



Legal update — August 2018

# Housing and Regeneration Social Housing Green Paper - a 60 second summary

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## The much anticipated Social Housing Green Paper has now been published by government.

Titled 'A new deal for social housing', the Paper focuses on five key principles aimed at ensuring a better deal for people living in social housing:

- Ensuring homes are safe and decent
- Effective resolution of complaints
- Empowering residents and strengthening the Regulator
- Tackling stigma and celebrating thriving communities
- Expanding supply and supporting home ownership

### Safe and decent homes

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.

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.



Source: Fotolia

### Resolution of disputes between residents and landlords

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)).

### Empowering residents

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"). 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.

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

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),

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.

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).

### Addressing stigma

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.

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### Supply of social housing and home ownership

This includes most of the substantive supply-side policy and consultation.

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

- up to £1bn increased borrowing for new Council homes;
- a revised rent settlement (CPI+1% to 2025); and
- more flexibility for Councils in using Right to Buy receipts for additional housing supply.

Government has guaranteed £3.25bn of borrowing under the Affordable Housing Guarantee Scheme (along with an additional £2bn in grant funding).

Government has affirmed its commitment to the 8 "strategic partnerships" with housing associations which will facilitate flexible delivery and create more funding certainty.

Government will repeal the provisions around higher value voids from the Housing and Planning Act 2016.

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. 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.

The Green Paper confirms that restrictions on LA's ability to grant lifetime tenancies will not be implemented.

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). The funding for the VRTB programme is not addressed in the Green Paper.

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