

UNISON BRIEFING:

SOCIAL HOUSING REGULATION BILL JUNE 2022

1. INTRODUCTION

The Social Housing Regulation Bill was introduced in Parliament on 8 June 2022. The aim of the Bill is to drive up safety standards and increase the performance and accountability of social landlords, ensuring that the homes they rent out to tenants are well maintained and managed to new regulatory standards. The Bill comes five years after the Grenfell Tower fire tragedy killed 72 people, injured 14 and revealed that the concerns of tenants on the fire safety of their homes were often ignored.

UNISON is keen to engage with parliamentarians on the Social Housing Regulation Bill, which will have a significant impact on how social landlords engage with their tenants, and on the way social housing services are delivered, managed and regulated.

2. BACKGROUND

Following the Grenfell Tower fire tragedy in June 2017, the Government promised to bring in new reforms to regulate the social housing sector and drive up standards, so that such a tragedy never happens again. The Government published the Social Housing Green paper, "A New Deal for Social Housing in August 2018", which <u>UNISON responded to</u>. This set out proposals to "rebalance the relationship between residents and landlords" to ensure that social homes are safe and decent, issues are resolved and residents' voices are heard. A subsequent call for evidence from August to November 2018, the "Review for Social Housing Regulation", received over 1000 responses. The Conservative Party made a manifesto pledge at the General Election of 2019 to better regulate social housing. The Government's Social Housing White Paper set out proposals to deliver transformational change for social housing residents in England to:

- Ensure social housing is safe
- Make it easier to know how social landlords are performing, increasing transparency and accountability
- Ensure swift and effective complaint resolution
- Strengthen the consumer standards social landlords must meet, and create a strong, proactive regime to enforce them
- Empower residents to support them in engaging with and holding their landlords to account
- Ensure good quality, decent homes and neighbourhoods
- Support tenants to buy a home of their own

3. SOCIAL HOUSING REGULATOR - EXPANDED ROLE

As part of the Government's plans "to deliver transformational change for social housing residents in England", the Social Housing Regulation Bill also aims to strengthen the roles of the Social Housing Regulator and the Housing Ombudsman to deliver the objectives in the White Paper.

The Bill contains many clauses which will amend existing legislation. The clauses mainly relate to the empowerment and expansion of the Social Housing Regulator's role and responsibilities, particularly as it relates to safety. They add safety to the Social Housing Regulator's fundamental objectives, to ensure the safety of residents and their homes. Social landlords will be required to designate a named individual with responsibility for health and safety requirements in all social homes, a role that will be monitored by the Regulator. The Regulator will be empowered to set out new standards on safety and ensure their enforcement. In addition, the Regulator will have powers to set up an advisory panel, new tenant satisfaction measures, develop a closer working partnership with the Housing Ombudsman, collect information and be able to require social landlords to be transparent with their tenants.

Key measures in the Bill include:

Removal of 'serious detriment test'

The Bill removes the 'serious detriment test'. This made it difficult for the Regulator to intervene where there has been a breach of consumer standards. The removal will make it easier for the Regulator to monitor services, and put in place a regulatory regime to tackle poor performing landlords and enforce consumer standards.

Naming and shaming of landlords

As part of plans to drive up safety standards in the social housing sector, social landlords will be named and shamed if they fail or struggle to meet consumer standards aimed at tackling damp, cold and unsafe homes under the Social Housing Regulation Bill or when the Housing Ombudsman has found evidence of severe maladministration. The Government will publish the details of failing landlords on their website or on their social media platforms. This plan to name and shame is not new as the Housing Ombudsman has already started <u>publishing</u> details on the worst performing landlords on damp and mould housing conditions.

Unlimited fines

Social landlords who are failing tenants in ensuring their homes are well maintained to regulatory standards will face unlimited fines. Currently, the limit on fines for non-compliance is £5,000. The removal of the cap on fines will be a strong deterrent to rogue landlords and will help to drive up standards.

Shorter notice periods for housing inspection

The Social Housing Regulator already has powers to conduct emergency inspections on homes to assess their condition, and does so by giving tenants ample notice. However, under the Bill the Regulator will be able to carry out Ofsted style inspections on homes with just 48 hours' notice, down from 28 days, and make emergency repairs where it is found there is a risk to tenants – with social landlords having to cover the cost of the works. While inspections are welcome to ascertain the condition and the works needed, the notice is very short and tenants may need more time to prepare for such inspections to take place.

New performance Plans

The Bill sets out new measures which will enable tenants to demand information from their landlord, and rate their experience and satisfaction of services. Tenants will also have a direct link to the Government through a new 250-person residents' panel. This will meet every 4 months where tenants can share their experiences with Government ministers and officials and help to shape, influence and inform housing policy.

4. UNISON COMMENTARY

UNISON welcomes measures in the Bill which seek to improve the quality of existing social homes, and rebalance the relationship between residents and landlords to ensure that residents' voices are heard, and the disrepair and safety issues they report are resolved quickly and efficiently.

The strengthening of the role of the Social Housing Regulator and Housing Ombudsman will help support the objectives of the Bill to ensure that the social housing sector is effectively regulated to help drive up standards in the sector. Improving the quality of rental homes to a decent standard is not only an issue in the social housing sector, in fact it is more of an issue in the Private Rented Sector (PRS). UNISON's housing survey found that properties in the PRS are generally poorly maintained: 100% of respondents reported that their private sector landlord was not up to scratch with repairs.

UNISON believes that the Bill's proposals could be amended so that the Social Housing Regulator is given the power to take action against any landlord, not just social housing providers. UNISON therefore looks forward to reforms across the whole of the rental sector to ensure that all renters, social or private, have access to secure, decent, safe and affordable homes, as outlined in our housing manifesto.

Many social landlords, councils and housing associations, do an excellent job in providing good quality, environmentally efficient, safe homes for people on low incomes. However, they face many challenges in carrying out their role. The challenges include lack of adequate investment in new and existing social housing. The Right to Buy (RTB) policy, for example, has siphoned resources away into the private housing sector, to fund demand-led subsidies for home-ownership schemes. This is happening inspite of Government pledges that homes sold under the policy will be replaced on a one-to-one basis, but this isn't happening. According to a report by the Charity Shelter "one in three councils in England has not replaced a single home sold through the RTB since 2012", leaving many areas without an adequate supply of social rented homes.

In England almost 2 million homes have been sold under the RTB, and as many as 40% of those end up as expensive private rentals. The RTB discount, plus the current rules mean that councils can only fund 40% of new build from RTB sale receipts and borrow the remainder which they have to pay off over a protracted period, typically, 25 years, during which time they get no rental income to repay the debt. Further, unused RTB sale receipts have to be given back to the Treasury after five years (extended from three years). The RTB policy has led to a further depletion of social rented homes and threatened the financial viability of councils at a time when we need to build more social rented homes.

UNISON has serious concerns about how the proposed expansion of the policy to housing association tenants (which was initially put on hold) will impact on the sustainability and stability of the housing association sector in which our members work. With a reduced stock and reduced rental income, jobs and services could be put at risk and hit the vulnerable hard. UNISON wants to see an end to RTB policy, and social landlords given the freedoms on how

to invest in their stock. We believe that both council and housing association homes must be preserved as a societal resource, providing genuinely affordable homes at social rents.

Social housing providers face other huge challenges. They include retrofitting often basically inadequate properties to reduce carbon emissions, delivering a programme of costly fire safety remediation works in historic high rise buildings, and delivering a building programme to meet the demand for new social homes. These are all at various times Government priorities, which social housing providers are expected to address. The Government needs to be much clearer about the hierarchy of its expectations.

The proposed regulatory system under the Bill will come at a cost to social housing providers and place further financial burdens on them, if they are to successfully maintain homes to new, tougher standards. Social housing providers, especially councils, need funding and resources to re-build capacity - which has been eroded due to austerity and government cuts. Under the Bill, social landlords will need to appoint new staff, including a named individual responsible for health and safety in all social homes – this will require extra resources. There will also be resource implications for data collection and administration, which do not of themselves provide any actual improvement to tenants. Without adequate financial support, social landlords may be forced to prioritise the maintenance and management of existing homes over the provision of new ones, which is desperately needed to meet housing need. The Government is good at piling responsibilities onto others; but less good at making sure these can actually be delivered.

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UNISON Housing resources:

UNISON Housing Website: https://www.unison.org.uk/at-work/community/key-issues/housing/

UNISON Housing manifesto: https://www.unison.org.uk/content/uploads/2020/01/UNISON-Housing-Manifesto-JANUARY-2020-FINAL.pdf