



CHISEL Ltd
188a Brockley Road
London SE4 2RL

Tel: 020 8692 5258
www.chisel.org.uk

THIS EDITION

Rent Reduction	2
Right To Buy	3
Pay To Stay	3
<hr/>	
AGM 2015	4
Winter advice	4
Xmas opening hours	4

**See the back page
for our Xmas
opening times**



Join the Board?

Four members of the CHISEL board can be tenants of CHISEL; there are currently just two tenants serving on the board. If you'd like to become a board member, please email chair@chisel.org.uk

TENANTS NEWSLETTER

Winter 2015

Ho Ho Ho(mes...)



Government policy changes in housing are coming like winter snow: thick and fast (but not necessarily even).

Here is our summary of what we know so far about Right To Buy, Pay To Stay, and Rent Reduction.

Government policies are changing as legislation goes through parliament ; this is an overview of how things currently stand - this week!

**We'll put updates on the CHISEL website
www.chisel.org.uk**



Emergency repair number over Christmas

If you have an urgent repair, call our usual repair number: **020 8692 9294**.

When our normal service is closed you will be transferred to our emergency service, who will deal with your report.

Non-emergency repairs can be reported by phone, or by email to repairs@chisel.org.uk, or by using the "Report a Repair" forms on our website, or on your MyTenancy page.

All change in social housing...



The new Conservative government hit the ground running with an emergency budget in July 2015, which announced the biggest changes in social housing in decades.

The government has two main policy aims: to reduce welfare benefit costs; and to encourage home ownership.

Then, in October, the Office of National Statistics reclassified housing associations as public bodies; this meant that £60bn of housing association borrowing (until then considered to be in the private sector) was added to the national debt. In response, government has now committed to deregulating housing associations, and has already changed some of the policies announced in the budget.

Government policy is changing from week to week. It even changed during the writing of this newsletter - see Pay To Stay on the next page.

There are three headline measures:

- **Rent Reduction**
- **Right To Buy**
- **Pay to Stay**

plus many other changes to housing, welfare, planning and social care.



Some of these changes are definite, some are subject to change, and some would not come in till 2017.

Watch the CHISEL website for updates.

Rent Reduction

`status: definite (almost...)`

Social Housing rents are to be cut by 1% a year for 4 years from April 2016. This is a massive reduction from the previous government rent-setting formula (inflation + 1%). By 2019, this means CHISEL's rents will be about 13% lower than they would have been under the previous formula - and therefore **our income will reduce by about £160,000.**

What can CHISEL do to manage this change?

We can try and **increase our income** by developing more housing to rent; we may also get more rental income as a result of the "Pay To Stay" proposals for social housing tenants (see next page).

We can look to **reduce our expenditure** - but as CHISEL is a fairly lean organisation already, savings will not be easy in most areas of expenditure. Chisel have three main cost areas:

- Loan repayments on properties
- Staffing Costs
- Maintenance Costs

Hard decisions will have to be made, but we really do not want to reduce the amount of expenditure on maintenance, as it will ultimately cost us more money in the long run if we do not upkeep our homes. This would be a decision of last resort.

Right To Buy

status: being piloted, details may change

The extension of Right to Buy (RTB) to housing association tenants was a major election promise for the Conservative Party, and they worked quickly to deliver on this promise with an announcement in the July budget. The National Housing Federation (NHF) - the trade body for housing associations - did a deal with the Government to voluntarily introduce RTB, to avoid it becoming part of legislation. As a result, the **scheme is being piloted by five housing associations**, before being rolled out across the sector as a whole.

The HA scheme is expected to mirror the current eligibility criteria and discount rules of the current RTB scheme for council tenants. To be eligible you would need to have been a social housing tenant for a minimum of 3 years. The level of discount received will depend on the length of time you have been a tenant. The maximum discount available is 70% of the purchase price which is **capped** at £103,900 in London and £77,900 elsewhere.

Impact of the Right to Buy - nationally

The NHF estimates that about 221,000 HA households will be eligible for the new proposal and could afford a mortgage. If all of these take up the scheme it will cost £11.6 billion in discount. The money needed to finance this discount is to be raised through the forced sale of high value council homes when they become vacant. This element of the scheme is part of the Housing and Planning Bill 2015 which is currently going through Parliament.

What is the benefit of the voluntary RTB deal?

The voluntary deal allows associations to determine what property they sell, and is based on the promise that associations will receive the full market value of the sold property. In theory, this will enable associations to build like-for-like replacement properties. Associations are expected to provide replacement homes within 3 years of the property being sold, or lose the money.

What is the likely impact of the Right to Buy on CHISEL?

We estimate that we could lose between 16-20 properties - more likely to be houses than flats. There will be an impact on staff resources and costs associated with processing sales and managing leasehold properties, and service charge accounts; and more complex maintenance arrangements.

Pay To Stay

change

The government proposed that Council and housing association tenants earning more than £40,000 per annum in London, and £30,000 outside London, should pay rents up to market level.

change

Effect: planned to be immediate from April 2017.

Household income would be assessed on the top 2 earners in the household and include income from benefits.

Legislation to be introduced requiring social tenants to declare income.

STOP PRESS: it will now be left to housing associations to decide their own policy on Pay To Stay.

This change is part of deregulation.

(Pay to Stay is still compulsory for Councils).

change

NOTICE BOARD

CHISEL AGM and Residents Evening

was held on Thursday 24th Sept 2015. Thirty residents met Board members and staff. CHISEL members voted for a new Board: long serving Board member and recent Chair Jill Gettrup retired, and new member Fiona Jamieson was elected to the Board. The new Board confirmed David Eatwell as Chair and John Clark as Treasurer.

There was an animated discussion of the government policy changes in housing.



Do you know where your stop cock is?

If you plan to go away, please take precautions to stop your water pipes getting frozen. Either:

- leave your central heating on very low (there is usually a frost setting);

OR

- turn your water off at the stop cock and then run the taps for a bit to empty out the remaining water in the pipes, so it doesn't freeze.

TIP: Stopcocks are often under the sink or in the front hall cupboard.



Christmas Opening Hours

CHISEL's office will close on Xmas Eve, Thursday 24 December at 1:00 pm.

It will be open with a skeleton staff on Tue-Thur, 29-31 December, and reopen fully on Monday 4 January 2016 at 9.00am.

See page 1 for arrangements for emergency repairs over the holidays.

Normal repairs will be dealt with in the week beginning 4 January.

CHISEL Opening Hours and Contacts

CHISEL's office is normally open Monday to Thursday 9-5pm (closed on Fridays)

You can call us on the following numbers:

For General Enquiries: 020 8692 5258

To Report a Repair: 020 8692 9294

For **emergency repairs** outside office hours call **020 8692 9294** and **choose option 2**

Non-urgent repairs by phone, by email to repairs@chisel.org.uk, or use the website forms

WHO'S WHO IN CHISEL:

Managing Director:	Pauline Goodfellow (3 days pw: various)	director@chisel.org.uk
Housing Manager	Clare Canning (4 days pw: Monday to Thursday)	housing@chisel.org.uk
Rents Officer	Flos Marriott (2 days pw: Tuesday & Thursday)	rents@chisel.org.uk
Maintenance Officer	Christopher Hatcher (4 days pw: Monday to Thursday)	maintenance@chisel.org.uk
Co-ops & Tenants Officer	Mark Allan (2 days pw: Monday & Thursday)	involvement@chisel.org.uk
Finance Manager	Nigel Spice (interim) (2 days pw: Monday & Thursday)	financemanager@chisel.org.uk
Finance Officer	Shuk-Ling Hou (2 days pw: Wednesday & Thursday)	financeofficer@chisel.org.uk