

Housing Task and Finish Group

Social Housing within Newcastle under Lyme

Introduction

The Housing Task and Finish Group was established on the 8th March 2023.

The membership of the group consisted of:

- Councillor David Hutchison
- Councillors Bettley-Smith
- Councillor Grocott
- Councillor Holland
- Councillor Moffat

In recognition of the importance of social housing, specifically for low income and vulnerable households who require affordable housing and national focus on damp and mould in England's social housing, (following a tragic death in Rochdale in November 2022) the Group was instructed, by the Scrutiny Committee, to examine the condition of and regulation of social housing in the Borough.

Approach

The approach of the Group was to initially request by way of background, a number of reports from officers which would set out:

- i) information about the social housing within the Borough and
- ii) regulatory framework for social housing.

These reports are contained at Appendix 1 and Appendix 2.

This was to be followed by a 'call of evidence' to all Registered Providers, asking them to provide a focussed insight into key issues of social housing, by way of open questions. The questions related to complaints made to the Housing Ombudsman, challenges of retrofitting and remediating their housing stock, their relationship with the Social Housing Regulator and any future challenges. The call for evidence has been included at Appendix 3.

A presentation and a hearing before the Task and Finish Group was undertaken by Aspire Housing, the largest provider within the Borough.

What we found

Social housing is delivered at below-market rates by Registered Providers (RPs). There are 19 providers of social housing within the Borough. The total number of social homes is 9,909 comprising 8,687 general needs homes, 948 special homes (supported or older people accommodation) and 274 Low cost Homes. The majority of providers oversee a small number of units. Those with a significant number of properties are Aspire Housing, Honeycomb Group Ltd and Sanctuary Housing Association.

The Council itself is not a stock holding authority and social housing is provided by Registered Social Landlords that are not-for-profit organisations that own, let, and manage rented housing. The distinction between social rented properties and those rented privately is that social homes are more affordable and provide a more secure, long-term tenancy.

The Council has developed a Housing Allocations Policy. This has been done jointly and in partnership with Aspire Housing, who are the largest housing provider within the Borough.

The Council operates a choice based letting scheme and applicants accepted onto the housing register may express an interest in (bid for) a social home when a suitable one becomes available.

The Housing Allocation policy, and the housing register is the way to determine priorities for allocating social housing and ensuring that the allocation of social housing to the people who need it the most. The policy determines if they are eligible and qualify for social housing. If they do qualify for social housing they will join the council's housing register.

Condition of Social Housing

The Local Authority is required to “to know about the condition of all housing stock in its area and to keep the housing conditions in their area under review with a view to identifying any action that may need to be taken under various specified pieces of legislation”.

The Local Authority has duties and powers to take action to deal with properties that have certain hazards. The Housing Health and Safety Rating System (HHSRS) is a system that local authorities use to assess housing conditions.

The Housing Health and Safety Rating System applies to all tenures. Primarily, the local authority assesses private sector properties, as private landlords are not regulated, the propensity for hazards to be present are more likely. Notwithstanding this, the system can be used to assess social housing properties. However, registered social landlords are regulated by the Regulator of Social Housing.

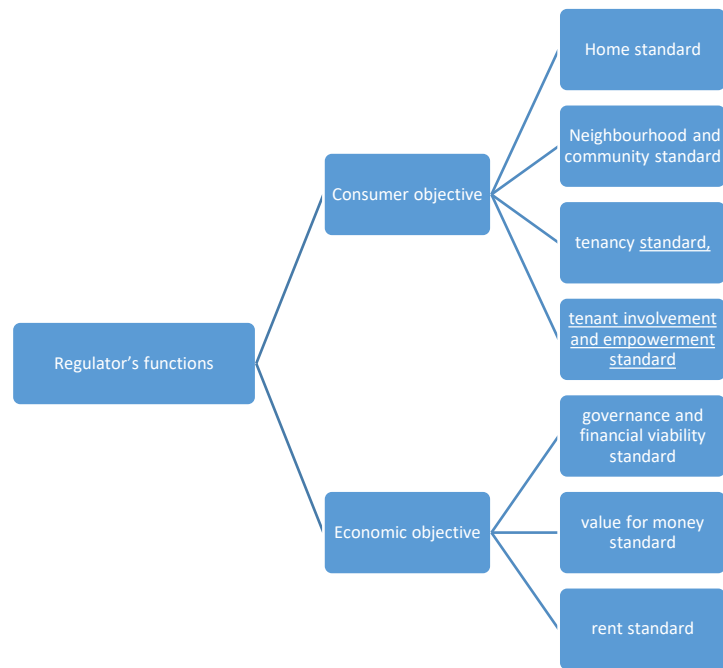
Our Officers are aware of an acute focus on ‘damp and mould in England’s social housing, following a tragic death in Rochdale in November 2022. Following this, a series of actions were initiated;

- i) the Social Housing Regulator asked all larger social landlords to submit evidence about the extent of damp and mould in tenants’ homes they were responsible for and their approach to tackling it.
- ii) On the 19th November 2022, the Department for Levelling Up, Housing and Communities wrote to all the Local Authority Chief Executive and council leaders, directing them under section 3(3) of the Act, that all local housing authorities review housing conditions. The Borough Council responded to this directive and made a submission on the 29th November 2022.

Regulation of Social Housing

In 2018, the Government established the Regulator of Social Housing, created from the Homes and Communities Agencies). The regulator’s functions are set out in the Housing and Regeneration Act 2008.

An infographic sets out the Regulator’s Functions;



The consumer objective is to: support the provision of social housing that is well-managed and of appropriate quality; ensure that actual or potential tenants of social housing have an appropriate degree of choice and protection; ensure tenants of social housing have the opportunity to be involved in its management and to hold their landlords to account; and encourage registered providers of social housing to contribute to the environmental, social and economic well-being of the areas in which the housing is situated.

The economic objective; the second of the two fundamental objectives under the 2008 Act is to: ensure that registered providers “are financially viable and properly managed, and perform their functions efficiently and economically”; support the provision of social housing sufficient to meet reasonable demands (including by encouraging and promoting private investment in social housing); ensure that value for money is obtained from public investment in social housing; ensure that an unreasonable burden is not imposed (directly or indirectly) on public funds; and guard against the misuse of public funds

The regulator’s approach to regulating consumer standards has been found to be unsatisfactory. In a Parliamentary Select Committee report <https://committees.parliament.uk/publications/23116/documents/169311/default/> it was noted; that the regulator, with respect to the consumer objective; “interprets its duty to minimise intervention and act proportionately to mean that it should only find a provider non-compliant with the consumer standards if it also finds evidence of systemic failure. The application of this ‘systemic failure’ test has resulted in perhaps the most passive consumer regulatory regime permissible under the Housing and Regeneration Act 2008.”

Social Housing Ombudsman

The role of the Social Housing Ombudsman is to investigate and resolve disputes between tenants and providers who are members of the Housing Ombudsman Scheme (all housing associations and local housing authorities (councils) must be a member of the Scheme).

For the 19 RSL’s operating within Newcastle under Lyme, the following table lists the number of cases determined between 1 April 2021 and March 2022.

Alpha (R.S.L.) Limited	<5
Anchor Hanover Group	26
Aspire Housing Limited	<5 (2 determinations)
Bespoke Supportive Tenancies Ltd	<5
Brighter Futures Housing Association Limited	<5
Choices Housing Association Limited	<5
Clarion Housing Association Limited	145 (109,545 properties)

Empowering People Inspiring Communities Limited	<5
Golden Lane Housing Limited	<5
GreenSquareAccord Limited	18 (20878 properties)
Honeycomb Group Limited	<5 – (0 determinations)
Housing 21	5 (18881 properties)
Midland Heart Limited	30 (29814 properties)
Plus Dane Housing Limited	6 (13228 properties)
Sage Housing Limited	<5
Sanctuary Housing Association	50 (80790 properties)
The Guinness Partnership Limited	41 (61,414 properties)
The Riverside Group Limited	27 (52716 properties)
The Wrekin Housing Group Limited	<5

It should be noted that the majority of providers have a small number of units within the Borough and operate across a multiple number of local authority boundaries. Those with a significant number of properties within the Borough are Aspire Housing, Honeycomb Group Ltd and Sanctuary Housing Association.

Call to Evidence

The call for evidence requesting the Registered Providers [RPs] to provide information related to a number of issues, which were set out as open questions. This request was sent to all the Registered Providers [RPs] who have housing stock within the Borough.

Nine registered providers responded and provided written submissions. Although, each of the RPs responded independently, (addressing issues specific to their own experiences), generally, the sector is attuned to the requirements related to fire safety and carbon neutrality, which would require retrofitting and remediation. Registered providers have alluded to a challenging environment, with the economy experiencing interest rate increases and inflationary pressures.

Following the submission of written responses as part of the Call for Evidence, the Group met with Aspire Housing on 13 September 2023, the largest provider within the Borough.

Following a comprehensive presentation by Aspire Housing, the Group was unanimous in its view that the condition of Aspire Housing stock is much better than what was initially perceived, when the group was set up, in response to concerns raised by some Councillors.

The situation is significantly better and there is a considerable amount of work in progress to enhance the quality of the housing stock, along with proactive measures to deal with damp and mould. Additionally, reporting mechanisms and response times to repair requests are being improved.

Social Housing (Regulation) Act 2023

The Social Housing (Regulation) Act received royal assent in July 2023. It has three core objectives which are to facilitate a new, proactive consumer regulation regime; to refine the existing economic regulatory regime; and to strengthen the Regulator of Social Housing's (Regulator) powers to enforce the consumer and economic regimes.

It is envisaged that the Act will bring about the following changes;

- strengthening the Regulator of Social Housing to carry out regular inspections of the largest social housing providers and the power to issue unlimited fines to rogue social landlords
- additional Housing Ombudsman powers to publish best practice guidance to landlords following investigations into tenant complaints
- powers to set strict time limits for social landlords to address hazards such as damp and mould
- new qualification requirements for social housing managers
- introducing stronger economic powers to follow inappropriate money transactions outside of the sector

In conjunction with the Act, the Regulator of Social Housing launched a consultation on draft consumer standards, which closed in October 2023. The results of the consultation will be known in due course.

Private Rented Sector

While the Housing Task and Finish Group was primarily focused on social housing, a report on the private rented sector accommodation was also submitted by way of comparison and is included as an Appendix 4.

Recommendations

- 1. As significant enhancement works are being proposed by the RP's, in terms of energy efficiency and mitigating risks such as damp and mould, it makes sense to assess the condition of the housing stock once these improvements have been made.**
- 2. Aspire Housing has agreed, at the request of the Working Group, they would be willing to give a presentation, via TEAMS (available for all Councillors), to enable Councillors to hear what progress was being made to improve their housing stock and their response times, along with information on the reporting mechanisms and the complaints escalation process.**
- 3. The Committee resolves that in the near future, (within 12 months) to take stock of how the Social Housing (Regulation) Act 2023 and the new, proactive consumer regulation regime is being embedded within the working of Registered Providers.**

Appendix 1: Housing Duties Report.

Appendix 2: Regulation of Social Housing.

Appendix 3: Housing Task and Finish Working Group - regulation of social housing.

Appendix 4: Private Sector Housing Activities Report.