

Councillors Briefing Note No. 365

Service : *Housing and Commercial Development*

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Subject: Green Paper; A New Deal; for Social Housing, Rough Sleeping strategy and Consultation on use of Right to buy receipts

A New deal for Social Housing

On 14 August government published a social housing green paper – A new deal for social housing. It sets out a proposed strategy for reforming social housing. Consultation responses are required by the 6 November 2018.

It is based around five core themes:

- 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

Ensuring homes are safe and decent

The government proposes:

- implementing the recommendations from Hackitt Review of building regulations and fire safety, legislating to fundamentally reform the current system.
- establishing a pilot with a group of social landlords who would trial options to improve communication and engagement with residents on safety issues.
- reviewing the decent homes standard. This might include adding new requirements around energy efficiency and fire safety to mirror those recently introduced in the private sector.

Complaint resolution

The government proposes:

- a number of possible options to improve the way that complaints about social landlords are handled, including:
 - looking at ways to speed up landlords' internal complaint processes, for example by asking the regulator to set out some suggested timings in a code of practice.
 - Exploring ways to improve the use of mediation in landlord/tenant disputes
 - Looking at ways to raise awareness among tenants of their rights and the options available to them to make a complaint about their landlord.
 - Reforming or removing the requirement that complainants go through a 'designated person' (an MP, councillor or tenant panel) or wait eight weeks before they can contact the Ombudsman with a complaint.

Empowering residents and strengthening the regulator

The government proposes:

- Requiring all landlords to provide data on a number of key performance indicators to the regulator for regular publication. The regulator would then publish these in the form of league tables to enable comparison between landlords. Performance could then be taken into account when government funding is being allocated to individual landlords, for example to support the development of new homes.
- Considering a number of potential changes to the system of regulation for social landlords. A separate call for evidence has also been published on this subject. Potential changes include:
 - Enabling the regulator to take a more proactive approach to enforcing the 'consumer standards' (covering tenant involvement and empowerment, homes, tenancies and neighbourhoods and communities).
 - Giving the regulator more powers to scrutinise the performance of local authority landlords.
- Considering options to give tenants a voice on policy issues at a national level, including perhaps establishing a representative body
- Looking at a variety of options to promote more community ownership, or community leadership of social landlords.

Tackling stigma

The government proposes:

- Providing support for community events and initiatives

- Encouraging greater levels of professionalism and a 'customer service culture' within the social housing sector
- Publishing further guidance on the National Planning Policy Framework (NPPF) to encourage new affordable homes to be designed to the same standard as other tenures and ensuring these are well-integrated with developments.

Expanding supply and supporting home ownership:

The government proposes:

- Not implementing plans to require councils to sell their most valuable homes as they become vacant, in order to fund extension of the right to buy all housing association tenants
- Giving councils new flexibilities to spend the money raised from right to buy sales on new homes. A separate consultation has been launched to look at this issue
- Not requiring councils to offer all new tenants a tenancy for a fixed term. Local authorities will still be able to use fixed term tenancies at their discretion.
- Ensuring that where an existing secure/assured tenant needs to move as a result of domestic abuse, they are always able to retain their lifetime tenancy
- Entering into deals with some housing associations to provide certainty over government funding over a longer period than is currently possible. This is intended to address the 'stop-start' nature of government's current approach to allocating funding for five years at a time
- Looking at ways to support the development of more community-led house building
- Gathering further evidence on how the current approach to social housing allocations is working in practice in different parts of the county
- Looking at ways to make it easier for new shared owners to increase their stake in their home in the future. This might include, for example, allowing them to buy much smaller increments than are usually possible.

Rough sleeping strategy

The Rough sleeping strategy was published on 13 August. It sets the vision to halve rough sleeping by 2022 and to end it by 2027. It builds on the Rough sleeping initiative of March 2018 through the three objectives of prevention, intervene and recover.

Prevention

- £ 3.2 million is to be made available over the next two years for pilots to help those leaving prison to secure stable accommodation and also to fund the provision of accommodation for care leavers who have complex needs.
- There will be a review of legislation including the Vagrancy Act.
- Understanding of data and links between areas such as modern slavery and

rough sleeping will be improved.

- Affordability in the private rented sector will be improved within the light of the end of the Local housing allowance freeze in 2020.

Intervention

- The rough sleeping initiative will be extended.
- Somewhere safe to stay pilots will be set up through £ 17 million of funding.
- Funding will be made available for Rough sleeping navigators to help those rough sleeping into the most appropriate services.
- Health funding will be made available to support those rough sleeping which will be informed by an audit.
- There will be new training for front line staff so that they can better cope with issues such as working with rough sleepers who are under the influence of Spice.
- £5 million of funding will be made available to help non-UK nationals who are rough sleeping including a team to resolve immigration status.
- New funding will be made available for Streetlink

Recovery

The Dormant assets fund of £ 135 million will be used to finance homes for those who have been rough sleeping

Move on funding of £ 50 million will be made available for schemes outside London for those who have rough slept or are ready to move on.

Investment of £ 9 million will be made available for schemes that help ex-rough sleepers maintain tenancies.

Local letting agencies will be supported via funding so that they can better help vulnerable people into private rented sector accommodation.

Housing first scheme pilots will be supported by £ 28 million in Greater Manchester, West Midlands and Liverpool.

Each Job centre plus is to have a housing expert.

The young futures fund social impact bond to support young people who are not in education, employment or training.

Consultation on use of RTB receipts

The government has issued consultation paper on the use of Right to buy receipts on 14 August with consultation closing on the 9 October.

- Government is consulting on changes to the use of Right to buy (RTB) capital receipts which were introduced in 2012 when the RTB was reinvigorated.

- At present RTB receipts are held for three years and then returned to government with interest if not spent on replacement housing. It is proposed that this could be extended to a five-year period for some capital receipts.
- RTB capital receipts can be used for a maximum of 30% of development costs. It is suggested that the maximum could be increased to 50% where there is a need for social rented housing in a locality.
- It is suggested that RTB receipts could be used for acquisitions as well as new build but maximum acquisition amounts would be set and for the south west it would be set at £ 152,000.
- It is suggested that RTB receipts could be used for shared ownership development as well as affordable rent.
- At present the council cannot transfer capital receipts to a local housing company but it is suggested this could be permitted as long as the properties developed provided tenants with similar rights as that enjoyed if the property was developed in the housing revenue account such as home ownership opportunities.
- It is asked if the replacement target where the intention was that for each property sold under the RTB a replacement should be provided funded partly by the capital receipt is revised so that all new build, acquisition is taken into account regardless of the Government policy to set against those properties which were sold under the RTB.

Supported housing funding to be retained in welfare system

- On 8 August 2018 the government announced that housing benefit will be kept in place for all those living in supported housing. Ministers have recognised that “supported housing is a vital service for some of the most vulnerable people in our communities”. Last year the government consulted on possible alternative funding options. In listening to views from providers, stakeholders and councils, the government has decided housing benefit will remain in place to fund this accommodation