



Because good homes make everything possible

Social Housing Green Paper

Headline Response

Strategy, Research and Communications

October 2018

Network Homes is a not-for-profit housing association managing over 20,000 homes in London, Hertfordshire, and the South East. We are part of the g15, and a strategic partner to the Greater London Authority.

Network Homes welcomes the opportunity to provide feedback on the Social Housing Green Paper. It is clear the government has acknowledged the importance of social housing, and is open to conversation on how to improve service and safety standards. We support the government's ambition to tackle stigma felt by social housing residents, and the inclusion of residents and landlords alike in the process of shaping policies and recommendations to follow.

After the fire at Grenfell Tower, we have seen a major rethink about the future of social housing across the political spectrum. Earlier this year, we published the Future Shape of the Sector Commission report with Clarion and L&Q, analysing changes to the political environment and highlighting key priorities for the sector going forwards. One of the main issues we felt social landlords needed to address was rebuilding the contract with our residents – and many of the Green Paper's proposals address this. In particular, we support the following proposals:

- Promoting a culture of professionalism in the housing sector
- Encouraging greater resident involvement in shaping services
- Highlighting the need for transparency in the sector.

At Network Homes, we are making our existing financial, governance and performance data more accessible, surveying residents on what they'd like to see published, and have decided to publish Fire Risk Assessments. We are reviewing our resident involvement strategy to increase resident involvement and ensure engagement is truly effective, and will continue to promote a customer service culture with staff training and focus on staff attitude at recruitment stage.

We also fully support measures the government has proposed to improve consumer standards and ensure homes are safe and decent, particularly:

- Introducing the same fire safety, electrical and carbon monoxide standards applicable in the private rented sector
- Implementing the recommendations of Dame Judith Hackitt's review of fire safety measures
- Suggesting a case for an awareness campaign around residents' right to redress
- Scrapping the designated persons' stage of the complaints process.

However, elsewhere, we felt that several proposals within the Green Paper need expanding:

- Measures to increase supply of new homes
- The consequences of scrapping the need for local authorities to sell high value voids
- Reducing stigma of social housing residents and
- Proposals for performance comparisons and how these will work in practice.

We will discuss these measures below, and within the consultation survey itself.



Increasing supply for new homes

Our Future Shape of the Sector commission showed a key priority for the sector is increasing the supply of new affordable homes – and we estimated housing associations need to double their output to 80,000-100,000 homes a year. We welcome the Green Paper’s restatement of the £9bn for delivering affordable housing, suggestion of longer term certainty over investment, and the Prime Minister’s subsequent promise of £2bn funding for long-term partnerships after 2022. But these measures do not reach far enough. The government needs to substantially increase grant rates to achieve a genuine step change in the supply of new affordable homes.

Network Homes currently receives less than 12% in grant for the cost of each home we build on average, compared to the 51% we used to receive in 2008-11. Meanwhile, rises in land value and construction costs has meant producing new homes below the market level is increasingly challenging. While certainty over longer term funding would be beneficial to planning our affordable housing provision, the effects are relatively small compared to the output we could achieve if the government were to offer higher grant rates.

Scrapping the requirement of high value home sales for local authorities

We support the decision from government to reverse the measure which would have required councils to sell higher value homes as they became vacant. If this measure had remained, councils would have lost social housing stock, and sales of these homes would have contributed to the pricing out of lower-income residents in more expensive neighbourhoods. But our concern is that the measure was originally proposed to fund the extension of the Right to Buy for housing associations. Does the government propose a reasonable alternative to funding if it intends to expand the Right to Buy for housing associations after the initial pilot?

Tackling stigma – a systemic issue

The government’s ambition to address stigma around social housing has resounded with our residents. When we surveyed our social housing residents about the Green Paper, 73% of respondents felt people are looked down on to some degree because they live in social housing.

We fully acknowledge some stigmatisation of social housing has been inadvertently caused by landlords, and will do our part in tackling stigma through continuing to promote a culture of professionalism amongst our staff, maintaining estate properties to a good standard, being more responsive, and developing high quality properties for social rent. But stigma is much more of a systemic problem than the actions of landlords alone. In our survey, some residents wrote:

- ‘The approach and language of Government and newspapers needs to change’
- ‘Policy makers & officials are to blame, as they keep focusing on those abusing the system/benefits and never on the ordinary hard working class who have worked hard all their lives and live in social housing’
- ‘Anti social behaviour cannot be effectively dealt with when police services are cut’ and
- ‘If you are not a property owner you are looked down on.’

We believe these comments reflect on wider actions the government could take forwards to contribute to tackling stigma social housing residents face.

Firstly, we believe the government could use their influence on public perception to challenge negative stereotyping in the media, and take a more active role in acknowledging the value of social housing for our society and economy.

Secondly, it could ensure that its policies – on welfare and spending, as well as housing – promote a positive rather than a negative message about people who are reliant on services provided by the state. Social issues such as unemployment and crime fuel the negative public image of social housing, and disproportionately affect residents of social housing. Since 2010, changes in welfare policy, local authority cuts and reduction in public services on which many social housing residents rely, has added to the stigmatisation of social housing residents. The Ministry for Housing, Communities, and Local Government must work more closely with the Department for Work and Pensions and the police to develop a holistic approach to these issues.

Thirdly, the government should take greater care to present owner-occupation as only one of many legitimate tenure types, as many people will never be able to afford their own home, and this is not through any kind of personal failure. Referring to social housing as a ‘springboard’ to a better life re-enforces the idea that renting is an undesirable tenure to remain in.

Performance comparisons – and how they will work in practice

We agree with the proposal that landlords should be accountable to their residents – and that one of the ways we can do this is by publishing performance figures. From our resident survey on the Green Paper, 68% said league tables would make us more accountable as a landlord. However, both our residents and staff identified the following concerns which could impact on the effectiveness of the exercise:

- League tables may drive the wrong behaviour of target chasing if results were linked to funding or downgrading
- Collection of data for the new proposed performance indicators could impact organisational resources to provide core services
- Ambiguity behind measure calculations could mean inconsistent reporting
- Residents need to be able to easily see how a performance indicator has been calculated, and how it relates to their experience for it to be meaningful
- A comparison of landlords must be like for like, which is difficult to do meaningfully between landlords of different types, locations, sizes, and service offers
- Some of the ‘softer’ measures proposed (such as ‘effective resident engagement’) would be difficult to measure.

We have therefore made the following suggestions:

- Residents and landlords should be involved in the process of creating new KPIs
- League tables should be accompanied by clear guidelines for how measures are calculated and explanations of the results of performance measures

- There should be sufficient measures from the Regulator to monitor the data integrity of performance results submitted
- The performance of a landlord should not be solely based on performance indicators, especially in areas difficult to measure (e.g. resident engagement), but on a wider understanding of their trajectory, whether there are past/present improvement plans in place, and through interviews/inspections as required by the Regulator
- Where possible, use indicators already in usage in benchmarking schemes such as Sector Scorecard and Housemark to avoid data collection taking up organisational resources, and consider merging reporting requirements (e.g. Value for money metrics, SDR returns, sector scorecard, and new proposed resident-focused KPIs) into a single workstream where possible.

We have used feedback from our staff and resident panel members to collaborate with the g15 and produce initial ideas on modelling key performance indicators. We hope these can be considered by the government, and representative residents and landlords in the follow-up to the consultation period. More details will be provided through the g15.

Conclusion

The Green Paper is the start of a new chapter of collaborative working between the government, social housing providers and residents – and we welcome this change of dynamic. Overall, we believe the Green Paper is a positive move towards greater safety and service standards for social housing residents. We hope that the move towards tackling stigma, greater consumer regulation, and public performance measurement, will bring meaningful outcomes for residents.

We also hope the government will continue to view social housing as an irreplaceable asset, and continue to support developing social landlords to deliver more affordable homes.

For further questions please contact:
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