



The Social Housing White Paper

This briefing provides members with an overview of the key policies outlined in the Social Housing White Paper and London Councils' view on specific policy proposals.

Overview

The long delayed Social Housing White Paper was published on 17 November 2020 and is part of government's response to the Grenfell Tower tragedy. It maps out the future for social housing regulation and is predominantly focussed on consumer protection and redress. While the paper's promised regulatory reform has been broadly well received, it does not offer a vision of what a modern social housing infrastructure should look like, nor does it address the biggest challenge in social housing; a chronic undersupply of social homes.

Key points

- **Under supply & Vison** –this key factor in creating a well-regarded and well-functioning social housing regime is not addressed in the paper.
- **Tenant satisfaction measures** – measurable KPIs to be designed by the Regulator for Social Housing (the Regulator).
- **Revised Consumer Standards & Code of Practice** – to be developed by the Regulator and applied to all social landlords. The serious detriment test will also be removed allowing early and proactive intervention.
- **Decent homes standard (DHS) review** – proposals are to include community and green spaces and energy efficiency standards.
- **Inspections** - landlords with more than 1,000 homes will be inspected every four years, and more frequently where a breach or significant risk of a breach of consumer standards is identified.

The White Paper's Charter for Residents of Social Housing unfolds over 7 chapters. Each is taken in turn below with some initial commentary.

Chapter One – to be safe in your home

The white paper makes clear that residents' safety will be included in the regulator's new consumer standards. Rather than introducing new regulatory obligations for social landlords, chapter one instead summarises those regulatory changes already in motion, notably the Building Safety Bill (BSB) & Fire Safety Bill (FSB).

Key messages:

- The Regulator will establish a Memorandum of Understanding with the Building Safety

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Regulator to ensure the effective sharing of safety concerns.

- Social landlords’ responsibilities for the safety of their residents will not increase outside of what is expected from the BSB and FSB. However, the severity of the consequences for failing to discharge their regulatory duties, and the diligence with which they are monitored are likely to be much more severe.
- The white paper also introduces further roles to which providers must appoint a suitably competent person:
 - responsible for compliance with health and safety requirements,
 - responsible for ensuring compliance with the Consumer Standards.

London Councils’ view: There is a danger of adding another layer of regulation on safety, with the roles created in the white paper leading to an unclear overlap with positions of accountability created in the FSB and BSB.

The FSB places duties on the ‘responsible person’ as well as any other persons with an element of control or responsibility for fire safety compliance, and the BSB will require an accountable person and a building safety manager. The interaction and crossover of responsibilities of these roles is at present unclear. With the added roles the white paper expounds, safety roles must be managed carefully with explicit duties and lines of accountability mapped out.

Chapter Two - to know how your landlord is performing

This chapter is concerned with transparency and accountability. It emphasises that residents must have access to a range of information about their landlord. Tenants should be able to hold their landlords to account and know how their landlord is performing.

Key messages:

The white paper requires the regulator to develop ‘tenant satisfaction measures’ based around these draft themes:

- Keeping properties in good repair
- Maintaining building safety
- Effective complaint handling
- Respectful and helpful engagement
- Neighbourhood management including anti-social behaviour (ASB)
- A new ‘access to information scheme’ for social housing tenants of housing associations and private registered providers of social housing (akin to the Freedom of Information Act).
- Landlords to publish a clear breakdown of how their income is being spent, including executive remuneration.
- Expect landlords to report to every tenant on such matters at least once a year.

London Councils’ view: The suggested tenant satisfaction measures are the key element of this chapter and are the answer to the widely criticised league table suggestion put forward in the Social Housing Green Paper (2018). It will be important for councils to engage with the regulator’s consultations in shaping these measures; particularly as many councils will have well developed and effective mechanisms in place which can be used as exemplars.

Chapter Three - to have your complaints dealt with promptly and fairly

The chapter builds upon the developments from 2020 in respect of the Housing Ombudsman, specially its updated scheme, new Complaint Handling Code, and closer working with the regulator under an MoU.

Key messages:

- Faster access to the Housing Ombudsman service by removing the democratic filter (the

- requirement to approach an ‘designated person’ or wait 8 weeks to contact the Ombudsman).
- An expanded Ombudsman service to speed up decision making and ensure stronger action can be taken.
- Consistency across landlord complaint handling by ensuring landlords self-assess against the Ombudsman’s Complaint Handling Code.
- Ensure tenants and residents know how to raise a complaint and have confidence in the system by running a resident focussed awareness campaign.
- Publish details of cases determined by the Housing Ombudsman (from March 2021).
- Where there is non-compliance, the new code and strengthened Ombudsman powers include measures to publish failure orders, highlighting the names of the landlords and reasons for the orders.

London Councils’ view: London Councils supports the enhanced role of the Ombudsman, and broadly the enhanced awareness and visibility the new complaints handling regime promises. An accessible, responsive and timely complaints mechanism is a fundamental part of social landlords’ commitment to their residents, as well as a powerful mechanism driving service improvement.

However, it will be critical to the effective implementation of this new complaints handling regime that the Ombudsman, the regulator, and indeed local government, are adequately resourced to make it a success.

Chapter four: to be treated with respect, backed by a strong consumer regulator for tenants

This chapter comments on the need for a culture change in the social housing sector in response to the feedback gathered from residents in 2018. It sets out plans to transform consumer regulation to drive the right behaviours from landlords and enable the Regulator to hold them to account.

Key messages:

- Remove the ‘serious detriment test’ and introduce routine inspections for the largest landlords (those with over 1,000 homes) every four years.
- Change the regulator’s objectives to explicitly cover safety and transparency.
- Give the regulator the power to publish a code of practice on consumer standards.
- Strengthen the regulator’s enforcement powers to tackle failing landlords.
- Local authorities will be required to review their contracts with ALMOs and TMOs. Contractual relationship between a local authority and its ALMO/TMO must not hinder the Regulator’s powers.

London Councils’ view: The regulator will now have a mandate to proactively monitor providers’ compliance with consumer standards through a new regime of inspection with strengthened enforcement powers. For example, the cap on the level of fines the regulator can impose will be removed and the regulator will be empowered to require Performance Improvement Plans. While we broadly welcome these changes, it is critically important that the revised consumer standards and any new code of practice are sufficiently detailed to ensure that changes to consumer regulation are meaningful and enforceable.

The removal of the serious detriment along with the explicit obligation to ensure resident safety within the consumer standards will allow the regulator to intervene at a much lower threshold where consumer standards have been breached (rather than having to wait until tenants are at risk of serious harm). This does, however, raise the important question of what standard will be applied: a clear, realistic and objective standard will have to be established, against which compliance can be measured. Further, the proposed inspection regime will also need to be carefully managed, with a clear framework including guidance on the areas the inspection will cover, how the inspection will be conducted, and how government plans to address the skills gap for inspection areas such as building safety.

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Chapter five: to have your voice heard by your landlord

This chapter illustrates how government wants landlords to have much stronger engagement with tenants and that residents should be empowered to hold landlords to account.

Key messages:

- The regulator will require landlords to seek out best practice and consider how they can continually improve the way they engage with social housing tenants.
- An ‘opportunities and empowerment programme’ for social housing tenants, will support more effective engagement between landlords and residents.
- A review of professional training and development will consider the appropriate qualifications and standards for social housing staff, including senior staff.

London Councils view: This section seems lifted from the NHF’s Together with Tenants initiative, particularly its six commitments for housing associations which has wide buy-in across the sector. The white paper acknowledges the concerns of residents feeling patronised, ignored or treated with disrespect, and tasks the regulator with seeking out best practice examples of resident engagement.

The sector is already heading down the path of many of the initiatives mentioned in the white paper, so the propositions shouldn’t come as a surprise, although the tenant voice issue should soon have more regulatory clout with the proposed changes.

Chapter six: to have a good quality home and neighbourhood to live in

This chapter acknowledges that social tenants are proud of their communities and want good quality, decent homes, and neighbourhoods, including access to green space and support for wellbeing.

Key messages:

- The DHS will be reviewed - including access to quality green spaces, and energy efficiency measures.
- Anti-social behaviour is to be tackled by enabling tenants to know who is responsible for action and who can support and assist them.
- The results of MHCLG’s allocations evidence collection exercise will be reviewed. Anti-social behaviour is to be tackled by enabling tenants to know who is responsible for action and who can support and assist them.
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London Councils’ view: London Councils supports the commitment to review the DHS. The DHS is out-of-date and no longer reflects the needs or most efficient use of scarce public resources for social homes. Local government has an important role to play in developing the new standard: how can it best serves residents, be future proofed, and achievable?

The review of the DHS will explore how it can better support improvements in energy efficiency. The sector already outperforms other tenures in energy efficiency, and London local government has made a joint statement on an agreed target to reach EPC B in all housing stock by 2030. We welcome this emphasis on energy efficiency and continue to work with the government to secure longer-term funding and policy commitments commensurate to the task.

Chapter seven: to be supported to take your first step to ownership

The final chapter reiterates the government’s priorities around homeownership, and summarises announcements around affordable home ownership.

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Key messages:

- £11.5 billion to build 180,000 affordable homes – half to be for ‘affordable home ownership’.
- A new model for shared ownership.
- A new ‘Right to Shared Ownership’ for tenants of housing associations and other private registered providers who live in new grant funded homes for rent.
- A new ‘Affordable Homes Guarantee Scheme’.
- Local authorities to take advantage of the removal of the borrowing cap to build more council homes.
- Leaseholder reform.

London Councils’ view: This chapter feels bolted on to ensure reference to the home ownership agenda. Given that some of these proposals have been discussed for a number of years, it will be interesting to see the timescales for implementation of these proposals moving forward.

The assumption that councils can or should be encouraged to utilise the abolition of the Housing Revenue Account (HRA) borrowing cap seems to not recognise the extreme stress many HRAs are under; particularly with the financial pressures the Covid-19 pandemic has placed on councils

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This member briefing has been circulated to:

Portfolio holders and those members who requested policy briefings in the following categories: Housing and Planning