

<b>REPORT TO:</b>	<b>HOUSING AND COMMUNITY SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 8</b>
<b>DATE OF MEETING:</b>	<b>28<sup>th</sup> JANUARY 2021</b>	<b>CATEGORY: (See Notes)</b> <b>DELEGATED or RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR - SERVICE DELIVERY</b>	<b>OPEN</b>
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<b>SUBJECT:</b>	<b>SOCIAL HOUSING WHITE PAPER</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: (See Notes)</b>

## **1.0 Recommendations**

- 1.1 That the Committee notes the implications for the Council's Housing Service of proposals contained in the Government's recently published Social Housing White Paper
- 1.2 That the Committee agrees to consider the financial and legal implications of the proposals at a future meeting.

## **2.0 Purpose of the Report**

- 2.1 The report outlines the content of the Government's recently published Social Housing White paper. The White Paper itself is attached at Appendix A.
- 2.2 It also highlights some potential financial, legal, and regulatory implications for the Council

## **3.0 Executive Summary**

- 3.1 The Social Housing White Paper was published by the Ministry of Housing, communities and Local Government (MHCLG) on 17 November 2020. It is the follow up to the Social Housing Green Paper that was published in August 2018, both of which are part of the Government's response to the Grenfell Tower tragedy and the Hackitt Review of building safety and fire safety.
- 3.2 The White Paper sets out seven core commitments that social housing residents should be able to expect from their landlord:
  - To be safe in your home
  - To know how your landlord is performing
  - To have complaints dealt with promptly and fairly

- To be treated with respect – backed by improved consumer standards and regulation
- To have your voice heard by your landlord
- To have a good quality home and neighbourhood to live in
- To be supported to take your first step to home ownership

3.3 A number of the measures in the White Paper have been anticipated for some time, including the proactive regulatory regime. The Council has already taken action to pre-empt the White Paper in recent reviews of Housing Safety Policies and the creation of new Housing Safety and Asset Management roles agreed in the recent review of the Housing Service. The Regulator for Social Housing (“the Regulator”) has made it clear that the paper is “non consultative” and throughout 2020 has stated that social landlords should not wait for the White Paper or for legislation and should be taking all the necessary steps now to comply with the existing regulation and prepare for the new regime.

## 4.0 Detail

4.1 A detailed description of the proposed changes for Housing Services resulting from the Government’s recently published Social Housing White Paper and the possible implications for the Council are provided in the table below:

<b>Safety</b>	Social landlords will be legally required to identify a nominated senior person responsible for complying with statutory health and safety requirements. This person should be visible and accessible to tenants. They will have specific responsibility for: <ul style="list-style-type: none"> <li>- Driving a strong culture for prioritising and delivering health and safety requirements</li> <li>- Ensuring robust health and safety systems are in place</li> <li>- Providing assurance that health and safety risks are being managed effectively</li> </ul>
	Note: the draft Building Safety Bill also includes the requirement for an Accountable Person for higher-risk building safety and fire safety.
	Safety will be added to the Regulator’s Consumer Standard
	Smoke and carbon monoxide alarms will be mandatory in social housing
<b>Implications for SDDC</b>	Electrical safety standards in social housing will be consulted on to bring the sector in line with private rented sector standards
	<ul style="list-style-type: none"> <li>• The newly created Asset and Improvements Manager role will be required to sign off on the Council’s compliance with all applicable health and safety legislation within the Housing stock, i.e. fire, legionella, electrical, gas, asbestos and lift safety. This role must provide appropriate levels of assurance to the Regulator as well as being accountable (and directly accessible) to tenants.</li> <li>• Regular consultation and engagement with tenants on all health and safety matters will be required</li> <li>• The newly created Asset and Compliance Officer role will be responsible for reviewing and revising the current approach to assessing, reporting and scrutinising health and safety risks within the Council’s housing stock.</li> </ul>
<b>Landlord performance</b>	Social landlords will be required to identify a nominated senior person responsible for complying with the Regulator’s Consumer Standards.
	The regulator will introduce a national set of tenant satisfaction measures–

	social landlords will be required to regularly publish these
	Social landlords will be required to publish a breakdown of the how their income is being spent, including management costs and executive remuneration
<b>Implications for SDDC</b>	<ul style="list-style-type: none"> <li>Given the breadth of issues covered by the Regulatory Standards the Head of Housing would be the nominated responsible officer. The standards will not only require compliance with all facets of the housing function but will also require that robust assurance is provided on performance data, anti-social behaviour (ASB), customer service and health and safety.</li> <li>The requirement to regularly collect, scrutinise and publish a new set of prescribed performance indicators and tenant satisfaction measures suggests a dedicated performance officer is required, along with the development of an appropriate technology solution for 'real time' reporting and publication.</li> <li>The requirement to regularly publish a detailed breakdown of management costs (and associated salaries) will place this information in the public domain</li> </ul>
<b>Complaint handling</b>	<p>The 'democratic filter' will be removed by the Building Safety Bill, meaning that residents no longer have to wait eight weeks or go to a designated person to access the Housing Ombudsman</p> <p>Social landlords must widely publish their complaints policy</p> <p>To ensure complaints are resolved as quickly as possible, the Housing Ombudsman will have new powers to take action where landlords are acting unreasonably slowly, as well as increased resources to provide mediation and support to landlords</p> <p>From March 2021, the Housing Ombudsman will publish details of the individual cases it has determined, as well data on individual landlord's complaints volumes, categories and outcomes.</p> <p>The Housing Ombudsman will report cases of non-compliance with any of their orders to the Regulator</p> <p>MHCLG will run an awareness campaign for social housing residents on their rights to redress and routes to complain</p> <p>The Housing Ombudsman will engage directly with social housing residents through regular virtual events and a new Resident Panel</p>
<b>Implications for SDDC</b>	<ul style="list-style-type: none"> <li>Failure to comply with the new Housing Ombudsman Complaint Handling Code would result in investigation and enforcement by the Housing Ombudsman and a referral to the Regulator who may do the same.</li> <li>The Council must be in a position to accept and identify Housing complaints made via social media channels.</li> <li>The requirement to report annually to tenants remains mandatory and additional information must now be included in this. An annual report to members is also required.</li> <li>The new definition of complaints may lead to increased number of complaints, which the Council needs to be prepared for</li> </ul>
<b>Consumer regulation</b>	<p>A system of routine inspections will be introduced by the Regulator – all social landlords with over 1,000 homes will be inspected at least every four years</p> <p>The Regulator will also conduct specific, reactive investigations and inspection where a potential compliance breach is identified</p> <p>Findings from inspection, investigations and details of enforcement action taken will be published<sup>1</sup>.</p>

	<p>An annual desktop review of a range of information sources is expected</p> <p>Local authorities will be required to self-refer breaches of consumer standards to the Regulator.</p> <p>The Regulator will seek assurance that councillors have sufficient oversight of regulatory compliance</p> <p>The Regulator will have new powers, including unlimited fines and the ability to issue Performance Improvement Plans</p> <p>A new consumer regulation function within the Regulator will be created to deliver the new proactive consumer regulatory regime</p>
<b>Implications for SDDC</b>	<ul style="list-style-type: none"> <li>• Compliance with the Regulatory Standards will require the delivery of a good service and the service must be able to evidence and ensure its compliance.</li> <li>• Significant preparation for inspections will be required, which will be detailed and time consuming and could be at short notice.</li> <li>• An annual programme of compliance will need to be established to comply with the annual desktop review</li> <li>• A system to identify potential and actual breaches in a timely manner is required, and a process to report these to the Regulator.</li> <li>• Compliance monitoring and scrutiny will need to be built into the Housing and community Services Committee work Programme</li> <li>• The Housing Service may require additional support to ensure all requirements are met, documented and recorded,</li> </ul>
<b>Tenant voice</b>	<p>Social landlords will have to demonstrate to the Regulator how they have sought out and considered ways to improve tenant engagement The Council is well placed in this regard having only recently reviewed its tenant engagement strategy. The Strategy and Action Plan were presented to the Housing and Community Services Committee on 1/10/2019</p> <p>Ministers will continue to listen to residents directly</p> <p>MHCLG will deliver an opportunities and empowerment programme, providing a range of learning and support activities to provide residents with tools to better influence and hold landlords to account</p> <p>MHCLG will review the professional qualifications and standards required for social housing staff in different roles, including senior staff. The review will include customer service, mental health support, courtesy, respect, empathy and professional competence.</p>
<b>Implications for SDDC</b>	<ul style="list-style-type: none"> <li>• A new approach to engaging with tenants has already been incorporated within the Housing Customer Engagement strategy</li> <li>• All staff that interact with social housing tenants will need to achieve the appropriate level of professional competence and/or qualification, which may be nationally prescribed. This should include matters of health and safety, customer service and mental health. Councillors may also require training on these matters to fulfil their obligations with the Regulator.</li> <li>• There will be cost implications to ensuring staff are trained and qualified</li> </ul>
<b>Quality home and neighbourhood</b>	<p>MHCLG will review the Decent Homes Standard to consider how it can better support decarbonisation and energy efficiency, neighbourhood and home safety, and improved communal and green spaces. The first part of the review will be completed by Autumn 2021.</p> <p>MHCLG will clarify the roles of agencies involved in tackling ASB</p> <p>The new national tenant satisfaction measures will include measures on responsible neighbourhood management, including tackling ASB</p> <p>MHCLG will soon publish the findings of a review of local authority allocation schemes</p> <p>The regulatory standards will be updated to require social landlords have a policy setting out how they will tackle domestic abuse</p>

<b><i>Implications for SDDC</i></b>	<ul style="list-style-type: none"> <li>• The Council will need to consider the cost of achieving EPC level 3 by 2030 and net zero by 2050 . Work is already underway with Nottingham City council to assess the level and nature of works required.</li> <li>• A Housing Domestic Abuse Policy will be presented to Housing and Community Services Committee in March 2021</li> </ul>
<b>Home ownership</b>	<p>This chapter reiterates previous Government announcements around affordable home ownership:</p> <ul style="list-style-type: none"> <li>- The introduction of a new shared ownership model</li> <li>- A commitment that 50% of new homes funded by Homes England will be for affordable home ownership <ul style="list-style-type: none"> <li>• The introduction of a new Right to Shared Ownership for grant funded Housing Association Homes</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>- MHCLG is committed to ensuring new social housing is well-designed and have amended the NPPF and created a National Design Guide to reflect this</li> </ul>
	<ul style="list-style-type: none"> <li>- Further leaseholder reforms will be announced, including service charge transparency and major works consultation</li> </ul>
<b><i>Implications for SDDC</i></b>	<ul style="list-style-type: none"> <li>• The new requirements will have a negative impact on viability of sites as Registered Providers will need to sell a lower percentage and undertake maintenance / compliance for the first 10 years</li> <li>• Some sites won't be viable, and this will reduce overall numbers of affordable homes delivered</li> <li>• The 1% staircasing is complex and difficult to administer</li> <li>• Many sites within the District are in Designated Protection Areas (DPA's) and will need restrictions lifted to enable the delivery of shared ownership homes (as they won't stay affordable in perpetuity) – this will require increased officer time to administer</li> </ul>
	<ul style="list-style-type: none"> <li>• Possibility of mandatory inclusion of shared Ownership within funded development schemes.</li> <li>• The need for greater transparency and equity within Service Charges for leaseholders and tenants.</li> </ul>

4.2 A new suite of national Housing Performance Indicators is proposed in the White Paper. Some of these are new indicators the collection and reporting of which will need to be supported by the Corporate Performance Management approach. The proposed indicators are:

- Decent Homes Standard compliance
- Responsive repairs completed right first time
- Tenant satisfaction with repairs and maintenance service
- Compliance with health and safety obligations (gas, electric, fire, asbestos, water, lifts)
- Tenant satisfaction with the health and safety of their home
- Number of complaints received
- % of complaints resolved within agreed timescale
- Tenant satisfaction with landlord's complaint handling
- Number of complaints relating to fairness and/or respect
- Tenant satisfaction that their landlord listens to their views and takes notice of them
- Tenant satisfaction with landlord's engagement of tenants
- % of communal areas meeting the required standard
- Number of complaints relating to communal areas

- 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 ASB
- Tenant satisfaction with landlord handling of ASB
- Tenant overall satisfaction with the service their landlord provides

## **5.0 Financial Implications**

- 5.1 There are direct financial implications within the White Paper regarding the provision of enhanced levels of safety in all Council dwellings. This is apparent in the provision of Carbon Monoxide monitoring in all dwellings and a higher level of electrical safety.
- 5.2 The delivery of improvements that reduce the carbon footprint of the Council's Housing stock will also have financial implications although these may be offset by additional grant funding being made available to the council.
- 5.3 The requirement to provide more transparency with regard to service charges for leaseholders may require further review of current service costs for leaseholders and tenants
- 5.4 Separate reports providing more detail in these areas will be presented to the Housing and Community Services Committee in due course.

## **6.0 Corporate Implications**

### **Employment Implications**

- 6.1 There are no direct employment implications within this report.

### **Legal Implications**

- 6.2 The White Paper does have some legal implications for the Council in terms of its compliance with a new inspection and regulatory regime. This includes new processes for handling and reporting complaints and a new relationship with the Housing Ombudsman.

### **Corporate Plan Implications**

- 6.3 The proposals in the White Paper are aligned to the Council's Corporate Aims to:
  - Tackle climate change: Strive to make South Derbyshire District Council carbon neutral by 2030. Work with residents, businesses and partners to reduce their carbon footprint.
  - Deliver excellent services: Ensure consistency in the way the Council deals with its service users. Have in place methods of communication that enable customers to provide and receive information. Ensure technology enables us to effectively connect with our communities
  - Support and safeguard the most vulnerable With partners encourage independent living and keep residents healthy and happy in their homes. Promote health and wellbeing across the District. Improve the condition of housing stock and public buildings.

### **Risk Impact**

- 6.4 The importance of housing safety has already been acknowledged by the Council in the Service Delivery Risk Register.

## **7.0 Community Impact**

### **Consultation**

- 7.1 The proposals within the White Paper will be discussed with tenants as part of the delivery of the Housing Customer Engagement Action plan.

### **Equality and Diversity Impact**

- 7.2 The proposals and suggested performance indicators within the White Paper will enhance the levels of reporting of performance regarding fairness and respect, vulnerable groups and also wider awareness and understanding of issues facing these groups especially people suffering from mental ill health

### **Social Value Impact**

- 7.3 The proposed performance indicators include a range of measures that will assist in measuring the Social Value Impact of the Housing Service from the tenant and resident perspective.

### **Environmental Sustainability**

- 7.4 The White Paper provides a clear outline of the important role that Social Housing providers have in reducing the carbon footprint and increasing the energy efficiency within the Housing stock.

## **8.0 Conclusions**

- 8.1 The White Paper provides a welcome focus on the importance of the provision of good quality, safe affordable homes
- 8.2 It also does create some potentially significant financial implications for the Council and other landlords
- 8.3 A new regulatory framework will also create some additional financial and legal challenges for the Council.

## **9.0 Background Papers**

- 9.1 None