

URN: 20-198

Subject: Social Housing White Paper

Report to: ELT 10 February 2021
Housing and Neighbourhoods Committee 4 March 2021

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SUBJECT MATTER/RECOMMENDATIONS

This paper provides an overview of The Charter for Social Housing - the Social Housing White Paper and sets out a new compliance and performance framework to respond to the requirements of the Charter.

RECOMMENDATIONS

That Committee:

1. **Note the areas of focus of the Social Housing White Paper and the role of the Committee in monitoring compliance and the performance of the Council's landlord functions.**

1.0 Introduction

- 1.1 This paper provides an overview of The Charter for Social Housing – the Social Housing White Paper which was published on 17 November 2020 and the requirements it proposes to introduce in relation to the Council's landlord function. The Charter for Social Housing has been long waited and is a response to the Social Housing Green paper entitled A New Deal for Social Housing which was originally published in August 2018.

2.0 The Charter for Social Housing

- 2.1 The Charter for Social Housing has been designed to be a resource for both landlords and tenants and leaseholders reflecting the ethos of the document that landlords must listen to and be accountable to the residents they serve. The document contains

a fundamental expectation that social homes should provide safety, security and dignity and landlords should treat residents fairly and with respect. When things go wrong, there should be quick and effective methods to ensure redress. The voice of residents should be heard. The Charter sets out what every social tenant or leaseholder should be able to expect across 7 areas:

- 1. To be safe in your home.** We will work with industry and landlords to ensure every home is safe and secure.
- 2. To know how your landlord is performing,** including on repairs, complaints and safety, and how it spends its money, so you can hold it to account.
- 3. To have your complaints dealt with promptly and fairly,** with access to a strong Ombudsman who will give you swift and fair redress when needed.
- 4. To be treated with respect,** backed by a strong consumer regulator and improved consumer standards for tenants.
- 5. To have your voice heard by your landlord,** for example through regular meetings, scrutiny panels or being on its Board. The Government will provide help, if you want it, to give you the tools to ensure your landlord listens.
- 6. To have a good quality home and neighbourhood to live in,** with your landlord keeping your home in good repair.
- 7. To be supported to take your first step to ownership,** so it is a ladder to other opportunities, should your circumstances allow.

A commentary on the requirements of each of these areas is provided below.

2.2 To Be Safe in Your Home

The government will legislate to update the existing Consumer Standards (see section 3 below) to include requirements on the safety of homes and to require landlords to identify a nominated person who is responsible for ensuring homes comply with health and safety requirements.

The charter highlights the need to engage with residents (tenants and leaseholders) to support them to feel safer in their homes.

The charter references the now closed government consultation on extending legal requirements for the provision of smoke alarms and where applicable, carbon monoxide detectors to be installed in social housing. The charter also identifies a separate consultation on measures which will protect residents from harm as a result of poor electrical safety will be undertaken.

The new Building Safety Bill will introduce specific requirements around the safety and performance of buildings supported by a new Building Safety Regulator, whilst there is especial focus on higher-risk (high rise) buildings, it will apply to all buildings. The Fire Safety Bill will relate to all buildings which contain two or more dwellings. It will require that there is a responsible person/duty-holder who will assess fire risks to the

structure, external walls including balconies and windows and flat entrance doors which open onto common areas as an integral part of the completion of Fire Risk Assessments. They will also ensure there are general fire precautions to mitigate any risks in these areas.

2.3 To know how your landlord is performing

The charter sets out the introduction of new tenant satisfaction measures which will allow residents to compare their landlord with other landlords. The satisfaction measures will need to be provided to tenants on at least an annual basis. The Regulator of Social Housing (RSH) will publish these measures for all social landlords. Landlords will also be required to publish financial information. See Appendix A.

Landlords will be required to have a named responsible person who will ensure the landlord complies with the requirements of the Consumer standards and supporting good quality customer service delivery.

2.4 To have your complaints dealt with promptly and fairly

As a social landlord, the Council is a member of the Housing Ombudsman which acts in relation to cases associated with its landlord functions. The Housing Ombudsman adopted a new Complaints Handling Code in 2020 and the charter seeks to strengthen and enhance the role of the Housing Ombudsman.

Landlords are required to comply with the Complaint Handling Code. One of the requirements of the code was to complete and publish a self-assessment in relation to complaint handling by 31 December 2020. The Council's self-assessment can be found [here](#).

The government will legislate to remove the "democratic filter" which requires a designated person (councillor, MP or designated tenant panel) to escalate a complaint to the Housing Ombudsman or for the resident to wait 8 weeks from exhausting a landlord's complaint process to escalate the matter to the Housing Ombudsman. The Housing Ombudsman will seek to resolve complaints before they become a formal investigation and will promote the use of mediation to resolve disputes.

There will be increased accountability of complaint handling, with the Housing Ombudsman publishing information on complaints the Housing Ombudsman has handled in relation to individual landlords as well as determinations on individual cases. The Housing Ombudsman will have new powers to intervene when landlords are slow to resolve complaints and will escalate concerns to the RSH where there is evidence of systematic failings and /or a breach of the Consumer Standards.

2.5 To be treated with respect

The government will legislate to remove the “serious detriment test” for the RSH to intervene where there is a breach of a requirement of the Consumer Standards. It will also legislate to allow the RSH to develop and publish a Code of Practice setting out the regulator’s expectations of landlords in relation to the Consumer Standards.

These changes will deliver a proactive, risk based and proportionate approach to the regulation of the Consumer Standards. The approach will remain one of co-regulation ensuring landlords take responsibility for compliance with the standards. The new approach will be delivered through a programme of both proactive and reactive inspections. All landlords with more than 1,000 homes will be inspected every four years with a risk-based approach using information from a number of sources including the Housing Ombudsman and the new tenant satisfaction measures to define the timing of inspections for particular landlords. Reactive inspections will be used to focus on a specific form of service delivery or where an issue has been identified.

The outcomes of inspections will be published supporting the wider transparency agenda within the charter. In addition, the powers of the RSH will be strengthened to deal with failing landlords which includes the removal of the cap on fines for breaches of the standards.

2.6 To have your voice heard by your landlord

As part of the RSH focus on landlord’s compliance with the Consumer Standards, the RSH will require landlords to show how they have looked for and used best practice to improve tenant engagement supporting a culture of continuous improvement in tenant and resident engagement. This will ensure that tenants have a clearer voice and they are heard. A key message of the charter is to ensure landlords are accountable. The government will continue to engage with residents and will support them through a new empowerment programme to help them engage with their landlords.

The government will undertake a review of professional training and development of housing staff of all levels across landlords to ensure staff are competent, listen to residents and treat them with respect and courtesy. This will include a focus on whether housing staff are fully equipped to work with people with mental health needs.

2.7 To have a good quality home and neighbourhood to live in

A review of the Decent Homes Standard will be undertaken to identify if it is still fit for purpose reflecting the decarbonisation agenda and whether it should include communal areas and green spaces in neighbourhoods reflecting the requirements of

the Consumer Standards. If the initial review concludes a change is required, part two of the review will consider whether proposed changes are affordable and deliverable.

The government will consider whether the tenant satisfaction measures (see Appendix A) should include measures related to the perception and incidence of crime.

Government will clarify the responsibilities of landlords, local authorities and the police in tackling anti-social behaviour to ensure residents are clear on the different roles each party has.

The government will consider the findings of the evidence collection on housing allocations to ensure that social housing is allocated in the fairest way and delivers the best outcomes for local communities and places. This will consider how working between local authorities and housing associations can be improved.

2.8 To be supported to take your first step to ownership

The charter sets out the government's intention to increase the delivery of new affordable homes with around half of the homes delivered through the Affordable Homes Programme to be for affordable home ownership to ensure as many social tenants have the opportunity to buy a home as possible. The charter details changes which will apply to new shared ownership homes which will reduce the minimum share in a home which can be sold and remove responsibility for shared owners to fund major repairs for the first 10 years.

The charter also encourages local authorities to build new affordable homes and comments on the need for transparency and effective communication on leasehold service charges.

3.0 Consumer Standards

3.1 There are four Consumer Standards which the Council currently is required to meet. Under the current regulatory approach, the RSH would only intervene to investigate and take any required action if it considers it has reasonable grounds to consider that a landlord had breached one or more parts of a Consumer Standard and that breach was sufficiently serious that it met the "serious detriment test". The RSH considers serious detriment to be where there is a risk of, or actual serious harm to tenants. The proposed removal of the "serious detriment test" is welcomed.

3.2 The four Consumer Standards are the:

- Home Standard – relates to the standard of homes and delivery of a cost-effective repairs and maintenance service.
- Tenancy Standard – relates to the letting of homes in terms of tenancy types and to ensure a fair, transparent and efficient letting of homes.

- Neighbourhood and Community Standard – provides a requirement to keep neighbourhoods within which homes are owned and communal areas clean and safe and to co-operate with relevant partners to address and help prevent Anti-Social Behaviour.
- Tenant Involvement and Empowerment Standard – requires landlords to provide choices, information and communication which reflects the diverse needs of tenants, to have a clear approach to complaint handling and provide wide opportunities for tenant involvement and influence.

Currently there is no requirement on a local authority to self-refer to the RSH if it identifies a breach of the Consumer Standards. The government proposes through the charter that this will change with the RSH setting out a clear expectation that local authority landlords must self-refer when they identify a Consumer Standard is breached.

- 3.3 Local authorities are also subject to regulation by the RSH in relation to the Rent Standard – which relates how rents are set and increased.

4.0 Next Steps

- 4.1 Whilst the charter includes a number of areas where legislation is required to introduce the new requirement and identifies the need to review and update the Consumer Standards as set out above, it is timely to consider how the Council can meet the specific requirements of the charter now.
- 4.2 The charter clearly sets out the role that councillors will play in having oversight of local authority landlord's compliance with the Consumer Standards, in monitoring performance against the tenant satisfaction measures as well as in relation to reviewing complaints to identify trends and ensuring that complaints are used to improve service delivery. This paper therefore proposes that Housing and Neighbourhood Committee provides oversight of the Council's performance as a landlord. A standard item will be added to the Housing and Neighbourhoods Committee Forward Plan to be considered every six months which will enable the committee to scrutinise the Council's performance and compliance against the Consumer Standards. Some performance measures will, however, only be reported once a year reflecting an annual collection of information. In addition, it is proposed that a six-monthly update on Resident Engagement activity will be provided to Housing and Neighbourhoods Committee. This approach will also increase the transparency of the Council as a landlord and enhance accountability.
- 4.3 To support this new approach, a position statement will be provided to Committee at the next meeting to provide a baseline of the Council's compliance against the existing Consumer Standards, current performance as well as an update on resident engagement and complaints handling.

4.4 Whilst there is current no requirement to identify and publish the name of the responsible persons for compliance with the Consumer Standards and that the Council's homes meet health and safety regulations, the Council can choose to identify who should hold these roles now. It is therefore proposed that the relevant responsible persons are:

- Responsible Person for Consumer Standards compliance – Nicola Turner, Housing Director
- Nominated person responsible for compliance with health and safety requirements – Jane Beck, Head of Property and Asset Management

5.0 Financial Implications

5.1 There will be additional costs (not quantified at this stage) associated with changes to the Decent Homes Standard and if legislative changes are made in relation to the installation of smoke alarms and where required, carbon monoxide detectors. Once enacted, the Building Safety Bill and Fire Safety Bill may also lead to additional costs associated with compliance with the new legislation and any required works to the housing stock.

5.2 There are also expected to be additional costs associated with the new performance measures in terms of collection of data especially in relation to tenant (and resident) satisfaction with service delivery which forms part of the draft Tenant Satisfaction Measures.

6.0 Risk Implications

6.1 The charter contains a number of proposals, some of which will require primary legislation or formal consultation processed to be completed to be enacted. It is however, expected these changes will be made. As set out above, this paper proposes that the Council starts to prepare now for these changes and introduces a formal role for Housing and Neighbourhoods Committee in relation to the oversight of the compliance of the Council as a landlord with the Consumer Standards. This will provide more time for the Council to prepare for any changes. Whilst there is a risk of some abortive work if requirements change (including changes to the proposed tenant satisfaction measures) these will be mitigated as far as possible by minimising expenditure on third party surveys and the focus will be on implementing the requirements of the charter for those areas where there is sufficient detail to do so. Ultimately, this approach will provide a better outcome for tenants and support the Council's continuous improvement of its landlord services. This will ensure that, should the Council be identified to be subject to an inspection by the Regulator of Social Housing early on in the first four-year programme, the Council will have more developed reporting and assurance processes in place.

7.0 Conclusions

- 7.1 The focus of The Charter for Social Housing on ensuring the Council’s properties provide a safe, secure, well maintained home for tenants and leaseholders and that the Council is accountable to tenants and leaseholders for the service it provides is welcomed and fully supported. The focus on the quality of estates is also welcomed.
- 7.2 Whilst some of the proposals within the charter require primary legislation to introduce or will be subject to formal consultation process, this paper proposes that Housing and Neighbourhoods Committee takes on a formal oversight of the Council’s compliance with the Consumer Standards and in relation to complaint handling receiving six monthly reports on the Council’s progress in delivering the requirements of the Charter including performance against the identified performance measures and compliance against the Consumer Standards ensuring members have a clear oversight of these areas.

8.0 Background Papers

The Charter for Social Housing – Social Housing White Paper published by Ministry of Housing, Communities and Local Government.

Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?

Area for consideration	Comment
Monitoring Officer Consultation:	Via ELT
Section 151 Officer Consultation:	Via ELT
Existing Council Policies:	Tenancy Policy, Housing Allocations Scheme, Void Policy, Social Housing Tenancy Fraud Policy, Rechargeable Repairs Policy
Financial Implications (including VAT and tax):	Set out at section 5.0
Legal Implications (including human rights):	No legal implications associated with the report.
Risk Implications:	Set out at section 6.0
Equality Issues/EQIA assessment:	None
Crime & Disorder:	None
Every Child Matters:	None

Appendix A

The charter sets out the draft tenant satisfaction measures:

Theme	Draft tenant satisfaction measures
Keeping properties in good repair	<ul style="list-style-type: none"> • Decent Homes Standard compliance • Responsive repairs completed right first time • Tenant satisfaction with landlord's repairs and maintenance service
Maintaining building safety	<ul style="list-style-type: none"> • Compliance with health and safety obligations: <ul style="list-style-type: none"> ▪ Gas safety ▪ Electrical safety ▪ Fire safety ▪ Asbestos ▪ Water safety ▪ Lift safety • Tenant satisfaction with the health and safety of their home
Effective handling of complaints	<ul style="list-style-type: none"> • Number of complaints relative to the size of the landlord • Percentage of complaints resolved within agreed timescale • Tenant satisfaction with landlord's complaints handling
Respectful and helpful engagement	<ul style="list-style-type: none"> • Number of complaints relating to fairness and/or respect, relative to the size of the landlord • Tenant satisfaction that their landlord listens to their views and takes notice of them • Tenant satisfaction with landlord's engagement with tenants
Responsible neighbourhood management	<ul style="list-style-type: none"> • Percentage of communal areas meeting the required standard • Number of complaints relating to communal areas, relative to the size of the landlord • Tenant satisfaction with landlord actions to keep communal areas clean and safe • Tenant satisfaction with landlord contribution to the neighbourhood associated with their home • Number of complaints relating to anti-social behaviour, relative to the size of the landlord • Tenant satisfaction with landlord's handling of anti-social behaviour
Overall	<ul style="list-style-type: none"> • Tenant overall satisfaction with the service their landlord provides

The above measures will be used by the Regulator of Social Housing as part of its co-regulatory approach to the regulation of the Consumer Standards.

In addition, landlords will need to publish information as part of the tenant satisfaction measures above, clear and accessible information on how much landlords are spending on administrative costs including executive remuneration:

Theme	Draft financial measures
Executive remuneration	<ul style="list-style-type: none">• Chief Executive or equivalent salary, relative to the size of the landlord• Executive remuneration, relative to the size of the landlord
Efficiency and effectiveness	<ul style="list-style-type: none">• Management costs, relative to the size of the landlord