

## **LABOUR GROUP BRIEFING**

# **GOVERNMENT GREEN PAPER ON HOUSING: A new deal for social housing**

## **SUMMARY**

The Green Paper, 'A new deal for social housing', sets out for the government a new vision for social housing.

*It is "[a] vision centred on how social housing can support people to get on in life, making it more likely, not less, they will go on to buy their own home, as well as providing an essential, good quality and well-run safety net for those who need it most."*

There are five principles that will underpin a new deal for social housing residents:

- 1. a safe and decent home**
- 2. improving how complaints are resolved**
- 3. empowering residents and ensuring their voices are heard**
- 4. tackling stigma and celebrating thriving communities**
- 5. building the social homes that the country needs and supporting home ownership**

### **[1] Safe and decent homes**

Following Dame Judith Hackitt's 'Independent Review of Building Regulations and Fire Safety' published in May, the government want to bring forward legislation that delivers a far-reaching overhaul of the system, and gives residents a much stronger voice in an improved system of fire safety.

In the paper, it wants to see residents given greater access to safety information about buildings. The government propose to do this by developing a new programme to support residents to engage with their landlords on issues of building safety in social housing.

The government also want to establish a pilot with a small group of social landlords who would look to innovate and trial options for communicating with and engaging with residents on safety issues.

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Besides community engagement on safety issues, the focus is also on regulation. The Regulator of Social Housing requires that social homes meet the Decent Homes Standard. It is noted in the paper, however, that the Decent Homes Standard has not been revised since 2006.

The government want to use this Green Paper to consider a review of the standard that is set for social homes. It will consider whether the current standard is demanding enough and delivers the right standards for social housing alongside other tenures.

#### **[2] How complaints are resolved**

Residents must be able to access good complaints processes, as well as swift and effective redress where appropriate.

In an attempt to support the complaints process, the government are considering whether, and how, it might strengthen the mediation available for residents and landlords after initial attempts at resolution have failed.

The paper highlights the numerous hurdles experienced by residents in taking forward a complaint against their landlord. If residents wish to submit their unresolved complaint to the Housing Ombudsman for a formal investigation, they must first refer it to a “designated person” – that is a local councillor, MP or tenant panel – or wait eight weeks. This is known as the ‘democratic filter’.

The government want to consider how best to improve access to the Housing Ombudsman for social housing residents, as the ‘democratic filter’ has been found to be an ‘additional hurdle’.

The government also heard from some residents that they fear the consequences of making a complaint. Options that are highlighted in the paper include more active signposting to existing advisory services or the creation of a single advice or advocacy service.

While greater access is highlighted, it is also noted that there are no statutory guidelines setting out timeframes within which landlords should handle complaints. The government therefore want to consider how to

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speed up landlord complaints redress in housing. One option is suggested for the Regulator to set out more specific timescales in a 'Code of Conduct'.

#### **[3] Empowering residents and strengthening the Regulator**

While landlords have to provide residents with annual reports on their performance, residents have told the government that these were not always accessible to use or easy to compare.

To mitigate for this, the government says it wants performance data to be published in a clear, regular, and consistent format. In addition, it wants to see these key performance indicators made available publically for the Regulator to publish each year.

The government would also like to consider the role of financial incentives and penalties to promote the best practice and deter the worst performance. It identifies that the Regulator is best placed to publish landlord performance in the form of league tables.

The government also intends to explore whether the key performance indicators should help inform or influence the extent to which landlords receive funding, and are minded to link the Affordable Homes Programme funding to the Regulator's governance rating as well as the viability rating.

Landlords are required to consult tenants at least once every three years on the best way of involving them in the governance and scrutiny of the housing management service they provide and how they communicate.

Through the proposed regulatory review, the government will consider whether these expectations need to be clarified to ensure greater consistency and transparency of expectations.

The government say that they want to offer residents greater opportunity to exercise more choice over their day-to-day services, while recognising that landlords need to retain clear oversight in standards, quality and safety.

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In the paper, they highlight for consideration a new stock transfer programme to promote the transfer of local authority housing particularly to community-based housing associations that will create the right organisational culture and empower residents through community leadership.

#### **[4] Tackling stigma**

The paper highlights the contribution social housing residents make to the vibrant and diverse communities that make up the country.

The government refers to the need to celebrate the role of residents in shaping places by recognising the best neighbourhoods. Awards of this kind it believes, could include investment to support successful initiatives to grow, or funding for an event or a street party to bring people together.

There is a clear focus in the paper towards professionalising housing management. Landlords have an obligation to meet the Neighbourhood and Community Standard that includes a level of co-operation with partners to promote social inclusion.

It is clear in the paper that residents do not feel landlords are consistently meeting this standard. The government is therefore considering introducing a key performance indicator that will capture how well landlords undertake their neighbourhood management responsibilities.

Residents also told the government that they were concerned that their landlords were not taking appropriate action to tackle anti-social behaviour. Proposals in this Green Paper include introducing a key performance indicator to help tackle anti-social behaviour.

#### **[5] Expand supply and supporting home ownership**

This paper acknowledges the concerns that are directed to the government by local authorities, which include the restrictions imposed by the government on their ability to borrow money to fund house

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building and limitations on how they are able to use their receipts from homes sold under the Right to Buy.

The government says that it intends to use the new £1 billion raised in the borrowing programme to measure the appetite and ambition of local authorities and their effectiveness at building new homes, with a view to considering whether further reforms are needed.

It is publishing a consultation paper alongside this Green Paper which sets out proposed changes to the way local authorities can use Right to Buy receipts to deliver new homes. It is considering allowing local authorities to keep the Right to Buy receipts they already hold for longer than the current three years to ensure the receipts can be used alongside the borrowing cap increase.

In addition, the government will also consider allowing a greater proportion of the cost of new Social Rent council homes in areas of high affordability pressure to be met through Right to Buy receipts and to allow greater flexibility over the tenure of replacements – to include shared ownership as well as Affordable Rent and Social Rent.

To increase councils' confidence to plan ambitious house building programmes, the government will not bring the Higher Value Assets provision forcing councils to sell off higher value social housing into effect. It will look to repeal the legislation when Parliamentary time allows.

The government also believes housing companies can be an effective way to deliver new homes that the private sector is not delivering or that local authorities cannot deliver through their Housing Revenue Account.

It proposes where a local authority applies to us for consent to dispose of more than five council homes to a local housing company, it will want to see proposals which maximise the number of affordable homes and increase the overall level of housing supply. In these situations, a company might support bringing existing social homes back into use or be able to replace them with higher numbers, or a more appropriate mix, of homes.

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#### **Call for Evidence**

Alongside this Green Paper, the government are publishing a 'Call for Evidence' which seeks views on how the current regulatory framework is operating. This 'Call for Evidence', along with questions posed in the Green Paper, will inform what regulatory changes are required to deliver regulation that is fit for purpose.

The paper also called for comments, alongside an additional consultation on the use of Right to Buy (RTB) receipts and a call for evidence on strengthening the role of the social housing regulator. The Council is preparing a comprehensive response on the green paper and associated consultations.

Finally, Appendix A has the above comments in bullet form.

**Cllr Paul Bell, Cabinet Member for Housing**

*29 August 2018*

## **APPENDIX A**

### **Ensuring homes are safe and decent**

- Announced a pilot to be launched with a handful of social landlords to use innovative methods to engage and communicate with residents regarding safety as a precursor to a broader rollout
- A review of what constitutes a decent home and whether safety standards should be harmonised across tenure types.

### **Effective resolution of complaints**

- Improving the complaints framework so that social housing tenants are able to access support and advice, and are aware of their rights, and to improve the speed and quality of landlord response to complaints
- Introduction of a number of KPIs to be published nationally on landlord performance – either as a league table or through a separate model, benchmarked against national expectations
- Proposal to incentivise good performance through linking affordable homes grant funding to high performing landlords, or through other mechanisms for non-building landlords. The inverse would also be true, with poor performing landlords being denied access to funding.

### **Empowering residents and strengthening the Regulator**

- Proposed changes to either improve or remove the democratic filter process for complaints to the social housing ombudsman to promote speedier local resolutions
- Seek to explore opportunities for tenants to be more widely involved at board level across landlords, and stronger representation at a national level – as well as to give them more control over the services on offer to them
- Considering proposals to support the transfer of local authority stock to community-based housing associations
- Proposals to alter the existing framework to allow local authorities to more robustly hold TMO's and ALMO's to account.

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#### **Tackling stigma and celebrating thriving communities**

- Tackling stigma through promoting best neighbourhoods, and with KPIs monitoring performance on neighbourhood management and ASB
- Work to more effectively engage tenants in decision making and place shaping.

#### **Expanding supply and supporting home ownership**

- Ensuring existing social tenants who are victims of domestic abuse and need to move are offered lifetime rather than fixed term tenancies
- Seeking views on whether current financing setup for affordable housing is appropriate, looking at the balance between grant funding and freeing up headroom in the HRA
- Boosting community-led housing development and considerations on how this can be delivered
- Seeking views on what additional provision landlords could deliver if they were given more certainty over funding
- Not introducing the higher value asset requirements of the 2016 Housing and Planning Act at this point, and seeking to repeal the legislation when parliamentary time allows
- Not enforcing the element of the 2016 Housing and Planning Act compelling Registered Providers's and LA's to end lifetime tenancies, but no mention of repeal
- No additional funding for new development.