Levelling up on social housing: driving up social housing standards

In a new series of updates, our Built Environment team looks at developments affecting the UK housing sector and the implications for its stakeholders.

Putting social housing high on the agenda

The expression 'levelling up' was used by the Prime Minister during the 2019 general election. This was followed, in September 2021, by the government renaming the Ministry of Housing, Communities and Local Government as the Department for Levelling Up, Housing and Communities (**DLUHC**). On 2 February 2022, the government published a White Paper, Levelling Up in the United Kingdom, which is aimed at achieving 12 "levelling up missions" by 2030. A summary of what levelling up means for housing is set out below.

The Grenfell tragedy brought forward the need for substantial culture change to reassure the public and regain their confidence and trust in the safety of buildings.

In August 2018, 14 months after Grenfell, the then Ministry of Housing Communities & Local Government (now DLUHC) published a Green Paper, A new deal for social housing, accompanied by a call for evidence, Review of Social Housing Regulation, which invited views from stakeholders. The Social Housing White Paper made specific reference to fire safety, the Hackitt Review and its commitment to bringing in new legislation that would deliver a far-reaching overhaul of the system; our article, A new regime for fire safety in high-risk buildings A new regime for fire safety in high-risk buildings provides further information.

The Green Paper heralded the start of a major reform of social housing in the UK. It states that nearly one in five English homes are owned by local councils or housing associations and, in the two foreword sections, highlights the government's commitment not just to the fabric of social homes, but also to empowering social residents. The paper lists five principles that will underpin "a new, fairer deal for social housing residents": top principles include ensuring that homes are safe and decent and the need for swift and effective resolution of disputes.

Green Papers and White

Green Papers often represent the first step towards changing the law, both where new legislation is required and/or existing legislation needs to be revamped. They set out the detail concerning specific issues along with possible courses of action in terms of both policy and legislation. After publication, the suggestions will often be up for public consultation; the discussions then feed through to the next stage of the process, the White Paper.

White Papers set out the proposals for legislative change and their content may be debated before a Bill is produced. Once a Bill has gone through the parliamentary process, it is sent to the Queen for Royal Assent, and then becomes an Act of Parliament as it passes into law.

The Social Housing White Paper Charter for Social Housing Residents

The Social Housing consultation ended and responses were published in November 2020 following which the government published its <u>Social Housing White Paper</u>: <u>Charter for Social Housing Residents</u> (the <u>Social Housing White Paper</u>) which sets out the following main principles (the <u>Charter</u>) underpinning what each social housing resident should be able to expect. These are:

- 1. to have a safe home:
- 2. to know how the landlord is performing;
- 3. to have complaints dealt with promptly and fairly;
- to be treated fairly and with respect, backed by a strong consumer regulator for tenants;
- to ensure tenants have their voice heard by their landlord;
- to live in a good quality home and neighbourhood; and
- 7. to be supported to take the first step towards home ownership.

The Regulator of Social Housing: policy development and open consultation

The Social Housing White Paper also puts the Regulator of Social Housing (the **Regulator**) at the heart of ensuring compliance with the Charter:

- in November 2021, the Regulator set out its preliminary ideas across a number of areas (which are to be developed during the course of this year in response to feedback from stakeholders, including tenants and landlords) in a policy paper entitled <u>Reshaping Consumer</u> <u>Regulation: Our principles and approach</u>; and
- in December 2021, as part of the wider implementation of the changes to consumer regulation set out in the Social Housing White Paper, the Regulator also launched a consultation seeking proposals on The

Introduction of Tenant Satisfaction Measures (which closed on 3 March 2022, although no outcome has been published yet).

The main features of the Regulator's policy paper include:

- outcomes-focused standards (such as ensuring social housing is well managed and tenants' complaints are dealt with efficiently and effectively) which the Regulator expects landlords to achieve but allows them to decide how they are achieved;
- reviewing and updating consumer standards to reflect the themes of safety, quality, neighbourhood, engagement and accountability and tenancy;
- using tools (such as consumer inspections and desk-top reviews) to gather assurance about whether landlords are meeting the new consumer standards;
- introducing a set of tenant satisfaction measures to provide tenants with information that can be used to hold their landlords to account; and
- working with the government, the Housing Ombudsman (the Ombudsman) and the Building Safety Regulator.

Social Housing White Paper Professionalisation Review and Review of the Decent Homes Standard

More recently, on 18 January 2022, the Minister for Rough Sleeping and Housing, Eddie Hughes, announced the launch of a new <u>Social Housing</u> <u>White Paper Professionalisation Review</u> which is designed to ensure that social housing residents are better protected. The key themes covered by this of the review are:

1. Ensuring that residents live in safe and good quality homes

The latest English Housing Survey Headline Report was published on 9 December 2021. The report highlights the fact that the proportion of households in the social rented sector has not changed in over a decade and that, in 2020, 13% of dwellings

were regarded as "non-decent" homes, which is also lower than the proportion of private rented homes (21% regarded as non-decent) and owner occupied (16%) homes.

The Social Housing White Paper sets out a number of ways in which the government will seek to ensure residents in social housing live in safe and good quality homes. In addition, working to implement the Charter, a review of the policy documents collectively known as the Decent Homes Standard is also under way and DLUHC will consider what amendments are necessary; the guidance on the Decent Homes Standard review states that the expectation is that Decent Homes Standard will be updated.

The four key criteria for evaluating decency in the current <u>Decent Homes Standard guidance</u> are that homes should:

- 1. present no serious hazards;
- 2. be in a reasonable state of repair;
- have reasonably modern facilities and services; and
- 4. have efficient heating and effective insulation.

Part 1 of the Decent Homes Standard review began last year. If it is decided that the Standard needs to be changed, a second review will take place to consider how decency should be defined. Almost 16 years have passed since the Decent Homes Standard guidance was last updated, it will be interesting to see how the requirements are "levelled up".

2. Ensuring that residents are listened to

The government has noted that the majority of social housing tenants who lodged a complaint were unhappy with the response they received and the Ombudsman has seen complaints more than double in the past year. The Charter seeks to ensure that tenants are informed on how to raise concerns and have confidence that landlords will take them seriously. In an attempt to achieve this, the government will also launch a communications campaign and ensure clearer communication between the Regulator and the Ombudsman in taking action against landlords.

3. Ensuring that staff are adequately trained

The Social Housing White Paper
Professionalisation Review aims to drive up
standards by better equipping social housing staff
to assist their tenants, which includes dealing more
effectively with complaints and ensuring that homes
are of good quality. It seeks to achieve this by
reviewing the qualifications currently available for
staff and will put forward recommendations to the
government from landlords, residents and trade
bodies.

Government's latest White Paper: Levelling Up in the United Kingdom

The <u>Levelling Up White Paper</u> sets out a plan to transform the UK by spreading opportunity and prosperity to all parts of it. The proposals in the White Paper that concern housing will represent significant changes in the sector. These include:

- new projects to transform derelict urban areas and regenerate 20 cities and towns across the country;
- all homes in the private rented sector having to meet a minimum standard – the Decent Homes Standard;
- the '80/20 rule' which leads to 80 per cent of government funding for housing supply being directed at 'maximum affordability areas' – with much of the £1.8 billion brownfield funding being diverted to transforming brownfield sites in the North and Midlands (and the Metro Mayors receiving an allocation of £120 million of this funding);
- Section 21 'no fault' evictions being abolished, ending the situation where renters can be evicted for no reason;
- a consultation on introducing a landlords' register;
- a new £1.5 billion Levelling Up Home Building Fund to boost homeownership; and

 a new Social Housing Regulation Bill to deliver the commitments made by the government following the Grenfell tragedy.

The road ahead

The government's review and its flagship Levelling Up White Paper come at a time when serious questions are being asked about the state of social housing, particularly in relation to construction and safety, and the sector is having to respond to a wide range of remedial schemes and defects within the housing stock. The wider issues concerning

social housing are broad ranging and extend to planning, construction, environmental and health and safety matters.

The development of policy supported by open consultations and government reviews together seek to drive up standards in social housing with an unrelenting focus on the safety and quality of residents' homes and helping residents to have their voices heard. Our Built Environment team is following developments closely and will continue to provide updates in this area including the results of consultations.

Contacts



Donald Warnock

Partner, London +44 20 7444 2077 donald.warnock@nortonrosefulbright.com



Neave Maguire

Associate, London +44 20 7444 3807 neave.maguire@nortonrosefulbright.com

Law around the world

nortonrosefulbright.com