

ARUN DISTRICT COUNCIL

REPORT TO HOUSING & CUSTOMER SERVICES WORKING GROUP ON 13 December 2018

PART A : REPORT

SUBJECT: Social Housing Green Paper – A New Deal for Social Housing

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DATE: 27 November 2018
EXTN: 37718
PORTFOLIO AREA: Residential Services

EXECUTIVE SUMMARY:

On 14 August 2018 Government published a Social Housing Green Paper – A New Deal for Social Housing. The tragic events at Grenfell have shone a spotlight on social housing and its residents.

Around 3.9 million households, approximately 9 million people, live in the social rented sector in England, just under a fifth of all households.

The Green Paper sets out a proposed strategy for reforming social housing and has five main themes:

1. Ensuring homes are safe and decent
2. Effective resolution of complaints
3. Empowering residents and strengthening the regulator
4. Tackling stigma and celebrating thriving communities
5. Expanding supply and supporting home ownership.

Our response to the consultation is attached at in the background paper section of this report.

1. Ensuring homes are safe and decent

- 1.1 The Green Paper reasserts a commitment to bring new legislation to reflect the Hackitt Report; the focus for housing will be communication and engagement with residents as to safety and fire risks.
- 1.2 The Government believes there should be a review of the Decent Homes Standard with a view to harmonising private rental and social rented standards and ensuring the Standard is fit for purpose.

2. Effective Resolution of Complaints

2.1 The Green Paper proposes to develop a quicker and more direct tenant complaint system, removing longer waiting times for responses and remedial action (e.g. removal of "democratic filter" and introducing a Code of Practice including timescales set by Regulator of Social Housing (RSH)).

3. Empowering residents and strengthening the regulator

3.1 The Green Paper poses the introduction of published information for landlord performance on consumer regulation issues against uniform KPIs (possibly in the form of "league tables").

3.2 It is proposed that the Regulator will determine these KPIs (in consultation with landlords, landlord organisations and residents groups) and publish the data. This 'rating' might be reflected in the RPs governance and viability rating and/or be a condition of grant funding.

3.3 The Paper mentions the possibility of a new stock transfer programme promoting transfers to "community-based" housing associations.

3.4 Consultation on changes to the consumer regulation objective and consumer standard:

- including a review of the "serious detriment" threshold for RSH intervention;
- introduction of phased interventions (e.g. surveys of complainant's home and inspection of landlord's financial affairs); and
- considering increased regulatory oversight and powers over Local Authority landlords (particularly where outsourced – e.g. TMOs and ALMOs),

3.5 Generally, this represents a significant shift in the role of the RSH if adopted, with a substantially more proactive role in relation to consumer standard regulation.

3.6 Possibly enhanced accountability of the RSH to parliament once it is a separate non departmental public body (coming into force imminently when the SoS gives effect to the Legislative Reform Order recently passed by Parliament).

4 Tackling stigma and celebrating thriving communities

4.1 The Green Paper considers various measures to celebrate the social housing community and address stigma – this may include KPIs or landlords reporting on their social value delivered. This includes most of the substantive supply-side policy and consultation.

5 Expanding supply and supporting home ownership

5.1 The Green Paper confirms the Government's ambition to enable the development of 300,000 new homes per year by the mid-2020s across all housing types or tenures.

6 Other announcements

6.1 The Green Paper and subsequent announcements confirm a number of previously announced financial and policy announcements for Councils including:

6.2 Abolition of Housing Revenue Account Rent Cap

6.3 A revised rent settlement (CPI+1% to 2025);

- 6.4 more flexibility for Councils in using Right to Buy receipts for additional housing supply.
- 6.5 Government has guaranteed £3.25bn of borrowing under the Affordable Housing Guarantee Scheme (along with an additional £2bn in grant funding).
- 6.6 Government has affirmed its commitment to the 8 "strategic partnerships" with housing associations which will facilitate flexible delivery and create more funding certainty.
- 6.7 Government will repeal the provisions around higher value voids from the Housing and Planning Act 2016.
- 6.8 Councils are encouraged to use local housing companies (LHCs) in certain circumstances – e.g. where they have no HRA because of previous LSVTs or their HRA cannot sustain new building.
- 6.9 The Government's expectation continues to be that LHCs should offer tenants of any affordable housing provided (whether directly or through an LHC) the "opportunity" to become homeowners.
- 6.10 The Green Paper confirms that restrictions on LA's ability to grant lifetime tenancies will not be implemented.
- 6.11 The Voluntary Right to Buy remains in the pilot phase and government are looking to remove barriers to shared ownership, including a lower stair casing requirement (potentially 1% per year).

7. Summary

7.1 To summarise the Green Paper provides:

- Strong commitment to improving/upholding standards
- Strong message for the sector about the importance of focusing on tenants' voices
- Some welcome recognition on the issue of stigma in social housing

7.2 However there does appear to be a lack of clarity and purpose of the role of social housing, the rhetoric on social housing as a 'springboard' to home ownership appears at odds with the desire to reduce stigma. The paper is silent on the role of welfare policy in causing affordability issues.


7.3 Response to the consultation is expected in Spring 2019.

RECOMMENDATIONS:

Members note the content of this report.

1. BACKGROUND:

On 14 August 2018 Government published a Social Housing Green Paper – A New Deal for Social Housing. The tragic events at Grenfell have shone a spotlight on social housing and its residents.

2. PROPOSAL(S):		
Members note the content of this report		
3. OPTIONS:		
There are no alternative options to consider		
4. CONSULTATION:		
Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		✓
Relevant District Ward Councillors		✓
Other groups/persons (please specify)		
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial		✓
Legal		✓
Human Rights/Equality Impact Assessment		✓
Community Safety including Section 17 of Crime & Disorder Act		✓
Sustainability		✓
Asset Management/Property/Land		✓
Technology		✓
Other (please explain)		✓
6. IMPLICATIONS:		
None at present. These will become clearer once the Government response to the consultation is released in Spring 2019.		
7. REASON FOR THE DECISION:		
To draw to Members attention the review of social housing being undertaken at a National level.		
8. BACKGROUND PAPERS:		
 <p>Arun District Council Green Paper Consult:</p>		