

**Speech by M Iqbal Asaria at the 'Faith & Housing – the Muslim dimension' conference, Al-Hikma Centre, Bately**

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**Muslim Social Housing Provision**

The present social housing scene in the UK is characterised by a number of features, some affecting the whole sector and others affecting Muslim and minority communities.

We have a unique combination a greater understanding of the need for more affordable housing provision and increasing pressure on resources to fund this requirement. The social housing sector has to rise to this challenge by innovative ways to empower the less advantaged sections of our society.

Together with the need for more affordable private and social housing there is also a realisation that because minority faith and ethnic communities are disproportionately larger users of social housing, the nature of the housing provision needs to reflect this adequately.

The Muslim community in the UK is proportionately the largest sector of society using social housing. Many innovative solutions have been tried to accommodate their needs and some of the pioneering housing associations and local authority representatives are participating in the conference.

Another feature of the Muslim community is that many of the tenants in Local authority of Housing Association accommodation are keen to own their own homes and become owner occupiers. Recent proposals by the Chancellor to expand the key worker equity-sharing schemes to other sectors wanting to become owner occupiers would therefore be welcomed by the Muslim community.

A couple of innovative features can be built it the current mix of possibilities to make them more accessible to the Muslim community.

The first one is the extension of Islamic home financing facilities for the “right to buy” and social housing sectors. This will enable many Muslims to avail of the opportunities while staying within the ambit of their faith. Recent developments in the home finance market are encouraging with at least two high street banks – HSBC Amanah and Lloyds TSB – now offering Islamic home finance packages. Efforts in process to adapt these for the particular needs of the local authority and social housing tenants. These efforts need to be encouraged and required adaptations of regulations needs to be speeded up.

The second change related to utilising the unique features of Muslim communities in the UK to benefit the least advantaged sectors. There has been a development of a “friends and family offset” home finance facility by at

least one building society. Particularly when combined with the equity-sharing proposals under consideration, with some imagination, this facility can be adapted to enable people to buy their houses in a reasonably affordable manner. Families and friends can pool their resources to enable first time buyers to become owner occupiers with affordable outgoings in the initial years. Some level of official comfort may need to be given to providers of such facilities to share in the marginally increased risk of the product.

Once launched, these facilities have the beauty of being of value to the social/local authority housing sector and can become a valuable tool in the growing armoury of initiatives to extend the take up of affordable housing.

In conclusion, there are ways of squaring the increasingly tight circle of growing needs for affordable housing and dwindling resources for the same. Housing associations and other social housing providers can show the way forward.

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