harvey, Campbell Tickell

Q How could housing providers respond to your suggestions?

A We always recommend that organisations split their stress-testing investment between one-third modelling and two-thirds thinking about mitigations and responses to those perfect storms (see box 2: Possible actions).

Boards need to plan for what it would do to ensure that cash holdings and covenant cushions can withstand the new worst-case scenarios. In conclusion: keep calm and stay liquid!

For more information or to discuss any of the issues raised in this article, please email sue.harvey@campbelltickell.com

Peter Bond team leader, Regenda Homes

Attracting younger employees is key to housing's future success, so what's stopping us?

Regenda Homes

"In 2014 Steve Stride, then president of the Chartered Institute of Housing, commented that our sector was "too pale, stale and male" as part of the CIH Presidential Commission on Leadership and Diversity. The commission rightly challenged housing to promote diversity at the very highest levels.

Despite this and other worthwhile initiatives I still feel we have some way to go to make careers in housing truly accessible to young people.

Ageing workforce

We have a great deal of talented, value-driven and hard-working people in housing, but our sector has an older age profile than average. In 2013, 37 per cent of the housing workforce were aged 50 or older, compared with 28.6 per cent across the total labour market. This ageing workforce and under-representation of young people is an inherent weakness and a risk that must be corrected.

As a sector, we need to get much better at dealing positively with change. We will face significant challenges and disruption over the coming years and we need to recruit and develop new people with the ideas, drive and effectiveness to help us navigate these changes successfully.

For years we questioned whether we could attract young people to choose housing as a career. The success of the GEM programme graduate training scheme has offered a resounding and unequivocal answer to this question, while at the same time developing a real pipeline of future leaders for our sector.

Housing is experiencing an incredibly difficult period, but now isn't the time to stop recruiting and innovating. More than ever we need to have the vision and courage to secure amazing talent and future-proof our organisations by building on the success of initiatives like the GEM programme.

We need to closely examine the barriers preventing young people from accessing careers in housing, such as an over-reliance on previous experience when recruiting – even for entry-level positions. Instead we should focus on people's core values, because they really matter. Young people are greatly impacted by challenges in the housing market, so who better to help us find solutions?

> "Young people are greatly impacted by challenges in the housing market, so who better to help us find solutions?"

New opportunities

I'm pleased to say that Regenda Group has continually provided opportunities for young people in a variety of ways ranging from involvement with the GEM programme to bespoke apprenticeships.

I'm lucky to have two apprentices in my team. Yes, they need to be developed, but they have brought so much in regards to energy, fresh thinking and a real 'can do' attitude.

I would encourage all housing organisations to review their approach to the recruitment of young people and try to find a way to provide new opportunities for them. This is not only the right thing to do but it also makes sound business sense.

To discuss the issues raised in this article, email zina@campbelltickell.com

CAPTION COMPETITION

Campbell Tickell marketing and communications co-ordinator Zina Smith and friends at the end of their midnight hike of Mount Snowdon fundraising for Macmillan Cancer Support.

Email your best captions to zina@campbelltickell.com or tweet them to @campbelltickell1 before 30 September for the chance to win a mystery prize!

LAST ISSUE'S WINNER

Congratulations to Stephanie Roberts-Morgan, PA to the partners at Campbell Tickell, for the winning entry for June's competition: "This is Sue Harvey reporting from the Chiller Cabinet...over to my colleague Conor."

Liz Zacharias consultant, Campbell Tickell

Digital inclusion: a win-win situation for service providers and their customers

CAMPBELL TICKELL

"Moving services online and nudging customers and tenants towards increasing self-service, is becoming the norm for many organisations. Why is this?

The imperative to reduce expenditure and make the best use of continually evolving technology, is driving much of the need for transformation in service delivery across all sectors. The HACT Social Value Bank attaches a value of £1,875 to individuals being online. This is the financial gain that can be achieved from, for example, paying bills and shopping online.

The introduction of universal credit also means that going online is crucial for applying for and managing benefit applications. So, in the housing sector, the movement of services to online platforms, for instance, is inevitable and in most cases desirable. It saves money for the organisation and for the customer or resident and it also gives the consumer greater choice.

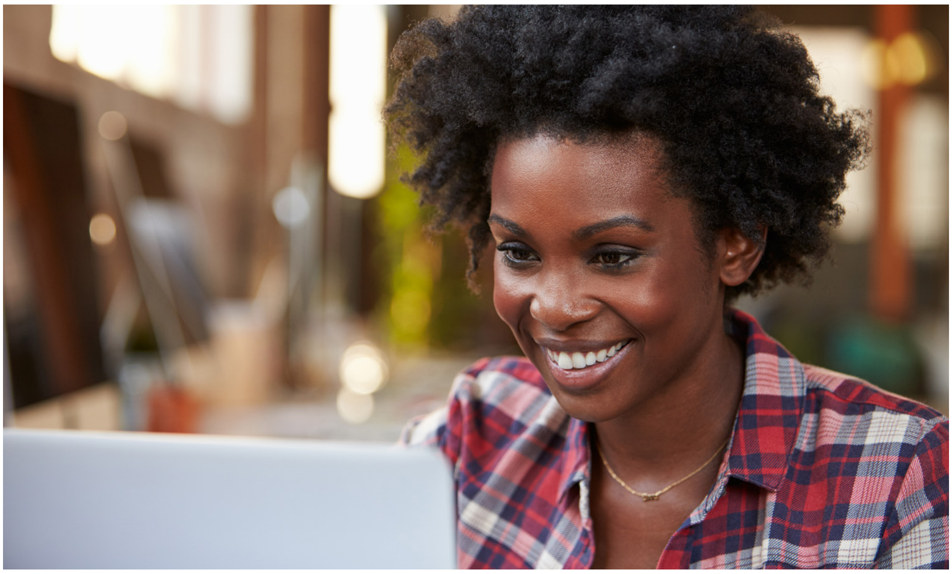
However, it is an issue that goes beyond saving money. Digital know-how is a form of literacy – the key form of literacy for the 21st century. It is therefore important that organisations support their customers to get online and feel comfortable using technology. Failure to do this means those already on the margins of society risk becoming further excluded.

Access to technology

So how should service providers approach this issue? First, channel shift should include a real understanding of customers' access to technology and their confidence in using it. Many social landlords have provided tenants with support, training and equipment to improve digital know-how as part of their community development offer and their work on improving tenants' employability.

Second, low-cost solutions include training volunteers and peer service users to act as digital champions and IT mentors, taking donations of equipment to set up IT suites or provide laptops to individuals. There are also a number of schemes for low-cost access to broadband for those on benefits.

Third, there are good lessons from other sectors. For instance, the health and social care sector is developing more intuitive and mobile telecare and apps in an effort to reduce the costs of care and provide more personalised services. Mobile apps for monitoring vital signs and supporting people to manage their health conditions are also gaining traction within the NHS.



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IT literacy is an essential skill that benefits both customers and housing organisations alike

In numbers: the Widening Digital Participation Programme

21 per cent
of participants made fewer calls or visits to their GP

6 per cent
made fewer trips to accident and emergency departments

£6 million
estimated saving to the NHS in avoided GP and A&E visits in 12 months

Benefits of behaviour change

A scheme developed by the Tinder Foundation and NHS England, the Widening Digital Participation Programme, trained vulnerable people to use the internet to support their health needs. This has led to more than half feeling more confident to manage their health, 21 per cent making fewer calls or visits to their GP and 6 per cent making fewer trips to accident and emergency departments.

This behaviour change is estimated to have saved the NHS £6 million in avoided GP and A&E visits in just 12 months.

The programme ran from September 2013 to March 2016, and used local community networks to support the use of expert online content as well as Health Flagship centres that developed and trialled innovative new ways to engage people in digital health.

Fourth, in the charity sector digital fundraising such as crowdfunding and campaigns like the ice-bucket challenge, supplement more traditional giving as part of the fundraising mix.

Myth busting

There has also been an element of myth busting required. For example, research carried out in 2014 by Lemos & Crane found that among homeless or formerly homeless people, 91 per cent of participants in the research had a working mobile phone, of which 46 per cent had a smartphone and 9 per cent owned a Blackberry device, while 39 per cent of people also had a laptop, desktop or tablet. This is bound to have increased in the past two years.

For any organisation wishing to reduce their cost base, digital self-servicing should be a key service transformation initiative alongside supporting access to and a commitment to improving IT literacy among all customers, including the most disadvantaged.

To discuss the issues raised in this article, email liz@campbelltickell.com

Jay Chauhan director, AmbaCare Solutions (Community Interest Company)

An integrated approach to tackling health inequalities among minority communities

AC AmbaCare Solutions (CIC)

"Four years ago a Health Select Committee report stated that: "A well-funded, fully integrated system of care, support, health, housing and other services is essential, not just to provide high-quality support for individuals, carers and families, but also to provide good value to the exchequer and the taxpayer."

In the years since this report, much has been written of the potential for closer working between health, social care and housing. Yet, the evidence for this process actually happening is far less common.

There are many reasons for this, which I don't intend to explore here. However, there are genuine opportunities emerging to develop innovative health and housing programmes. I have been involved in one such initiative, developed in the particular context of minority communities in Birmingham. I believe it offers useful lessons to others keen to make a success of a "fully integrated" approach called for by the Health Select Committee.

Barriers: members of some minority groups may struggle to access appropriate healthcare

Health inequalities

A number of districts in the Birmingham area are now classifiable as "majority-minority" districts, where either no one ethnic group predominates, or the (self-designated) 'white British' group is in a minority. The main challenge this presents for health and social care is to provide equal access to resources.

For upwards of 25 years, there has been concern in the UK that members of some minority communities (a recent list would include South Asians, Afro-Caribbeans, West and North Africans, Irish, Central Europeans and Travellers) may suffer from health inequalities because of barriers to accessing pathways to care.

This is borne out by lower life expectancy and poorer outcomes for long-term conditions (notably obesity, diabetes, depression and hypertension) in some communities.

The reasons behind the barriers to accessing healthcare are complex, but three features seem to be important when considering how to tackle the problem:

- recognise the community context – patients and carers should not be seen in isolation, but as parts of local networks of support;
- meet people where they are, with their own values and priorities;
- be prepared to be flexible in response to local needs.

If locally shaped, community-based responses represent the way forward in addressing health inequalities, there is a clear need for the sort of "fully integrated system of care, support, health, housing and other services" proposed by the Health Select Committee.

Joint working

In particular, from the perspective of NHS service users and social tenants, joint working between housing, health and adult social care is vital in order to ensure delivery of seamless and cost-effective provision of care.

"At the heart of the model that we have developed is the conviction that healthcare and housing belong together."

At the heart of the model that we have developed at AmbaCare, is the conviction that (particularly for some minority communities) healthcare and housing belong together. Community housing can provide a 'hub' for healthcare for residents, and beyond them for their friends and relatives in the wider community, too.

The model integrates extra care housing with a range of services that can be readily accessed by all local residents, lowering the barriers encountered in some communities between care at home and residential care; between primary and secondary healthcare; and between health provision and adjunct social care.

Tailored solution

The governing principle is to provide an offer shaped around the needs of the local community, providing a mix of individually owned or rented residential property, supportive services, shared facilities and outreach work.

This includes a range of facilities, such as a nurse-led six to nine bed intermediate care unit, which will facilitate timely discharge from hospital and help avoid unnecessary hospital admissions; a nurse-led walk-in centre to ease the pressure on GP surgeries and accident and emergency departments; along with a mixture of apartments and community facilities. This incorporates an integrated crisis response service for residents and the local community.

This model requires a new approach, but it is an approach that we have found meets the needs of the local community and very much integrates working between health, social care and housing.

For more information or to discuss the issues raised in this article, email Liz Zacharias, liz@campbelltickell.com

Chris Lyons chair, Ashley House and chair, London Strategic Housing

Housing an ageing population

"The provision of additional elderly care housing is one of the biggest social challenges currently facing the UK. All future projections point to a serious shortage of new accommodation (see box: In numbers). The current range of interested parties who rightly claim to have a direct or indirect role in meeting demand is varied. The impact on other agencies, dealing with the direct and indirect consequences of an ageing population is escalating.

So what is the solution? At its heart has to be an innovative, holistic and cohesive partnership approach on the part of all those involved.

This is easy to say, but much harder to achieve. I am therefore pleased to report that Ashley House has a growing pipeline of schemes which provide housing and care to some of the most vulnerable people in the UK.

Care alternative: the Strand Court scheme in Grimsby has 60 flats

Strategic partnership

Last year we opened Strand Court, our second extra care scheme in Grimsby. The scheme, a culmination of four years of work, was delivered through Ashley House's strategic partnership with North East Lincolnshire Clinical Commissioning Group and the local authority.

The programme, which included a registered provider, a substantial investment fund, architect and builder, clearly demonstrated how partnership working between the private and public sectors can bring real benefits to society.

This partnership approach is part of a growing national trend helping councils fulfil their statutory obligation for new housing. It recognises the need for extra care accommodation as a superior alternative to residential care homes, as it is demonstrably cheaper and provides better health outcomes.

Strand Court was designed to help older people maintain independence. Each of the 60 flats has its own front door, while allowing access to services such as a restaurant, personal care and support, all in one place.

A panel of professionals set the criteria for entry to the scheme (which was oversubscribed) based on quality of life improvements and efficiencies for the whole health and social care system. The development results in less intensive and less expensive packages of home care and also reduces unnecessary care home and hospital admissions.

Strand Court provides independent living in a high specification, purpose-built development providing a superior standard of living to the alternative of residential care homes, as well as contributing to the regeneration of one of the poorest areas of Grimsby.

In numbers: care for older residents

6,000
care home bed spaces built in 2015

9,000
care home bed spaces lost in 2015

1.6m
people over 85 in 2016

4.4m
people over 85 2046

£260,000
annual saving in health spending for Strand Court residents in Grimsby

Source: Ashley House, Savills, Laing Buisson

Positive outcomes

A year after opening, ongoing research by the Whole Systems Partnership, working with Leeds University, compared outcomes with a control group of people in the community with similar needs. Initial results have found estimated net savings of £260,000 per annum with net reductions in the level of residents' needs and lower numbers of deaths and mental health episodes.

This partnership approach is a strong advert for the positive results that can be delivered when housing providers, local authorities and health and social care professionals work together.

To discuss the issues raised in this article, email Maggie Rafalowicz, maggie@campbelltickell.com

THEDIARY

NHF Annual Conference and Development, Asset Management and Maintenance Conference and Exhibition

21-23 September 2016
ICC, Birmingham

Join more than 2000 housing professionals over three days at this year's annual conference, which includes the Development, Asset Management and Maintenance Conference and Exhibition. Get practical advice to ensure you deliver efficiencies and develop strategies to continue building new homes in line with the government's focus on homeownership. Campbell Tickell director Sue Harvey presents A Guide to Assets and Liabilities Registers at session B15 on 22 September.

www.housing.org.uk/events
www.tinyurl.com/h3xzynd

National Housing Federation: Housing Finance for Boards and Non-Finance Executives

18 October 2016
Marble Arch, London

This event will cover topics including: what challenges in the sector mean for your organisation; the implementation of voluntary right to buy; how changes in operating environment will impact on business plans; the future of social housing. Campbell Tickell director Sue Harvey will speak about getting ready for in-depth assessments.

www.tinyurl.com/jb79hhr

Women in Housing Awards

3 November 2016
Hilton Manchester Deansgate

Campbell Tickell is sponsoring the Young Achiever award at this year's ceremony. The award recognises the work of recruits to the sector and their work in delivering good quality homes and involving the whole community in planning and delivery, development or regeneration.

www.womeninhousingawards.co.uk

Sharon Collins director, Shared Ventures

To merge or to share, that is the question

"The model of social housing is changing. The ongoing challenges of our operating environment mean we must find new solutions to increasingly complex problems if we're to continue to drive cost savings, generate efficiencies to build more homes, and better sweat existing assets.

Our response as a sector has been to merge in our drive to save money, yet independent research by the Chartered Institute of Housing in 2011 found that increased scale through merger doesn't necessarily deliver value for money. In fact, studies show poorly constructed mergers can destroy rather than create value.

I'm not saying mergers, if done well, aren't right for some but there are other delivery options available. Choosing the best mix between independence, scale and capacity is one of the key strategic challenges facing the sector.

Shared services: key facts

- A collaboration of two or more public organisations forming an independent cost-sharing group (CSG) which supplies members with 'directly necessary' services exempt from VAT.
- Governance varies, but typically comprise equitable stakes or lead partner arrangements.
- The CSG is owned and activities directly controlled by members of the group – similar to that which it exercises over its own services.
- Partners retain independence.
- Services are supplied at cost.

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Merger alternatives

So, what opportunities do shared services bring? Unlike mergers, operational control and ownership of shared services are retained, owned and controlled by partners in the group. Partners retain their independent identities, sovereignty and capital assets. They typically have equal stakes (although some may have a majority) in the shared business and decision making, while benefiting from pooled resources, surpluses, investment and all the efficiencies gained (see box: Shared services: key facts).

Local authorities have led the way in shared services for some time, generating savings nearing £0.5 billion, according to the Local Government Association. The greatest savings have been back office arrangements, such as shared management and chief executives, with procurement and customer-facing services close behind.

A notable sharer within the local authority housing sector is East Kent Housing. In April 2011 Shepway, Thanet, Canterbury and Dover councils formed this 'super arm's-length management organisation' to deliver housing management and associated services across their retained council homes. With shared set-up costs of £450,000 plus staff time and some legals, the shared arrangement delivered £702,000 savings in year one, with £200,000 to £300,000 recurrently, plus an annual 15 per cent efficiency target – with further savings still to be realised through fully integrated IT systems.

How to get started

- Explore regional collaboration opportunities and build trust.
- Agree a compelling vision of the shared service and keep this alive.
- Build a strong business case and understand any deal breakers early on.
- Nurture and sustain relationships.
- Communicate, communicate, communicate.
- Test the individual service to be shared to understand the ripple effect on the rest of your business.
- Road test your shared service before implementation.

But despite East Kent's success, the appetite for sharing services within housing is taking time to gather momentum. Is there a lack of knowledge about the benefits of sharing as a viable merger alternative? Are operating margins still too buoyant?

Sharing success stories

Since 2012, when changes to the Finance Act enabled 20 per cent VAT savings through the formation of cost sharing group (CSG) exemptions, there have been a small but growing number of shared arrangements among housing associations.

Here are three examples:

- Social enterprise 'Jobs at home – Three Rivers and Watford' was created in April 2013 through collaboration between Watford Community Housing Trust and Thrive Homes. Initially providing a redecoration service in some of the 9,000 homes, the scope has now expanded, with the addition of B3Living to the group in 2014.

It now includes: aids and adaptations, a handyperson service, grounds maintenance, clearance and support for an in-house repairs team. CSG enabled job creation, as well as delivering 30 per cent cost savings, despite increased management time in mentoring, training and coaching.

- In the north east and Cumbria, 17,000-home Isos Housing has supplied heating services to neighbouring Two Castles Housing Association (3,500 homes) since April 2015 via a CSG, Isos Complete Support.

Two Castles had previously used a commercial contractor procured via a consortium framework. By using Isos's direct labour organisation, Two Castles not only reduced the need for intensive contract management, but was also able to make significant savings on VAT while delivering a better service to tenants. For Isos the shared arrangement meant it was able to drive down unit costs.

- In Yorkshire, 31,000-home Wakefield and District Housing formed Northern Shared Services in partnership with 35,000-home Together Housing Group in March 2013 to deliver a multi-trade repair and

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Zina Smith marketing and communications co-ordinator, Campbell Tickell

Charities and the benefits of collaboration

"The trend towards merger and partnerships affects all sectors. Uncertain political and economic times, with increasing competition for funding and an emphasis on delivering value for money, are leading many charities to explore the benefits of collaboration to increase their ability to survive and thrive.

The Foundation for Social Improvement (FSI) published a report in June highlighting that small charities should consider more meaningful forms of collaboration. Small charities are an integral part of the wider sector, delivering 77 per cent of local services. Greater collaboration could help many ensure continued service delivery and sustainability.

Defining collaboration

The report defines collaboration in five ways: networking; strategic alliances; formal partnerships; joint ventures; and mergers.

The FSI found that, of the 708 charities surveyed, 66 per cent are already collaborating, with networking the most popular form (90 per cent). The majority of this networking is between charities rather than between sectors. Charities felt networking enabled them to share knowledge, raise awareness and create connections.

Strategic alliances also prove useful for charities, with 39 per cent of those surveyed saying they have formed one. Respondents said alliances enabled them to deliver direct services (72 per cent), and share knowledge and expertise (33 per cent). However, it was also found that half did not have any formal arrangement in place.

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A smaller number of charities, around 20 per cent, were collaborating through formal partnerships. The drivers for this were both financial (funders favouring charities in collaborative partnerships), as well as client-focused; the needs of beneficiaries would be more likely to be met by working with other charities.

Mergers unpopular

The least popular form of collaboration was merger with just 3 per cent of charities completing one. Of those that merged, 64 per cent cited "improved service for users" as the key benefit. Other advantages included: combined skills, fundraising capacity and reduced overheads.

Interestingly, of those that had not merged (and only 2 per cent were reported to be considering this) financial issues were cited as both a barrier to, and reason for, considering a merger.

> "Financial issues were cited as both a barrier to, and reason for, considering a merger."

As to larger charities, it has been reported that the rate of mergers has remained largely static over recent years. There are nonetheless clear signs of 'inorganic growth' in the sector, with growing focus on mergers and collaborative partnerships.

Assessing the options

There is a lot to consider for charities engaging in more "meaningful collaboration". To make the most of any of these opportunities, charities need to have excellent governance structures to enable robust conversations to take place about the future, based on how best to achieve their charitable objectives and consider what is best for their beneficiaries.

The board of trustees should look at what options are available to maximise the charity's potential to deliver efficiently and provide the best possible service to their current and future beneficiaries.

To discuss the issues raised in this article, email Zina@campbelltickell.com

To merge or to share, that is the question

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maintenance service, including gas, mechanical and electrical-related works, as well as the upgrade of Together's void properties. The first year achieved reduced cost per property (maintenance) of 8.5 per cent from £69.82 to £63.87. Wider benefits include economies of scale, increased resilience, greater market share and therefore greater regional presence, minimising risks associated with commercial diversification and growth.

Wider benefits of sharing

The motivation to share services isn't just about saving money, but has wider commercial and social benefits including:

- reduced cost and retain efficiencies;
- increased service resilience;
- increased productivity, capability and capacity;
- shared investments;
- improved business data intelligence;
- shared risk;
- increased resource flexibility.

As with merger strategies, sharing also has its own disadvantages, including:

- lack of trust and difficulty finding a suitable partner (see box: How to get started);
- lack of strategic appetite;
- leadership and cultural issues;
- system and process interface difficulties;
- inertia and poor project management;
- poor communication.

Despite these risks, there are real driving forces for sector transformation including the 1 per cent rent reduction; welfare cuts; universal credit; local housing allowance; withering grant; pay to stay; extension of the right to buy and more.

Set in the context of the Homes and Communities Agency's recent regression analysis – which found significant variations in operating costs of housing providers – and its value for money standard, there is clear scope for savings both in back office and frontline provision. Whatever route is right for you, collaboration, in some form, is critical to future success.

To discuss the issues raised in this article, email jon.slade@campbelltickell.com

James Tickell partner, Campbell Tickell

Social housing is in hot water

"It is said that frogs placed in cold water, then brought slowly to the boil, don't notice the increasing heat, and thus perish. I have not tried this experiment, and would worry about anyone who did. But it is undeniable that the water is getting slowly hotter for affordable housing, and it's easy to carry on with business as usual while overlooking the fundamental changes that have already taken place, and continue so to do. So are housing providers going to hop to it, or will they croak?

In fairness, there is much uncertainty about the future direction of housing policy. We have a new government, with priorities that are not yet fully clear, but will probably reprise some of those from David Cameron's administration. There is the uncertainty of Brexit, the certainty of a property market downturn at some stage – perhaps in the next few months, or maybe the next few years. Benefit reform creaks on and will remain a work in progress for a generation or more.

"Just because social housing is a self-evident and scarce boon to society, doesn't mean it will be fully supported any time soon."
Greg Campbell, Campbell Tickell

Evidence-averse policy-making

We also find ourselves living in the era of Trump, Farage, Putin and Johnson, to name but a few. Facts are no longer the currency of politics, and we see the growing phenomenon of evidence-averse policy-making. Ostensibly rational politicians will espouse pretty much any cause that is judged to be electorally popular.

The demonisation of certain groups – asylum seekers, bankers, benefit claimants, Travellers, Eurocrats, charity fat cats, etc – is now a common game to play, with the populist media an invariably willing accomplice.

So, just because social housing is – to me and perhaps many readers of this article – a self-evident and scarce boon to society, doesn't mean it will be fully supported any time soon.

Antidote to market failure

Yes, it makes our cities work as functioning and diverse places to live. Yes, it helps the very poor out of poverty and into work and education. Yes, it drives equality of opportunity and of outcome. But no, it isn't a market-based solution. In fact, you could say that it is a form of antidote to market failure. It isn't really about increasing homeownership. And nor are many of its tenants in that dwindling category of the perceived 'deserving poor'.

One way and another, the water is indeed heating up. The new right to buy, the bedroom tax, new benefit caps, the diversion of investment into homeownership, the 1 per cent annual rent cuts, and more besides, are harbingers of what's to come.

The poorest people in society are at the sharp end, and those who serve them are castigated for causing their poverty. Evidence-averse policy-making in action – you can look to the US to see the same picture in three dimensions, with added cheese, not to mention walls.

What, then, is to be done? The occasion demands a mixture of pragmatism and principle, both collectively and individually. At the national level, the battle of ideas needs to be engaged. Without housing that workers can afford,

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Greg Campbell partner, Campbell Tickell

What price affordable housing?

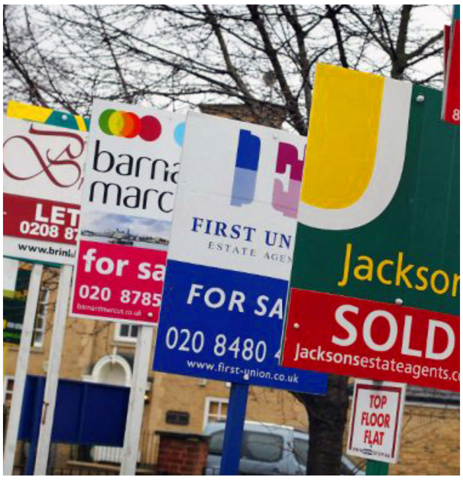
CAMPBELL TICKELL

"Getting to grips with housing supply and demand has been a challenge for government for decades. The market alone has proved unable to solve it. Significant policy and funding changes since 2010, together with market shifts and post-Brexit uncertainty, have further complicated the picture.

Development and housing supply

The Housing and Planning Act 2016 aimed to facilitate a step change in supply, focusing on homeownership through initiatives such as starter homes, effectively ending grant for affordable rented housing. But significant increase in delivery will not be easy: housing association and local authority landlords have less income following the 2015 requirement to reduce rents by 1 per cent a year for four years. Meanwhile the commercial development sector shows no signs of ramping up supply.

This is unsurprising: releasing more supply would tend to reduce prices and hence developers' returns; plus housing market uncertainty is a disincentive to increasing sales risk. Private developers and housebuilders are accountable to shareholders who prioritise higher profits. The supply position is exacerbated by shortages of materials and labour, and the availability of skilled building



Government policy is focused on homeownership

workers from abroad could be affected by Brexit.

Although many housing associations intend to continue developing affordable rented homes, this will generally only be fundable via cross-subsidy from market sale or market renting. Section 106 'planning gain' deals previously delivered up to one-third of housing association new supply, but the redirection of these to starter homes could cut that off. Many local authorities are now seeking to develop new housing themselves, though they face similar challenges to housing associations.

As to the development process, the government's Homes and Communities Agency (HCA) and the Greater London Authority (GLA) are piloting taking on the developer role for land they own, directly commissioning housebuilder-contractors. This may in due course extend to some 160,000 plots of public land.

Under the right to buy for housing association tenants, introduced via voluntary agreement between government and the National Housing Federation, properties sold should be replaced by new supply. Because of the cost, this is unlikely to be achieved, especially in the same areas or tenures.

House prices

Wildly different predictions abound on house prices. There are signs of modest reduction post-Brexit, mainly in London, but this is likely balanced by fewer properties for sale. Some have highlighted economic difficulties in China and Russia reducing demand for high-end properties; others see the fall in sterling making UK property more competitive for overseas cash buyers.

It is too early to judge the longer term Brexit effects, but we are unlikely to see sufficient drop in prices to affect most people's ability to buy.

Affordability

With lack of supply, the unaffordability of many areas is likely to worsen, widening

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Social housing is in hot water

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public services and other industries will eventually grind to a halt. Without hope for the poorest, social unrest and crime will surely increase. Even the keenest free marketeers become uneasy stepping over the homeless on the way home from the opera.

Hearts and minds

The mistake is to rely too much on the facts – it's about the emotion and the perceptions. We need the likes of the populist media on our side. Defiance and bitter invective will not help. The realpolitik of working with government must be appreciated, or the metaphorical water will indeed be brought to the boil.

Local authorities know this well, and housing associations can learn from their example. There is no disgrace in adopting the lesser of two evils. It's preferable to help someone into homeownership than to do nothing; if a homeless family can be housed with the surplus from the same deal, then better still.

"There is no disgrace in adopting the lesser of two evils. It's preferable to help some one into homeownership than to do nothing."

Local impacts and relationships will add up to national impact over a period of time, and the more new homes we can build, the greater the impact will be.

This is a pragmatic strategy that will not deliver instant success. However, it is a damn sight better than just sitting tight while the water slowly comes to the boil.

To discuss the issues raised in this articles, email james@campbelltickell.com

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beyond London and south east to areas such as Manchester. This applies both to house prices and private rents.

The phenomenon of 'hidden homelessness' (grown-up children living with parents because they cannot afford to move out) has reached mid-level markets. This is likely to be exacerbated by 'pay to stay' (council tenants' rents increasing towards market levels, where they have household incomes above £31,000, or £40,000 in London), the reduction in the benefits cap, and the bedroom tax, leading growing numbers to consider leaving higher cost areas.

There are signs of people leaving London and the south east, in some cases because of councils relocating homeless people to lower-cost areas, and in other cases moving of their own volition.

There are business aspects too: banks relocating staff outside London to save costs; and 'big four' accounting firms buying homes for staff to live in or helping with housing costs. London mayor Sadiq Khan is seeking to achieve 35 per cent affordable housing on larger private developments, but with 'affordable' defined as up to 80 per cent of market rent, this remains unaffordable for many.

Home ownership demand vs private renting

The previous housing minister trumpeted that the government was bringing homeownership within reach of people on the lowest incomes. What government has not addressed however is the financial capability of people on low incomes to meet mortgage commitments, other than in lower-price areas.

Just eight years ago an international financial crash was triggered by the 'sub-prime' mortgage phenomenon in the US. Many people are not in a position to own a home, or may not wish to do so. If people in housing need are unable to access ownership and there is insufficient supply of affordable rented homes, that leaves the private rented sector, where there is an increase in the stock owned by institutions and corporates, but a reduction in availability of properties owned by smaller-scale investors, following government tax changes on buy-to-let.

Investment and funding

The great majority of HCA and GLA development grant is now for homeownership initiatives, with some funds available for schemes designed for vulnerable/older people – though the GLA may fund some affordable rented development. The levels of grant remain well below what is needed to support significant increase in supply in a risky market.

> "There are signs of people leaving London and the south east, in some cases because of councils relocating homeless people to lower-cost areas, and in other cases moving of their own volition."

With commercial funding, the credit rating agencies have been downgrading housing associations post-Brexit, particularly expressing concern about greater commercial risks in development programmes. In driving housing associations towards more commercial risk to substitute for falling grant rates, government is causing some to look more like commercial developers to potential investors.

Nevertheless, there is plenty of potential investment funding available. Low yields on gilts due to expectations of low inflation and a lack of attractive alternatives for UK pension fund investors have enabled some housing associations to take advantage and issue new debt or restructure existing debt.

Developing housing associations with large outright sale or shared ownership programmes are waiting to see Brexit's effects on the housing market. Falling prices would increase the risks of accepting low levels of grant to build shared ownership (the main thrust of the current HCA programme). The sector has been lobbying government to allow a grant switch to rental products in the event of a stalling ownership market.

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Shut out: street and other types of homelessness are rising as a result of the affordability crisis

Homelessness

There are clear indications of homelessness rising, both in people inadequately housed and in street homelessness. This clearly links to the affordability problems cited above. There are fears that the reduced benefits cap combined with universal credit could lead to more rent arrears, more evictions and more homelessness. Meanwhile for local authorities this means increased spending on temporary accommodation.

Where then are the prospects for change to improve supply and affordability? Unless government rethinks its focus on homeownership at the expense of rented housing, to build in flexibility, and looks at significantly increasing grant to reduce housing associations' and local authorities' development risk and fuel development, it is hard to see short-term prospects for improvement.

A version of this article appeared in the New Statesman's *Housing Policy supplement in September. To discuss the issues raised, email greg@campbelltickell.com*