

Open letter to Gavin Smart, Deputy Chief Executive, Chartered Institute of Housing.

10th December 2018

Dear Gavin,

I enjoyed reading your article in this month's *Social Housing* in which you address the question of whether this year's policy moves ensure stability in the social housing sector. That's a very large canvas on which to paint CIH views.

Some way through the article you refer to the extension of Right to Buy. I had the pleasure of meeting Terrie Alafat in 2016, when it was apparent that the CIH had no particular beef against the voluntary scheme. Imagine how pleased I was, as a campaigner against the extension, to read the the headline messages contained in the 2018 paper *Rethinking Social Housing* which expressed CIH's view that a package of measures to deliver increased supply of affordable homes should include suspending the Right to Buy.

You mention in your article that '...it remains unclear how the scheme will be funded out if it is rolled out nationwide.' Truer words were never written. In 2015, Mrs May, as spokesperson for the policy in the Conservative manifesto, told us that the extension of Right to Buy would cost around £4.5 billion per annum, funded by the sale of high-value council stock. There is no published evidence to enable us to ascertain whether this cost estimate was anywhere near correct, and, as you point out, the government has now scrapped the proposed route for funding. The *2018 UK Housing Review Briefing Paper* (published by CIH) also questions the cost of the Right to Buy scheme, concluding that 'Quite apart from the issues about RTB replacements, [the] level of discounts and the losses they involve are hard to square with the notion of a government trying to maximise value for money within tight fiscal constraints.' We have the general impression, therefore, that CIH is not happy about the extension: the question remains as to what action CIH is taking to pursue the idea of suspension and draw government's attention to the lack of magic money tree.

What surprises me about your article, if I may be slightly controversial, is the fact that nowhere do you explain whether or not CIH policy so far as suspension of the Right to Buy has changed since June of this year. If CIH no longer feels that Right to Buy should be suspended, then it would be good to know why. Conversely, if CIH is still advocating suspension, it would be helpful to know what is being done to follow through. Perhaps you would be good enough to enlighten me and anybody else who might be slightly perplexed as to your silence on this point.

Best wishes



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cc Luke Cross, *Social Housing*; Pete Apps, *Inside Housing*; Peter Walker, *The Guardian*.