FUNDAMENTUM
PROPERTY

# The Social Housing Green Paper
## *'A new deal for Social Housing'*

### August 2018 – Key Facts & Points

- Nearly one in five of English homes are owned by housing associations or local councils, providing a place to live for millions of people (p.5.)
- The Ministry of Housing, Communities and Local Government has built new strategic partnerships with larger housing associations and offered housing associations longer term funding certainty to help them deliver more homes. (p.8)
- The Government believes there is a powerful case for strengthening the Regulator, so it not only focuses on the governance and financial viability of housing providers, but also on how residents are treated and the level of services they should expect (p.8)
- There are consistently over 1 million households on local authorities' waiting lists. (p.14)
- It is estimated that around 14 per cent of social housing is supported housing (p.15)
- On 9th August 2018, the Government published a response to the October 2017 consultations on funding for supported housing, setting out that they are maintaining Housing Benefit for all supported accommodation. (p.19)

### Ensuring Resident Safety

- The Ministry of Housing, Communities and Local Government has announced £400 million funding for local authorities and housing associations to remove and replace unsafe aluminium composite material cladding on social residential buildings 18 metres or over that they own, and financial flexibilities are available to local authorities for other essential fire safety work. (p.23).
- The Regulator of Social Housing ("the Regulator") requires that social homes meet the 'Decent Homes Standard', which requires social homes to be free of hazards that pose a risk to residents, to be in a reasonable state of repair, to have reasonably modern facilities and services such as kitchens and bathrooms and efficient heating and effective insulation. (p.24)

## Empowering Residents and Strengthening the Regulator

- A small number of local authority landlords have transferred all or part of their stock to newly formed community housing associations enabling residents to take a central part in decision-making and become shareholding members. Some housing associations have taken the decision to restructure as a community-based housing provider on a co-operative or mutual model and to be managed, either entirely or mainly, by their residents. (p.36)
- The National Housing Federation is working with housing associations to develop an accountability and transparency offer that includes a trust charter to be developed with tenants, setting out what they can expect from their landlord. (p. 36).
- Parliament has set the Regulator of Social Housing consumer regulation objectives, which are:
    - to support the provision of social housing that is well-managed and of appropriate quality;
    - to ensure that actual or potential tenants of social housing have an appropriate degree of choice and protection;
    - to ensure that tenants of social housing have the opportunity to be involved in its management and to hold their landlords to account; and
    - to 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

## Ensuring a Strong Regulatory Environment

The Ministry of Housing, Communities and Local Government know that mergers and acquisitions have resulted in some very large developing housing associations, which are important to delivering the homes people need. In addition, different types of landlords are being set up and new business models are being developed. These include “for profit” companies (who, unlike housing associations, do not have to reinvest their profits into their stock and new homes), and housing associations which exclusively lease rather than own all their properties. To ensure that the economic regulatory regime remains strong and the consumer regulation meets expectations for residents, the Government are undertaking a review of regulation.

## Expanding Supply and Supporting Home Ownership

- The Ministry of Housing, Communities and Local Government will work with public, private and community sector partners to better understand how public and private investment can lead to improved social and economic outcomes for the existing community (p. 61)
- Housing associations invest significantly in the delivery of new affordable homes – particularly through private borrowing and their own resources. The Government has made it easier for housing associations to access the lending markets in order to develop affordable housing by:
    - giving landlords much greater confidence and certainty in their future rental income through the new rent settlement of Consumer Price Index +1 per cent to 2025;
    - implementing deregulatory reforms to give housing associations greater freedom over how they run their organisations and use their resources (p.62).
- The Ministry of Housing, Communities and Local Government want to give housing associations and others the certainty they require to develop ambitious plans to deliver the affordable homes this country desperately needs. They have already announced strategic partnerships with eight housing associations up to 2022. The Government will actively investigate the benefits of going further by providing funding certainty to some housing associations over an even longer period (p.62)
- The eight strategic partnerships announced on 3 July 2018, will deliver an extra 23,500 homes by 2022 over their previous plans, including 14,280 additional affordable homes.

### Boosting Social Investment in Social Housing (p.63)

The Ministry of Housing, Communities and Local Government also recognise the role that social impact investors can play to increase supply of social housing. Investments include:

- financing for housing associations which have a particular social focus, to supplement existing commercial investment streams;
- ethical property developments which deliver a higher proportion of affordable housing;
- increasing support for smaller housing providers;
- social lettings agencies and property funds that serve people facing mental health issues or substance abuse problems, domestic abuse victims and those with offending histories; and, A new deal for social housing
- financing for specialist housing for adults with long term disabilities

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