



Dear Colleague

### **SUPPORT TO HOUSE HOLDERS AFFECTED BY THE ECONOMIC DOWNTURN**

The economic downturn has increased the risk that house holders across all housing tenures may lose their homes, for example as a result of debt problems, rent arrears, or repossession. Whilst people will be affected in different ways, local authorities can, and are, playing a leading role in co-ordinating assistance where house holders are at risk.

Central and local government are committed to providing practical support to help local authorities deliver this assistance, and CLG, the LGA Group and CIH have jointly prepared the attached note summarising the ways in which we are helping.

We are also exploring ideas for developing a simplified way for LAs to access web based housing resources providing information to help local authorities, which pools intelligence, good practice, innovation, and signposts where further help may be available.

To help us better understand local authorities' support needs, we are interested in hearing from you about what more could be done to help and support house holders at risk of losing their home. Similarly, we would also be grateful for examples of good practice that can be shared more widely. This information will enable us to help you in delivering improved outcomes for local people. It would be helpful if your authority could email details to Helen Pineo ([Helen.pineo@idea.gov.uk](mailto:Helen.pineo@idea.gov.uk)). Thank you for your assistance and co-operation.

Finally, if you have any queries about this letter, or the attached note, please contact Tony Hatch ([tony.hatch@communities.gsi.gov.uk](mailto:tony.hatch@communities.gsi.gov.uk); 0207 944 6581) in the first instance.

Yours sincerely

**Terrie Alafat**

Communities and  
Local Government

**Sarah Richards**

Improvement and  
Development Agency  
and Local Government  
Association Group

**Richard Capie**

Chartered Institute  
of Housing

## **SUPPORT PROVIDED BY CLG, THE LGA GROUP AND CIH TO HELP LOCAL AUTHORITIES ASSIST HOUSE HOLDERS AT RISK OF LOSING THEIR HOME**

This note, which is issued jointly by CLG, LGA and CIH, sets out some of the ways in which help is being provided to local authorities. It also invites authorities to develop action plans for tackling risks to house holders across all tenures and asks for your help in providing examples of good practice that can be shared more widely.

### **Monitoring the impacts of the economic downturn**

Given the pace of change, it is vital that we are able to monitor the changing impacts and emerging pressures over time so we can best support and develop responses.

CLG recently sought views from a number of housing associations and authorities on the impacts they are seeing and both CIH and LGA are also in close contact with their memberships. In addition, the IDeA recently asked a number of housing professionals about key priorities to help communities through the downturn. All of this work has helped us form a better picture of the impacts taking place and views on priorities that need to be addressed.

### **Existing advice and support**

Recognising the impact of the downturn, many local authorities are working with partners to help local people, for example through:

- advice programmes – helping people understand their housing options to prevent homelessness and ensure money advice is available;
- preventative actions and mediation, such as work with third sector partners, using hardship funds to prevent repossessions and focusing on risks associated with buy-to-let properties;
- continued work with social and private landlords to using accreditation, licensing powers, and the adoption of rent arrears protocols;
- working with Job Centre Plus to ensure people understand their benefit entitlement including support for Mortgage Interest and improved housing benefit take-up.

Government and local government have introduced a number of additional measures to provide help and support to councils and householders. For example, Government has introduced a package of six interventions aimed at preventing repossessions. This includes increased funding for money advice and legal advice through court desks; the new mortgage pre-action protocol; enhancements to the Support for Mortgage Interest benefit scheme; and introduction of the Mortgage Rescue Scheme and Homeowners Mortgage Support Scheme designed to support households to remain in their homes for as long as possible.

The LGA Group is providing support in a number of ways which tackle the varied dimensions of the current impact on communities which councils are dealing with. The LGA has published advice 'Global Slowdown, Local Solution', which shows how councils can help people, businesses and other groups through the economic downturn. The content of this is being regularly updated. The IDeA's 'Knowledge' gathers good practice from across local government and offers on-line discussion forums and communities of practice across a number of issues associated with the economic downturn, including

housing and local economic development (weblink access: <http://www.communities.idea.gov.uk/welcome.do>).

LACORS has published guidance for people considering renting their homes because they can't sell them – so called 'reluctant landlords' as well as updating Councillor guidance on the private rented sector.

CIH has published guidance on Housing and the Economy, and has established a group of advisors providing free support around financial inclusion, It has also published a toolkit for housing providers around addressing worklessness and is providing direct support to members through its dedicated Practice team.

Additionally, local authorities can also draw on improvement support from a number of other sources, including:

- Government Offices and CLG's specialist advisors;
- RIEPs in their role in building capacity regionally and locally;
- the Audit Commission's examples of Positive Practice.

### **Further support and help**

Conscious of the breadth of the potential impact of the downturn, CLG, the LGA Group and CIH have also agreed a number of other measures to help local authorities develop an integrated approach to assisting householders:

(a) Government has made £3.7 million available to local authorities to support the development of actions to tackle the threat of repossessions across all tenures. This funding has been distributed through either individual local authorities or to a lead authority within a smaller sub-region. To accompany this funding, a short helpful guide has been produced for local authorities and has been distributed to lead housing officers and homeless contacts. The guide provides local authorities with practical information and suggests measures to prevent homelessness due to repossessions. We would encourage local authorities to build this work into overall plans to tackle the downturn and, with support from your CLG Regional Specialist Homelessness Advisor, produce an action plan;

(b) a series of regional summits will be held across England during Spring to provide further information to local authorities on how best to prevent homelessness across all tenures. More information about these events will be available soon;

(c) consistent with the Central Local Partnership commitment to provide real help at the local level, CLG, LGA and CIH are preparing joint advice for local authorities about how to plan for the current and future housing needs of all local residents. The advice, which we hope to publish shortly, will explain how housing can contribute to the wider vision for the area, particularly in the context of the economic downturn.

To help us better understand local authorities' support needs, and to assist us in developing policy responses, we would like to hear suggestions for possible action, or good practice, that help households at risk of losing their home. This information will help us to help you in delivering improved outcomes for local people. It would be helpful if your authority could email details to Helen Pineo

([Helen.pineo@idea.gov.uk](mailto:Helen.pineo@idea.gov.uk)). Thank you for your assistance and co-operation.

Finally, if you have any queries about this note, please contact Tony Hatch ([tony.hatch@communities.qsi.gov.uk](mailto:tony.hatch@communities.qsi.gov.uk); 0207 944 6581) in the first instance.