

The challenges facing social housing providers

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About ARCH

- Network of councils that have retained ownership & management of their housing stock.
- 68 member councils from across the country.
- Governed by an Executive Board comprising elected members and chief officers & tenant representatives
- ARCH Tenant Group comprising tenant representatives from 19 member councils.
- More information: www.arch-housing.org.uk

The voice of Stock Retained Councils

The Challenges facing social housing providers:

- What can we do to restore faith in the sector?
- How do we ensure tenants have a voice in the management of their homes?
- What does the government promise of a “new generation of council housing” really mean

The challenges

Grenfell!

Grenfell!

Grenfell!



What our customers told Ministers:

“Fire safety concerns me most because a lot of young families reside in these blocks. This can be improved by educating residents.”

“In general the building is in good upkeep. However when things go wrong e.g. there is a leak, the housing association does not act appropriately.”

“Organisations expect to wear you down. I wish it was easier for me.”

“No one is the right person and residents are passed along, frequently, it takes a long time, causes a lot of stress and issues remain unresolved.”

“Their performance needs to be monitored by an independent authority so there is help when they don’t do these things.”

What our customers told Ministers:

“[My main concern is] the perception of council tenants as benefit scroungers when there are many tenants who are hardworking, honest people.”

“I feel privileged and lucky to be a housing association tenant, having an affordable, secure and quality home means everything.”

“ The complaints process is opaque, inaccurate and chaotic with too many stages and little clarity on the roles and responsibilities of those involved”

“The housing association is not quick at responding to issues. It’s as though I don’t live there so I don’t have to worry about it”

“Being spoken to by staff on the phone in a condescending manner, it’s sometimes humiliating and always demoralising”

Restoring faith in the sector

The Government's response:

- Grenfell Public Inquiry - ongoing
- Review of Building Regulations & Fire Safety - final report published, implementation phase underway & feeding into:
- Social Housing Green Paper – out for consultation until 6 November
- Legislation & Regulation ?



The Social Housing Green Paper

A new deal for social housing

Chapter one: Ensuring homes are safe and decent

A safe and decent home which is fundamental to a sense of security and our ability to get on in life

Chapter two: Effective resolution of complaints

Swift and effective resolution so that when residents have concerns about the safety or standard of their home, they get swift and effective action

Chapter three: Empowering residents and strengthening the Regulator

Empowering residents and ensuring their voices are heard so that landlords are held to account

Chapter four: Tackling stigma and celebrating thriving communities

Tackling stigma and celebrating thriving communities, challenging the stereotypes that exist about residents and their communities

Chapter five: Expanding supply and supporting homeownership

Building the social homes that we need and ensuring that those homes can act as a springboard to home ownership

Some initial views on the Green Paper

There are a number of themes which link most of the detailed proposals and the 48 specific questions posed in the Green Paper which the ARCH response will address. These are:

- The need for more investment in the existing stock and to increase the supply of new council and housing association homes;
- Proposals to improve arrangements for handling residents' complaints;
- Proposals to introduce housing management performance indicators and publish them in league tables, alongside an enhanced role for the Social Housing Regulator;
- Proposals to tackle the stigma experienced by residents in social housing.

A new generation of council housing?

- The commitments made in the Green Paper to support councils to build more council housing are very welcome.
- In particular, the decision not to impose the planned Higher Value Asset Levy and to repeal the relevant provisions of the Housing & Planning Act 2016 are warmly welcomed.
- This will mean that, for the first time in many years, councils will be able to prepare longer term Housing Revenue Account Business Plans without the threat of imposition of the Levy and the sale of so called higher value council housing and the consequent loss of vital future rental income.
- For tenants this will mean that councils will not be forced to sell “higher value” council housing when they become empty and such properties will continue to be available for re-let to tenants and applicants on council housing waiting lists.

A new generation of council housing?

- The proposals for reform of the ways in which councils will be able to use receipts from the sale of council houses under the statutory Right to Buy, issued alongside the Green Paper, are also to be welcomed.
-as is the recently announced increase in the Housing Revenue Account borrowing cap “in areas of high affordability pressures” by up to £1billion over the 3 years from April 2019.

But.....

- Even when combined, these measures alone may not be sufficient to create a new generation of council housing; and
- Although very welcome, we think are unlikely to do little more than enable councils to move closer to achieving the target of replacing homes sold under the Right to Buy on a one-for-one basis.

Ensuring homes are safe & decent

- The Green Paper asks if there any changes to what constitutes a Decent Homes that the Government should consider?
 - We say yes – but it is important that we take into account tenant views
 - The present Decent Homes Standard says little or nothing about the standards for communal areas or neighbourhoods
 - Improvements in the energy efficiency of social housing would be welcome but will need substantial funding. Figures from the Energy Saving Trust suggest only 55% of social rented homes currently meet EPC Band C or above.
 - We will want to respond to this question with a considered view after consultation with our members.

Arrangements for handling complaints

- Some of the ideas in the Green Paper to improve arrangements for handling residents' complaints are welcome.
- We agree that the current use of the “Designated Person” role in the complaints procedure is little understood and underused and does not work.
- We believe the current 8 week wait before a tenant can refer a complaint to the Housing Ombudsman following a final decision on the outcome from a landlords complaints system should be reduced.
- The Green Paper asks if this should be reduced to 4 weeks? We see no reason why the complainant should not be entitled to refer their complaint to the Ombudsman immediately

Performance indicators & league tables

- A strengthening of the social housing regulators role is inevitable and is what most tenants would expect to see following the Grenfell tragedy and we believe it is right and proper that landlords should account to their tenants for their performance
- Performance indicators must be meaningful to tenants and enable them to compare performance of their landlord with others
- We have some concerns that “league tables” may oversimplify matters and not give the full picture and are seeking further dialogue with the Housing Ministry and the Social Housing Regulator on the performance indicators proposed.
- ARCH has held preliminary discussions with the National Federation of Almost, The Councils With Almos Group and HouseMark to bring forward a potential suite of performance indicators that tenants might find useful in comparing their landlords performance.

Tackling stigma

- We welcome the decision to abandon the idea of mandatory fixed term tenancies, leaving this to the discretion of each local authority in consultation with their tenants.
- The Green Paper proposals to tackle stigma seem primarily concerned with landlord attitudes and behavior towards social housing residents and say very little about the role of other Government departments and agencies and public services all of which contribute to varying extent to the feelings of stigma experienced by social housing residents in general and council tenants in particular.
- The Green Paper does not seem to propose action to tackle media attitudes, which play a major role. ARCH has supported the tenant led “Benefit to Society Campaign” (now renamed “See the Person”) and we would like to see the Government pro-actively support and fund this campaign.
- We would have expected the Green Paper to have supported Dame Judith Hackitt’s recommendation that Government should provide funding for organisations working at local and national level to provide advice, guidance & support on effective resident involvement & engagement

Investing in social housing

- The Green Paper asks whether the right balance is currently being struck between providing grant funding for housing associations and Housing Revenue Account (HRA) borrowing for local authorities.
- The last time the country was building anywhere near 300,000 new homes a year was in the late 1960's when council housing made up almost half of the total supply but it should not be a case of one arm of the social housing sector losing out against the other and overall more investment is urgently needed in social housing provided by both housing associations and councils.
- Welcome as they are, if the government is to deliver its promise of a new generation of council housing and potential improvements to the Decent Homes Standard, it needs to go further than a £1bn increase in HRA borrowing for councils in areas of high affordability pressures, the abandoning the Higher Value Asset Levy and introducing greater flexibilities in the use of RTB receipts
- We would like to see the Government agree a general raising of HRA debt caps for all stock retained councils, allowing individual authorities to set their own HRA borrowing and financing limits within the context of a long-term sustainable HRA business plan and in line with the operation of the Local Government Prudential Code.”

Thank You:

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