

# 4/2020 The Charter for Social Housing Residents: Social Housing White Paper



17/11/20

## Key Points

- On 17 November, the Government published a White Paper, *The Charter for Social Housing Residents*, proposing reforms to improve social housing and give residents a greater voice.
- The White Paper sets out a 7-point charter specifying what every social housing resident should be able to expect and lists the measures the Government proposes to take to ensure it is met.
- Alongside the White Paper, the Government is consulting on a proposal to require local authorities to provide smoke and carbon monoxide alarms to all dwellings, on the same basis as private landlords are currently required to; the consultation is open until 11 January 2021.
- Legislation will be introduced to strengthen the consumer regulation function of the Regulator of Social Housing so that it can proactively monitor and drive landlord compliance with its consumer standards.
- Routine inspection will be reintroduced; inspections will be prioritised according to risk but with the expectation that every landlord with over 1000 homes is inspected every 4 years.
- Landlords will be required to identify a senior person in their organisation responsible for ensuring they comply with the consumer standards set by the Regulator. Landlords will also be required to identify a nominated person responsible for complying with their health and safety requirements.
- The Regulator will bring in a set of performance indicators, including tenant satisfaction measures and financial information (including information on executive remuneration), on which landlords will be expected to report to every tenant at least once a year.
- The Housing Ombudsman's recently enhanced powers and new Complaints Handling Code will be kept under review, along with the possibility of strengthening them through legislation to put the Code on a statutory footing.
- The Government will run an awareness campaign so that social tenants know their rights, are confident in navigating complaints processes and know where to go for redress where needed.
- The Regulator will require landlords to seek out best practice and consider how they can continually improve the way they engage with social housing residents.
- The Decent Homes Standard will be reviewed to consider whether it should be updated, including how it can better support the decarbonisation and energy efficiency of social homes, and improve communal and green spaces.
- There will be a review of professional training and development to ensure residents receive a high standard of customer service.
- The Government will deliver a new opportunities and empowerment programme for social housing residents, to support more effective engagement between landlords and residents.

## Background

On 17 November, the Government published a White Paper, *The Charter for Social Housing Residents*, proposing reforms to improve social housing and give residents a greater voice. The proposals in the White Paper follow fairly closely the proposals in the Green Paper, *A New Deal for Social Housing*, published in August 2018.

The White Paper begins by arguing that

A home should always be more than just four walls and a roof. A home should provide safety, security and dignity. An opportunity to put down roots and contribute to our community so that we can enjoy social and civic lives. Regardless of who you rent from, your landlord should treat you fairly and with respect. And if things go wrong there should be a swift and effective means of redress.

“We all have these aspirations”, it continues, “but for some social housing residents they have not been met”. The White Paper aims to put this right.

It notes that councils in England provide homes to over 1.6 million households, adding: “This Government has been clear that we want to see councils build more homes and has made this possible through removing restrictions on their borrowing so they can invest”. It also says: “We want housing associations to build yet more homes and to deliver their mission of charitable purpose combined with the best customer service of the private sector”.

Many landlords provide a good service, it argues, but some do not.

### **A Charter for Social Housing Residents**

The Government proposes a 7-point charter setting out what every social housing resident should be able to expect:

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

The White Paper lists the measures the Government intends to take to ensure these expectations are met.

### **Chapter 1: To be safe in your home**

This Chapter lists the action the Government has already taken to respond to the Grenfell Tragedy and ensure the safety of all social housing residents, including publication of the Building Safety Bill and parallel Fire Safety consultation, and proposes in addition to:

- Legislate to strengthen the Regulator of Social Housing’s consumer regulation objectives to explicitly include safety.
- Legislate to require social landlords to identify a nominated person responsible for complying with their health and safety requirements.

- Expect the Regulator of Social Housing to prepare a Memorandum of Understanding with the Health and Safety Executive to ensure effective sharing of information with the Building Safety Regulator.
- Launch a consultation on mandating smoke and carbon monoxide alarms in social housing; this would apply to social landlords the requirements that currently apply to private landlords; the consultation is open until 11 January 2021.
- Consult on measures to ensure that social housing residents are protected from harm caused by poor electrical safety.
- Build on the work of the Social Sector (Building Safety) Engagement Best Practice Group, supporting the development of statutory and good practice guidance on engaging residents in all tenures on safety issues.

## Chapter 2: To know how your landlord is performing

This Chapter proposes new requirements for social landlords to publish information. The Government will:

- Expect the Regulator of Social Housing to bring in a set of tenant satisfaction measures for all landlords on things that matter to tenants.
- Introduce a new access to information scheme for social housing tenants of housing associations and other private registered providers of social housing, so that information relating to landlords is easily accessible by tenants.
- Ensure landlords provide a clear breakdown of how their income is being spent, including levels of executive remuneration, to be published alongside their tenant satisfaction measures.
- Require landlords to identify a senior person in their organisation who is responsible for ensuring they comply with the consumer standards set by the Regulator of Social Housing.
- Expect landlords to report to every tenant on such matters at least once a year, if not continuously, using technology.

These proposals closely follow the approach set out in the 2018 Green Paper, but with some new features. A provisional list of tenant satisfaction measures is included on page 23 of the White Paper, but detailed specification of the new system of indicators is delegated to the Regulator, as previously proposed. The measures chosen should provide tenants with greater transparency about their landlord's performance and inform the Regulator about how the landlord is complying with the consumer standards, and the Regulator is expected to consider the best way of publishing measures so that they are clear and accessible to all tenants, and how to ensure landlords publicise them, although an annual report to every tenant will be a minimum requirement.

MHCLG will work with the Regulator to ensure all social landlords provide a clear breakdown of how their income is being spent.

The White Paper does not mention the possibility of "league tables" ranking landlords' performance but equally does not rule this out. On comparability of performance it says only:

Many respondents expressed concern about the comparability of different landlords and the regulator will need to consider this (para 18, page 21)

The requirement to publish information on executive remuneration is new, as is the requirement to identify a senior officer responsible for compliance with the consumer standards.

### **Chapter 3: To have your complaints dealt with promptly and fairly**

Chapter 3 covers complaints and the future role of the Housing Ombudsman, much of which has already been anticipated in enhanced powers for the Ombudsman and the Complaints Handling Code he has already published.

The Building Safety Bill already proposes to remove the ‘democratic filter’ - the requirement for residents to go to a designated person or wait 8 weeks before approaching the Housing Ombudsman.

Additionally, the Government will:

- Keep the Housing Ombudsman’s powers, and compliance with them, under review and consider ways to strengthen them, including the option of legislation to put the Complaint Handling Code on a statutory footing.
- Run an awareness campaign so social housing residents know their rights, are confident in navigating their routes to complain, and are aware of how to escalate to get redress where needed.
- Ensure lessons are learned and maintain residents’ confidence in the Housing Ombudsman Service through the appointment by the Ombudsman of an independent reviewer by March 2021 to examine any complaints made about the service that the Housing Ombudsman provides.
- Formalise and strengthen the relationship between the Regulator of Social Housing and the Housing Ombudsman by introducing a statutory requirement for both bodies to co-operate with each other in undertaking their responsibilities in holding landlords to account.
- Make the Housing Ombudsman a statutory consultee for any proposal concerning changes to the Regulator of Social Housing’s economic and consumer standards.
- Make the Regulator of Social Housing a statutory consultee for any changes to the Housing Ombudsman Scheme.

### **Chapter 4: To be treated with respect, backed by a strong consumer regulator for tenants**

Chapter 4 sets out measures to strengthen the consumer regulatory functions of the Regulator for Social Housing. The Government will:

- Transform the Regulator of Social Housing so it proactively monitors and drives landlords’ compliance with its consumer standards.
- Remove the ‘serious detriment test’ and introduce routine inspections for the largest landlords (with over 1,000 homes) every four years.
- Change the Regulator of Social Housing’s objectives to explicitly cover safety and transparency, and work with it to review its consumer standards to ensure they are up to date and deliver its revised objectives.
- Give the Regulator of Social Housing the power to publish a Code of Practice on the consumer standards to be clearer on what landlords are required to deliver.
- Strengthen the Regulator of Social Housing’s enforcement powers to tackle failing landlords and to respond to new challenges facing the sector, by removing the cap on the level of fines it can issue, introducing Performance Improvement Plans for landlords failing to comply, reducing the notice period for surveys on the condition of properties, and introducing a new power to arrange emergency repairs if needed where a survey uncovers evidence of systemic landlord failures.

- Make it explicit that provisions in contracts between local authorities and Arms-length Management Organisations or Tenant Management Organisations would be deemed void if they hindered the Regulator of Social Housing in its exercise of its powers.
- Review the statutory Right to Manage guidance.
- Set out an expectation for all landlords to self-refer breaches with the regulatory standards.
- Strengthen the Regulator of Social Housing's powers to provide robust economic regulation of private registered providers.
- Require the Regulator of Social Housing to set up an Advisory Committee to provide independent and unbiased advice on discharging its functions.

Some of these proposals will require primary legislation, to be introduced as soon as Parliamentary time allows. In particular, legislation is required to:

- Remove the serious detriment test
- Give the Regulator a power to publish a Code of Practice on the consumer standards
- Require landlords to identify and make public a nominated person responsible for compliance with their health and safety requirements.
- Add transparency to the Regulator's consumer regulation objective.
- Require landlords to report on tenant satisfaction measures
- Enable the Regulator to require a Performance Improvement Plan for landlords who fail to comply with a consumer standard.
- Reduce the notice period that the Regulator must give a landlord to survey the condition of properties from 28 days to 2 days.
- Enable the Regulator, following completion of a survey, to arrange repairs of dwellings in an emergency where there is clear systemic failure by the landlord, and recoup the costs from the landlord.
- Remove the requirement for the Regulator to seek approval from the Secretary of State before employing its own staff to carry out inspections for breaches of the consumer standards.
- Remove the cap on the level of fines the Regulator is able to issue.
- Require the Regulator to set up an Advisory Committee to provide independent and unbiased advice to the regulator on discharging its functions.

The Regulator is expected to consult with landlords and tenants as they design the reformed consumer regime.

The 'serious detriment test', which currently limits the Regulator's powers to intervene where consumer standards are breached, will be dropped in favour of an approach closer to that used in economic regulation, where the Regulator is expected to take a proactive, proportionate and risk-based approach. Routine inspection is to be reintroduced to ensure compliance with consumer standards. The Regulator will be expected to prioritise inspections according to risk, subject to the expectation that all landlords with over 1000 homes will be inspected every 4 years.

The White Paper notes that, where local authorities delegate management of homes to an ALMO or TMO, they remain the landlord and retain the landlord's responsibilities to ensure that these homes meet the Regulator's consumer standards. Legislation will make it explicit that provisions in contracts between local authorities and ALMOs will be deemed void if they hinder the Regulator in exercise of its powers. The statutory Right to Manage guidance will be reviewed, with the assistance of an expert steering group, to ensure that oversight of TMOs is effective and transparent and promote good management across the sector.

A new function, appropriately staffed and funded, will be established within the Regulator to carry out this wider and more powerful consumer regulation role.

No significant changes are proposed to the Regulator's economic regulation role.



## **Chapter 5: To have your voice heard by your landlord**

Chapter 5 sets out proposals to ensure that all landlords engage well with their residents and listen to them with respect. The Government will:

- Expect the Regulator of Social Housing to require landlords to seek out best practice and consider how they can continually improve the way they engage with social housing tenants.
- Deliver a new opportunities and empowerment programme for social housing residents, to support more effective engagement between landlords and residents, and to give residents tools to influence their landlords and hold them to account.
- Review professional training and development to ensure residents receive a high standard of customer service.

The Government commits to ongoing Ministerial engagement to continue to listen to residents and enable them to have their voice heard.

The proposed new opportunities and empowerment programme will “deliver a range of learning and support activities, as well as providing information for residents on ways to get involved, including their opportunities and rights to do this”. The White Paper also commits the Government to “work with tenant-led national bodies to set out a plan for how best we can support residents to take part in scrutiny activities which are so important in holding their landlord to account”.

The proposed review of professional training and development will consider the appropriate qualifications and standards for social housing staff in different roles, including senior staff. It will be informed by a Working Group made up of residents, landlords, professional bodies and academics which will explore the relevance and value of professional qualifications.

## **Chapter 6: To have a good quality home and neighbourhood to live in**

Chapter 6 confirms the 2018 Green Paper proposal to review the Decent Homes Standard and sets out other measures to improve the quality of homes and neighbourhoods. The Government will:

- Review the Decent Homes Standard to consider if it should be updated, including how it can better support the decarbonisation and energy efficiency of social homes, and improve communal and green spaces.
- Continue to engage with the latest evidence on the impact of housing conditions on health, including COVID-19 transmission, and actively consider options to mitigate these impacts.
- Review professionalisation to consider how well housing staff are equipped to work with people with mental health needs and encourage best practice for landlords working with those with mental health needs.
- Clarify the roles of agencies involved in tackling anti-social behaviour and signpost tenants to those agencies who can give them the most appropriate support and assistance when faced with anti- social behaviour.
- Consider the results of the allocations evidence collection exercise findings to ensure that housing is allocated in the fairest way possible and achieves the best outcomes for local places and communities.

The review of the Decent Homes Standard will, as a first step, consider the case for change. It will:

- Consider the fit with wider Government objectives such as ensuring buildings and neighbourhoods are safe and responding and being resilient to climate change.

- Consider whether the Standard reflects present-day expectations and concerns.
- Assess how far aspects of the Standard have overall had a positive impact.
- Identify any unintended and undesirable consequences precipitated by the Standard.
- Consider whether the Standard is practical for the sector to deliver.

The Government will convene a sounding board of residents, experts, landlords and sector representatives to review the evidence and support this work.

Consultation so far suggests that the Standard does not adequately address current needs in relation to:

- Energy efficiency – the review will consider how to support better energy efficiency and decarbonisation of social homes.
- Safety, vulnerability to crime and anti-social behaviour and access to green spaces and amenities – the review will consider how improvement to communal space around social homes could make places more liveable, safe and comfortable.

The Chapter also considers other measures to support better mental and physical health among social housing residents, including improving green infrastructure to give local communities access to high quality green space, reaffirming current requirements for local authorities to provide adaptations for eligible residents and encouraging all social landlords to allow tenants to keep appropriate pets. The review of professional standards mentioned in Chapter 5 will consider how well housing staff are equipped to work with people with mental health needs and the Government will encourage best practice for landlords working with those with mental health needs.

Noting that tenants in social housing are more likely to be the victims of crime and anti-social behaviour, the Chapter proposes measures to improve landlords' responses to these problems:

- The new tenant satisfaction measures (Chapter 2) will include measures on responsible neighbourhood management, including tackling anti-social behaviour.
- The Government will clarify the different responsibilities that police, local authorities and landlords have in tackling anti-social behaviour.
- It will work with the NHF and LGA to encourage social landlords to inform residents of their right to make a community trigger application and, where appropriate, that they act as an advocate in supporting tenants to take an application forward with the relevant authority.
- Noting that perpetrators of anti-social behaviour in some cases suffer from mental health problems or have issues involving drug or alcohol abuse, the Government will bring together a working group to shape approaches to tackling this issue.

The 2018 Green Paper announced an evidence collection exercise on the operation of local authority allocation schemes. The results will be considered shortly and the Government will consider the findings to ensure that housing is allocated in the fairest way possible and achieves the best outcomes for local places and communities; it will also look at how to improve access to suitable homes for people with disabilities.

The Regulator will be expected to review and amend its regulatory standards to make it clear that landlords should have a policy setting out how they will tackle issues surrounding domestic abuse.

## Chapter 7: To be supported to take your first step to ownership

Chapter 7 begins with a commitment to increase the supply of social homes, but no new money is announced to help local authorities achieve this. The Government points to the abolition of HRA borrowing caps and the £11.5 billion for the Affordable Housing Programme announced in July as evidence of its support for local authority housebuilding. The AHP is claimed to be capable of delivering up to 180,000 homes over the 5 years 2021-26, with half of these to be homes for social and affordable rent, but this represents less than 18,000 homes a year for social rent to be provided by local authorities and housing associations together. After 2 years and 3 months, no decision has yet been reached on the use of RTB capital receipts to fund new homes. Paragraph 148 states:

“To further support local authority housebuilding, we are looking at whether greater flexibilities can be offered around how local authorities can use receipts from Right to Buy sales. A consultation exploring the possibility of this was published alongside the social housing Green Paper and we are considering the policy response.”

Next, the Chapter turns to community-led housing, stating that the Government has supported community-led housing through the Community Housing Fund and will consider how best to maintain that support in future.

As evidence of its aim to help support housing association tenants into home ownership, the White Paper mentions:

- The new Shared Ownership model introduced in September 2020, which reduces the minimum ownership stake from 25% to 10% and allows purchasers to increase their stake in increments as small as 1%, and introduces a 10-year “repair-free” period during which the landlord will cover the costs of major repairs for new homes.
- A new Right to shared ownership will apply to the vast majority of new homes for rent provided by housing associations with grant from the Affordable Homes Programme.
- The pilot voluntary Right-to-Buy scheme for housing association tenants operating in the West Midlands will continue, and an evaluation will be published when it is complete. The White Paper says nothing about implementation beyond that or indeed how it would be funded (The housing association voluntary RTB scheme was originally proposed to be funded by a High Value Asset Levy on stock retained councils).

An independent working party chaired by Lord Best has been looking at issues affecting leaseholders, including how best to present information about service charges and consult on major works. The working party has reported, and its recommendations are being considered.

