



Social Housing Directions Consultation
Department for Communities and Local Government
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22nd September 2011

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Dear Sir/Madam

Implementing social housing reform: directions to the Social Housing Regulator - Consultation

Background

A2Dominion is one of the country's leading housing providers, with over 33,000 homes in London and the South and nearly 5,000 in development. It offers a wide range of housing options, including affordable rented, temporary, student, sheltered, supported and key worker accommodation, as well as homes for sale and home ownership.

Response to consultation questions

A2D welcomes the opportunity to comment on the draft directions to the Social Housing Regulator.

Following discussion and review of the consultation document, we can confirm that we are generally supportive of the proposed directions and have listed below our response to each of the five directions on tenure, mutual exchange, tenant involvement and empowerment, rents and quality of accommodation.

Tenure

Q1. Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Yes. We agree with the factors that are outlined in the direction and have no objections to the issuing of a clear and accessible tenancy policy.

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Q2. Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Yes. Following the issue of the revised direction by the Rt Hon Grant Shapps MP on 28th July 2011, we agree that the right requirements have been set out. We also welcome the flexibility to continue with the use of probationary tenancies.

Q3. Does the draft direction set out the right minimum protections for tenants of registered providers?

Yes. We agree that the direction does indeed set out the minimum protections for tenants

Mutual exchange

Q4. Do you agree with the principle and detail of our proposed direction on mutual exchange?

Yes. As part of the G15 group of Registered Providers we are currently piloting the 'G15 London moves'. This scheme is designed to encourage London tenants to move around London to look for work, keep work, downsize or exchange.

Tenant involvement and empowerment

Q5. Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

No. We already have in place existing methods agreed over time whereby tenants have influenced, shaped and designed our services and broadly support the directions for tenants in this area. However we are opposed to any form of prescription on composition or operation of tenant panels. Any direction or legislation in this area should be focussed on outcomes for tenants. We have also recently taken steps to simplify our complaints process, with the involvement of residents, and do not support any directions to make this process longer or complicated with the additional 'layer' of involvement of Councillors, MP's, 3rd party or equivalent group.

We also express caution with tenants being involved in the maintenance and commissioning of their own repairs. To date, we await the Governments guidelines on how these schemes will work in practice. We already have well established approach of involving residents fully in both the specification of services and selection of contractors to deliver repairs and maintenance services.

Q6. What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

None. Without clear Government guidelines on how these schemes will work in practice, we are unable to comment. We do however look forward to the findings of the Governments Cashback Pilots.

Rents

Q7. Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Yes. We support the proposed directions of the introduction of affordable rents.

Q8. Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Yes.

Q9. Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

We are in agreement with the current wording.

Yours faithfully



**Darrell Mercer
Group Chief Executive**

Abbeyfield Society

Dear Sir,

As a provider of housing and support to older people (average age 87 and many of whom are frail and vulnerable) the Abbeyfield Society is pleased to have the opportunity to contribute to this consultation. In responding on behalf of our directly managed services we have focused upon those questions that are of direct relevance to our tenants and the services they receive. In addition these responses will also reflect aspects of the proposed changes which may affect services provided to tenants by Abbeyfield Member Societies.

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Yes we believe that it does and as a provider of individual housing within a communal setting we welcome the wider range of factors identified as underpinning the nature of the tenancy offered. The references to: *the purpose of the housing, the needs of individual households*" (which may be wider than simply those of an individual tenant within shared housing), "*the sustainability of the community*" (both within the shared housing and the wider community) *the efficient use of their housing stock*" support the values and practices older people look to from the Abbeyfield Society.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

The Abbeyfield Society is strongly supportive in principle and practice of the statement that: "*tenants should have a wide range of opportunities to influence and be involved in "the scrutiny of their landlord's performance and the making of recommendations to their landlord about how performance might be improved.*". The Abbeyfield Society is interested in exploring with tenants the options that sit under the reference to "*a tenant panel (or equivalent group* " - recognising the value that older people living in Abbeyfield properties put on not only their direct participation but also the role of their representatives (including family, friends, volunteers and Advocates).

The Abbeyfield Society recognises and fully supports the value and practice of: "*a clear regulatory obligation on registered providers to provide timely, useful performance information to tenants in order to support effective scrutiny. The Review also proposed that the Regulator's statutory power to require registered providers to submit an annual report of their performance should be replaced with a regulatory obligation to provide an annual report of performance to tenants.*"

We would be interested in further clarification as to how the Government sees this applying in Housing Associations (such as many Abbeyfield members) who are a very small single house society where there maybe 4-8 residents, a few volunteers and staff whose primary responsibility is for cooking and pastoral interaction with residents.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Repairs and maintenance are areas of vital concern to Abbeyfield tenants and we work to engage with their priorities and experiences and to use this as a key facet of providing an effective service. We do this through individual satisfaction surveys, general surveys and regular personal contact with tenants. This is a developing area and one where we will continue to monitor both the responses and the benefits.

“However we are proposing that registered providers should offer opportunities to their tenants to be involved in managing repairs and maintenance services and to share in savings made. We are piloting the Tenant Cashback model to work through the detailed practicalities of how a scheme will work in practice. We envisage that evidence from pilot schemes will be made widely available to help registered providers to run their own schemes successfully. “

We will be interested to see how this scheme works in any pilot projects that have a similar tenant grouping and type of accommodation to Abbeyfield

“the provision of timely and relevant performance information to support effective scrutiny by tenants of their landlord’s performance in a form which registered providers seek to agree with their tenants; such provision must include the publication of an annual report which should include information on repair and maintenance budgets.“

We can provide this as a national provider within the Abbeyfield Societies Annual Report to residents. We would then seek to supplement that with house/home based information

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

This principle is sound practice and one that will inform our performance.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

We believe this is clear as an integrated part of the overall requirement”

Thank you for taking on board the feedback of Abbeyfield and we look forward to receiving subsequent feedback once the consultation and reporting process is complete.

John Crisp
Director of Housing
The Abbeyfield Society

ACCENT GROUP

Overview

Accent Group's responses to the specific consultation questions are set out below.

In addition to this we feel we need to flag our concerns overall with the increasing levels of prescription set out within the consultation paper.

We believe that there is a real risk that the power of direction could be misused as a method of transferring government policy into regulatory requirements.

This would be fundamentally opposed to the original ethos established by the new Regulatory Framework in 2010, when we saw an end to detailed and prescriptive regulation in favour of outcome based Standards.

Further, one of the consequences of such detailed prescription is to blur the lines between the different types of social housing provider. PRPs are not true public bodies, and including such specific requirements in the directions to the regulator threatens their non-public status.

Our response to the consultation questions:

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

We can see that introducing fixed term tenancies to stimulate turnover of high demand properties could result in some positive outcomes. However, we do not currently detect an appetite for introducing these for our social tenancies amongst our resident population, Boards or partner agencies. If we were to introduce fixed term tenancies, this would be to address low turnover of social housing in very high demand areas, particularly for underoccupied properties. We would not seek to use fixed term tenancies to identify and move on tenants whose financial circumstances had improved. It is also very unlikely that Accent Group would seek to issue fixed term tenancies in areas of low demand.

We welcome the increased flexibility in regulation and believe that it is entirely right that the directions should increase our ability to make these decisions as a business. The concern remains however that the power to direct could also be used in future for the opposite purpose - to impose more restrictions.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Yes, we especially welcome the expectation that providers will need to pay particular regard to issues of tenant vulnerability.

Question 3: Does the draft direction set out the minimum protections for tenants of registered providers?

Yes, we are pleased to see that the Standard will include a guarantee of no less security of tenure for existing social tenants who choose to move home.

As a PRP we also welcome the proposal to extend the probationary period for up to 18 months, a flexibility currently only enjoyed by local authority providers.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

We are fully supportive of a national scheme which will enable tenants to maximise their opportunities to identify a suitable mutual exchange. Accent currently subscribes to an internet based mutual exchange scheme and we consider this to be a valuable and useful service in improving resident satisfaction, increasing mobility and community sustainability.

However, when we introduced this scheme we did so in consultation with our residents, and plan to work with them to review the effectiveness and value for money of the scheme. We are concerned that making this a mandatory requirement forces landlords to ignore the views of our residents with regard to where we should focus our resources to meet their housing needs.

This is perhaps the clearest example of how the power of direction could be misused to passport government policy initiatives.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

The increased emphasis on resident involvement in setting policy and service standards, and scrutinising services, is welcome and more accurately reflects the reduction in direct regulation of the consumer standards.

We also agree that it is appropriate to include tenant panels as a method of improving resident scrutiny and influence, and are pleased to see a recognition that such panels may not wish to become the designated route for referring complaints to the housing ombudsman.

However, the proposals to make explicit a requirement to support tenants to exercise their Right to Manage are simply not applicable to PRPs such as Accent Group. As a statutory scheme this is only applicable to local authority providers.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

With regard to the management of repair and maintenance services (the tenant cashback scheme), we remain concerned about the possible impact of this on other services. The CLG's own impact assessment of the scheme finds that a prescribed system for devolving control or repairs budgets "could cause landlords to incur additional costs that are not offset by efficiencies elsewhere, to the detriment of social tenants who would witness pressures on rents or service standards."

We also do not believe that this is within the scope of the power of direction as

set out in the Housing and Regeneration Act 2008. Section 197 2(c) states that direction may only be given if it relates to

- quality of accommodation,
- rent, or
- involvement by tenants in the management by registered providers of accommodation.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Yes, this confirms the current situation.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Yes, this confirms the requirements.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

No, it is sufficient to keep it as an implicit requirement.

CONCLUSION

In conclusion, we would like to reiterate our concerns with regard to the direction of travel for ministerial direction of the regulator.

Whilst there is nothing in the proposed directions which would currently cause undue concern for Accent Group, the increasing level of prescription is an unhelpful step backwards. This is particularly the case for the proposed direction on Mutual Exchange which is a clear example of policy passporting in a similar vein to the previous regulatory regime.

The messages being received within the sector are mixed. This increased level of prescription is opposed to the stated aim to increase flexibility for providers to manage their business in the most appropriate way to meet the needs of local communities.

Affinity Sutton

Dear Sir

Response to social housing directions consultation

Affinity Sutton Group is one of the largest independent providers of affordable housing in England, with over 55,000 homes in more than 120 local authority areas throughout England.

We currently comprise five Registered Social Landlords - Broomleigh, Downland, William Sutton Homes, and specialist BME association Aashyana - a property management company called Grange and a specialist buildings maintenance provider, Community Building Services. Following 3 October, Broomleigh, Downland, William Sutton Homes will amalgamate to become Affinity Sutton Homes.

We welcome the opportunity to respond to the proposed new directions to the regulator.

Direction on tenure

1. Does the direction set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

The apparent flexibility does not necessarily reflect the reality of decisions that will have to be made. For example, the statutory rights of secure tenants who choose to move home through a Local Authority CBL scheme will be able to apply for a new build property designated as Affordable Rent but the rent will be set by the rent officer. This undermines the funding structure of the New Investment Model and allows registered providers no flexibility with regards to what tenancy to issue. Similarly, protected assured tenants moving into an Affordable Rent property via the Local Authority route would bring with them their Right to Buy with substantial discount. This will either impede our ability to convert re-lets to Affordable Rent or force us to restrict choice using strict eligibility criteria via Choice Based Lettings systems.

2. Does the direction set out the right minimum requirements for a registered provider's tenancy policy?

We have devised our tenancy policy giving due regard to what is contained in the direction. However, we are also required to give due regard to Local Authorities' tenancy strategies. The timing of this is problematic as these are not due to be published until 2012. Besides the administrative burden of reviewing our policy alongside the strategies of over 120 Local Authorities, the costs related to implementing any changes required (IT systems, staff training) could be substantial. In areas where HCA agreements are in place to charge Affordable Rents we may find ourselves open to legal challenge if

the Local Authority determines in their strategy that no Affordable Rents may be charged.

3. Does the draft direction set out the right minimum protections for tenants of registered providers?

The rights of existing secure and protected assured tenants could result in restrictions being put on which properties they can apply to move into and this may stifle mobility within the sector.

Direction on Mutual exchange

4. Do you agree with the principle and detail of our proposed direction on mutual exchange?

We support the principle of increasing mobility options for existing tenants to make the best use of housing stock. However we believe the direction is too prescriptive and it ignores the large proportion of social tenants who do not yet have access to the internet. Affinity Sutton is looking at a project which aims to make mobility options accessible to those unable to use the internet and are unlikely to ever get online. Like many other large registered providers we already subscribe to an online mutual exchange site for our residents. We actively encourage residents to go online through digital inclusion initiatives such as our recent "Get Connected" campaign. However, for smaller providers and providers of specialist housing an online system may not be the best approach.

Direction on tenant involvement and empowerment

5. Do you agree with the principle and direction of our proposed revisions to the direction of tenant involvement and empowerment?

We believe the regulator should limit itself to a broad brush statement on the purpose and desired outcomes of resident involvement but should leave the detail to residents and registered providers to maturely develop themselves, as appropriate to the size and nature of the organisation.

6. What types of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Affinity Sutton will continue to utilise a wide range of methods of engaging with residents. This will include employing our new structure of Area Panels, scrutiny Boards, service task teams and National Residents' Council. We plan to embrace social media and use our website as well as other more traditional media to undertake this work. We will continue to use our extensive customer satisfaction surveys and the data we collect through our complaints process to gather information we can use to shape the services we offer.

We aim to have around 10% of our residents engaged in a meaningful way with the organisation over a two year period.

We currently spend £250,000 a year on involvement activities including training. The benefits to the business are significant and are set out in our recent Resident Involvement report, "What you achieved with us", which can be found on our website www.affinitysutton.com

With specific regard to the tenant cash back scheme we would have hoped Ministers would have awaited the outcome of the pilots before consulting on these directions.

Direction on rents

7. Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent

We believe so.

Direction on quality of accommodation

8. Do you agree with the proposed revisions to the direction to reflect the expiry date for compliance?

A standard requiring registered providers to achieve 100% decency at the end of every year is incompatible with sensible programming.

When the Decent Homes Standard was introduced it gave registered providers 10 years to achieve compliance. This enabled them to set up planned programmes of work to address non-decency across the stock in a systematic manner over a period of years. Now that the standard has been achieved, individual properties will drop out of decency on a scattergun basis every year and significant peaks and troughs will need to be smoothed to support delivery; it would be uneconomic and wasteful to require contractors to remedy these all over the country each year. Other geographically spread associations and specialist asset management consultants take exactly the same view.

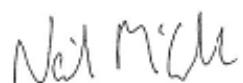
We would advocate either 3-5 year programme for delivering compliance perhaps supported by year on year self certified interim targets for levels of compliance that can be monitored. Alternatively a system that ensured no home could remain non decent for more than 2years would at least allow some flexibility in programming.

9. Energy efficiency is implicit in the revisions to the direction; should we make it more explicit?

The decent homes standard criteria for thermal comfort appears to offer little value moving forward because as is not age or condition related the criteria is either met or not. To have achieved the decent homes target of 2010 all our homes met this standard as will others.

We hope that you find these comments useful in developing your approach.

Yours faithfully

A handwritten signature in black ink, appearing to read "Neil McCall".

Neil McCall
Group Operations Director

Agencies and Trainers for Involved Communities (ATIC)

To Directions@communities.gsi.gov.uk

From Agencies and Trainers for Involved Communities (ATIC)

Date 27 September 2011

ATIC response to CLG Consultation “Implementing social housing reform: directions to the Social Housing Regulator”

ATIC welcomes the opportunity to contribute to the consultation looking at a new direction to social housing regulation and the proposed standards. ATIC represents the interests of agencies and individuals working on the development of tenant management and resident involvement. It is a partnership organisation. As such, we would like to comment on those questions that relate directly to our direct experience, namely questions 5 and 6.

Question 5. Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

ATIC very much welcomes the directive and the principle. It is indeed right that tenants and tenant groups are able to influence their landlord's policies and priorities, how services are delivered, scrutinise performance and take on the management of services as they wish. At 2 (iv) in the proposed standard on Tenant Involvement and Empowerment we in particular support the inclusion that tenants be given the opportunity to influence and be involved in the management of their homes, where applicable.

For Council tenants this has often been done through the Right to Manage and the development of Tenant Management Organisations has been supported by the Tenant Empowerment Grant programme. No such right exists for Housing Association tenants although a small number have also been established in this sector through voluntary agreements. We have long argued that such a right should be extended to HA tenants but this has not been forthcoming. We would raise concerns at the wording "where applicable" in the proposed new wording. We feel that tenant management is applicable wherever tenants decide this is what they want. This must be the perspective that fits with the ideas behind localism. The words " where applicable" may cause Housing Associations to feel that as there is no " Right to Manage" in their sector that the whole clause does not apply to them. This would prevent effective strategies being developed to support and assist such HA groups that might want to manage services within their neighbourhoods and communities. We would suggest the dropping of these two words. CLG will be aware of their own publication "Residents' Choice" which was written by ATIC members as a good practice guide and an introduction to the options available to social housing residents. This should be promoted more strongly by CLG.

Question 6. What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We note with interest references to the Tenant Cashback model and as with most people look forward to seeing the results from the early pilots. It should be noted that some small associations have operated similar arrangements for many years and hope their experience will be made use of. The Tenant Cashback model seems to us to be aiming at individual tenants who might cost effectively and safely carry out small repairs about their home in a cost effective manner, making savings for their landlord with whom they might share these savings.

We are interested in adding another perspective to this idea. There are groups around the country who aspire towards running small scale local services in their communities. Grounds maintenance and caretaking have been common services groups have felt could be much better run at a local and locally controlled level. This could well be a model groups might look at to run such things as responsive repairs or some planned maintenance tasks such as decorating. If running such services created surpluses for the group these could be applied locally to enhance service or fill some other community sensed gap. We would like to see the wording referring to the Tenant Cashback model amended to emphasise how it could be applied to groups as well as individuals.

There is an existing Local Management Agreement, developed with Tenant Empowerment Grant, that was produced specifically for this purpose for groups who did not want to go down the full Tenant Management Organisation route. It has some problems to it that must be resolved but it would be a useful document for constituted tenant/resident groups who want to take on a low level of service provision, within EU procurement levels. The idea of groups collectively engaging with the Tenant Cashback model may also be a nursery for small business creation, setting up small tenant controlled repairs contractors, employing local trades people made redundant by the downturn in the construction industry.

We have seen models similar to this set up within existing Tenant Management Organisations, called "Resident Services Organisations" who have also taken on the training of apprentices as part of their work.

Please do contact me if you wish any further expansion or clarification.

Yours Sincerely

Keith Mann
Chair

Agudas Israel Housing Association

Dear Sir,

Thank you for providing the opportunity to respond to the consultation paper and have the following observations to make to the five directions.

1. Tenure. Something has been 'lost' on the process of choice based lettings CBL and sustainable communities. On the one hand it is about promoting independence and choice and the CBL model came with incentives to live in less desirable (cheaper) areas and pocket the saving. There has been no innovation introduced the benefit system to promote tenants adopting an entrepreneurial approach. Any fix of tenancy undermines the notion of sustainable communities as if there is a prescribed length of living how much investment will be withheld, in kind, or altruism as tenants merely 'pass through'. It is right that discussion should take place on tenancies for life as overcrowded can become under occupied over time. An example is the Basildon travellers who no longer seem to want to travel. Not that many years ago older people were accelerated through accommodation as they got closer to the grave cat 1, Cat 2, two and a half nursing home. It is right to cushion vulnerability and I would argue that any tenant is 'vulnerable' as they are not able to exercise financial choice so two years as the minimum tenancy length should be extended to three.
2. Mutual exchanges. With equalities in mind making internet based exchanges mandatory will marginalise those who are still not computer literate or through their religious beliefs are not allowed to use this medium. It is right to promote choice to enable to settling of sustainable communities and you make think that all organisations have web sites and you would be wrong.
3. Tenant involvement and empowerment. The principles are agreed. However history will show that tenant involvement and empowerment has not been provided the necessary leadership from the central position. There are plenty of tenant movements and groups and giant strides were made in this area following CCT, Best Value and tenant compacts. At the time no KPI's were set, designed or established to 'force' organisation to work with tenant in the ways that are being trumpeted since the TSA took over from the Housing Corporation. It is very well having directions and from where I sit an incrementally process is already taking place in this area and the TSA standards should continue to be the frame work to follow. Tenant Cashback is a very interesting concept and I suspect will trashed by housing professional who know best or who are frightened or do not understand what enabled empowerment means. It will require flexibility and there will be lots of different approaches locally but it is an exciting concept and I can see how it could be introduced where I work. I am not so sure that the policy makers have a full grasp as the 'benefits' in the consultation are a bit thin. I recently attended a local improvement

forum where the room had 80+ housing professional and, I apart, nobody had a good word to say about tenant cashback. Most probably because they had not read the detail. You really do need some flag bearers on this to 'show' people how it works and can be successful so I would urge a slower approach to its introduction if you want it to be successful.

4. Rents. Why have affordable rents if you have not got affordable housing. If you are not able to buy housing it is not affordable. What is affordability anyway? When I studied for my housing diploma I did raise the question why charge somebody something that they cannot afford, then provide the cost and give it to somebody else? Take the paperwork out of the system you should do more not less on this whole area.
5. Quality of accommodation. Do go and inspect any new build where there is mixed tenure. Do go and use the kitchen cupboards robustly in the outright sale and the social housing and feel the difference. In terms of VFM quality is a home coping with family wear and tear. It is no good ticking boxes on quality and I am focusing here on the future and any changes to the supply for the social housing market. In essence I agree with your directions on this and would ask that you protect the future of any new developments for quality.

I look forward to the outcome of the consultation in due course.

Yours Sincerely,

David Moreland MBA, BA Hons Welfare Studies, DMS,Dip Housing Studies
CIH, Cert Leading Sustainable Communities,

Customer Services
Agudas Israel Housing Association
206 Lordship Road
N16 5ES
02088023819

Akmol Ali

Social Housing Directions Consultation Department for Communities and Local Government

Dear Sir / Madam,

I would like to warn you of the dangers to the proposed Social Housing reforms. I have listed below some of the issues that will face our society if the current permanent tenancy's are removed.

1. If people are moved on because of better salary than people will either stay on state benefit (which will cost the state more money) or intentionally get a low paid job to secure a roof over their heads without having to be moved.
2. People will not spend money decorating their property's due to the fear of being moved on which will affect the economy.
3. Strong bonded communities will be lost if people are moved on as they will not be able to build a good relationship with the local family's, neighbours and the local community.
4. Family's and children will be affected as they will have to change their schools, doctors, dentists etc every time they move.
5. No doubt under the affordable rent scheme the rents will rise hence families will be left with less money hence they will rely more on state benefit.

These are some of the problems I see our community facing I'm sure there are much more.....

Please do not go ahead with the social housing reforms.

Thanks

Kind Regards,

Akmol Ali

Amicus Horizon

29 September 2011

Dear CLG,

Implementing social housing reform: Directions to the Social Housing Regulator - Consultation

Thank you for the opportunity to provide feedback on the proposed directions on social housing reform. I've attached our response to the questions in the consultation paper.

Yours sincerely

**Mike Judd
Director of Planning and Performance**

Our response

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

We think the draft direction is clear. It should be recognised we may have limited scope on the type of tenancy we offer. For example:

- secure fair rent tenants transferring within our stock, and
- households moving to homes funded under our HCA contract (100% fixed term affordable rents).

It should be recognised as local authorities develop their own tenure strategies housing associations m tailor their procedures and policies. This could lead to inefficiency and possible confusion for tenants. But we will work with our local authority partners to help make sure the impact is minimised.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

We agree with the requirements. But there are many policy areas covered under the direction – preventing eviction, tackling fraud, and sustaining tenancies. We think it should be made clearer some of these policy areas may be covered by separate policies rather than a single policy.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

It's clear assured tenants can choose to move to an affordable rent on a fixed term. But the directive should clarify the position for secure fair rent tenants. Secure fair rent tenants may not be able to move to fixed term, or affordable rent homes - and therefore new build homes. Fair rent tenants transferring

(within a providers existing stock) must be offered a new fair rent. Is the intention to amend the law to allow secure fair rent tenants to transfer to affordable rent if they choose?

We think the directive should be clear on the application of the five year minimum fixed term. Does it apply to:

- Mutual exchange where a fixed term tenant swaps with a lifetime tenant via surrender and regrant
- To succession
- To temporary decants of fixed term tenants

We think in the above instances the tenancy should be for the remainder of their fixed term.

Offering a minimum five year fixed term is sensible. To help the sector achieve consistency the directive should be clearer on the exceptional circumstances for offering less than five years.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

We agree with the proposals for mutual exchange.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

We agree with the proposed revisions to the direction on tenant involvement and empowerment.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these, and what costs and benefits might they result in?

We involve residents in the procurement of repairs services and improving value for money.

We'll review the outcomes of the pilot studies on Tenant Cashback. This will help us to understand the risks, costs and benefits. We are concerned about:

- Administrative costs (compared to the value of some repairs)
- Ensuring an excellent standard of repair
- Liability if repairs go wrong

Our residents appreciated what the Government aims to achieve. But didn't think Tenant Cashback was the answer. They said it may lead to:

- Confusion over tenant responsibilities
- False claims for repairs
- Liability - what would happen if a badly completed repair, caused damage to another resident's home?

The directive refers to sharing the savings (2a(v)). More detail on this would help us to clarify this expectation for residents and staff.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of affordable rent?

We recommend the directive uses the term assessment instead of valuation in section 5, sub para 7(a), and 7(c). The current directive implies we must get an individual valuation for each letting – this would increase relet times and cost.

Question 8: Do you agree with the proposed revisions to the quality of accommodation direction to reflect the expiry of the original target date for compliance?

We recommend the revised Home Standard requires 100% DHS compliance by the end of any annual planning cycle. This recognises individual homes may fall non-decent in-year, but a programme must be in place to remedy any failures by the end of the financial year.”

Question 9: Energy-efficiency is implicit in the revisions to the quality of accommodation Direction; should we make it more explicit?

We think the directives are clear.

Anchor Housing Trust

Introduction

We are grateful for the opportunity to submit our response to the consultation document on your proposals for implementing social housing reform.

Background – Anchor

Anchor is a not-for-profit organisation with more than 40 years' experience of helping older people. We are England's largest not-for-profit provider of sheltered housing for rent as well as England's largest not-for-profit care home provider. We provide great places to buy or rent as well as care services, including:

- Almost 700 retirement housing schemes for rent
- Property management services for leaseholders at 230 estates
- 96 care homes, including two specialist dementia homes
- Almost 1,000 extra care housing properties for rent

Response to the key questions:

Set out below are our responses to the key questions posed in the consultation paper which we see as relevant to the accommodation and services we provide.

Question 1

Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Response

We agree and support the proposed relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue. However; as a provider of older persons' housing we strongly support the recommendation proposed within the original consultation for the continued allocation of lifetime tenancies.

The age profile , support and care needs of many of our customers means they have a clear need to be allocated a lifetime tenancy.

Question 2

Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Response

We recognise how the use of fixed term tenancies may address issues of under occupation although within Anchor we have no plans to introduce these.

Overall the use of fixed term tenure may not be relevant to the provision of housing for older people who are looking for long term security of tenure in the later stages of their lives.

The use of fixed term tenancies would undoubtedly deter older people from taking up this kind of tenancy and a significantly longer period may be required. In relation to this we welcome and support the government's revised proposal that flexible tenancies of two years should be exceptional and that the majority of tenancies will be for longer terms of at least five years.

We do not support the issuing of probationary tenancies to our customers because as a provider of older peoples housing we recognise their expectation and need to receive the most secure form of tenancy available. In addition the effective operation of our applicant risk assessment processes removes the need to consider this option .

Question 3

Does the draft direction set out the right minimum protections for tenants of registered providers?

Response

We support the draft direction subject to offering the following minimum protections for tenants of registered providers;

- The standard should apply to all landlords involved in the allocation of social rented tenancies.
- Apply to all existing and proposed types of social rented tenancies.
- Set out any requirements/criteria that must be included in the local authorities interpretation of local housing need.
- Set out minimum standards and safeguards for tenants in the following areas; term of tenancy, succession rights, criteria for terminating the tenancy
rights of the tenant to apply for an extension of a flexible tenancy and having a
minimum notice period prior to the termination of a flexible/fixed term tenancy.

Question 4

Do you agree with the principle and detail of our proposed direction on mutual exchanges?

Response

As a national provider of older persons housing we support the promotion of the need to belong to a mutual exchange scheme as a positive development. However; as many of our customers do not have access to the web we will look to find an approach which best meets the needs of our customers and provides us with value for money. In particular we strongly support the proposal for future providers to introduce a payments by results charging system as opposed to a landlord or tenant subscription fee.

Question 5

Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Response

We strongly support the strengthening of the national standard on tenant involvement which encourages tenants to continuously review and monitor performance. We remain uncertain about the operation of the 'designated person' referral route to the Ombudsman and are worried that this does not in practice turn out to be an additional unnecessary step which restricts access to this important service.

Question 6

What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Response

In aspiring to provide the best possible responsive repair service to our customers initiatives such as the tenant cash back model should be considered. We already involve customers in the interviews around the selection of responsive, planned and service contractors, and can see the potential to develop this further by providing opportunities for more engagement with our customers at every level of the repair assessment and appointment processes.

We also support the proposal to provide more information to customers around maintenance budgets.

On the subject of customers carrying out their own repairs and billing us for them, there are a number of reasons why this would be difficult for us to engage in.

In our larger buildings many of the installations are complicated and safety critical, with difficulties isolating supplies to basic installations such as water supply. Also with this in mind it would be very difficult to be prescriptive about what type of repairs could be carried out by customers.

Generally we have a high number of buildings containing asbestos, and need to be assured this is treated in line with legislation and the safety of all persons.

It would be difficult to assess individual customers' abilities to carry out each type of repair, and would mean an increased back office cost on the repairs costs for technical personnel to validate repairs in a timely manner. This compounded by Anchor's national distribution of stock.

We are currently addressing an audit requirement to manage the health and safety practices of our small local contractors effectively. Customers acting as contractor would increase this identified risk.

Question 7

Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rents?

Response

The option to offer affordable rents may provide an opportunity to maximise the rental income from that part of our property portfolio which is considered suitable to offer at such rents but currently we have no plans to charge affordable rents.

Question 8

Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Response

We support the continuing use of the Decent Homes Standard as a generic tool for measuring housing standards on an on-going basis, albeit we do not believe it satisfactorily measures the standards of the more complex sheltered housing accommodation.

We would not support the move towards 'compliance with immediate effect' with the removal of the fixed date where a failure occurred. Anchor aims for a 100% level of compliance, consequently if an unexpected failure occurs this means 100% compliance cannot be maintained .We would instead prefer to retain a rolling time limit against which a given benchmark compliance level can be achieved.

Anchor maintains high quality standards and stock retention by carefully appraising long term liabilities and income flows to access scheme viability. With finite budgets our asset planned works strategy prioritises major components of work to ensure good building comfort levels for our customers.

Question 9

Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

Response

We support the proposal to make Energy Efficiency explicit in the revisions to the Quality of Accommodation Direction. However, we feel great care should be taken to ensure that Energy Efficiency measures proposed are both economically viable with an acceptable payback period, and practical when taking in to consideration the sophisticated nature of the electrical and mechanical installations in our sheltered accommodation.

Although we accept the need for regulation in this area in the past, our experience has been that this has been targeted at general needs providers and as a consequence has been less relevant to the retirement housing service we offer our customers . Anchor has its own dedicated Energy Management and Asset Management Teams, with expertise in the management of this type of accommodation We feel strongly that any strategies for improving energy efficiency must harness local knowledge of energy usage and trends to provide the most effective solutions tailored to meet the needs of customers living at our locations .

Applelodge

You have requested as consultation response to the above.

Our response relates only to the proposed Quality of accommodation standard. Our expertise relates to the Decent Homes standard assessment. Our consultants have been involved with this element since in inception under Fitness.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Response : No Decent Homes should be allowed to close or substantially amended.

Reason :

You will be aware of course that the original Decent Homes evolved from the failure of the fitness standard, with criteria B,C and D bolted on to this as an interim measure while HHSRS was developed. HHSRS changed Decent Homes when implemented in April 2006 bringing in additional specific areas for assessment, falls, Radon, noise etc.

Why continue with the current Decent Homes standard when it HHSRS has encompassed all areas and in some instances is in direct conflict with it because it was based on the lower fitness standard.

An example of this is where electrics assessed as a key component under criteria B. The electrical system can pass the 'reasonable' test if under 30 yrs old irrespective of condition (not being old enough) then fail as having a cat 1 hazard. This is confusing to both our clients surveyors and residents when the standard is challenged.

Again the thermal comfort standard allows 50 mm insulation levels where Gas central heating installed as a pass (previous standard Building regulation from 1976 -1981) but does not insist on the cavity being filled. HHSRS Excess Cold has conflict with this in that the DH June 06 advises a SAP rating of 35 is proxy for action where the full score HHSRS has a Cat 1 average for every pre 1979 properties.

The DH guidance can defend this by saying it's not a minimum standard but where clients are strict on finance they will work to the minimum.

The expectation for every resident with an assessment having the word 'Decent' in its title will always exceed what the actual standard is.

Decent Homes as a project has its roots set within the previous century from a time when lower standards were expected. This should now been allowed to close and evolve into a new Quality of accommodation standard based truly on HHSRS and not Fitness which DH standard is currently.

The four DH standards are acceptable as a principle statement but not in the current application.

The quality of accommodation can have a rating of the property based on a Alpha or numeric system similar to say the EPC except based on the condition of the actual physical accommodation and the energy efficiency and how well the property is managed and the area it is located.

A sample model could be:

- Overall Energy efficiency rating - XX points

- Age + efficiency of heating system XX points
- Lacking HHSRS Cat 1 + 2 hazards XX points
- Age + condition of kitchen XX points
- Age + condition of bathroom XX points
- Social housing maintenance programme XX points
- Sustainability assessment XX points
- Renewable energy compliance XX points
- Area it is located XX points etc

This could give each individual property a rating using a national ie Quality Standard assessment procedure (QSAP) such as C rated or 45 points (base on 100 poor 1 good)

Social Housing providers should be encouraged to up-scale their average rating by making improvements over time.

Decent homes standard should be closed or significantly amended to reflect HHSRS as its primary assessment. Move away from the pass / fail to an average rating as with the EPC or SAP.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

Energy efficiency is linked to fuel poverty in social housing and a minimum EPC rating should be explicit in the Quality of accommodation Direction based on the agreed national average SAP rating. As and when the average SAP rating improves the QAS (SAP) rating will need to improve similar to an index linked system.

Where not explicit for energy efficiency too much variance is allowable resulting in lower standards being applied.

This feedback has been provided by one of our consultants working for Applelodge and we hope it has been of use.

Should you wish to discuss the matter further please contact via email.

Teresa Keaveney
Business Services Manager
Applelodge

ARENA HOUSING GROUP LTD

Secretary of State's Directions to the Regulator

Response to Consultation.

Introduction

The Arena Housing Group has approximately 14,000 units in management spread across the north-west of England and into Yorkshire and Humberside. In addition to general needs, we provide accommodation for the elderly, young persons and others in need of care and support. One of our subsidiaries is a BME Association, assisting the Chinese and other BME communities in the Manchester area.

Whilst we are broadly supportive of the proposed directions we have reservations about the Mobility Scheme and concerns about the "Tenant Cashback" scheme. We do not believe the proposed national mobility scheme is justified or necessary for the reasons set out below. We understand that a pilot for the "Tenant Cashback" scheme is being put in place and we would want to have more details of the scheme to enable us to respond fully but at present our concerns would centre on competency issues, health and safety issues, quality issues and liability issues, as set out below.

Tenure

We welcome the proposals on tenure and the greater flexibility they will bring. We believe they will contribute to neighbourhood cohesion and assist in delivering local offers and making best use of available stock. We particularly welcome the increase in the probationary period to eighteen months.

Mutual Exchange

Drawing on our experience and our Residents we do not believe that there will be sufficient interest to justify the cost of setting up a national scheme and requiring registered providers to provide facilities to access it, nor do we believe that any such scheme would have a significant success rate.

In our experience most mutual exchanges are relatively local. Where residents express a desire to move to another part of the country we currently direct them to the relevant local authority and any lettings scheme that may be in place there. We believe that most residents who need to move long distances, whether for family, employment or other reasons, will find this course of action provides them with a wider choice and a more timely resolution than any national mutual exchange scheme would. The associated extra costs with such a scheme would put an undue burden on existing budgets for in our opinion very little "value added" to residents seeking an exchange.

Resident Involvement and Empowerment

We broadly welcome these proposals, welcoming particularly the recognition that tenant panels may not be appropriate in every case and associations would be able to establish alternative approaches . Further we also agree with

the recommendation that tenants should have the opportunity to be involved in the management of their homes, which could include devolved management arrangements for example.

We do however have some concerns relating to repairs and maintenance set out in paragraph 4(2)(a)(v) of the proposed directions.

The Arena Group considers itself to be a leader in the field of resident involvement. We have set up a Resident Board to influence, monitor and scrutinise service delivery and it reports direct to the Group Board, through its Chair who is also a member of the Group Board. We have various other mechanisms which support the Resident Board and which enable residents to be involved in and contribute to the running of the Group. One of the main support mechanisms is the Maintenance Committee, made up entirely of residents, that meets with the maintenance officers/Contractors to consider issues such as budget allocations, works programmes, method and quality of service delivery and performance of contractors. The Chair of this committee also sits on the Resident Board.

However, whilst we consider it entirely proper for residents to be involved in developing and scrutinising the maintenance service we have considerable reservations about individual tenants having the right to commission or undertake any category of repairs. Our concerns would include:

- Who would assess the competency of the individual to carry out the repairs task?
- The suitability of any contractor commissioned, both as to quality of work and meeting our required standards in terms of conditions of employment, commitment to diversity compliance etc.
- Potential loss of control over health and safety issues.
- Potential loss of control over budget.
- Issues with the insurance of the property if work was being done outwith our control.
- Loss of control could give rise to issues of fraud or impropriety.
- The situation may affect our ability to use the property as security for loans, or may affect the value of that security.
- We would retain the ultimate responsibility for the safety of the property but our ability to ensure that may be compromised by this initiative.

In addition to the specific concerns, we would suggest that if an association is running an effective repairs service, which provides demonstrable value for money, and its residents are afforded the opportunity to influence and scrutinise that service, there is no need for individual residents to get involved in undertaking or commissioning repairs. If the above is not the case, then the introduction of this system may only serve to mask any shortcomings or inefficiencies in a repairs service.

However we have no objection to tenants acquiring "practical and transferable skills" The Arena Housing Group has been heavily involved in creating training and job opportunities for its residents through its social enterprise subsidiary,

Arena Future Ltd, and through its involvement in the creation of the Fusion 21 procurement consortium.

As we said in our introduction, it may be that the proposed pilot scheme will address the concerns expressed above and we will be happy to respond further when more details of the proposed scheme are available.

Rent

We support the direction on rents and have no further comment to make.

Quality of Accommodation

Again we support the direction and have no further comment to make.

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Date: 28 September 2011

Social Housing Directions Consultation
Department for Communities and Local Government
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London
SW1E 5DU

Dear Sir/Madam

Re: Implementing Social Housing Reform Consultation

Thank you for giving Ashfield District Council the opportunity to respond to the Implementing Social Housing Reform: Directions to the Social Housing Regulator.

Our responses are listed in numerical order as per your Consultation Document.

Q1. Does the draft direction on tenure set out the relevant factors that Registered Providers should consider when deciding what type of tenancy they should offer and issue?

There is no support for fixed term or flexible tenancies in Ashfield. Ashfield Homes already use introductory tenancies and can effect extend if needed, and demotion if necessary on secure tenancies. As a Landlord we already have powers to evict tenants who breach conditions when appropriate.

Only lifetime tenancies will support sustainable communities – people cannot set down roots, be part of community, find work, and get involved in school/community events if under constant threat of losing their home. There is also less likelihood of a tenant looking after their property if it is not a long term home.

The current Allocations policy already provides to assist those wishing to move who are under-occupying, and this will be strengthened further with introduction of a new joint policy under Choice Based Lettings to be launched in December this year.

Applicants are currently offered housing according to their level of need – that need does will change because five years have passes or someone needier has joined the register.

The new direction is a disincentive to tenants to find employment as it means they may lose their home. We need to keep any employed tenants in our properties, to create sustainable communities, not move them out.

The biggest issue is insufficient supply of housing - not tenure.

Q.2 Does the draft direction on tenure set out the right minimum requirements for a Registered Provider's tenancy policy?

Yes, although the existing Tenancy Standard sufficient. The new requirement is very similar, and includes how to appeal/complain against tenancy decisions, not really any need to included new direction.

Q.3 Does the draft direction set out the right minimum protections tenants of registered providers?

No – right minimum protection should be lifetime tenancy.

Q.4 Do you agree with the principle and detail of our proposed direction on mutual exchange?

Ashfield District Council agrees in principle with proposals to improve mutual exchange services to tenants and development of a new national scheme to enable increased mobility. And we agree with outcome – that tenants should be able to easily access the details of as many reciprocal matches as possible.

However, we have concerns regarding the 'requirement' for Registered Providers to subscribe to an internet based Mutual Exchange service as there may be cost implications, and regarding provision of support to elderly or vulnerable tenants – would this be above the existing provision and at what cost? Is there any funding available to assist with a nationally subscribed scheme?

A new national mutual exchange scheme could include Private Rented Sector properties provided they are included in the Accreditation Scheme.

We would also consider a percentage of exchanges from outside the area but would wish to cap the numbers moving into the area unless it is to help regenerate the area, e.g. Local Enterprise Growth Initiative projects, where we would give some priority to assist applicants wanting exchanges/rehousing.

Our new CBL scheme will, when implemented, provide internet access in public buildings and officer support to vulnerable applicants.

Q.5 Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Ashfield District Council supports the proposal in principle of increased tenant involvement in:

- formulation of landlord's policies and procedures
- decisions on how services are delivered including setting service standards
- the scrutiny of landlord's performance and making recommendations

- Management of their homes

Agree with Registered Providers to support to tenants re the above, and tenants' panels/groups, etc. Agree Registered Providers to provide performance information to support effective scrutiny – but would this be additional work for the RP?

Q.6 What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Ashfield District Council has major concerns around the issue of Tenant Management of repair and maintenance services and do not support this proposal for the following reasons:

- Do not support tenants undertaking work themselves to save money
- Small contractors may also not have sufficient Health and Safety knowledge
- Monitoring and updating asset management databases with completed works will be difficult
- Quality/standards monitoring of completed works – and costs of additional checks
- Rectifying sub-standard works
- Monitoring savings will be difficult
- Choosing contractors purely on price will not always be beneficial
- Need to maintain stock to certain standard – may not be the case with lots of small contractors undertaking works
- Tenants or contractors may use non-standard fittings which may need to be removed and/or replaced when the tenant leaves the property to bring it back up to decent homes standard.

Q.7 Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Whilst this is not applicable to ADC as it applies to Registered Social Landlords only, we are concerned that affordable rent properties will not be within the Local Housing Allowance levels and may place tenants in further poverty.

We recognise that it is required to secure new development and help the viability model on new sites, to include some affordable rent properties, but if necessary, this must be kept to a minimum.

Q. 8 Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

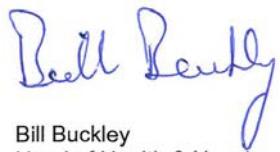
Agree – although ADC already met Decent Homes target and providers are already expected to maintain their stock to this level on an ongoing basis.

Q. 9 Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction: should we make it more explicit?

Proposed direction refers to 'accommodation that has facilities or services for the provision of a reasonable level of thermal comfort'. This implies energy efficiency measures and is included in asset management plans therefore there is no need for further detail.

If there is any way, as a Council, we can assist further please do not hesitate to contact me on the above telephone number or email address.

Yours sincerely

A handwritten signature in blue ink that reads "Bill Buckley". The signature is fluid and cursive, with "Bill" on top and "Buckley" below it.

Bill Buckley
Head of Health & Housing

P.G. MARSHALL, Chief Executive



ASHFORD BOROUGH COUNCIL

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Dear Sir / Madam,

Response to Consultation – Implementing Social Housing Reform

The following is Ashford Borough Council's response to "Implementing Social Housing Reform; Directions to the Social Housing Regulator." We would also like to say as a more general comment that we feel that directions should be as broad as possible and not too prescriptive especially in areas where the onus is on the provider to support – such as access to home swap service, residents managing repairs etc, to allow flexibility in service delivery.

Q1. Does the draft direction on tenure set out the relevant factors that RPs should consider when deciding what type of tenancy we should offer and issue?

In Ashford Borough Council's initial response to these proposals, we had already broadly agreed we should offer a 5 year term. We are happy with the revision of the wording of the tenancy.

It is probable that we will continue to offer lifetime tenancies for older people where moving into designated older people's accommodation and will very likely do the same for disabled tenants.

The five year proposed minimum term does go further in helping people in settling into and committing to a community, and all the benefits that has in terms of stability and community cohesion.

Our intention would be to develop a tenant policy and strategy to provide more detail as to what we will do over a range of different circumstances. We do not see anything too controversial or unacceptable in the draft direction. We do believe though that the more simple and straightforward our policy and strategy, the easier to explain, to manage and to justify to tenants and prospective tenants.

Q2. Does the draft direction on tenure set out the right minimum requirements for a RPs tenancy policy?

Yes, we believe it does

The implications with this requirement are around

1. How the process is managed
2. Putting in place measures to manage tenancies (arrears actions, breach of tenancy conditions, ASB etc)
3. Putting together a more over-arching policy linked to this standard

We will need to assess the implications for how we manage complaints in the future (Tenant Complaints Panels) – not just in relation to this aspect but for all aspects of the service.

Q3. Does the draft direction set out the right minimum protections for tenants or RPs?

The direction seems to give the right degree of protection to tenants moving (i.e. same tenancy status as was.)

We think that there is sufficient discretion if we want to give affordable rent tenants protection too, which is sensible.

This area now covers the 5 year minimum which goes some way to giving greater stability to tenants and all the worries we have already expressed around lack of commitment to their new community.

We would want to keep probationary tenancies (including with extensions to 18 months where appropriate) and this confirms these are still an option for us.

Q4. Do we agree with the principle and detail of the proposed direction on mutual exchange?

Yes, Ashford BC already subscribes to Homeswapper and are a partner in the Kent Homechoice mutual exchange scheme.

Despite the ease of access to mutual exchanges in Ashford, there are very few cross border exchanges that take place so it will be interesting to see if that increases.

We agree with the direction as long as any costs are inexpensive and the take up of the scheme is significant enough to justify it

Q5. Do we agree with the principle and detail of the proposed revisions to the direction on tenant involvement and empowerment? and Q6. What type of models for involving social tenants in repair and maintenance services are RPs likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We agree with the principle and detail of the proposed revisions to the direction of tenant involvement and empowerment.

Ashford Borough Council tenants and officers consider that the tenants cashback proposals are seriously flawed however; we believe that we can achieve a lot of what is being sought (value for money, tenants' say in repairs service, sense of ownership in their home, local works and supply chain) through the positive work that we do already.

Our tenants felt very strongly that the "cashback" proposal could very well increase potential costs rather than drive them down. It is full of potential inequalities – e.g. why should someone disabled and unable to do their repairs be unable to benefit in a way that an able bodied tenant could by doing some of their own work. It's poorly thought out and there are other better, fairer ways we could share savings achieved and drive a sense of pride in the individual's home.

We also think that the level of interest amongst tenants may have been seriously over-estimated.

7. Do the proposed revisions to the rent direction adequately reflect the introduction of affordable rent?

We believe that consideration should be given to making any service charge element separate from the affordable rent i.e. the rent could be 80% market rent and that does not cover the service charge. If there was insistence that service charges were fair and transparent then we feel you could still charge these on top of an 80% market rent.

8. Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

We agree with the revisions and consider that we are already compliant.

9. Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction: should we make it more explicit?

Yes it should be an explicit part of the Direction.

Yours sincerely,

Richard Robinson
Housing Improvement Manager

Aspire is a national charity that supports people who have been paralysed by spinal cord injury (SCI). Paralysis is permanent and there is no cure. We provide practical help to many of the 40,000 people in the UK with SCI to live independently through a range of services.

As part of our flagship Housing programme, Aspire has 22 properties across the country providing temporary housing to people with spinal cord injury whilst their long-term housing solution is arranged. Our houses have fully inclusive features so that people who have sustained this life-changing injury can regain confidence and get on with their lives whilst their own property is adapted or they find an alternative accessible property. Aspire welcomes this opportunity to offer our expertise through this response to the *Implementing Social Housing Reform: Directions to the Social Housing Regulator* consultation.

18. Aspire believes that providing greater freedoms and flexibilities for local authorities and registered providers to meet local needs and local priorities could be problematic. Spinal cord injury can happen to anyone at any time meaning that, naturally, the SCI population is scattered around the country. Where the needs of general local populations are prioritised, there is a danger that the needs of disadvantaged and minority groups within society that have more specific requirements are overlooked.
This proposal could lead to fewer accessible homes and environments being built in the country. Given that there is a shortfall of 300,000 wheelchair accessible homes in England¹, there needs to be a national strategic approach to meet national needs and priorities.
47. The Greater London Authority's Housing Strategy paper revealed that in 2007/08, only 46 per cent of wheelchair users moving into a housing association home were allocated an accessible property, while 68 per cent of lettings of wheelchair accessible homes were to households with no wheelchair user². Given the scale of the problem mentioned earlier in this response, regarding the lack of suitable properties in the country, it cannot be right that so many accessible homes are currently not allocated to wheelchair users. The direction for registered providers to make efficient use of housing stock when issuing tenancies must look beyond the issue of overcrowding and ensure that more effort is made to allocate wheelchair accessible properties to people who have a physical need.
49. The expectation from the government as stated in the document, that registered providers will pay particular regard to tenants that are more vulnerable and their children, does not go far enough. There should be

¹ The Disability Agenda (DRC) (2007) Creating an alternative future.

² Greater London Authority (2010) The London Housing Strategy.

- a requirement rather than an expectation for registered providers to develop, communicate and implement tenancy policies to these groups.
50. Issuing fixed shorter-term tenancies for wheelchair users could be problematic for a disabled person. Where adaptation works have been carried out to tailor the property to an individual's physical needs, fixed term tenancies could be even more complicated. Adaptations to tailor a property to a wheelchair user's needs can be very costly, especially where structural work has been carried out to widen doors, build ramps and convert bathrooms into wet rooms. Furthermore, adaptation works via the Disabled Facilities Grant can currently only be granted if the individual has proof of tenancy for a minimum of five years. To end tenancies after five years for tenants in properties that have been adapted would not be cost effective and could lead to further costs and time spent adapting another property to the person's needs.
53. Aspire welcomes that the Standard must include a guarantee of a tenancy of no less security for existing social tenants who choose to move to another social rent home. However, it remains to be seen how many new social rent tenancies will be available to people in the future. Increasingly, new tenancies will be at Affordable Rent levels as this is the only viable option that providers have to raise capital to build more properties given the changes to the Homes and Communities Agency model for funding the building of new housing stock.
55. With a mutual exchange scheme, there is a danger that making it easier for existing social tenants to swap properties could lead to accessible properties and ground floor properties that are, or have more potential to be, more suitable for wheelchair users being occupied by tenants who do not have accessibility needs. This could worsen the prospects of wheelchair users being allocated properties better suited to their needs. Additional safeguards need to be placed on wheelchair accessible and adapted properties to ensure that they are allocated to people who have a physical need for them.
58. Aspire recognises that the government are not seeking to prescribe how registered providers can offer support to tenants who may not have access to a computer or need assistance in using a computer. Aspire would like to put forward in addition to the suggestions mentioned in the consultation document, that registered providers could work with charity partners to give support for disabled people to participate in the mutual exchange scheme if they wish to.
68. Along with the move towards extending the Affordable Rent model as part of supply delivery agreements, it must be ensured that discretionary funds are kept up in perpetuity with Affordable Rents to meet the housing needs of disabled people.
70. Aspire welcomes the requirement for compliance to the Quality of Accommodation Standard to be of immediate effect rather than within a set period.

Submitted by: Krupesh Hirani
Policy and Research Officer

Association of Retained Council Housing (ARCH)

ARCH Consultation response to Implementing social housing reform: directions to the Social Housing Regulator

1. ARCH response to the consultation paper

The Association of Retained Council Housing represents officers, tenants and members involved in the provision of quality housing services and the collective interests of stock retained councils nationally. ARCH was set up for councils whose tenants have chosen the local authority as their landlord and it brings councils who own and manage housing together to get the best deal for their tenants. ARCH wants to make sure that a brighter future for council tenants is secured. In order to respond to the issues contained in this paper, the Association has consulted its' members and the ARCH Tenants Group on the points raised. This response is partly based on the comments that members have made. Individual ARCH member authorities will have forwarded their own detailed responses direct to you. ARCH is pleased that it has been invited to respond to this paper and is happy to be included on mailing lists as a consultee on future papers.

2. General comments

ARCH welcomes the opening comments in the Foreword of the consultation paper which highlight the scale of growth in social housing waiting lists. As providers of housing ARCH is only too aware of this issue, its causes and impacts as well as the influence on other services delivered by their local authorities. ARCH also welcomes the statement from the Minister that he believes 'this is best done by trusting local authorities and social landlords to run their own businesses and by giving tenants more control over the decisions they make about their lives'. Local authorities have been providing homes and related services to people who need them for many years and are experts in the field, often in very difficult circumstances. They will be happy to take on any new responsibilities they are given as long as appropriate resources and powers are available to accompany them.

There is clearly a balance to be met between centrally prescribed regulations and local flexibility in application. ARCH understands the need to continue with an element of external regulation but feels that the focus of this should be on proposed overall outcomes rather than the detail of service provision. Local circumstances vary widely across the sector making local knowledge and arrangements all the more appropriate. The role of regulation should be to guide overall outcomes for the provider and to guide local providers in the way they deliver services for the benefit of tenants. Providers must then focus on service delivery, local priorities and tenant engagement. Different organisations will interpret regulations differently and there will never be a method of ensuring that all people interpret things in the same manner. As a result we feel it is the interpretation of the provider which should be given most weight especially bearing in mind the statement made by the Minister about trusting in local authorities to run their own businesses. ARCH feels that the proposals should support the general message of enhancing localism, promoting the role of the landlord, rather than central control, and tenant engagement whilst reducing bureaucracy emerging from the government.

Response to questions

Direction on tenure

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Councils currently bear most of the factors noted in the draft direction in mind through existing procedures. New types of tenancy and the circumstances in which tenancies of a particular type will be granted and the duration of tenancies are indeed relevant factors to be considered. ARCH agrees with the need to publish clear and accessible polices which outline their approach to tenancy management as stated in the consultation paper. We feel that the most important element in this area refers to communication, as existing policies and procedures are in place in all councils enabling tenants to access complaints procedures or further appeals. Ensuring that all tenants and vulnerable tenants especially, have access to such procedures is a priority for councils. Clearly there may be opportunities to improve existing arrangements and these are reviewed on a regular basis. ARCH welcomes item (3) in the draft direction on tenure. We recognise that these will not be simply duplicating centrally produced policies but will highlight the local circumstances and priorities which influence the policies adopted by the council in question. There is also a balance to be found between publishing information which is too detailed and ensuring communication with tenants is such that they are aware of their rights and where they should go to access relevant support and advice. This should be left to the discretion of the provider.

ARCH welcomes the changes made by the Minister to the item at (4) (a) via the Revised draft direction on tenure (to 5 years) as recognition that a tenancy period of 2 years was unrealistic in terms of providing a long term stability for tenants and their families and that 5 years is a more appropriate alternative. We understand the benefit of being able to apply flexibility with regards to the duration of tenancies but cannot foresee durations of less than 5 years being commonly used. This also applies to item (3)(d). ARCH understands the need for providers to be conscientious in their duty to publish detailed information addressing those circumstances when they will grant tenancies for a term of less than five years. This is clearly an important issue for tenants and providers will appreciate the benefits that clarity in this matter will bring to tenants and potential tenants. The duration for fixed term tenancies should be decided by local authorities in a local context but the issue of stability, as well as the cost of reviewing a large number of tenancies would point towards a minimum duration of more than 2 years. Enforcement would also create costs and difficulties. ARCH welcomes the introduction of flexible tenancies as a further tenancy management option and the discretion given to landlords over whether to use them or not. There may be people who do not require a lifetime tenancy and while it is good to have flexibility within the system, that flexibility should not come at the price of all experiencing a reduction in rights. There is also a need to avoid a split within local communities between those that have lifetime tenancies and those that do not. Households comprising children clearly require stability in their lives to ensure consistency in terms of schools, friends and familiarity with their neighbourhood and surroundings. Families who regularly change address and school have far more difficulty reaching their potential especially their educational potential. It is hard to see circumstances where families would benefit from living

with the uncertainty of a fixed tenancy. Item 4 (b) states that registered providers grant those who were social housing tenants on the day on which section 132 of the Localism Act 2011 comes into force, a tenancy with no less security where they choose to move to another social rented home (this requirement should not apply where tenants choose to move to accommodation let on Affordable Rent terms). ARCH feels that tenants should receive the same level of security irrelevant of the accommodation they move to whether remaining with the same provider or moving to a new one. Procedures can be put in place which can create new tenancy arrangements for tenants who move within the sector (i.e. between or within local authority or housing association properties) and retain the benefits they held at the original property. Affordable rent properties may have a different rent level than the home from which a tenant moves but rent levels are just one factor of the tenancy. Such a move is can be considered unfair on customers who remain within the sector, may well discourage people moving to Affordable Rent properties and may create a divide between those who live in Affordable Rent properties and other tenants and so potentially impacting on community cohesion.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

ARCH believes the minimum guaranteed tenancy should be a decision to be made locally bearing mind the size of the waiting list amongst other factors. Circumstances will not be standard across the country therefore the guaranteed tenancy duration should vary accordingly. ARCH agrees with the concept of probationary tenancies and fully understands the benefits of them as a common management tool widely in use. In terms of a maximum length for probationary tenancies, this should again be a local decision with no maximum duration set via the Regulator. As noted above, ARCH feels that tenants should receive the same level of security irrelevant of the accommodation they move to within the sector.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

As noted above ARCH feels that a minimum fixed term of 2 years for general needs tenancies in addition to a probationary period is too short. This should be a matter to be decided locally.

Direction on mutual exchange

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

Yes ARCH agrees with the principles of the proposed direction on mutual exchange. We feel there may be some costs associated with such a service and are concerned that councils will be expected to meet these without extra funds being made available. As noted above councils are happy to take on extra responsibilities but feel it is only fair that extra resources are made available were relevant. Although costs may not be significant there is a potential for extra resources to be needed to make such a scheme effective. Costs around technology and linking up a large number of providers as well as the support needed to run a large internet facility such as this; local support for those without internet access; publicity and training costs; and one to one support for those with difficulties using such a system might add up to a substantial amount of money. Internet use is an area of rapid development and it could well be that investment in a particular approach rapidly becomes outdated. ARCH feels that as long as a

provider can prove it is working on behalf of its tenants (and via the internet may well be the method used) then that should be adequate. ARCH feels that this is a project which needs piloting and monitoring before being established nationwide. The general shortage of social properties is likely to lead to fewer requests for exchange and by the time this is rectified and the general economic situation improves, technology may well have moved on.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

As an organisation with an active tenant group, ARCH understands the value of engaging with tenants and incorporating their views into the policies and procedures of the organisation. ARCH feels that all councils are well versed in working closely with their tenants and that councils are always looking to improve the arrangements they have in place. ARCH recognises the important role tenant's have to play in the scrutiny of their Council's housing department and the need for both parties to work together. ARCH's Tenants Group is considering the area of scrutiny within its group meetings and is keen to take forward scrutiny, tenant management and tenant panels in the future. ARCH agrees with the proposed outcome of tenants being able to scrutinise their landlord's performance and make recommendations to their landlord about how performance might be improved. However, we feel that in the majority of cases adequate arrangements are already in place to enable this to happen. There are a number of examples of good practice within local authorities where the council already has a robust tenant participation structures in place. Each council is different of course but ARCH feels confident that the culture exists in all councils to listen to and incorporate suggestions from tenants on how services are managed. There are opportunities for councils to learn from each other and they should regularly review procedures as developments occur in this area. We also feel that there is appropriate support for tenants to consider options in terms of the Right to Manage and councils are happy to continue to invest in this level of support. ARCH agrees that publication of information about repair and maintenance budgets will help tenants to judge whether local schemes are sufficiently ambitious and is happy to promote that along with the publication of other relevant performance information. Efforts have been made to support tenant groups and boards to interpret performance information and to circulate it to the wider tenant community, so this is not a new suggestion. ARCH does have concerns about the amount of time and effort that should be dedicated to such an exercise. We also feel confident that there are numerous examples of good practice in the sector already which can be shared. ARCH also feels that although performance information should be provided to tenants and other interested bodies, landlords must be able to show that they are actively learning from data and using it, that they can identify changes made as a result of using such data and that services are improving as a result.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

This is an area where ARCH has major concerns. We are concerned that there is the potential for health and safety issues to emerge both for those undertaking the repairs and potentially for subsequent tenants. There is a chance that 'enthusiastic amateurs' may cause more harm than good by undertaking repairs.

Although there is a need to address tenants' requirements, it is vital to remember that the property will be occupied by tenants after the current tenants have left and they will have to live with any repairs carried out. The Impact Assessment for the Tenant Cashback scheme highlights exactly this issue. Trained operatives carry out risk assessments, have health and safety training, instruction on how to use specific tools, have power tools regularly checked, understand how different utilities can influence each other and have vast experience of working on hundreds or thousands of individual jobs. Most tenants will have none of this experience. There are also particular concerns around safe working practices such as working at height undertaking repairs to the roof of a building.

Furthermore there is a danger that some small scale contractors would not pass the rigorous validation procedures that contractors employed by councils currently have to go through. These include meeting stringent criteria around areas such as financial viability, quality of materials and working practice.

It would be unwise to allow contractors to carry out work on behalf of tenants without an element of external quality control or cost checking. There is a danger that the cost of this will be unsustainable if needed for a large number of contractors. The need to check the actual standard of the repair and ensure that it provides value for money is paramount regardless of who completes the repair and there will be an associated cost. Asset management has been a key service issue over recent years and there are a number of issues which emerge when considering how data on repairs which are undertaken out with centrally managed contracts is collected and recorded. If it is expected that these repairs will be quality checked, then there will be a cost involved. If they are not to be checked, then the chance of health and safety problems remains. There are also a range of issues which emerge when considering the cost of repairs, the standards to be met, potential savings which might be missed due to lack of central co-ordination and arrangements about the sharing of savings amongst tenants. ARCH believes a lot of effort has gone into establishing current contract arrangements, whether these are delivered by in-house teams or private contractors, and are concerned that this may be undermined by a piecemeal approach to repairs and maintenance. Small businesses currently provide repairs and maintenance services for many landlords and local handyperson services also provide a similar service. As such they are not excluded from undertaking this kind of work. The ARCH opinion is not one based on a bias against small local businesses but on ensuring the housing stock remains maintained to the highest standards whilst risk is minimised for existing and future tenants. We feel that moving the stated responsibility away from housing professionals to tenants will result in the emergence of significant problems. Existing arrangements enable tenants to have an appropriate level of input to the management of repair and maintenance services and the benefits of this approach should be guarded. This does not mean they should not be reviewed with a view to improvement on a regular basis. It is important to understand that many tenants are knowledgeable about the repairs and improvements necessary for their homes and this should be taken into account wherever possible. However, this is not a justification for introducing a new scheme but it should be utilised as part of the process for reporting repairs and planning capital schemes. Overall ARCH is not convinced that the Tenants Cashback scheme provides a viable option to safely, efficiently and effectively provide a repairs services.

Direction on rents

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

This relates to housing associations only so is not relevant to ARCH members.

Direction on quality of accommodation

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

ARCH welcomes the revisions removing the Decent Homes compliance date. It is understood that different circumstances exist in different localities and that extensions to compliance with the Quality of Accommodation Standard are justified. It is unrealistic to think that all providers will be able to comply with the same standard at the same time and the temporary extensions noted in the Direction provide necessary flexibility.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

ARCH feels that references to energy efficiency are adequate. It is up to individual organisations to address this topic through asset management plans. The regulator can support tenants by helping to inform them about developments in this area and the benefits gained from those organisations that are at the forefront of using related technology.

Axiom Housing Association

Question 1: Does the Draft direction on Tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Response: We do not believe that fixed term tenancies should be offered to vulnerable people. These would include residents of; sheltered housing schemes, Extra Care, foyers, homeless hostels, and for those people with an enduring mental health issue or with a learning disability.

We also believe that tenants with school age children merit careful consideration to ensure that schooling of children is not adversely affected by potential disruption to their home during the period of their schooling.

We feel there is merit in offering fixed term tenancies to non-vulnerable people in one and two bedroom properties as these people are often more transient and a fixed term tenancy would encourage greater mobility and better use of social housing.

Question 2: Does the draft direction set out the right minimum requirements for a registered provider's tenancy policy?

Response: Subject to the comments made in response to Question 1, yes.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

Response: There is still some clarity required on mutual exchanging tenants. The directions suggest that for an existing tenant who is seeking a mutual exchange with a tenant on a fixed term tenancy, that the process of 'mutual assignment' takes place, with each tenant stepping into each other shoes. The only special provisions made are for 'life time' tenants at the time of the Acts passing. If current Assured tenants risk losing their security of tenure through these reforms, this would be contrary to the Bills intentions regarding increased mobility. Therefore security of tenure for mutually exchanging tenants should be clarified and reconsidered.

New Direction on Mutual exchange

As stated above this new direction requires landlords to enable access to a national internet-based mutual exchange schemes thereby allowing tenants who want to move the best possible opportunity of finding a match.

Currently Axiom are only signed up to regional schemes.

Question 4: Do you agree with the principle and detail of our proposed direction on our mutual direction?

Response: In principle yes, however is utilising the internet the fairest and most effective system, as many of mutual exchanges tend to be local?

New Direction on Tenant involvement

The existing tenant involvement and empowerment direction is to be amended in order to:

- implement several recommendations set out in the Review of Social Housing Regulation on strengthening the ability of tenants to hold registered providers to account and,
- reflect the Government's Tenant Cashback scheme.

The review divides future regulation of registered providers into economic and consumer protection. The new draft direction reflects three key recommendations set out in the Review:

- First, there is a clear expectation that tenants are able to scrutinise registered providers' performance. In particular, tenants should have a wide range of opportunities to influence and be involved in "*the scrutiny of their landlord's performance and the making of recommendations to their landlord about how performance might be improved.*"

There should also be further opportunities for tenants to take responsibility for managing their homes, and support tenants in exercising this choice.

- Second, that registered providers should welcome scrutiny via a tenant panel (or equivalent group). The proposed text is designed to sit alongside the provisions in the Localism Bill for tenant panels that have been recognised as a "designated person" for the purpose of referring complaints to the Housing Ombudsman.
- Third, that there should be a clear regulatory obligation on registered providers to provide timely, useful performance information to tenants in order to support effective scrutiny.

Axiom have a comprehensive information system based on the local standards and volume controllers reported quarterly to the Performance Committee with tenant members and ARF nominees.

- The final issue in the draft direction reflects the Tenant Cashback model. The intention is to give tenants opportunities to be involved in the commissioning or carrying out of routine repairs, as agreed with their landlord, and to share in any financial savings made as a result.

Question 5: Do you agree with the principle and detail of the proposed revisions to the direction on tenant involvement and empowerment?

Response: Scrutiny Panels will give tenants the further opportunity to review their landlord's performance. We have already endorsed this approach within our own resident involvement and governance structure. That being said we have concerns regarding potential 'conflicts of interests with tenant panels and local Councilors acting as gatekeepers for dissatisfied tenants wishing to access the Ombudsman.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Response: Further to the current work we already undertake in this area and would need to work closely with our tenants to understand what kind of model may best suit Axiom. Like many landlords we have invested heavily in long term partnering arrangements with contractors to secure better value for money and a high quality and responsive approach to repairs and maintenance, we do not want to see this undermined or a fall in the quality of services. We are concerned these proposals could lead to a confused and unsustainable approach to this key area of service delivery. Any model adopted would need to place as paramount the Health and Safety, quality and sustainability of the work and ensure that tenants and landlords are not exposed to poor standards and unreliable services. .

We await the conclusion of a number of trials that are currently taking place but at present we do not see this as something that is likely to provide improved value for money for landlords or enhanced services for tenants.

New Directions on Rent

There are minimal changes to the direction on rent. The only change is to specifically exclude affordable rent accommodation from the existing rent rise formula and to indicate that, where accommodation is let on a rent of up to 80% of the estimated market rent.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable rent?

Response: Yes.

New Directions on the quality of Accommodation

The changes to the direction on Quality of Accommodation reflect that the original date of December 2010 for the completion of Decent Homes work has now expired and therefore require that date is removed from the direction. Instead, local authorities and Housing Associations will be expected to maintain their property to Decent Homes standards. In the few cases where property is below Decent Homes standards, the Regulator will be able to agree a temporary period where the requirements of the Quality of Accommodation standard is not fully met.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation Direction to reflect the expiry of the original target date for compliance?

Response: Yes although Axiom already fully complies

Question 9: Energy Efficiency is implicit in the revisions to the Quality of Accommodation Direction, should we make it more explicit?

Response: Yes - the proposal as it stands only reflects the Decent Homes requirement of “*a reasonable level of thermal comfort*”. *The importance of energy costs to tenants and the drive towards achieving better energy efficiency measures across all social housing needs greater definition.*

Basingstoke and Deane Borough Council

Question 1

Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Registered providers should be required to demonstrate how their policies accord with and contribute to the following strategies within the areas in which they operate:

- Statutory homelessness (and housing) strategies
- Statutory Tenancy Strategies (once developed)

Additionally, registered providers should be required to set out:

- their strategic approaches to the conversion of tenancies within the existing stock (by volume, location, and property type), and
- evidence based mechanisms for assessing and ensuring Affordable Rents remain affordable within localities and housing markets in which they operate

Question 2

Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

For this aspect of providers' tenancy policies in particular, more prescriptive guidance should be provided - at the very least to ensure consistency, fairness and equality for all tenants of all registered providers

Although the recent change on minimum lengths of tenancies from two to five years is welcomed, it remains of concern that five year tenancies may become a norm rather than a minimum. As we indicated in our response to the "Local Decisions" consultation, a more realistic duration of a housing / life event "cycle" would be between 5 – 10 years.

Providers should be required to consider whether alternative suitable accommodation options are available in the locality when determining whether or not to reissue a tenancy (this is especially significant in rural areas)

Question 3

Does the draft direction set out the right minimum protections for tenants of registered providers?

Clarification is required for cases of mutual exchange. Currently, following a mutual exchange, each tenant assumes the other person's tenancy. This may

not be compatible with a guarantee that a tenant choosing to move will not lose their existing security of tenure.

Question 4

Do you agree with the principle and detail of our proposed direction on mutual exchange

Yes, although clarification on what support would be considered “reasonable” for tenants who do not have access to the internet is required

Question 5

Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Whilst in principle the concept of greater landlord accountability to tenants is correct, the overall change of emphasis from an external inspection to internal scrutiny by tenants’ panels places a great deal of responsibility on sufficient tenants being actively motivated with the time and inclination to get involved. Additionally, an increasing proportion of tenants will ultimately have only shorter / fixed term tenancies - and therefore a different relationship with their landlord which may leave them less inclined to become involved.

Question 6

What types of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs might benefits result in?

No comment

Question 7

Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent

Yes, although it should be a requirement for evidence based mechanisms to be used when setting Affordable Rents to demonstrate they are affordable within the localities and housing markets in which they are to be applied.

Question 8

Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Yes. There is recourse for dealing with non-compliant accommodation within the Decent Homes Standard

Question 9

Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

Yes - to reflect current expectations on energy efficiency which should accord with that set out within the Decent Homes Standard.

Councillor Mrs Cathy Osselton, Portfolio Holder for Housing Health and Culture, Basingstoke and Deane Borough Council

September 2011

Bedford Citizens Housing Association

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

The introduction of flexibility in the tenure offered by moving away from the traditional requirement for 'the most secure' form is generally welcome and offers landlords greater flexibility in the use of their stock. The revised recommended minimum term of 5 years is also supported.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

As the consultation document states most, if not all, associations will already have in place appeal and complaint procedures. Provided they are properly established and clear, the procedures will protect the interests of landlord and tenant & avoid potential litigation and further direction should be unnecessary.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

See above.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

The principle is sound and nobody could reasonably argue that encouraging and facilitating tenants to exchange homes where they choose and want to do so is not worthwhile. However, prescribing how landlords are to do this is an unnecessary and bureaucratic measure because we already subscribe to the national Homeswapper system and already assist tenants with their applications and enquiries.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

We agree that landlords should encourage resident involvement and take their views into account. However it will not always be practical and there may be no desire on the part of tenants to form a panel. For smaller landlords with a dispersed stock it will be difficult for residents to take part in such a panel and for any such panel to be truly representative and have a meaningful role.

The most popular and best received means of communicating with tenants is by text, email and personal visit.

Any worthwhile annual report should already include performance information. In practice, performance information requires comparative figures to demonstrate how the landlord is performing compared to peers. This has

been common practice by this association and the many associations with which we have close links.

The consultation paper states:

'We believe that the publication of information about repair and maintenance budgets will help tenants to judge whether local schemes are sufficiently ambitious.'

Information on the amount spent, the average cost of work and resident satisfaction with the repairs service is reported already either in performance information or the association's accounts. Tenants will have views already on the quality of the repair service based on personal experience and it is very doubtful that publishing any further information would influence or change them.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Under current law the landlord has obligations to keep the property in good repair and condition. Tenants have the right to repair legislation to call upon where the landlord fails to meet their repairing obligations and a separate right to compensation for certain improvements they have carried out at their own expense when they vacate. This makes the obligations of both parties clear. The proposals muddy and blur this relationship

This proposal is not sensible and is unlikely to achieve its stated aims. It will be difficult and costly to administer and lead to inconsistencies across the housing stock in terms of the standard and make of components used which may compromise the landlord's future planned repair and improvement programmes.

Take up is likely to be low but disproportionately high amongst our client group of older often frail people.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

The guidance on rent setting is clear.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Some properties will always fail the standard at any given point as components age or fail. However, the well-established decent home standard is readily understood and accepted by all social landlords. In our case future planned work programmes and business plan projections have been based on

the work identified through stock surveys to meet the standard. There is no good reason for departing from the accepted national standard for social housing as a benchmark.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

No – this is not necessary.

Bedfordshire Pilgrims Housing Association

“I am determined that good, affordable housing should be available for those who genuinely need it and that people who live in it should have the opportunity to achieve their aspirations.”

The words of Housing Minister Grant Shapps in the introduction to “Implementing social housing reform: directions to the Social Housing Regulator”. We fully endorse his objectives and understand the decisions Government has taken to deal with the underlying economic imperative of deficit reduction. The changes in the funding model for the provision of new affordable housing have given some freedoms and flexibilities to landlords that have enabled new provision.

The creation of the new affordable rent product is a welcome move. However, we believe that it is a mechanism to enable landlords to provide a service to a broader range of customers than have been accessing “social housing” in more recent years. With increasing numbers of people unable to access home ownership through the market place or afford private renting solutions we believe it is time for a more fundamental review of who and how people can access affordable social housing.

The rationing of social housing in recent years has been through the medium of choice based lettings administered through local authorities. It gives an element of choice but invariably there has been limited supply of new affordable housing and consequently the provision of affordable housing has been targeted most intensely on those in the greatest need and invariably disadvantaged households. Whilst it has been possible to use these mechanisms to build economically balanced new communities through local lettings policies but we believe that this should become a more systematic part of the processes and be an objective of landlords and the regulator going forward.

Question 1

Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

It is clear that the draft direction on tenure will provide greater flexibility, enabling a tenancy to be matched to the circumstances of the letting. We see that the emphasis must be on positive choices and supporting customers in choosing the product that is right for them.

We believe that older people and those with disabilities should be offered lifetime tenancies.

In isolation from the detailed outcome of the review of the benefits systems and the introduction of the universal credit we have some concerns about the implications for those households with very limited incomes and those in low

paid employment and the potential reinforcement of the poverty trap and reinforcing benefit dependency.

We do believe that as landlords we should be enabled to help develop and maintain socially and economically balanced communities. On-going flexibility to use all housing options available to help support people to stay in home in a community where they are anchored is important in our view. For example if household income rises above a certain level at the time of a tenancy review there should be opportunities to enable that household to stay but on a different tenure basis

Question 2

Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

It is essential that landlords agree with the statutory housing authorities clarity and consistency around circumstances when decisions are taken to end a fixed term tenancy. Clear guidance is required in relation to the whole decision making process in this field, as it could potentially be ripe for public law challenge. However, landlords should be encouraged to develop their own policy and practice with input from their own customer scrutiny bodies.

Question 3

Does the draft direction set out the right minimum protections for tenants of registered providers?

From a landlord perspective, at a time when we are increasing focusing on value for money and efficiency to enable us to invest in more new affordable housing we are concerned that there will be additional costs to the registered provider to deliver this service.

We would welcome greater clarity from the Regulator on behalf of Government on the policy outcomes that are being prioritised.

Question 4

Do you agree with the principle and detail of our proposed direction on mutual exchange?

The aims of the mutual exchange proposal are good as long as all providers offer access to a web based system for customers.

Question 5

Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

We welcome the strengthening of tenant involvement and empowerment and view the direction as positive steps to address resident-led self scrutiny.

The concern is in relation to the implementation of the Tenant Cashback model, see question 6 response below.

Question 6

What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

As landlords we believe that it is our responsibility to provide a cost effective and efficient service that meets our customers' needs and our contractual obligations to them. If we meet this service standard we believe the demand from customers will be negligible.

Once again at a time of increasing emphasis on value for money and efficiency there is a potential heavier burden of administration, quality control and budget implications. It would also be very difficult to ensure consistency in standards and monitor health and safety issues. That being said, there should be an expectation placed on residents to do minor repairs and ensure that their properties are kept in a reasonable state of repair and decoration.

Residents should be involved in the procurement of services and the monitoring of contracts thereafter. Customer satisfaction, quality inspections and the setting of standards should have customer involvement at the very least.

Providers should give more information to residents on money spent on repairs & maintenance, cost savings and value for money. Customers should be involved in setting specifications and investigating and choosing appropriate supply chains.

We have another concern about the potential implication of introducing this measure on the value of the asset from a funding perspective. Increasingly we are using our stock values to secure our private sector investment to complement the diminishing level of Government backed capital subsidies. We have already seen the funders becoming increasingly nervous about funding the sector on the back of the proposed changes to "benefit-direct" and this could be another issue for the lenders to consider.

Question 7

Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

In principle, yes.

However, we do need a flexible system to enable landlords to be able to efficiently and effectively let homes. Rent and tenancy-term differentials allied to rationing through choice based letting could be highly problematic for landlords if there isn't a cascade mechanism to support housing

Question 8

Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

We believe that the Decent Homes Standard is an appropriate minimum standard and should be the level all landlords achieve as soon as practicable.

Question 9

Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

There is a real opportunity to tackle the carbon challenge by making existing homes more energy efficient. There should not be measures imposed that increase standards or increase maintenance. It should be a matter for local consideration by landlords working with residents to determine standards.

Berkshire Court Tenants Association

*Berkshire Court
Tenants Association*

27 Berkshire Court
The Strand
Goring-by-Sea,
Sussex BN12 6LF
July 23rd, 2011

Department for Communities and Local Government
Zone 1/4A Eland House
Bressenden Place
London SW1E 5DU

Dear Sir,,

I write on behalf of the members of our association to give our input to the consultation.

Background:

We were, until three years ago, part of the James Butcher Housing Association. Under their management we were all satisfied and content. Then Southern Housing Group first took over management and then, in October last year, ownership of our block. Our service charges have tripled but services have gone down. But, this is not the worst of it, SHG have been using our block as a dumping ground for antisocial people. As examples one tenant came here straight out of Lewes Prison; shortly thereafter that all our bicycles were stolen from the bicycle room, someone placed a pile of newspapers in the top floor hallway and set fire to them, one woman is dealing in drugs, one tenant (a young man) has large numbers of others staying or visiting and creating loud noise most nights from around 9:00 to 10:00 o'clock into the early hours of the morning. Individual tenants made their concerns known to SHG but were ignored.

In order to make our feelings known to SHG more effectively we formed a Tenants Association two years ago. Just the same, SHG have ways of acknowledging our concerns but doing nothing about them.

Recommendation to the Consultation

We strongly recommend that, in addition to the proposals already under consideration, that social housing tenants be given the "Right to Manage".

Council tenants and private leaseholders have it by law – why not us?

Giving social housing tenants this same right will be good in every way. It will make social housing groups take notice of their tenants concerns or face losing them, and if the social landlord still does not act on their tenant's concerns the tenants can take matters into their own hands.

Please include the Right to Manage for social housing tenants in the new laws you are considering.

Yours truly,



S. W. Freeborn
Secretary

Birmingham City Council (Resident Involvement Team)

Consultation response from Birmingham City Council's Tenants and Leaseholders

On 7 July 2011, the Government issued a further consultation on the implementation of social housing reforms. This consultation outlines the areas which the Secretary of State proposes to direct the Social Housing reform to set standards which are Tenure, Mutual Exchange, Tenant Involvement (including cashback scheme) Affordable Rent and Quality of Accommodation.

Over 30 Housing Liaison Boards (HLB) have been consulted and the results have been presented to City Housing Liaison Board (CHLB) on 22nd September 2011.

The HLBs were consulted on nine questions and the response is as follows:

Tenure

Question 1:

Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

- Mixed response to the introduction of flexible tenancies however there was majority view that a tenancy should be for a minimum of 5 years and existing tenants should be protected.
- Could be made more explicit to show that vulnerable tenants will not be offered a fixed term tenancy
- Flexible tenancies may have a detrimental effect on the wellbeing of a community, as better off or more independent families will be expected to move out of the sector.
- How will succession rights work with flexible tenancies?
- Concerns over the costs involved in monitoring the flexible tenancies i.e. job changes, personal incomes changes and dealing with requests to review decisions, it may create additional void turnaround as well as monitoring requirements.
- It is important to make tenants fully aware of the types of tenancies they are offered at the initial stage
- What if a tenant is misjudged e.g. if vulnerability is misunderstood and one is offered the wrong type of tenancy
- Tenants want security and feel that LAs should not change to short term tenancies

Question 2:

Does the draft direction on Tenure set out the right minimum requirements for a registered provider's tenancy policy?

- Most felt that the direction was adequate

- The draft directions do set out the minimum requirements for a registered provider's tenancy policy subject to reservation on vulnerable tenants
- Existing secure tenancies are not changing
- Require providers to publish policy that sets out the type of tenancies it offers

Question 3:

Does the draft direction set out the right minimum protection for tenants of registered providers?

- Majority were indecisive about this draft direction
- Short term tenancies would be upsetting
- Existing tenancies are protected but for how long?
- Best protection would be to use fixed term tenancies in exceptional circumstances and the LA can provide details for fixed term tenancy
- Secure tenants who are seeking a mutual exchange with a fixed term tenancy needs clarity

MUTUAL EXCHANGE

Question 4:

Do you agree with the principle and detail of our proposed direction on mutual exchange?

- Overall agree with the proposal
- LAs would need to specify what support they will offer to tenants who do not have access to the internet, confidence in using the internet or are not at all computer literate which could isolate them.
- LAs need to specify that they will continue to offer an internet based service on a 'free of charge' basis as it currently does with Homeswap
- What about those in a TMO or Co-op? Would be useful to see providers ensuring provision is given for tenants to move between organisations?

INVOLVEMENT AND EMPOWERMENT

Question 5:

Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

- Majority agreed with this principle
- Yes, agree that tenants should be given the power to scrutinise landlord services and to be able to contribute to policies and procedures.
- Agree for tenants to form scrutiny panel but only when they have received comprehensive training

- Tenant scrutiny needs genuine authority for tenants to feel they are listened to and heard etc, scrutiny panels need the ‘teeth’ to hold their landlords to account
- Tenants’ role in monitoring services and the outcome of service monitoring must be taken as seriously as the Audit Commission’s audits by the LA.
- It may place too much responsibility on a few tenants
- Our HLB structure currently scrutinises the housing services so HLB members feel they are ready to do this
- Would the fixed term tenants be able to participate?
- It is good to see Right to Manage included
- Concerned that it seems the Housing Regulator will not actively regulate the involvement and empowerment standard

CASHBACK

Question 6:

What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

- Majority of tenants objected to this model and agreed that things should stay as they are
- Considered contradictory as Tenancy Conditions stipulate the local authority as landlord is responsible for property repairs.
- It was considered generally that this approach would be appropriate for tenants who fall within the responsibility of a Tenant Management Organisation (TMO) or similar. Not individual tenants.
- What about people living in blocks of flats and they try to do a repair themselves and make a mess that affects other tenants in the block, what then? Would the tenant have to pay compensation?
- This would not be cost effective; rent money should cover the repairs service as designed.
- What about quality control/accountability and exploitation of vulnerable tenants by dishonest traders?

AFFORDABLE RENT

Question 7:

Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

- Agreed.
- Birmingham Municipal Housing Trust properties offer opportunity for profits to be redirected towards the build programme

QUALITY OF ACCOMMODATION

Question 8:

Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

- Some do not agree with a rolling programme
- Agree a set date on all improvement projects and review quality of accommodation with regulator
- Rolling programme does not give tenants any assurance for completion of works
- Long term business plans should be shared with their tenants

Question 9:

Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

- Majority agreed it should be included in the direction
- Believe that it would reduce the cost of living
- It should reflect current expectations of energy efficiency
- Fuel poverty is a problem and may get worse; energy efficiency in social housing can only be good and should be included in the quality of accommodation direction.

Blackpool Council and Blackpool Coastal Housing

This response to the consultation on "Implementing Social Housing Reform: Directions to the Social Housing Regulator" is sent on behalf of Blackpool Council, and the Council's ALMO, Blackpool Coastal Housing.

Blackpool Council is a Registered Provider and owns approximately 5,350 homes which are let as low cost rented housing.

Blackpool Council's response to the consultation questions is as set out below.

Question 1

The draft direction does set out the relevant factors.

Question 2

The commentary refers to paying particular attention to the needs of more vulnerable tenants, but the directions themselves should be more specific that the shorter fixed terms would be inappropriate for vulnerable groups.

The directions should be amended to reflect the consultation responses, and make the general minimum period for fixed term tenancies five years, with two years only used in exceptional circumstances.

Question 3

The direction suggests that where a social housing tenant moves to another social rented property, they will maintain the same security of tenure when they move. In the case of a move to a property type that is normally let through a fixed term tenancy, this will mean that the tenant's right to continue with the same security of tenure will prevail over the tenancy policy. Where fixed term tenancies are being used to make best use of property types that are in short supply, this would frustrate the ability to re-let the property to other households in need. If existing social tenants choose to move through a voluntary transfer or mutual exchange, there is no reason for their existing security of tenure to always be guaranteed (although it may be desirable in some circumstances).

Question 4

The principle of the direction on mutual exchange is supported.

The requirement to provide reasonable support to tenants who do not have access to the internet should be extended to tenants who have access, but require assistance in using the internet.

Question 5

The principle and detail of the proposals on tenant involvement and empowerment are supported. We feel, however, that the change of emphasis from an external inspection to internal scrutiny places a significant new responsibility on tenants. It is important that the new emphasis on scrutiny structures does not have a negative effect on other existing involvement activities. Also, it is worth noting that there will be new ongoing costs attached to the maintenance of new scrutiny structures at a time when funding is being reduced.

Question 6

It is welcome that Government recognises that development of a Tenant Cashback model is still at an early stage and that the directions have been drafted to allow a range of possible ways of involving tenants in repair and maintenance services. However, it is not clear from the current drafting of the direction how far registered providers will be expected to go in allowing tenants to undertake repair tasks.

There are some major issues that need to be resolved before the proposal that any tenant should be able to carry out their own repairs and seek payment for it can be rolled out. These include quality control and agreeing levels of payment. The costs of such a scheme are likely to be more than the costs of the current arrangements.

Blackpool Coastal Housing has had sustained success in reducing the costs of repairs services, not least through economies of scale in purchasing materials. We would be reluctant to lose these savings, or to have them significantly reduced as a result of implementing and administering a Cashback scheme.

Blackpool Coastal Housing is currently considering providing training to our customers to undertake low level repairs via a Social Enterprise scheme, but this is subject to further piloting. This would not result in every tenant being able to choose to carry out their own repairs and receive payments, but would give new opportunities for those who have shown that they have basic skills.

Question 7

Yes, the proposed revisions on the rent direction adequately reflect the introduction of affordable rent.

Question 8

Yes, the proposed changes to the Quality of Accommodation direction adequately reflect the expiry of the original target date for Decent Homes and the Government's intention to allow temporary extensions where standards have not yet been met.

Question 9

The proposal only reflects the Decent Homes requirement of “a reasonable level of thermal comfort”. We feel that this needs to be expanded to more precisely reflect the Government’s expectations on energy efficiency, perhaps by using Standard Assessment Procedure ratings as an explicit part of the direction.

Yours sincerely

Andrew Foot
Fylde Coast Housing Strategy Manager

Bolton at Home

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Affordable housing should mainly benefit those households whose incomes restrict them from following other, more expensive, housing options. Further, it is reasonable for landlords to have some means of ensuring the overall economic profile of their tenants reflects this general principle. So it would seem appropriate that those households whose incomes rise enough to allow them greater housing choice should move to make room for other households on lower incomes; and that landlords should facilitate this process by having the power to introduce a range of fixed term tenancies.

The difficulty lies in fitting this general outcome into a workable policy that is both cost-effective and fair to all parties. If the introduction of fixed term tenancies fails to promote social mobility as a positive choice and just becomes a negative tool to squeeze out tenants, who have honest concerns about moving to a more expensive form of accommodation, then it fails as a policy initiative. To ensure, as much as possible that this would not happen the range of relevant factors a landlord needs to take into account when considering tenancy type options should include:

- The positive impact a mixed economic tenant base would have on the overall sustainability of an area. Following an assumption that a portion of 'higher' earners will have a beneficial impact on all customers.
- The difference between earnings and outgoings of a household rather than just assuming a rise in income always means greater prosperity. Also the fact that disposable income levels can vary greatly over a period so taking a snapshot at the end of a fixed term is not a reliable indicator of capacity to move out of affordable housing.
- The social and economic impact and cost (both emotional and economic) of uprooting families from their homes.
- How detrimental having a fixed tenancy would have on a household's capacity to secure loans and other forms of credit in comparison with, say, any secure tenant neighbours on a similar income.
- The costs to the landlord in terms of managing the process, creating additional voids, paying any compensation and chasing any residual debt. Set against the benefits of securing possession without costly legal proceedings were the case is uncontested.
- The implications on, usually older, people on fixed incomes/savings whose spending power might be relatively high at the end of the fixed term tenancy period but will inevitably decline over time as costs rise through inflation whilst savings and income dwindle proportionately.
- How adversely the fixed term policy would apply to worklessness programmes when encouraging people into employment may be perceived as an increase in income but also as a potential loss of home.

- Demand for social housing may outstrip supply now but this situation may change radically before the expiry of fixed term tenancies in the future, especially on estates which have traditionally been harder to let. So, it may not be helpful in these more challenging estates to introduce anything other than a secure tenancy. Also a secure tenancy may be potential incentive for people on greater relative incomes to move and therefore sustain these areas.
- How potent is this as a tool if evidence shows that households tend to move anyway when their disposable income rises significantly and the only reason they don't do as often now is due to difficulties in the owner-occupation market rather than anything to do with having a secure tenancy.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

The problem lies with the fact that these are minimum requirements and that we should all be aiming to exceed these . For instance, at Bolton at Home we set out to address many of the tenancy issues that the legislation attempts to tackle through a range of management initiatives. For example we:

- Are piloting a mutual exchange system aimed at encouraging people to downsize so as to free up under-occupied properties.
- Have in place the STep management process which provides on-going support and intervention for new tenants and as part of this, from September, we will be piloting an income check on households (other than older persons and the disabled) offered properties to ensure that they do not breach our charitable status requirements.
- Have a dedicated officer who has responsibility to investigate tenancy anomalies and has managed to 'recover' twenty properties that had been occupied by others after the tenant had left without notice over the last six months.
- An additional minimum requirement on landlords could be that they have a duty to make regular contact (defined as at best annually at least every two years) with all their tenants so as to discuss any changes of circumstances in relation to income and offer appropriate advice and assistance on how this effects their housing options. The idea would be that any other management or tenancy issue would be brought up rather than it just being restricted to the financial circumstances question.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

Bolton at Home is a RP with charitable status so, without the need for additional legislation, we have a legal responsibility to let homes primarily to people on limited incomes, to older persons, and to the disabled. As the last two categories are not subject to any maximum income ceiling, it seems only fair and equitable that these groups should also be exempt from any fixed

tenancy policy a housing organisation is proposing to introduce irrespective of whether or not they have charitable status themselves.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

We would agree that any mutual exchange system needs to be well publicised, easily accessible and uncomplicated to use. Concerns arise in how high the subscription level is set and how cost-effective this is for organisations; based not just on how often it is used but on how often a mutual exchange takes place as a direct consequence of using it.

As mentioned before we are very active in encouraging our tenants to downsize or to move to accommodation more suited to their needs and we also have a range of different outlets, such as our U Can Centres, through which we provide computer access and training to our customers.

We are relatively confident and comfortable that we can provide sufficient opportunity for people to access any mutual exchange system and even provide a little nudge through our downsizing programme. However, it may be worth putting together centrally a promotional package that can be shared amongst participating RPs that may prompt people to think about mutual exchanges as an option (especially, for example, as this may get them thinking about looking for employment farther a field).

Finally, as the pace of technology increases exponentially any large scale investment in one specific IT product to carry the service may not be cost effective as this could soon be out of date. Serious consideration of what method(s) of electronic communication provides the best long term solution for both subscribers and users is essential.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Bolton at Home has a well-established and proven approach to tenant involvement and empowerment. Indeed our organisational culture is based around putting the customer first. Achieving these outcomes includes but goes beyond giving as much detail on performance to all our customers and responding to whatever comments and challenges that emerge from this sharing of information. To add more impetus to the direction of tenant involvement we would suggest:

- Placing an obligation on housing organisations covered by the legislation to produce a Customer Involvement Strategy drawn up in consultation with residents.
- Ensuring that all had to evidence that tenant representation is enmeshed in governance structures, not just within an adjunct to the main decision-making forum. For example tenants make up one third of our Board and a Customer Committee has been created both to

scrutinise our performance but also to discuss any significant tenant-related issues ahead of it being discussed at the Board.

- Ensuring that “tenants have a range of opportunities to influence and be involved in the scrutiny of their landlord’s performance” is made part of the national tenant involvement & empowerment standard. For example we have teams of Customer Inspectors, Customer Service Panels and have created an overarching Customer Committee as a key element of our scrutiny structure.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

As all our stock has been brought up to Decency Standard issues raised about compliance do not apply to us. Rather we feel that meeting the decency standard is only really the first step as we have to invest to both maintain the standard and extend it to meet our customers' reasonable expectations of what should constitute a decent home, this includes both achieving internal and external works that are not covered by the national standard but make up what we call the Bolton Standard.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

Energy efficiency needs to be much more explicit in the revisions as it is not always as implicit as would be assumed. This could be achieved simply by including something about use of sustainable materials, wind and waterproofing (not just thermal comfort), and also adding a clause relating to affordable warmth.

Bournemouth Borough Council

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Bournemouth Borough Council does not object to the proposed use of flexible tenancies. Their use can help ensure that scarce accommodation is available to those most in need.

However because the end of lifetime tenancies is not mandatory there is a likelihood that the Council will have to deal with more challenges to its decisions to grant such tenancies in the first place, the length of such tenancies and the decision not to renew them.

The draft direction does set out the factors that should be considered when making the decision to grant a tenancy.

However there should be guidance to Registered Providers on where it may not be suitable to grant a flexible tenancy particularly where a prospective tenant is vulnerable or to ensure the sustainability of a community.

There should be additional emphasis placed on the need to meet the needs of individual households and the sustainability of communities.

There should be more guidance for Registered Providers when considering ending or renewing a flexible tenancy and what help should be provided to tenants whose tenancy is not renewed.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Registered providers will be expected to publish clear and accessible policies which outline their approach to tenancy management, including interventions to sustain tenancies and prevent unnecessary evictions, tackling tenancy fraud and granting discretionary succession rights.

The policy will also set out —

- (a) the kinds of tenancies they will grant;
- (b) where they grant tenancies for a fixed term, the length of those terms;
- (c) the circumstances in which they will grant tenancies of a particular type;
- (d) the circumstances in which tenancies may or may not be reissued at the end of the fixed term, in the same property or in a different property;
- (e) the way in which a tenant or prospective tenant may appeal against or complain about the length of fixed term tenancy offered and the type of tenancy offered, and against a decision not to grant another tenancy on the expiry of the fixed term;

(f) their policy on taking into account the needs of those households who are vulnerable by reason of age, disability or illness, and households with children, including through the provision of tenancies which provide a reasonable degree of stability; and

(g) the advice and assistance to tenants on finding alternative accommodation they will give in the event that they decide not to reissue a tenancy.

The Council agrees with the broad requirements for proposed tenancy policies subject to the reservations mentioned in the response to question 1.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

The proposed minimum term for a flexible tenancy is now 5 years instead of 2 years. The shorter minimum period could still be used in exceptional circumstances.

Tenants who move whether as a result of a transfer or a mutual exchange will retain their “lifetime tenancy”.

The Council agrees with the minimum protection for tenants of registered providers but further advice should be available on what exceptional circumstances warrant a fixed term period of a minimum of 2 years.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

The new direction proposes that Registered Providers should provide access for tenants to an on-line mutual exchange scheme.

The Council already provides such access at no cost to its tenants through Homeswapper. Access is also facilitated through libraries in the area and through our Tenants Resource centre.

The Council agrees with the principle and detail of this proposed direction. However we are concerned that tenants, already on a fixed term tenancy, may not fully understand or be aware of the tenancy policy of any new landlord particularly where the criteria for the renewal of tenancies differs substantially. This could place tenants at a disadvantage following their move and might discourage mobility in the first instance.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

The Council agrees with the need for tenants to be able to scrutinise performance and this goes hand-in-hand with the obligation to produce an annual report to tenants, something which many social housing providers were doing before the TSA regime required it.

The proposed changes to tenant involvement and empowerment will result in increased costs, particularly the Right to Manage tenanted properties, as has

been clearly shown through the management of RTB leasehold properties and the support necessary for compliance with lease provisions.

These increased costs in supporting involvement will inevitably be passed to tenants which in the economic times currently being experienced may result in other tenant services being reduced.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We would anticipate that the models we would propose would involve minor repairs, we certainly have residents capable of delivering routine repairs to their home, however we feel that many tenants would prefer their landlord to arrange repairs because it will be simpler for them and some will feel strongly that a repairs service is a core part of their tenancy agreement.

We would be cautious of the savings that could be achieved as the cost to administer the scheme could be higher than delivering a full repairs service. Costs could also be incurred when a major repair is required because a resident has not carried out a minor repair in time or to the required standard. We would hope that the results of the pilot would explore the limits of the scheme – what types of repairs cannot be devolved to tenants for reasons of safety or risk. We hope they will also consider whether the scheme's operation discriminates against particular groups of tenants, for example older or disabled people, those on very low incomes who will struggle to pay for repairs up-front, or those living in old and non-standard homes. Although we have some queries about the scheme, we are strongly in favour of approaches to service delivery which empower tenants, and think that a well designed tenant cashback scheme could deliver benefits to some of our residents.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Yes, as long as the definition of the Decent Homes Standard remains the same we are confident that we will be able to maintain it into the future, the changes to the Quality of Accommodation Standard adequately reflect the expiry of the original target date for Decent Homes.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

Greater clarity for energy efficient measures would be beneficial to ensure a consistent approach by housing providers to reduce energy costs for residents and help reduce fuel poverty.

Bradford City Council

Introduction

The response below has been coordinated by Bradford Council and is based on the response provided by the Registered Providers Accent Group and Incommunities.

Other contributors include Bradford Council's Neighbourhood Service and Access to Housing Team, and Bradford District Tenants and Residents Federation (the latter contributing to Questions 4 and 6).

The present response is a draft which is being considered by Bradford Housing Partnership. As agreed with the consultation coordinator, the final response will be supplied no later than 5 October 2011.

In addition to the responses provided below, we feel we need to flag our concerns overall with the increasing levels of prescription set out within the consultation paper.

We believe that there is a real risk that the power of direction could be misused as a method of transferring government policy into regulatory requirements.

This would be fundamentally opposed to the original ethos established by the new Regulatory Framework in 2010, when we saw an end to detailed and prescriptive regulation in favour of outcome based Standards.

Further, one of the consequences of such detailed prescription is to blur the lines between the different types of social housing provider. Private Registered Providers (PRPs) are not true public bodies, and including such specific requirements in the directions to the regulator threatens their non-public status.

Our response to the consultation questions:

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

We can see that introducing fixed term tenancies to stimulate turnover of high demand properties could result in some positive outcomes. However, we do not currently detect an appetite for introducing these in scale for our social tenancies amongst our resident population, Boards or partner agencies. If fixed term tenancies were used, this would be to address low turnover of social housing in very high demand areas, particularly for underoccupied properties. Partners would not seek to use fixed term tenancies to identify and move on tenants whose financial circumstances had improved. Ending the tenancy of those who gain employment or otherwise improve their situation is a disincentive to work and risks creating concentrations of residual housing.

This has negative implications for creating and maintaining balanced, sustainable communities and will reduce stability and security for individual households and families.

It is also very unlikely that providers would seek to issue fixed term tenancies in areas of low demand.

We welcome the increased flexibility in regulation and believe that it is entirely right that the directions should increase our ability to make these decisions as a business. The concern remains however that the power to direct could also be used in future for the opposite purpose - to impose more restrictions.

If this is to be implemented, we wonder whether assessing flexible tenancies will take into account geography and ties to the local community, and also whether flexible tenancies will be applicable over a range of social housing providers in an area so that a broader view can be taken on the best use of existing and future housing stock.

The use of fixed term tenancies will have major resource implications for providers in administering such a system. One alternative is to legislate for a statutory ground in the tenancy agreement for a flexible tenancy. This is a clearer and simpler method which could be subject to a test of reasonableness in court and provides effective protection of tenant's rights in a way that the current proposals do not. It can be enforced as the need arises, instead of a provider having to predict at the outset what length of tenancy is required. It will be cheaper to administer and avoids wasteful and expensive administrative processes for renewing fixed term tenancies over time for a tenant whose circumstances don't substantially change.

The tenure proposals also have a range of legal implications:

- The ability to grant fixed term tenancies (as opposed to assured tenancies for life) could call into question the position of charitable registered providers.
- The law currently requires tenancies for over three years to be under seal and over seven years to be registered at HMLR. The Bill includes provision to reverse these rules in relation to leases of up to twenty-one years.
- There are knock on effects for legislation such as the Section 11 L&TA repairing obligation which only applies to leases of less than seven years; legislation will be required to preserve this.
- There may be SDLT payable if the threshold is reached. SDLT is payable on an NPV calculation of the value of the rent over the term of the lease.
- Section 13 HA 1988 rent increases only relate to periodic tenancies. All rent increases in a fixed term tenancy would therefore need to be set out in a rent increase contractual provision in the tenancy agreement and not through Section 13.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Yes, we especially welcome the expectation that providers will need to pay particular regard to issues of tenant vulnerability. As we welcome the flexibility to determine safeguards and criteria at a local level.

However, we are not sure whether having shorter tenancies will address this issue fundamentally as social housing is in great demand, which outstrips supply.

Mixed tenure may affect the stability of neighbourhoods, i.e. where people feel they belong to / have a stake in.

Having different tenancy length may prove an encouragement for those in better circumstance to move into the private sector or buy their own property, which may further destabilise our most disadvantaged neighbourhoods.

Question 3: Does the draft direction set out the minimum protections for tenants of registered providers?

Yes, we are pleased to see that the Standard will include a guarantee of no less security of tenure for existing social tenants who choose to move home. We believe this security should also be protected if an existing social tenant moves from a social rent property to an affordable rent property.

We must also recognise the issue for 'discharge of duty'. Localism Bill is intending to change the current regulation which is 'suitable accommodation in a secure tenancy' to suitable accommodation in 12 months assured short-hold tenancy. If this goes ahead, an 18 months 'probationary period' will affect the Council's ability to discharge duty under homelessness and housing auspices.

Longer tenancy is more beneficial for the neighbourhood, giving the tenants an opportunity to develop a stake in the community and feel it is worthwhile investing in their home.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

We are fully supportive of a national scheme which will enable tenants to maximise their opportunities to identify a suitable mutual exchange.

There are examples of mutual exchange schemes in Bradford – although on a local level, they provide a useful insight into how a similar scheme may operate.

A mutual exchange scheme used by Accent Group, for example, was introduced in consultation with residents. Further work is planned to review the effectiveness and value for money of the scheme. We are concerned that

making this a mandatory requirement forces landlords to ignore the views of our residents with regard to where we should focus our resources to meet their housing needs.

The likely costs associated with implementing a national scheme is also a concern, as is the potential impact of welfare reform.

Bradford has low housing costs compared to neighbours – and a large private rented sector – if the policies impact on citizens from other authorities (as HB is changed and more pressure is put on the social sector at the same time as rent support in the private sector is reduced) then populations of poorer people could be forced to move about, putting Bradford in the position to have to cope with an influx of poorer people moving into the authority.

All work to strengthen landlord accountability to tenants should be welcomed – but balanced against the investment in time and resources needed to deliver.

Below is the perspective of Bradford District Tenants and Residents Federation:

- Agree with idea of a national database
- Registered Providers to have the power to make sure rent accounts and other bills are up to date before approving transfer
 - Also checks on ASB
- Access should be through all Registered Providers' public IT systems in their offices
- Tenant reported that this already works well within Registered Providers e.g. Yorkshire Housing
- Concerns about security of tenure, this should be maintained
- Registered Providers should be able to apply the same rules and regulations to everyone, and ensure that properties are suitable and appropriate for the exchanging tenants
- Both Registered Providers should agree to the exchange for it to go ahead
- The Registered Provider should have the ability to monitor their new tenant after an exchange, and "downgrade" tenancy if necessary
- System should be free to access for the tenant
- In the case of rent arrears/recharges being owed, tenant should have to make a demonstrable commitment to repaying to take part in the scheme
- Agreement that an internet-based system would be ok

Incommunities, which operates the Districts CBL scheme, would support the use of a paper based system alongside an internet based scheme. Their experience with CBL self service has shown that many customers are not IT literate and the resources needed to provide support can be burdensome.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Positively welcome this approach. The increased emphasis on resident involvement in setting policy and service standards, and scrutinising services, is welcome and more accurately reflects the reduction in direct regulation of the consumer standards.

We also agree that it is appropriate to include tenant panels as a method of improving resident scrutiny and influence (however, tenants might need to be supported to ensure full participation). We are pleased to see a recognition that such tenant panels may not wish to become the designated route for referring complaints to the housing ombudsman.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

All work to strengthen landlord accountability to tenants should be welcomed but balanced against the investment in time and resources needed to deliver this.

These proposals need further examination.

The CLG's own impact assessment of the scheme finds that a prescribed system for devolving control or repairs budgets "could cause landlords to incur additional costs that are not offset by efficiencies elsewhere, to the detriment of social tenants who would witness pressures on rents or service standards."

We also do not believe that this is within the scope of the power of direction as set out in the Housing and Regeneration Act 2008. Section 197 2(c) states that direction may only be given if it relates to

- quality of accommodation,
- rent, or
- involvement by tenants in the management by registered providers of accommodation.

Whilst we understand the concept of enabling tenants to carry out their own repairs and have control over their own budgets, we have grave concerns about the practicality of this. Any repairs that were carried out would need to be checked, from a health and safety/quality control perspective and in terms of value for money. If we were to put in place a process for this, as CLGs own impact assessment demonstrated, the costs are likely to be over and above the current cost of quality control. Clearly costs of rectification may also be substantial for poor work.

There are also issues of the control of demand and spend when this potentially results in a perverse incentive to increase repairs demand through cash incentives for customers; repairs could potentially be generated through deliberate damage and there is a wider issue of controlling improvements as opposed to repair. The only method possible to deal with this is probably

through the introduction of a wasteful and bureaucratic pre-inspection and permission system, increasing the establishment at the expense of repairs on the ground, and even then there is no guarantee that this will establish deliberate damage from genuine repair. It is highly likely that this system will increase demand and expenditure on responsive repairs and squeeze out planned programmes, making decent homes impossible to deliver.

There is a chance that tenants themselves may carry out repairs, which could lead to significant health and safety problems. All properties will have tenants subsequent to the current ones and they will have to live with the impacts of any repairs carried out beforehand. Operatives carrying out work undertake a range of training on health and safety, risk assessments, use of tools etc and in most cases have years of experience. Most tenants have no such experience or training.

A lot of effort has gone into establishing current contract arrangements, whether these are delivered by in-house teams or private contractors and achieving economies of scale. We are concerned that this will be undermined by a piecemeal approach to repairs and maintenance. Tenant representatives are already involved in how most contracts are drawn up and providers are selected.

Tenant Cashback in its current form will not add value to the repairs and maintenance service. The Government should wait for the outcomes of the pilots before issuing regulation in this area, and also keep the wording loose enough to allow landlords to consult with their tenants about how they want to be involved in repair and maintenance, rather than there being a requirement.

Below is the perspective of Bradford District Tenants and Residents Federation:

- The “Cashback” idea for repairs is a “non-starter” / disagree with the idea.
- Most tenants do not have funds to pay for repairs up-front
- Unworkable as landlord has no control of budget or quality
- Tenants will not be in a position to assess the qualifications of tradespeople
- Risk of manipulation/fraud
- Issue of liability – if poor-quality work results in damage (including to someone else’s property – e.g. block of flats!) who is liable for this?
- Need for an “approved contractor” list – as Registered Providers already do
- Landlords would lose control of their own property
- Tenants may get charged far too much by the company carrying out too much, would lead to money being wasted
- Customers would have to take responsibility for identifying issues which might not be obvious to a non-specialist, otherwise these would not be resolved – unrealistic

- Serious risk to life and limb in case of major structural repairs, or those involving gas supplies
- The group noted that there may be some support for the idea amongst tenants with particularly bad experience of repairs problems

A better system would include:

- Proper service monitoring panels, composed jointly of tenants and officers
- This could set service standards and design contracts
- Tenants should be involved in wider contracting design, both in day-to-day repairs and planning for refurbishments etc

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Yes, this confirms the current situation.

The changes proposed in the paper about the reform of social housing and the Localism Bill are likely to result in considerably more pressure on the private rented sector

The risk that the bottom end of the private rented sector will be squeezed would result in the lowering of standards which is difficult to manage as a regulatory function.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Yes, this confirms the requirements.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

We welcome the energy efficiency aspect of the proposals, however, this must be done with affordability in mind. It would be possible to link this in with the Government's new Green Deal scheme, but it is difficult to comment in advance of the secondary legislation which is due this Autumn.

CONCLUSION

In conclusion, we would like to reiterate our concerns with regard to the direction of travel for ministerial direction of the regulator.

The messages being received within the sector are mixed. This increased level of prescription is opposed to the stated aim to increase flexibility for providers to manage their business in the most appropriate way to meet the needs of local communities.

Bromford Group

Thank you for the opportunity to respond to the 'Implementing social housing reform' consultation July 2011.

Bromford Group is a registered provider managing circa 27,000 homes, primarily in the Midlands and areas of the South West. We also provide support services to around 7000 customers per annum, both in our own supported accommodation and to tenants of local authorities and other registered providers.

In principle, we welcome a number of the proposals to reform social housing to create a fairer system and provide opportunities to build more affordable homes. However, we do have a number of concerns that we have outlined below under each of the questions posed within the consultation document.

1. Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Yes

2. Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Yes

3. Does the draft direction set out the right minimum protections for tenants of registered providers?

Overall, we support the general principles of a minimum tenancy term and probationary periods in addition to the protection for existing social tenants. However, we are disappointed in the changes made to the proposed directions where the minimum term of 2 years is to be used in exceptional circumstances only. We had hoped that landlords would be offered the full flexibility to offer tenancy terms that would support the best use of social housing.

Here at Bromford, we have been working hard at developing relationships with our customers based on creating aspiration and supporting self reliance. This includes work with tenants on designing a 'something for something' relationship; based on an outstanding landlord service offer in return for a commitment from customers to play their part in creating successful tenancies and contributing positively to their neighbourhoods.

In light of the original CLG proposals for a minimum 2 year fixed term tenancy, our work with customers and with the support of our customer panel, we concluded that the most effective foundation for achieving these objectives would be to apply 3 year fixed term tenancies, as we

felt this shorter tenancy period would support more effective planning with new tenants on outcomes for their tenancy as well as more regular opportunities to mutually review progress towards them. A 3year term is also supported by evidence we have collated in the past regarding the number of tenants, particularly in flats, who have been using the first 2 or 3 years of the tenancy to save for a deposit to purchase their first home.

Although the proposals state that tenancies of less than 5years can be used in exceptional circumstances, we would prefer to operate a consistent tenancy offer for the vast majority of our customers, as the principles we want to adopt are universal rather than having to justify distinct arrangements for different segments of customers. We were also keen to use the period of the new 4year Affordable Rent programme to test out how these new shorter term tenancy approaches will operate in practice and obviously with a 3year term we would have gained experience within the 4 years.

4. Do you agree with the principle and detail of our proposed direction on mutual exchange policy?

Yes we agree in principle although feel that is it not necessarily appropriate to use regulation to impose any particular scheme. Bromford, like many other social housing providers already have a strong track record of mutual exchange, demonstrating the increased mobility that existing schemes already offer our customers. Prescription of any other scheme may involve additional costs that will ultimately have to be met by tenants through their rents.

5. Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

We completely support the principles of tenant involvement and empowerment set out within the proposals, and agree that tenants should be given a wide range of opportunities to influence and be involved in all aspects of housing related services. To this end, we already have a well developed and successful approach to enable customers to scrutinise performance, hold us to account and influence the direction of policies and the provision of services. All of our existing mechanisms ensure that we currently meet all of the new requirements set out in these reforms.

We also agree with the principles of timely and relevant information being provided to customers but do not feel that we should be constrained by the specified requirement of an annual report to customers. Instead, the decision on how information is presented should be made by agreement between customers and their landlords to best suit local customer needs.

We also have significant concerns over the proposals for an additional democratic filter. Tenant panels may not always be appropriate in every case and will also add further layers of escalation, red tape and bureaucracy. Our existing approach is to have customers involved in the final resolution of the complaint internally and we believe no further intervention is required before it goes to the Ombudsman.

6. What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We fully support the proposals to involve social tenants in repair and maintenance services and are currently working with CLG on a tenant 'Opt Out' package for repair and housing management services.

CLG must however ensure that provider proposals are controlled to ensure that schemes do not mask landlord responsibilities for delivering effective maintenance offers in the broadest terms.

7. Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Yes but we do have concerns over practical housing management issues as well as the criteria for the rebasing of rents in relation to these tenancies. A typical assured shorthold tenancy for a fixed term requires that at the end of the term, the tenancy is renewed or notice given that it will not be. Any form of tenancy breach that exists at the end of the fixed term, such as arrears or anti-social behaviour, and any accompanying legal orders in place, such as suspended possession orders, would lapse should the tenancy end and then be renewed.

In social housing, generally for diverse reasons, there may well be issues of tenancy breach such as residual arrears where the sums involved, say a case of £250 arrears due to HB overpayments, would not be seen as substantial enough to end the tenancy at the end of the fixed term. The consequence of renewing in these circumstances is that the arrears become former tenant arrears and have to be pursued as such, as well as any legal enforcement order in place lapsing at renewal. These matters could become more frequent with welfare reform transitions and could result in some unintended consequences for landlords and obvious inefficiencies.

In consultation with our lawyers, we have identified a potential solution which we feel supports the government objectives while providing a greater sense of continuity in the tenancy relationship whilst protecting landlords from the risks outlined above. In the case of a 5 year tenancy for example, we would want to enter into a assured shorthold periodic tenancy with a 5 year contractual moratorium or 'fetter' built into the contract on service of any Section 21 notice, notice only being

permissible 6months prior to the end of the term in accordance with tenure standard expectations.

We would then want to agree a further rolling 5year period with moratoriums/ fetters if we are happy with the conduct/ appropriateness of the tenancy and therefore would not be issuing a new tenancy at the end of the 5year term. This arrangement of rolling moratoriums/fetters on use of notice could continue for as long as the landlord and tenant agree. This has the effect of a continuous tenancy and thus avoids the risk of residual arrears and the lapsing of legal actions for breach where these are not so serious as to warrant possession during the tenancy term or service of notice at the end of the term. It still gives the landlord the option to end the tenancy through service of notice at the end of any 5year period.

The only downside would relate to the ‘rebasing’ of rents at the end of the fixed term where the tenancy is an affordable rent tenancy (hence inclusion of these points in this section). It clearly was the government’s intention that rebasing should take place in these circumstances in order that the rent charged is reflective of local market conditions. At this time it appears that using a tenancy agreement as outlined above would prohibit the rebasing of rent at any point other than the issue of a new tenancy. However, we do not feel that having the entitlement to rebase at the end of a rolling 5year period runs counter to the governments intentions. We would therefore ask if this matter of the definition of permitted rebasing of the rent could be extended to allow rebasing of rent at the end of the initial moratorium/fetter period and subsequent such periods.

8. Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Yes

9. Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

We do not feel this would be necessary.

In conclusion, there are many elements of the proposals that we support but would ask that you consider the significant concerns and solutions outlined above. We wish to work with government to ensure that there are no unintended consequences for both landlords and tenants and that we are able to make the best use of social housing that supports the aspirations of our tenants and achieves sustainable and mixed communities.

Broxbourne Borough Council

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

This council supports the requirement for registered providers to publish clear and accessible tenancy policies.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

This authority notes the need for stability for households with children and vulnerable households. It would therefore concur with most Hertfordshire based registered providers, which prefer to offer fixed term tenancies of five years initially to most tenants. This authority would support the use of probationary tenancies to assist in identifying and combating anti social behaviour, early in a tenancy.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

In order to create sustainable communities, fixed term tenancies of five years for vulnerable people and families would be preferred. Initial probationary tenancies for all tenants of registered providers would be this authority's preferred option.

This authority would concur with the need to offer existing social tenants the same level of security of tenure when they transfer home in order to avoid discouraging those needing to move for reasons of overcrowding or downsizing to smaller units of accommodation.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

We would support arrangements that make it easier for tenants to access information about other tenants seeking mutual exchanges.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

No comment

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Whilst we recognise the potential value of empowering tenants to commission or carry out their own repairs, we share providers' concerns about the costs

involved in ensuring that these repairs are carried out to a satisfactory standard. There are also concerns around increased costs of maintenance of non-standard repairs or replacements.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

No comment

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

No comment

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

No comment

Broxbourne Housing Association

QUESTION	RESPONSE
Direction on tenure	
Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?	Yes. We are happy with the requirement to publish a policy outlining our approach to tenancy management. There is sufficient flexibility to enable us to develop a policy which is appropriate for BHA and the local authorities in whose areas we operate.
Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?	Yes, now that the minimum term of tenancy is five years other than in exceptional circumstances (as per the minister's letter of 28 th July).
Does the draft direction set out the right minimum protections for tenants of registered providers?	Yes.
Direction on mutual exchange	
Do you agree with the principle and detail of our proposed direction on mutual exchange?	It is not clear to us why this is included in the direction. HomeSwapper, which BHA subscribes to, would seem to fulfil the requirements of the internet based mutual exchange service outlined in the direction.
Direction on tenant involvement and empowerment	
Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?	We welcome the increased emphasis on tenant involvement in setting service standards, and tenant scrutiny. We are pleased that it has been recognised that tenant panels may not be appropriate in every case.
What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?	Rather than support a Tenant Cashback scheme, we would prefer to continue working with our residents to ensure the delivery of a high standard repairs service which provides good value for money for all tenants. Savings can be reinvested to improve services. Previous experience with the Right to Repair was that it was rarely used but did give rise to problems with tenants undertaking work inappropriately.
Direction on rents	
Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?	Yes, this is a technical change, reflecting the current position.

Direction on quality of accommodation	
Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?	This is needed to reflect the fact that the original date for compliance with the Decent Homes Standard has now expired. We support the revised approach which requires compliance with immediate effect rather than within a certain period.
Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?	We do not consider there is a need for anything more explicit as requirements in relation to energy efficiency are already available.

Broxtowe Borough Council

Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Response:

More consideration should be given to vulnerable tenants. As a Council we believe that all tenants should have security of tenure, but particularly those that are vulnerable.

There is a need to publish clear policies outlining tenancy management as stated in the consultation paper. All procedures and policies must be clear and easily accessible to all tenants, particularly the most vulnerable. Procedures and policies already exist within local authorities. To continue to do this is a priority for Broxtowe. The Council welcome opportunities to improve existing policies and procedures and feels this can be achieved by regular reviews.

Item 3 of the draft proposals sets out the need to publish clear and accessible policies. The Council agrees that this is important we also feels that they should reflect the local circumstances and priorities that are pertinent to each provider. Policies should be clear and written in a format that ensures tenants understand their rights and where they should go to access relevant support and advice. This should be at the discretion of the provider. The decision to amend the minimum term of a tenancy from 2 years to 5 years is welcomed. Local circumstances should inform the decision making process and the duration of fixed term tenancies should be decided by local authorities. Community/family stability and sustainability should be the influencing factor. Reviewing large numbers of tenancies and potential enforcement action would have an impact both financially and on staffing resources.

Item 4 of the draft proposals is intended to ensure that those with security of tenure should have no less security if they choose to move to another social rented home, but that this should not apply if a tenant chooses to move to accommodation which is let with an affordable rent. Tenants should have preserved rights of security of tenure regardless of whether they are paying social or affordable rents. Some tenants will be reluctant to move to a property with an affordable rent from a social rent if they will no longer retain a secure tenancy.

Question 2:

Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Response:

Tenancy duration should be decided by the provider based on local information.

Tenants should receive the same level of security irrelevant of the accommodation they move to within the sector.

Question 3:

Does the draft direction set out the right minimum protections for tenants of registered providers?

Response:

Clarification is needed when an existing tenant seeks a mutual exchange with a tenant on a fixed term tenancy, as to the tenant's position post exchange. Currently, following a mutual exchange, each tenant takes on the person's tenancy. This does not fit in with the guarantee that a tenant choosing to move will not lose their existing security of tenure.

Question 4:

Do you agree with the principle and detail of our proposed direction on mutual exchange?

Yes, as a landlord the Council is keen to ensure its tenants have opportunities to move if they wish too. Clarification is needed as to what form "reasonable support" should take with regard to tenants who do not have internet access. Support should also be offered to those that do have internet access but are not confident in using it, however there may be cost and resource implications associated with this service. Although costs may not be significant, there is a potential for extra resources to ensure that the scheme is effective. It is only fair that extra funding and resources are made available if required. Costs incurred through the use of technology, publicity and training might add up financially to a substantial amount of money.

Technology can rapidly become outdated. When this occurs, as long as a provider can prove that their scheme is working for its tenants, the system should be deemed adequate.

More information on associated costs and success of the scheme is needed. This could be achieved through piloting and monitoring of the scheme.

Question 5:

Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Response:

Emphasis is placed on tenants to scrutinise performance, be involved in housing related policies and priorities, be involved in the management of repair and maintenance services and be involved in producing an annual

report. This Council actively encourages resident involvement through various resident lead groups. The feedback from these groups is of great value, however there is a lot for residents to be involved in and this places an enormous responsibility on the few tenants that want to be involved due to the amount of work, the low numbers of tenants involved and the time that they have to offer. With regard to the Tenants Cash Back scheme the results from the pilots need to be analysed in order to give an informed opinion.

Question 6:

What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Response:

As above the results from the pilot scheme need to be analysed. Also the questions asked with regard to how many tenants might participate and what costs and benefits might they result in suggests that the tenants cash back scheme has not been properly researched or costed and that adequate safeguards on quality of repair, price and standards have not been addressed. It is essential that providers retain good standards of repair work to their housing ensuring a safe place to live. There needs to be measures in place to ensure the quality of any repair work undertaken. VfM also needs to continue to be an essential requirement.

The Council recognises that tenant's requirements need to be addressed which is reflected in existing arrangements by enabling tenants to have an appropriate level of input into the management of repair and maintenance services.

Trained operatives carry out risk assessments, have health and safety training, instruction on how to use specific tools, have power tools regularly checked, and have vast experience of hundreds or thousands of individual jobs. Most tenants do not have this experience.

There are also a range of issues which emerge when considering the cost of repairs, the standards to be met and quality control of works carried out. Council housing stock must continue to be maintained at the current high standard to ensure the health and safety of tenants.

Question 7:

Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable rent?

Response:

Applies to private registered providers.

Question 8:

Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Response:

Yes.

Question 9:

Energy efficiency is implicit in the revisions to Quality of Accommodation Direction; should we make it more explicit?

Response:

Energy efficiency is implicit in the revisions to Quality of Accommodation Direction; should we make it more explicit?

Bury Council and Six Town Housing

CONTRIBUTORS:

- Six Town Housing - Bury's Arms Length Management Organisation
- Bury Council's Housing Strategy and Enablement Team
- Bury Council's Housing Choices Team (which includes Homelessness and Housing Options Teams)

CONSULTATION RESPONSE

Direction on Tenure

1. Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

We support the direction on tenure that sets out the relevant factors that registered providers should consider when deciding what type of tenancy to offer. However, we feel that more clarity is required and standard guidelines need to be created.

We welcome the flexibility being given when making decisions regarding tenure, but feel there should be a set of guidelines established to ensure all Registered Providers (RPs) are working towards the same standard, with the added advantage of local flexibilities.

Social housing should not be seen a stepping stone or transient form of tenure, but as a valuable form of tenure in its own right. Security and stability should remain the bedrock of the Council's allocation policies and tenancy policy framework if we are to create sustainable communities.

We do not believe two years will offer sufficient time for some new tenants to lay down roots or settle in the community. This is particularly important for new tenants and vulnerable customers who have to move because of adverse circumstances at a previous address. We are also mindful of the impact transient populations can have on existing communities and the implications moving home can have on individuals, particularly with regard to education and employment opportunities.

Dependent on the tenant's circumstances, we support flexible tenancies in order to build stability on our estates. However, Bury Council has yet to finalise their Strategic Tenancy Policy that will address this.

We believe flexible tenancies should include a probationary period, as is the case with introductory tenancies. All of the legal remedies should remain available to deal with any breach of tenancy.

We believe there is potential for the reforms to be undermined by the planned welfare reforms and the shortage of affordable housing.

We are concerned that existing community cohesion strategies could be jeopardised with these proposed tenancy changes. This could affect the good work already done in communities to ensure cohesion and sustainability.

We feel that adapted properties should be looked at differently. If a property is adapted for the life of the person who needs it, then they should be given a secure tenancy.

We welcome the proposals for greater flexibility over successions which will give great autonomy to the RPs.

We also welcome the Government's plans which will allow private landlords using probationary tenancies, to give greater consistency across the sector.

2. Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

We believe that the draft direction on tenure needs to contain more detail regarding the tenancy policy and include standard criteria, which needs to be subject to further discussion with RPs.

Flexible tenancies should supplement existing measures, rather than replace existing secure and introductory tenancies. The tenancies should be specified in the guidance that landlords must take full account of the local strategic policy on tenancies. Other than this, we feel that the tenancy policies should be determined at a local level to allow flexibility. The key principals the Tenancy Standard should adopt are:

- Not disadvantaging certain vulnerable groups
- Ensuring consultation with service users is carried out
- Benchmark Bury Council with other neighbouring authorities
- Link the principals to the strategic policy

3. Does the draft direction set out the right minimum protections for tenants of registered providers?

We support the proposed five year minimum flexible tenancy should be granted. However, we would like the use of probationary/introductory tenancies to remain, for instances of severe ASB and rent arrears within the first 12 months of the tenancy.

We believe older people should be guaranteed a home for life in a property that meets their needs i.e. an elderly tenant living in sheltered accommodation should be guaranteed a life time tenancy. This would provide security and certainty, whilst making the best use of the housing stock.

Also, where the property has been adapted to meet the needs of a disabled customer, the property should be offered as a life time home.

The guarantee of a home for life should not guarantee rent protection and these tenants should be subject to the new 'affordable' rent on new tenancies.

Existing secure tenants prepared to downsize to a smaller home or move to a property that better meets their needs should be offered a lifetime tenancy. Tenants who choose to move for any other reason should not be offered another life time home.

Direction of Mutual Exchange

4. Do you agree with the principal and detail of our proposed direction on mutual exchange?

We support the principals and details of the mutual exchange direction and welcome greater promotion of social mobility as an excellent idea.

Mutual exchange should however be considered on three levels; 1.within the local provider; 2.between providers within the local geography; and 3. between any provider nationally.

The support provided to tenants should not just focus on ensuring they have access to an internet based system (e.g. provision of the service through access points, etc), but should also consider issues where the use of an internet based service is not appropriate (e.g. age, disability, use of English as a first language, etc). There need to be a mechanism in place from the administrator of the scheme to ensure vulnerable people have equal access to the system (e.g. paper version, advertising at public information points and/or telephone contact).

Direction on Tenant Involvement & Empowerment

5. Do you agree with the principal and detail of our proposed revision to the direction on tenant involvement and empowerment?

We believe that the tenant involvement and empowerment direction gives more empowerment to the registered provider/local authority than the tenant, when compared to what already exists.

The Tenant Cashback Scheme is a positive way to empower tenants in terms of them taking responsibility for the repairs and maintenance of their home. However, there could be a problem in terms of the standard of repairs carried out if they are done by the tenant. The tenant agreement should stipulate the types of repairs that can be undertaken by the tenant and the right of the landlord/managing agent to recharge for repairs done to unsatisfactory/dangerous levels.

Complaints, and the issues they raise, are likely to become more important, they will be a key way for the Regulator to check on failures in standards. As such, we will need to be able to demonstrate which complaints arise as a result of local policy decisions as opposed to those that are because of a failure to meet the standards set.

The formation of tenant panels to hold registered providers to account and scrutinise service delivery has the potential to promote an adversarial approach. The spirit in which this duty will be discharged is key to its success. Use of the terminology 'scrutinise' may not be helpful.

When tenant panels make recommendations to improve performance, there needs to be a clear process to resolve issues around expectations and affordability and there needs to be a clear understanding on all sides as to what their remit and influence is and how their workplan is formed. There needs to be strong links between any tenant panel which scrutinises an organisation and the one which acts as the democratic filter.

We agree that performance information should be shared more readily with tenants, but will require ever greater clarity and transparency around performance and finance information and data.

6. What types of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We feel tenants should ask permission before undertaking any repairs on their property to ensure no structural repairs are undertaken (e.g. knocking walls down). The decoration of the property should not be included within the incentive scheme as this is down to personal taste and usually is a requirement of the tenancy agreement. Items detailed as 'tenant's responsibility' within the tenancy agreement should also not be included.

This model poses a number of concerns such as: How will health and safety and legislative work are covered? Where does the liability lie? If repairs go wrong, who is held responsible? How do we ensure that tenants only use the funds for repairs etc?

We cannot see this working for individual tenants, particularly as the annual cost of repairs per property is low once all statutory, emergency and servicing works are taken out.

We can only see this working on a block or estate basis where there is joint buy in by a customer group who are prepared to manage the process on behalf of a number of residents.

We believe tenants should be involved in how repair and maintenance services are procured.

As part of our Local Offers, Six Town Housing (Bury's Arms Length Management Organisation) is running DIY training for residents which are designed to help tenants carry out low level repairs for which they are responsible. They are looking into the possibility of tying this into a pilot for carrying out landlord repairs so we will have to determine the appetite amongst those interested tenants in taking this forward. We suggest incorporating skills and learning within the scheme to enable tenants to carry out repairs with skilled workers and possibly work towards a qualification (NVQ).

More detailed proposals and financial modelling will need to be undertaken before proceeding and we will pick up the learning from the existing pilots that are running across the country.

Direction on Rents

7. Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

We support the revision to the rent direction and that it adequately reflects the introduction of Affordable Rent.

As a local authority we are concerned about the effects of Affordable Rent on our Nominations Agreement. The introduction of Affordable Rent may result in more people wanting social rented properties, putting a greater strain on council waiting lists.

8. Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

We support the proposed revisions to the Quality of Accommodation direction, as it will ensure properties are maintained to a decent standard following the Decent Homes target being achieved, in Bury's case in 2010. The Quality of Accommodation standard is based on the decent homes standard so this does not pose any problems for us as an Organisation as all our properties currently meet the standard. The Asset Management Strategy for Bury Council's stock will ensure that

we maintain our stock at this standard over the life of our business plan.

This standard however does not cover work to create decent neighbourhoods as it is expected that this will be the landlords' choice through their own Asset Management Strategy. As such spend on environmental improvements, for example, will need to be determined locally in consultation with key providers.

The level of investment in adaptations to our stock will be a key consideration despite the fact that this again is not covered in the standard.

There should be some recognition as to whether social landlords have the right mix of homes in their communities as well as the quality of the accommodation itself.

9. Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

We support the need to include energy efficiency within the Quality of Accommodation direction, but feel it should be more explicit in terms of fuel poverty. There should also be recognition that energy efficiency is beneficial to both tenant and landlord.

The direction needs to include specific standards of insulation measures to ensure all properties are up to a certain standard in terms of energy efficiency, and that this is maintained through the use of the direction.

If we are to meet the Government's overall targets for carbon reduction by 2020 and 2050 then there needs to be a clear direction centrally and a commitment to address this within the landlords' stock portfolios. This in turn would encourage greater collaboration and more innovative approaches being developed within the sector and may attract much needed additional funding or creative financing solutions.

Camden Council

Camden Council welcomes both the opportunity to comment on these draft directions to the Social Housing Regulator and the degree of flexibility and local decision-making that the Directions allow.

We consider that, in general, these draft directions set out the relevant factors, requirements and guidance for the Regulator to be able to set revised Standards to which registered providers should adhere. Although we would urge that Regulation is not overly prescriptive and bureaucratic, there are some areas where the directions would benefit from clarification. These are identified in our responses to the questions identified in the consultation document.

Questions on the direction on tenure

Question 1: Does the draft Direction on tenure set out the relevant factors that registered providers [i.e., social landlords] should consider when deciding what type of tenancy they should offer and issue?

- 1.1 With the exception of the local authority's Tenancy Strategy, the draft direction sets out the relevant factors that registered providers should consider in deciding what type of tenancy they should offer and issue.
- 1.2 The factors identified in the second clause of the draft direction are of course general and high level. We appreciate that the directions are intended to provide the scope for flexibility and local decision-making and welcome this approach. However, there may be a case for adding some additional detail, providing examples of the sorts of outcomes that the government envisages might be achieved by allowing housing providers greater flexibility around the types of tenancies they offer – for example, a better match between the size of homes and of the households occupying them and greater access to social housing for households in the most need.
- 1.3 As identified above, the draft direction makes no reference to the local authority's Tenancy Strategy, although section 126 of the Localism Bill clearly states that registered providers in a district are "to have regard" to the matters set out in the policy in formulating their tenancy policies. We suggest that this is a critical omission.
- 1.4 It is not just the draft direction on tenure that fails to support a requirement clearly stated in the Localism Bill. The timetable of the Homes and Communities' Agency's Affordable Homes Programme Framework 2011-15, the implementation of revised standards set by the Social Housing Regulator, and the requirement to publish the Tenancy Strategy required under section 126 of the Localism threaten to strip the Tenancy Strategy of any genuine force. The Localism Bill specifies that local authorities should publish a tenancy strategy within 12 months of the enactment of the relevant section of the Localism Act,

which is likely to be November 2012. Yet, the draft directions will require social landlords to have tenancy policies by April 2012, several months before most Tenancy Strategies will be in place.

- 1.5 It seems that, for social landlords to have meaningful regard to Tenancy Strategies, they must allow for the possibility of reviewing their Landlord Strategies following the publication of Tenancy Strategies in late 2012. It is unreasonable and impractical to expect social landlords that have already worked to produce tenancy policies to do so. But without a change to the timeframe within which landlords are expected to produce a landlord policy, local authorities' Tenancy Strategies are at risk of being largely academic documents, time-consuming for local authorities to produce but with little genuine impact on how registered providers seek to address pressing issues of housing need.
- 1.6 We are also aware that the second clause of the draft direction on tenure could allow for challenge to providers that decide *not* to adopt flexible tenancies, on the grounds that lifelong tenancies are responsive neither to the changing needs of individual households, nor to the efficient use of providers' housing stock. While, in reality, such challenges are unlikely, it is perhaps worth considering whether there is a tension between the genuine devolution of decision-making power to local level and a requirement that may seem to mandate the adoption of some of the powers provided for in the Localism Bill.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

- 2.1 Largely, yes, the draft direction sets out reasonable minimum requirements. However, we suggest that the list of considerations in clause 3 could helpfully include tackling both overcrowding and under-occupation. We are aware that this is a critical consideration in Camden and in many other areas where demand and need for affordable housing far exceed supply. 20% of the 22,000 plus households on Camden's Housing Needs Register are overcrowded, while Housing Benefit records indicate that around one in four of the Council tenants claiming Housing Benefit are under-occupying their accommodation and a recent survey of almost 500 Council properties with four or more bedrooms that have been occupied by the same tenant for fifteen years or longer found that 60% of these homes were under-occupied.
- 2.2 We suggest that it is important that sub-clause f of clause 3 – around the needs of vulnerable households and families – is interpreted flexibly. We very much recognise and accept the importance of taking into account the needs of households who are vulnerable by reason of age, disability or illness, and households with children, but we are also aware that there are different ways in which landlords that choose to issue flexible tenancies seek to meet this requirement. For example, some may seek to do so through the provisions their landlord policy

makes for renewing fixed term tenancies for the most vulnerable households, rather than in the type of tenancy that these households are issued - first because it is not always easy to predict whether a household currently vulnerable for one of the reasons identified will remain so over time, and second because, where tenancies of different lengths are awarded to different types of households, it is possible this will create jockeying between housing applicants to establish their eligibility for a longer tenancy, which could be more time-consuming and expensive for social housing providers to manage than a process (by definition involving fewer households) that grants tenancies of the same fixed term to all new tenants, but with a proviso that the tenancies of the most vulnerable households will be extended.

- 2.5 We also have some concerns about sub-clause g of clause 3, around the advice and assistance available to tenants whose tenancy is not re-issued following review. While we agree it is important that such advice and assistance are available to tenants in this position, we are aware that registered providers will draw on different experiences and resources to deliver advice and assistance. Where local authorities with established Housing Options services are likely to be well set up to provide such advice and assistance, some private registered providers may not be. This might result in inconsistencies in the advice and assistance provided to the tenants of different landlords within a given areas. We suggest, therefore, that the direction could helpfully be revised to explicitly allow for the possibility of landlords choosing to ensure this provision through partnership working with local authorities and/or voluntary and community sector advice agencies, rather than directly. It may also be helpful to set some minimum requirements around the type of advice and assistance to be provided – not least in terms of reducing the scope for numerous complex review cases on this point.

Question 3: Does the draft Direction set out the right minimum protections for tenants of registered providers?

- 3.1 While we appreciate that – as per Grant Shapps' letter of 28 July 2011 – five years is an appropriate minimum length for the tenancy in most circumstances, we can readily envisage “exceptional circumstances” in which a fixed term tenancy of a shorter length might better serve to meet the draft direction’s requirement that tenancies should be compatible with the needs of individual households, the sustainability of the community, and the efficient use of housing stock. For example, there are cases in which local authorities may find it helpful to their broader strategic priorities to be issue shorter tenancies - for example, to issue tenancies to (larger) homes to (potential) foster carers or to teachers, in areas where the recruitment and retention of excellent teachers proves a challenge. Yet the authority would want either type of tenancy to be conditional on prospective foster carers going ahead with fostering children and teachers remaining in the employment of a local school. We therefore encourage the Regulator not to be overly

restrictive in their definition of circumstances that count as “exceptional”.

- 3.2 We also have some concerns about the exemption of existing social housing tenants from the protection set out in sub-clause c of clause 4 where they choose to move to an Affordable Rent home. Although we appreciate that the rent levels of particular homes will have been agreed as part of landlords’ contracts with the Homes and Communities Agency, we suggest that is a risk that, in areas where Affordable Rent homes account for a significant proportion of the homes becoming available to let, this may actually deter the sort of mobility among social housing tenants that the Government seeks to promote – particularly in high rent areas, such as Camden, where rents for local authority properties currently stand at 10-30% of market rents. This is particularly the case because, while it will technically be possible for providers to grant existing tenants lifetime tenancies for Affordable Rent homes, it seems that this is unlikely to be a practical option because the formula for rent increases in Affordable Rent properties is such that these properties may quickly become unaffordable without tenancy reviews providing a mechanism for regular re-basing of the rental value. We suggest that there may be merit in the government exploring the scope for providing opportunities for such regular rebasing of rents within lifelong tenancies, where existing social housing tenants opt to move into Affordable Rent homes.

Questions on the directions on mutual exchange

Question 4: Do you agree with the principle and detail of our proposed Direction on mutual exchange?

- 4.1 Yes, we agree in principle that all registered providers should assist tenants to exchange tenancies and that provision of access to an internet-based mutual exchange service is one important means of doing so.
- 4.2 However, our experience leads us to question whether existing internet-based mutual exchange services are actually entirely effective in allowing users to specify “requirements for the mutual exchange property they hope to obtain”. We established that many Camden tenants seeking a mutual exchange found Homeswapper unhelpful because it only allowed them to search for properties by postcode areas, while they thought in terms of different areas within the borough. We worked with Homeswapper to develop the tailored service Camden Homeswapper, and initial indications are that tenants find this more intuitive and helpful to use. We suggest there may be scope for the Government to work with the main providers of internet-based mutual exchange services around refining their search criteria in line with the needs and preferences of tenants, in order to maximise the relevance

of these services to users – and thus their potential benefit in facilitating mutual exchange.

4.3 Moreover, we suggest that the direction could usefully develop clause 2d, which requires providers to provide reasonable support to tenants without access to the internet. We suggest that this is not simply a case of providing access to computers or instructing housing officers to register tenants on internet-based services and search on their behalf, as paragraph 58 of the consultation document perhaps suggests. Our experience shows that some tenants, particularly older tenants (who are the most likely to be living in homes larger than they need and therefore a key group among whom to promote mutual exchange), are wary of internet-based services. We have therefore developed a series of initiatives that provider alternatives to under-occupiers, as follows:

- The **Right Swap** project, which seeks to broker swaps between under-occupying and overcrowded tenants – something that is particularly attractive for older tenants, who may be reluctant to advertise for a swap or use online services.
- The pilot **First Choice** project, which reserves limited numbers of smaller Council properties available for letting for under-occupiers. Initial indications are that this is successful. We will review the pilot in late 2011 and CLG is welcome to view the results.
- Our **Tenants' Options Fund** to help tenants leaving Council homes or downsizing provides a standard payment of £1,000, plus additional flexible payments. This money helps with the costs of moving, including things like new carpets and curtains.

We suggest that the draft direction might mention examples of good practice such as these.

Questions on the Directions for the Tenant Involvement Standard

Question 5: Do you agree with the principle and detail of our proposed revisions to the Direction on tenant involvement and empowerment?

- 5.1 Having encouraged tenant scrutiny via our Joint Monitoring Group (which comprises 14 members of tenant and leaseholder groups and has the functions of monitoring key housing services to build up a picture of service performance, using that information to advise the Council on service improvements, and working positively and collaboratively with the Council and other relevant tenant groups), and having involved tenants in the production of an annual report, we agree with the principle of the direction of tenant involvement and empowerment.
- 5.2 We discussed the draft directions with some of our tenant groups. They suggested that the draft direction should make clear that social landlord

should not only give their tenants opportunities to influences and be involved in a range of activities, but also to effectively publicise these.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

- 6.1 We support the aim of involving tenants in repair and maintenance services and have some experience of doing so. The following paragraphs highlight some of the models we have found successful.
- 6.2 Following a review in September 2010, the Council slowed down delivery of both internal and external Decent Homes works to reflect potential reductions in projected resources. In developing the Better Homes programme, which was launched in April 2011 and includes work to bring our stock up to the Decent Home standard, we conducted a series of resident workshops, seeking views on priorities for investment, the scope of the programme, and ways of improving delivery. Prior to the start of the Better Homes programme and continuing as part of it, we facilitate local resident panels for planned improvement work. These local panels provide feedback on the quality of work and the performance of the contractor and link into an overall Strategic Panel, which considers reported problems with a view to formulating recommendations intended to resolve them..
- 6.3 The Joint Monitoring Group mentioned at 5.1 above has carried out work on the Council's responsive repairs service. This has included monitoring routine performance reports, but also visiting the office where calls to the repairs service are handled and making recommendations about refining the process for handling calls. The JMG has also worked with the Council to develop a process whereby Chairs of Tenants and Residents' Associations receive information on repairs requests related to communal areas of Council blocks or estates, so that they can contribute to monitoring whether these are carried out promptly and to a good standard. In addition, the JMG has developed an online facility for any tenant or leaseholder to receive information on communal repairs via the Council's consultation website www.wearecamden.org.
- 6.4 The Council's Active Tenant and Resident Panel, a group of tenants and leaseholders who have signed up for flexible participation in various consultation and feedback activities such as questionnaires and surveys, focus groups, mystery shopping, and a reading group that reviews written materials, attended focus groups on the Decent Homes programme. At these groups, the Council sought their views on the best ways for the Council to keep tenants and residents informed about the programme.

- 6.5 The www.wearecamden.org site has also been used by the Council's Repairs and Improvements service to seek tenant and leaseholder views on improvement work.
- 6.6 We are also involving tenants and leaseholders in the process of tendering new responsive repairs contracts.
- 6.7 We think that analysis of the costs and benefits of increased tenant involvement in repairs and maintenance would be helpful in refining the direction, which does not – as it stands - take into account cost, quality assurance, or health and safety. These are important considerations where landlords have statutory responsibilities for maintenance and health and safety. In addition, there is no explicit reference in the draft direction to the Tenant Cashback Scheme, although the consultation document makes a heavy reference to this scheme as a strong component of increased resident involvement in repairs and maintenance.
- 6.8 Unfortunately, Camden has not carried out a thorough analysis of different models for increased resident involvement in this area. The idea of increased resident involvement and the concept of a Tenant Cashback scheme is good in theory, but - depending on how much we allocate to tenants - we would need to do a great deal of work to answer questions about financial viability. Some of the factors we think that we and other registered providers would need to consider are:
- **The profile and condition of the stock** – This is critical when it comes to making savings, providing quality assurance and managing risks. Those RPs with good decency standards and newer stock would be in a better position to run a successful Tenant Cashback scheme or consider alternative models than RPs such as Camden, where there are already a lot of problems around the condition and decency of the stock. In addition, older properties are complex to maintain because of the types of repair issue they may face. There is also a difference between high density housing or properties on purpose built estates compared to Victorian conversions, for example. It might be very difficult for landlords with very diverse stock to manage the allocation of funding for tenant management
- Quality assurance and health and safety** – How would RPs put in place sufficient controls if they are not able to vet the contractors? How great is the risk of tenants being exploited? Would RPs need to provide training and advice or set up a programme of quality assurance? Is this cost effective? How would RPs control the management of risks to health such as asbestos?
- **Likelihood of resident take up of Cashback or other models** – Camden is already under financial pressure to reduce the number of repairs that we undertake on behalf of our tenants and focus on our statutory responsibilities. With the experience of tenants already

having the expectation that the landlord will undertake repairs that they are responsible for themselves, it will be a further challenge to encourage them to carry out repairs for which we are statutorily responsible. We expect take up to be limited to those tenants who are either skilled at carrying out repairs themselves or those who would prefer to use a different contractor. However, we would need to do further research and analysis of this.

We suggest it would be useful for any learning on these points from pilot projects to be shared.

Questions on the Directions for the Rent Standard

Question 7: Do the proposed revisions to the rent Direction adequately reflect the introduction of Affordable Rent?

- 7.1 The draft direction does not reflect the Mayor of London's recent agreement with the Government that Affordable Rent levels in London should be set at an average of 65% of market rent. We suggest that it would be helpful for it to do so.
- 7.2 We are also concerned that clause 7a, which requires only that market rent levels are calculated using an RICS-approved method, allows for huge variation in rent levels for Affordable Rent properties, even within comparatively small geographical areas. This may be confusing to and perceived as unfair by those seeking affordable housing.
- 7.3 As outlined at 3.2 above, we are concerned that Affordable Rent properties will become unaffordable if not let on fixed term tenancies that allow for regular re-basing of rent levels.
- 7.4 It would also be helpful, in the context of welfare reform plans, to understand whether, with the overall benefit cap, the allowance for claimants' housing costs will increase – like rents – in line with RPI, or only in line with CPI. We are concerned that the latter creates a risk of arrears and homelessness.

Questions on the Directions for the Quality of Accommodation Standard

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation Direction to reflect the expiry of the original target date for compliance?

- 8.1 We welcome this revised direction as a pragmatic response to a situation where many providers' stock now reaches the Decent Homes threshold, but where some providers, including Camden, have a significant backlog of work still to complete.

- 8.2 We would encourage some degree of flexibility on the part of the regulator in applying this standard, to allow providers to consult meaningfully with their tenants and leaseholders on priorities for improvement and to ensure that investment is sustainable, avoiding situations where, for example, new kitchens and bathrooms are fitted in blocks that are due to redevelopment in the short to medium term.
- 8.3 We suggest that the draft direction might be made clearer by a reference to the status of existing extension agreements with the Social Housing Regulator, such as the one Camden has agreed.
- 8.4 Although we very much welcome the allocation of Homes and Communities Agency funding to partially tackle our backlog of work to bring our stock up to Decent Homes standards, we are mindful that the allocations for 2013-14 and 2014-15 are indicative – and subject to both the next comprehensive spending review and any strategic input from the Mayor of London, who will be administering London's Decent Homes funding as the Homes and Communities' Agency's investment function for London is incorporated into the Greater London Authority from April 2012. Any such changes in resources available to providers may necessitate revisions to existing extensions.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

- 9.1 Camden is already committed to a reduction of CO2 emissions by 40% by 2020, so is not itself in need of further explicit direction. However, we recognise that this may not be the case across different landlords' stock and suggest that evidence on the energy efficiency of social housing is taken into account in deciding whether to make this consideration more explicit in the direction. It may be that it is possible to include a requirement that applies to social landlords whose stock falls below a certain level of energy efficiency, although any such requirement would need to take account of the nature of landlords' stock, since older homes with solid walls are especially challenging to insulate.

Cannock Chase Council

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Comment Whilst the Committee have a number of concerns regarding fixed term tenancies, it is considered that the draft direction considers all the relevant factors.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Comment: The Committee welcomes the proposed amendment which increases the expected minimum period for fixed term tenancies to five years. It has however been noted that in exceptional circumstances a two year minimum term can be granted.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

Comment: Subject to the proposed five year minimum period for fixed term tenancies being enacted, the Committee consider the minimum protections for tenants to be adequate.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

Comment: The Council already meet the requirements of the proposed direction. The Committee therefore have no comments with regard to the "principle and detail" of the proposed direction on mutual exchange.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Comment: The Council in partnership with tenant representatives have established a "Resident-led" Scrutiny Panel. The Committee therefore have no comments with regard to the "principle and detail" of the proposed direction on mutual exchange.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Comment: The Committee have fundamental concerns regarding the establishment and operation of Tenant cashback schemes. The Committee are aware that a number of tenants already undertake minor repairs themselves without the incentive of a "cashback scheme". Whilst it is accepted that cash

incentives may encourage other tenants to undertake similar works the Committee consider that such action could create a number of problems.

In particular, it is considered that any scheme will require considerable administration and may necessitate visits to ascertain the nature of the repair (and the amount of cash incentive) and post-inspections to ensure the work has been undertaken before any payment can be made. There will also be cost implications in processing payments or making credits to tenants rent accounts. Furthermore, certain tenants may attempt to undertake repairs beyond their DIY abilities resulting in additional Council expenditure to rectify problems.

The Committee hope that these issues will be addressed through the pilot schemes which are being undertaken by other social landlords and will welcome the receipt of an evaluation report.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Comment: As the proposed revisions primarily effect housing associations, the Committee have no comments in relation to this direction.

Question 8: Do you agree with the proposed revision to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Comment: The Council's housing stock met the decent homes standard by the required target date with the exception of the 167 Reema flats on the Moss Road Estate where an exemption granted by the Government Office for the West Midlands was inherited by the Social Housing Regulator.

Subject to a satisfactory self-financing agreement with the DCLG, it is not expected that any further exemptions from the standard will be required. The Committee therefore agree with the proposed revision.

Question 9: Energy Efficiency is implicitly in the revisions to the Quality of Accommodation Direction, should we make it more explicit?

Comment: The current decent homes requirement is that dwelling include "facilities of services for the provision of a reasonable level of thermal comfort". This is further defined (within the Decent Homes guidance) as having an efficient heating programmable heating system and loft insulation of at least 50mm, in respect of gas heating systems or loft insulation of at least 200 mm and cavity wall insulation (where it can be installed) for solid fuel or electric heating systems.

The Committee are therefore unclear as to how energy efficiency could be made more explicit within the revised directions.

The Committee have no other comments in respect of the draft directions.

Canterbury City Council

Q1. Does the draft direction on tenure set out the relevant factor that registered providers should consider when deciding what type of tenancy they should offer?

Q2 Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Response: - the draft direction does not make mention of the Tenancy Strategy for the areas in which the RP's will operate. The expectation of the draft Localism Bill is that RP's are to have regard to this when preparing their tenancy policies and it would therefore be helpful for this to be re-enforced by the directions on standards. This will help Councils to ensure that RP's are properly acknowledging the part they have to play in the delivery of strategic aims.

However the standard does ensure that the needs of vulnerable residents are taken into account and gives direction on the importance of sustainability of the community and making the best use of the housing stock.

We do have some concerns that point 4c and may prevent some RP's playing a full part in achieving the strategic aims of the Council. The move to the new affordable rent regime and the requirement that RP's convert voids from social to affordable rent will inevitably mean that tenants' choice will be eroded if they wish to retain the existing security of tenure. Where all landlords wish to make best use of their stock by encouraging people to downsize – not being required to offer an equivalent tenancy may well inhibit them from achieving much progress with this.

It would be helpful for the standard to make clear that RP's do have discretion to decide what tenancy to offer and that this discretion should be used when seeking to achieve the aims of the Council's tenancy Strategy and best use of the housing stock.

Q3. Does the draft direction set out the right minimum protections for tenants of RP'S?

Response: - No it does not. Existing tenants enjoy security of tenure and the standard does not guarantee protection of this should they need to move. Under this standard, where there is no alternative to PRP stock, a tenant who needs to move will have no option but to accept less security of tenure.

Q4 Do you agree with the principle and detail of our proposed direction on mutual exchange?

Response: - Yes – this offers a better service for tenants. We welcome the fact that ALL RP's are required to take part and to help people who may have difficulties with electronic media

Q5 Do you agree with the principle of our proposed revisions to the direction on tenant involvement and empowerment?

Response:-Yes -we welcome the fact the tenant involvement and empowerment continues to be a priority for the Government and the TSA. However we do have concerns about how it will be monitored to ensure that tenants have a true say and influence in service provision.

Q6 What type of models for involving social tenants in repair and maintenance services are RP's likely to offer, how many tenants might participate; what costs and benefits might they result in?

Response:- We would expect meaningful models to be introduced that give tenants opportunities to be involved in developing the type of service they receive as well opportunities to carry out repairs themselves. However we would expect that the safety and security of homes and tenants remain the priority of RP's when developing any model.

It is important that all tenants are able to participate in any scheme. It is not clear from the standard, as drafted, whether it is only tenants who participate who are able to benefit. Some tenants may not be able to participate perhaps through age or disability and ways will need to be found to ensure that any scheme is inclusive and enable all those with protected characteristics to take part and benefit.

Existing maintenance contracts may not enable schemes to come forward that actually save money and there may be a cost involved in changing these to enable some type of Cashback Model to be introduced. Savings that can be passed on tenants are likely to be small and ensuring the quality of work required to keep homes safe and secure may involve extra cost to the landlord. However – involving tenants in drafting conditions for new contracts that are particularly responsive to their needs may bring efficiencies and savings. Similarly involving tenants in deciding which repairs are a tenants responsibility may bring about some small savings and focus attention on responsibilities

Q7 Do the proposed rent provisions adequately reflect the introduction of Affordable Rent

Response: - The main changes affect only Affordable Rent properties. However, these will not only be new build but also those where vacant homes have been converted to Affordable rent. We are concerned that the proposed standard does not make clear that 80% of the market rent is the upper limit of rent that can be charged. Annual rent increases must not allow rents to go above this level.

We are concerned that the proposed revaluation regime will lead to increased costs that will have to be passed on to tenants. Revaluation should not present landlords with extra administrative burdens and we wonder if

consideration has been given to annual revaluation to ensure consistency of rents within a locality.

We do recognise that rents should reflect the location and quality of the property on offer.

Q8 Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Response: - Yes

Q9 Energy efficiency is implicit in the revisions to the Quality of accommodation Direction; should we make it more explicit?

Response: - Yes. Energy efficient homes are more affordable and now that the Code for Sustainable homes has been relaxed by the HCA then specific standards round this area are needed. However it must be borne in mind that affordable homes are already more energy efficient than those built in the private market and increases in standards must not make them less viable to build or maintain into the future.

Caroline Lucas MP (Brighton Pavilion)

Introduction

The UK is facing a chronic shortage of social housing. People who have been evicted from the private rented sector because they cannot afford the high rents languish in overcrowded temporary conditions that prejudice the education and life chances of their children. In Brighton and Hove, approximately 12,000 households in the city are waiting for a council or housing association home.

The fact that the housing budget is being cut by 60% should be condemned and demonstrates that providing affordable housing is no longer a government priority. The Government's directions to the social housing regulator will not make up for cuts on this scale, which will come as a devastating blow to low income families currently stuck on housing waiting lists. Under the Government's plans new social homes can now only be built by dramatically increasing rents for some of the most vulnerable and poorest in our society. This policy is unjust and is highly likely to be both ineffective and counterproductive as more and more people are pushed into a position where they cannot pay their rent. What is needed is more Government investment.

In this submission I explain the concerns I have about the Government's draft directions to the Social Housing Regulator, focusing on three key issues:

- security of tenure and why I do not believe that the draft direction on tenure sets out the right minimum protections for tenants;
- the 'affordable rent' model and how this will be unaffordable for people where the increase in rent pushes them over the proposed universal credit cap and;
- the possible down-grading of tenure for those who mutually exchange properties.

Security of Tenure

I oppose any weakening of security of tenure on principle and I am deeply concerned the draft direction is unacceptable as it weakens protection for tenants.

I support the calls for a statutory code of guidance on tenancy policies which can be used to challenge decisions in court if necessary. It is of serious concern that it is currently unclear what the legal standing of landlords' tenancy policies will be. Too much of the detail is left to the discretion of individual landlords.

If flexible tenancies are to be forced through, a two year minimum is totally unacceptable. The change to the direction which requires the majority of tenancies to be at least 5 years is a small improvement, and as such, to be welcomed. However, this change should be enshrined in primary legislation (for example such as amendments table to this effect on the Localism Bill).

Particular groups (such as the elderly or those with disabilities) should automatically be granted secure, permanent, tenancies.

There should be a presumption that flexible tenancies will be renewed on expiry.

Landlords should have a duty to offer advice and assistance in finding a new home to anyone whose tenancy is not being renewed.

One of the reasons that so many people want to become home owners is down to security of tenure. It is something that people put a very high price on. Feeling like where you live is home for as long as you want it to be. The Government's rationale for 'down-grading' the tenure for social rented homes currently let on a permanent and secure basis and converting them to homes let on fixed-term tenancies is that this will allow stock to be better used and let to people in the greatest housing need.

Yet, as *Shelter* has pointed out, the Government's own Impact Assessment admits that the impact of 'flexible' tenancies would not lead to substantial numbers of people moving out of the social housing sector until the late 2030s, a generation away.

Social housing landlords already have considerable flexibility to let on Flexible or Assured Shorthold tenancies if this is compatible to the purpose of the housing and the sustainability of the community and this direction on tenure should be retained.

Affordable Rent Model

I share the serious concerns of the major housing charities about the introduction of the 'Affordable Rent' model. For many the rent will simply not be affordable.

In particular, it is not clear how it this model will interact with the benefit cap – in some parts of the country, rents set at 80% of the market rate could be higher than the overall cap on household benefits.

Those paying 80% of market rents would still be eligible for Local Housing Allowance. However, the caps on the amounts of LHA payable and the universal credit cap of £26,000 a year will make those rents unaffordable for many people. This will be particularly likely in areas like my constituency of Brighton Pavilion, where market rents are very high. This will reduce even further the number of homes available to people in need. Where does the Government propose that people so affected should live instead? I should be very interested in the DCLG's response to this question.

Mutual exchange

I am supportive of the Government's aims to make it easier for social tenants to transfer. It is positive that the draft direction on mutual exchange seeks to build on the existing regulatory requirement for landlords to participate in mobility and mutual exchange schemes where available, and make clearer the expectation that landlords should offer a better mutual exchange service to tenants.

Improving opportunities for tenants who wish to move via mutual exchange and home swap schemes has real potential to increase mobility within social housing.

However, this welcome commitment from the Government sits very uncomfortably with the planned housing benefit cut for people deemed to be under occupying their home. No one should be *compelled* to move to a new social home.

I am also deeply concerned that, as people transfer to Affordable Rent, properties will not be guaranteed secure tenancies and so people may risk losing their security of tenure by taking advantage of the new transfer opportunities. Whilst it should be easier for people to exchange, they should not suffer a reduction in their security of tenure as a result.

Submissions from Crisis and Shelter

In addition to the points above, I should be grateful if you would also register my formal support for the submissions to this consultation from both Crisis and Shelter.

Caroline Lucas MP, for Brighton Pavilion, September 2011

Catalyst Housing Group

<p>Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?</p>	<p>Catalyst accepts the need to introduce a direction regarding tenure. It welcomes the introduction of flexibility in respect of the type of tenancy that can be granted and the amendments to the Localism Bill, which will remove legal obstacles that would have acted as barriers to choosing fixed-term tenancies. However, even with these amendments it recognises that where the flexibility gained is exercised, it will result in additional cost and bureaucracy.</p> <p>Whilst use of the flexibility may be a useful housing management tool to deal with a range of issues (e.g. under-occupation), it is anticipated that the majority of tenancy reviews at the end of fixed terms will result in renewal. The marginal increase in available properties arising from tenants moving on will not address the fundamental problem, which is lack of supply.</p> <p>Catalyst agrees with the list of factors that should be considered when deciding what type of tenancy to offer and believes that these factors can be applied to all of the various forms of housing that it provides. It is particularly pleased to see the “sustainability of the community” listed as it believes that building sustainable, vibrant communities is a key part of its role as a social landlord.</p>
<p>Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider’s tenancy policy?</p>	<p>Catalyst believes that the draft direction contains an unnecessary level of detail regarding policies and that this is an unwarranted extension of regulatory control. Catalyst feels that the focus of the direction should be on the proposed outcome (i.e. the publication of clear and accessible policies) and not the detail of how this is to be achieved. The Minister’s foreword states <i>“I believe that this”</i> (provision of good, affordable housing) <i>“is best done by trusting local authorities and social landlords to run their own businesses”</i>. The prescriptive nature of the minimum requirements does not reflect his belief. Catalyst therefore suggests that draft clause 2(3) should be amended to:</p> <p><i>“(3) The Regulator must also set the Tenure Standard with a view to achieving, so far as possible, that registered providers publish clear and accessible policies which outline their approach to tenancy management.”</i></p> <p>All subsequent words in the proposed tenure direction, up to and including 2(3)(g) should be deleted.</p>
<p>Question 3: Does the draft direction set out the right</p>	<p>Catalyst believes that the draft direction sets out the right minimum protections for tenants of registered</p>

minimum protections for tenants of registered providers?	providers.
Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?	<p>In principle, Catalyst agrees with the aims behind the proposed direction and already subscribes to an online mutual exchange service. However, again it believes that the draft direction contains too much detail and that it should be redrafted so that it focuses on the required outcome (i.e. free access to a mutual exchange service for tenants, which is publicised by the registered provider).</p> <p>Whilst recognising that it has a role to play, Catalyst is concerned about the provision of support. Potentially this could be resource (and therefore cost) intensive, as the guidance talks of "<i>housing officer support to register and search for matches on behalf of a tenant</i>".</p>
Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?	<p>Catalyst has engaged with its residents for decades as it values their input. On the whole, the direction includes the types of initiatives that regulators and inspectors have looked for as a minimum. Catalyst therefore welcomes, with the exception of the so-called "Tenant cash back" clause (clause 4(2)(v)), this draft direction and feels that in this case the detail is warranted.</p> <p>However, it has strong reservations about clause 4(2)(v), because of:</p> <p><u>Increased Administration</u> We would need to set up and administer a separate reporting and recording system for repairs commissioned or undertaken by residents; initiate pre repair inspections and a system for agreeing which works are to be done; intensify our post repair inspections; set up and administer a system for accounting for savings and sharing them with residents.</p> <p><u>Concerns over quality of work</u> Our housing stock represents the bulk of Catalyst's assets and is fundamental to what we want to achieve. We expend considerable resources ensuring that they are adequately maintained, not just for the present but also for the future. The quality of work undertaken in our properties is important to us. We set high standards and have a clear regime of inspections to ensure that work undertaken by our partnering contractors meets them. If we had to extend this to work carried out by residents and builders with whom we do not have a relationship, then administering the scheme to ensure that repairs are done to a satisfactory level would become considerably more</p>

	<p>costly. Apart from this increased administrative burden, our experience of unauthorized resident works to their homes means that we can foresee additional costs where poor repairs need to be put right</p> <p>Safety and third party liability</p> <p>We have serious concerns about the safety of residents who try to undertake repairs without having the necessary skills and believe that the system opens us up to third party claims.</p> <p>Contractual relationships</p> <p>We consider that the types of works that are most likely to be carried out or commissioned by our residents are subject to clear legal agreements with our partnering contractors. Failing to pass these works to our contractors will be a breach of contract and will damage our relationship. Renegotiating the contract would be time consuming and costly. Assuming that we could reach an agreement, we are concerned by the impact that this may have on the numbers of those who are employed by our contractors to do maintenance/repairs. Should there be a large appetite amongst residents for this then we can foresee unemployment amongst our contractor's operatives.</p> <p>Fraud</p> <p>In order to reduce the risk of fraud to acceptable levels, we believe that there is the need for a robust system of checking:</p> <ul style="list-style-type: none"> • the need for repairs, • that they have been carried out satisfactorily and, where a third party is involved • the third party contractor
Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?	Given the response to question 5, we are unlikely to offer any models.
Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?	Catalyst believes that the redrafting of the existing rent standard and insertion of clauses 5(6) and 5(7) adequately reflects the introduction of Affordable Rent.
Question 8: Do you agree with the proposed	The draft direction amends the existing quality of accommodation standard by minor rewording and

revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?	<p>deletion of the compliance date. Catalyst supports these changes.</p>
Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?	<p>Catalyst considers that there is no need to make energy efficiency explicit as it is contained within the Decent Homes Standard.</p>

Central and Cecil

RESPONSE TO SECRETARY OF STATE'S DIRECTION TO THE REGULATOR CONSULTATION DOCUMENT

August 2011

- Q 1.** Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?
- Q 2.** Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?
- Q 3.** Does the draft direction set out the right minimum protection for tenants of registered providers?

C&C welcomes the fact that PRPs will be able to decide how to deliver local requirements and outcomes taking account of local factors and business needs.

The use and extension (as per Minister's letter 28 July) of flexible tenancies is welcome. However in the main C&C provides accommodation for people over age 55, some of whom are very frail and people with quite high support needs and therefore it is likely that for the most part lifetime tenancies will be in use.

We welcome the ability to extend the use of probationary tenancies to 18 months as we are seeing an increase in anti-social behaviour amongst older residents, not always brought about through intent but sometimes due to other problems such as mental health difficulties and dementia. This extension will afford us more time to properly assess and assist the parties affected and ensure that our service is able to meet their need.

What we would not want to see however is an abuse of the power to end a tenancy after say 5 years in order to obtain a certain category of accommodation e.g. moving an older person against their wishes from a 2 or 3 bed property into a 1 bed or studio flat, or evicting a person who is perceived as a 'problem' due to their mental decline, when in fact they are at their most need of stability and increasing support services. Whilst there is a known need for family sized accommodation the health and well being of an older vulnerable resident must be recognised, along with their (usually) valuable contribution to that community.

We are uncertain on how the minimum protections will affect mutual exchanges where for example a secure tenant moves into an assured tenancy. Currently they 'step into the shoes' however the direction proposals on tenants moving into Affordable rents say they may lose their guarantees at the discretion of the landlord. Will this principle apply now to all forms of tenure moves?

- Q 4.** Do you agree with the principle and detail of our proposed direction on mutual exchange?

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C&C has some concerns regarding this direction. On the one hand we completely support the promotion of options of mobility and mutual exchange; this is especially so with an aging population where local family support is paramount not only to wellbeing but also in reducing reliance on state assistance.

However requiring PRPs to subscribe to a new national scheme could be very costly and not necessarily effective for that particular PRP. The affordability of such a scheme could potentially reduce spend on other projects that residents collectively chose as more beneficial to their needs. Additionally many residents do not choose to effect mutual exchanges due to the costs associated with moving. So opening up mobility through a national scheme may have its benefits reduced due to the associated removal costs. Providing the option for a PRP to pay individual fees is worthy of exploration but only if the fee was rational.

Q 5. Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Q 6. What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer? How many tenants might participate in these and what costs and benefits might they result in?

C&C welcome the fact that the Minister appears to be recognising that not all tenants want active involvement with the landlord and services they offer. The ability to offer a wide range of opportunities to influence and be involved in monitoring and scrutiny of performance is good. Where a group of residents wanted to take over the management of a scheme we would want to retain the requirement that all tenants of that scheme must vote in favour of such a proposal.

It is very difficult to comment on the cashback scheme as pilots are in their infancy. From C&C's perspective very few of our older and vulnerable residents will be physically able to undertake repairs themselves. However some will undoubtedly prefer to use a contractor other than the ones employed by C&C. Given our client group we have a preference to consider a more active mobile 'handyman' service which residents would have access to and in fact see a potential to establish 'apprenticeships' for older people to enable re-skilling or making use of existing skills and thereby enable local scheme management for repairs services. Savings could then be reflected in reduced service charges (as an example). Residents may well feel happier arranging their own repairs but conversely many prefer the service already on hand through the landlord, which requires only a simple phone call. Arranging your own service may be traumatic for older and vulnerable residents and not an option they would gladly embrace. C&C could consider a simple cashback scheme for residents if that was what was wanted, but would need to establish certain rules. This would then require permissions, authorisations and quality checks by the Association. We would however need to be very clear on the ongoing liabilities for defective works/consequential losses where work was carried out by a

residents contractor, following cashback payments e.g. by effectively 'paying' for the work have we then acquired rights to pursue the contractor for defective work? In essence such a scheme would add additional costs to the PRP a) by dealing with defective works and b) monitoring and reviewing works undertaken by a greater number of contractors.

Q 7. Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable rent?

Yes, with the caveat that the revaluation on each charge of tenancy will be costly.

The quality of accommodation direction gives no cause for concern. There is no requirement for explicit direction on energy efficiency.

On a more general conclusion to the Direction C&C is concerned that there is a considerable shift away from the 'light touch' self regulation approach to one where the Minister is imposing what can be termed as political direction on PRPs which in the main remain private companies, only receiving public funding when being a developing PRP.

Centrepoin

Summary:

- o Centrepoin welcomes the government's attempt to provide directions to the regulator which will make for clear and transparent regulations for both tenants and providers.
- o However, we are concerned about some aspects of the proposed new directions and believe that their content could be improved in the following ways:
 - i. Security of tenure for social housing tenants should be maintained, with alternative means used to raise additional revenue, such as increased rents for higher earners.
 - ii. In the absence of this, additional minimum standards should be introduced for those groups who have particular need of tenure stability, particularly formerly homeless people.
 - iii. Existing social housing tenants who move into accommodation built under the new affordable rent model should have the option of maintaining their existing tenure rights.

Introduction

1. Centrepoin is the leading national charity working with homeless young people aged 16 to 25. We are a registered social housing provider, a charity enterprise and a company limited by guarantee. Established 40 years ago, we provide accommodation and support to help homeless young people get their lives back on track.
2. Social housing reform is clearly needed. In 2010 there were 1.75 million people on social housing waiting lists, a 68% increase since 2000.³ This reflects a large unmet demand for low-cost housing – both social and private rented - particularly in urban areas such as London. Young people are likely to be particularly badly affected by this because they tend to have lower incomes than other groups, and have less experience of independent living meaning they are less likely to have had previous landlords who can provide a reference.
3. Although these regulations concern only social housing, their viability can only be assessed if social housing's place in the range of housing options that people have is considered. The attractiveness of, for example, reforming security of tenure is highly contingent on conditions in the private rental market, which is increasingly the main alternative for would-be social housing tenants.

³ DCLG (2010) *Local Authority Housing Statistics, England: 2009-10*.

4. Unfortunately the private rented sector (PRS) is currently not a suitable option for everyone, including many of the young people that Centrepoint works with. Due to problems of prohibitively high rents in some areas (particularly for local housing allowance claimants), poor conditions in parts of the market and lower level of stability, our experience suggests that the PRS is not currently in a position to offer long-term, affordable accommodation to all those who need it. A major research report by the University of Sheffield has revealed that formerly homeless PRS tenants were more than twice as likely to return to hostels or the streets as social housing tenants.⁴ In a Centrepoint survey of young people asking which of social or private accommodation was more likely to be affordable to them, not a single young person picked private, while almost 60% picked social housing.⁵

5. While reform of the PRS is not the focus of this consultation, successful social housing reform will inevitably need to address the deficiencies that currently exist. We can learn lessons from countries such as Germany about how to create a better PRS, capable of providing a more sustainable and affordable offer for private renters.⁶ Acting on the recommendations of the Rugg Review into the PRS would be a welcome start.⁷

6. Without such reforms, robust regulations that protect the most vulnerable groups from eviction from social housing are even more vital to ensure that they have access to long-term stable housing options.

General remarks on tenure

7. Centrepoint is concerned about changes to remove security of tenure for social housing tenants. Our experience suggests this will (i) reduce the likelihood of stable, mixed communities (ii) risk re-casting social housing as ‘ambulance accommodation’ which can serve to entrench disadvantage in particular areas (iii) leave low and middle income families without a stable housing option and (iv) introduce considerable work disincentives.

8. We welcome the Housing Minister’s statement that there will be an expectation of a five year minimum tenancy and that social landlords will have to justify departures from this expectation. Nevertheless, we believe that the four criticisms outlined in the preceding paragraph still stand. In particular, it is important that the young people we work with have positive role models, so being in a community with other people who are working can be extremely valuable to their progression. It is also important to have some people who are committed to the local area and community, including those from older generations who can provide intergenerational support. Finally, the major disincentive that the proposals create of people losing their home when they improve their situations will unavoidably be a major disincentive to move into work for our young people.

⁴ University of Sheffield (2011) Moves to independent living: single homeless people’s experiences and outcomes of resettlement.

⁵ Unpublished Centrepoint research (n=24).

⁶ See Dol and Haffner (2010) *Housing statistics in the European Union 2010* for relevant information.

⁷ Julie Rugg and David Rhodes (2008) The private rented sector: its contribution and potential.

9. Our preferred option to remedy the pressures on existing housing stock is to reverse the dramatic decline in social housing supply that has occurred over the last 30 years.⁸ But given current fiscal constraints, we propose a way of part-funding this building programme - by introducing rent payments that, above a certain threshold, are contingent upon tenants' incomes. We believe this counter-proposal will both increase social housing mobility and generate additional revenue for investment in new stock. Such a system would introduce rent payments that increase as tenants' incomes rise, beyond a specified threshold. While we would welcome debate over the details, one option would be to use income tax bands (with set deductions for dependents within the household) to gradually increase rent levels. In this way, more well-off members of the community could stay while still contributing their fair share. Those who choose to move elsewhere once their rents rise would be able to do so, thus freeing up social accommodation.

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

10. While we welcome the direction that the regulator must set clear guidelines on the tenancies available to different groups, the new direction to the regulator does not set out clearly the relevant factors that should be considered when tenancy decisions are being made. Centrepoint believes that clearer direction would create a welcome degree of parity across providers to prevent 'postcode lotteries', as well as giving prospective tenants a clear idea of the tenancy offer they might expect to receive.

11. In particular, we believe that there are certain groups that would benefit from being named in the directions as being in particular need of stability. Among potential groups, formerly homeless people require particular mention due to both their additional needs and to prevent a return to homelessness. This group could be defined, in line with the recent regulations on the shared accommodation rate, as those who have previously stayed in a homelessness hostel for at least three months.

12. We know that stability is particularly important for the young people that we work with. A Centrepoint survey shows that 93% of young people say that stability is 'very important' to them in their choice of move on accommodation.⁹ One young person currently living in a Centrepoint hostel said: "It's all about security... in the hostel it's not your home and its hard to get on with your life when you are moving from place to place. You need security to do things with your life".

⁸ See DCLG (2011) *Permanent dwelling completed, by tenure, United Kingdom historical calendar year series*. Available at <http://www.communities.gov.uk/documents/housing/xls/1473575.xls> [accessed 03/09/2011].

⁹ Unpublished Centrepoint survey (n=30).

13. As previously outlined, we welcome the Housing Minister's clarification that there be an expectation for five year tenancies, particularly for vulnerable households or those with children. However, we would not wish to see security of tenure diminished for any social housing tenant. If such changes are implemented, we recommend that formerly homeless people are exempted from the changes to tenure or at least offered significantly extended tenancy lengths.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

14. In addition to these changes, we are concerned that tenants moving into social housing under the affordable rent model will not be eligible for the same security of tenure that they enjoyed previously. As other commentators have noted,¹⁰ the introduction of the affordable rent model will significantly decrease the number of social housing units as well as becoming the norm for new social accommodation being built. Given this fact, the 'loophole' in the directions to allow tenure to be eroded in this way is likely to have a significant impact. In reality, this is likely to decrease labour market flexibility by discouraging tenants from moving. As such, we recommend that existing social tenants maintain their original tenancy rights, even when they move to affordable rent accommodation.

Conclusion

15. While we welcome the government's moves to make rules around tenure clearer, to the benefit of both tenants and landlords, we believe the content of the regulations needs urgent amendment in the following ways:

- i. Security of tenure for social housing tenants should be maintained, with alternative means used to raise additional revenue. We suggest one such means.
- ii. In the absence of this, additional minimum standards should be introduced for those groups who have particular need of stability, particularly formerly homeless people.
- iii. Existing social housing tenants who move into accommodation built under the new affordable rent model should have the option of maintaining their existing tenure rights.

¹⁰ See e.g. oral evidence to the Public Bill Committee 25 January 2011 c63-4.

Chartered Institute of Housing

Introduction

CIH welcomes the opportunity to comment on the consultation - Implementing social housing reform: directions to the Social Housing Regulator. The directions set out the areas on which the Secretary of State intends to direct the regulator to set standards and what the content of these standards should be. As such, it offers an insight into what government sees as the future role and function of the Regulator. It also provides the framework against which government will drive forward its wider package of reforms to social housing.

CIH is the professional body for people involved in housing and communities, with over 22,000 members across the UK and Asian Pacific. We are a registered charity and not-for-profit organisation. Our mission is to maximise the contribution that our members make to the well being of communities. Our vision is to be the first point of contact for – and the credible voice of – anyone involved or interested in housing.

CIH has a broad and diverse membership and we are uniquely positioned to draw on the views of individuals and providers that include local government, housing associations and beyond. Our response has been informed by the responses to an online survey which was accessible to both CIH members and non-members as well as by professional expertise and experience gained through our work with a variety of organisations.

Our consultation response sets our views on both the overall approach of the directions and their potential impact on the future of regulation, and on the draft directions themselves.

Overall views on the future direction of regulation

- The proposed directions intend to support wider government objectives which, taken as a whole, aim to offer freedom and flexibilities for providers and more say in how services are provided for tenants. CIH supports the principle that the regulator's standards should remain outcome-focused in order to offer providers the greatest possible flexibility and to promote

localism. However, we are concerned that the directions, in places, make the scope of regulation more prescriptive, less flexible and focused on process rather than the overall outcome. This may stifle the scope for landlords, working with their tenants, to be creative and innovative in how services are delivered.

- We are concerned that the directions are specifically a vehicle through which to implement government's intentions around social housing reform and other policy objectives, rather than a tool to deliver a robust regulatory framework that provides clear expectations on landlords and the right degree of protection for tenants against poor performance. We strongly feel the primary focus should be on the latter.
- CIH strongly supports the principle of co-regulation, where self-regulation is supported by a 'backstop' of intervention by the regulator. However, the introduction of the 'serious detriment' test will fundamentally dilute the role of the regulator and will mean that the regulator will not be able to intervene unless there has been (or is likely to be) a serious failure affecting tenants. It is possible that a 'regulatory gap' will emerge where failures to meet the standards will, in effect, be tolerated if they do not pose a risk of 'serious detriment'. In reality, it is difficult to assess how the failure to meet the majority of the standards would result in serious detriment except, possibly, in relation to health and safety, equality and diversity or with respect to vulnerable people. However, in these circumstances there would generally be statutory protection in place. It is noted that the proposals as they stand do not appear to meet the requirements of the Open Public Services White Paper, which says (para. 3.24) that the government will 'intervene in cases where providers are failing to meet minimum standards or failing to make adequate improvements ('coasting')'
- CIH has been an advocate for the principle of single-domain regulation and welcomed the strong focus on this in the existing standards framework. We consider that all social tenants should be able to expect the same standard of service regardless of who their landlord is. Ultimately, the reduced focus on consumer regulation will undermine this

principle, as the regulator's primary focus will be on economic regulation, where its remit will not cover local authority landlords.

- We are concerned that removing the right for tenants to contact the Ombudsman directly, through the introduction of the 'democratic filter' will increase bureaucracy, lengthen the process and make the complaints process less transparent. This move seems counter to the expressed intentions of the Open Public Services White Paper, which calls for Ombudsman services to have a stronger role and support service users in getting a better quality and wider choice of services from their provider.
- In addition, we have concerns that including tenants panels as one of the elements of the 'democratic filter' will distract them from the important role they will have in relation to scrutiny of landlords' performance and, instead, focus them on dealing with complaints. We see this as a regressive step which will undermine the overall intention to strengthen and broaden their role.
- Although we welcome the enhanced role for tenants in relation to scrutiny, we believe that this will provide new challenges for landlords (and their boards) to ensure they have the right mechanisms and internal drivers in place. In addition, the enhanced role for tenants may require investment in skills and capacity building. CIH will work with the sector to help providers develop their approach but for many organisations this is likely to take time. We are clear that there is still a need for the regulator to ensure the continued provision of high quality services to tenants.
- With the dilution of consumer regulation, and absence of mechanisms in future for the regulator to identify good and poor performance (e.g. removal of the need to supply the annual report to the regulator), we are concerned about how tenants and landlords will be able to benchmark their performance – both against the expectations in the standards and against other landlords. How will tenants be able to tell whether the services they receive are poor? And more importantly, what are the options for tenants if they do feel they are receiving a poor service? The Open Public Services White Paper strongly emphasises the need for users:

'...to have access to standardised user satisfaction data to enable them to make well informed choices about providers in each service area.

Providers of public services from all sectors will need to publish information on performance and user satisfaction.' (para. 3.18)

- CIH has a role to play in supporting landlords to deliver quality services, identifying good performance and facilitating the sharing of good practice across the sector. The role of benchmarking services offered by HouseMark remains a useful tool. However, we are concerned that without an external imperative to continue to improve, there will be no 'stick' for poorer-performing landlords to access these tools.
- Shifting the value for money standard from consumer to economic regulation will mean further pro-active regulation of value for money; however, it effectively removes tenant involvement in value for money, as accountability switches to stakeholders (lenders rather than tenants). As the Open Public Services White Paper says (3.27), people need a 'voice' which comes through participation in service design or management. Tenant involvement in value for money conversations, decisions and spending priorities is vital in order to engage tenants effectively in decisions affecting their local area. Value for money is important to tenants and they should not be excluded from such decisions under economic regulation.
- There is some disparity in relation to the commencement and timings of elements of the regulatory reforms and social housing reforms. The directions on both mutual exchange and tenure are contingent on statutory changes in the Localism Bill and cannot be formally issued until the specific clauses are commenced. In addition, Affordable Rent has already been introduced; however, the requirement to publish clear and accessible tenancy policies which outline the kind of tenancies a provider will grant is included within the direction on tenure which forms part of this consultation. This disparity, and the contingent links with the Localism Bill have caused some confusion about what providers need to do and by when.

- While the directions to the regulator do not mention any specific expectations in relation to equality and diversity, we strongly advocate a continued, integrated approach which is cross-cutting through the regulatory standards framework.

Response to draft directions

Direction on tenure

- On the whole, this direction focuses on outcomes and enables providers to determine locally how they will deliver against them.
- We welcome the assurance that the existing rights of secure and assured tenants will be protected. We also welcome the clarification that existing tenants' security of tenure will be protected if they transfer to another social rented home.
- While the direction on tenure does contain an expectation that providers will set out:
 - a. the kinds of tenancies they will grant,
 - b. where they grant tenancies for a fixed term, the length of those terms,
 - c. the circumstances they will grant tenancies of a particular type,

it would provide further transparency if, in addition to the above, tenancy policies were required to set out who traditional 'secure' tenancies may be granted to. For example, we have previously argued that older people and those with a long-term disability should continue to receive a guarantee of security. Therefore we would welcome an addition to this direction along the lines of *any groups that will generally not be offered a fixed-term tenancy*.

- We support the requirement for providers to produce clear and accessible tenancy policies and the clarity around what these must set out. In the main, these requirements appear sensible and we are pleased that there is an expectation that providers consider their approach to tenancy management and sustainability. We are also pleased to see the reference

to the efficient use of housing stock and tackling tenancy fraud as we believe that these are issues that providers do not necessarily address in all cases at present.

- There needs to be a stronger, more explicit link in the direction on tenure to ensure that providers make the links across to the relevant local authority tenancy strategy to enable a joined-up and strategic approach. This would support the Open Public Services White Paper's call (para. 7.4) for local authorities to have a bigger role in securing 'fair and open access' to public services in their area.
- We support the revision in the direction on tenure to direct the regulator to set a standard where the majority of tenancies are for a term of at least five years, except in exceptional circumstances. CIH has previously advocated five years as an appropriate minimum term in order to provide tenants with a reasonable level of security, to maintain stable communities and to avoid increased housing management costs. We welcome the decision to increase this from the two-year minimum originally proposed.
- However, while social landlords will be required to set out in their tenancy policies what 'exceptional circumstances' are, there does not appear to be a mechanism to challenge an unreasonable definition of this (except on an individual basis on the length of a specific tenancy). It may be useful for the regulator to give an indication of what it deems to be 'exceptional circumstances,' as a benchmark rather than prescription.
- While it is positive that there is an explicit requirement for providers to have particular regard for the needs of vulnerable people etc., we do not feel the wording in the direction to the regulator is strong enough to protect vulnerable people and provide the required stability. It only expects providers to *take account of the needs of households who are vulnerable* and *provide a reasonable degree of stability*. While wanting to avoid unnecessary prescription, we feel the direction should be clearer on the expectations of providers to protect the diverse needs of all tenants and applicants. This would fit with the promise of the Open Public Services White Paper (para. 6.14) to 'to protect vulnerable users' and ensure that sufficient checks are in place to do this. We are pleased that the direction

will instruct the regulator to ensure that providers set out in their tenancy policies *the advice and assistance to tenants on finding alternative accommodation they will give in the event that they decide not to reissue a tenancy*. CIH considers this advice and assistance to be essential if fixed-term tenancies are to be used to improve mobility between tenures. We have said previously with regards to tenure reform that we would like to see an emphasis on offering tenants positive and supported choices to improve their housing options, rather than on enforcing particular behaviour or eligibility.

- We welcome the clarification that providers will be able to use probationary tenancies in addition to a fixed term, as we have previously argued that these are currently used to good effect and should be retained.

Direction on mutual exchange

- CIH are supportive of the principle of promoting and increasing mobility through mutual exchange, ensuring easy access for all tenants and making best use of social housing supply across the country. We have previously highlighted low levels of mobility among social tenants (and low income households in general).
- While we support the inclusion of a specific requirement that the regulator ensures providers offer *reasonable support to tenants who do not have access to the internet*, providers will need to consider how best to provide this in an effective and economic way.
- The wording on the commentary for this section states that small providers can decide whether to pay subscription fees to some schemes for individual tenants if it would not offer value for money for them to subscribe as an organisation. The direction itself does not mention this and this detail should not become lost in the application of the standards.
- Although contingent on the statutory changes in the Localism Bill, there is some confusion about the practical application of mutual exchanges and the implications for tenants on exchange in relation to tenancy type and rent model. There could be a requirement in the standards for housing organisations to provide clear advice to tenants on what these implications

may be for them on exchange, to prevent tenants inadvertently losing security or being required to pay an Affordable Rent.

Direction on tenant involvement and empowerment

- CIH is pleased that the proposed direction will instruct the regulator to ensure that providers offer opportunities for tenants to be involved in *the scrutiny of their landlord's performance and the making of recommendations to their landlord about how performance might be improved*. Similarly the requirement that providers support this through *the provision of timely and relevant performance information* is also welcome.
- CIH has long advocated an approach to performance management that sees tenants scrutinising and holding their landlord to account and we believe that this will lead to improvements in services. We consider, however, that it may take many organisations some time to develop an effective mechanism for tenant scrutiny and that there is still a role for the regulator to provide a 'backstop' of intervention in order to ensure that standards are maintained.
- We consider the requirement that providers *support the formation and activities of tenant panels or equivalent groups* to be unnecessarily prescriptive. We believe that the regulator should focus on outcomes (effective tenant scrutiny) rather than prescribing the process for delivery (tenant panels or the equivalent). In order to afford providers and their tenants the greatest possible flexibility, we believe they need to determine the mechanisms that work for them at a local level.
- We do not feel that it is appropriate to use the directions to the regulator (and the subsequent regulatory standards framework) to roll out new, untested government initiatives. There is a strong view that it is too early to include within the direction to the regulator a requirement to develop a 'tenant cashback' model prior to the feedback from the pilots. There are still many concerns across the sector about the ability to run such a model in an efficient and effective way and a wider concern about the ability of tenants to do work to a high enough standard to ensure the safety of

current and future tenants as well as protecting the value of the housing asset.

- We strongly believe that timely and relevant performance information provides the bedrock for accountability and tenant scrutiny. We also support the continued provision of an annual report to tenants, however, and we are disappointed that the report is no longer required to be provided to the regulator. Due to the fairly poor quality of the first round of annual reports, the additional scrutiny of the regulator seems even more important.
- The Open Public Services White Paper says (para 3.17) that ‘if people are to exercise real choice they need timely and easily accessible information about what services are available and how good they are’. It then says (para. 3.18) that the government will look at ‘how to collect performance and customer satisfaction data from service providers, and whether this should be collected in a standardised form to enable comparison and transparency’. It seems very strange that social housing regulation is moving away from collecting standardised data (especially on performance and on tenant satisfaction) when this is now being promised for public services where such data do not yet exist.
- It is unclear why there is a specific requirement that annual reports should include information on repair and maintenance budgets. While we recognise the scale of repairs and maintenance spending and the need to demonstrate value for money, this requirement appears both incongruous and overly prescriptive. In accordance with the principle of localism, we believe it should be for individual providers and their tenants to agree local priorities and for providers to offer involvement opportunities and to tailor their annual report accordingly.
- The directions are remarkably silent on the issue of giving tenants more choice: this is confined to ensuring the ability to move between providers, but there is no indication of how providers will be required to offer more choice to tenants who do not move but may want more (or fewer) services from their landlord, even though ‘full individual choice’ is a major theme of the Open Public Services White Paper.

Direction on rent

- The direction on rent makes the required changes to reflect the Affordable Rent model which has already been introduced, so further comments are not warranted here.

Direction on quality of accommodation

- Whilst we agree with the proposed revisions of the quality of accommodation direction to reflect the expiry of the original target date for compliance, we are concerned that by removing the fixed date for compliance, the regulator can simply continue to give 'extensions' and the Decent Homes Standard may never be achieved, even though it was always regarded as a relatively modest objective for the sector and that many landlords already aspire to a 'decent homes plus' level. We therefore recommend a fixed 2015 date for 100% compliance with the Decent Homes Standard. The Open Public Services White Papers says (para. 3.21) that government will ensure that standards 'continue to rise'. It would be appropriate for the regulatory regime to reflect this and of course for the government to indicate separately what higher minimum standards (beyond decency) it would now set, more than a decade on.
- We believe that it is vital that the direction makes energy efficiency more explicit. Providers have to work within a clear legislative target to reduce emissions by 80% by 2050 with an interim (34%) target by 2020; but at present there is widespread uncertainty about what the targets mean and how they are to be achieved. The targets are highly ambitious, for example across the whole domestic sector they imply retrofitting one house every minute, and while social housing is only part of this it should have a key role in taking the lead. Furthermore, providers will soon have to comply with the minimum standards associated with Energy Performance Certificates. Also, although it is under review, there is still a government target on eliminating fuel poverty. Overall, this is such a high – but challenging – priority for government that it would be remiss if the targets were not referred to specifically, even though providers will of course retain a good deal of responsibility and flexibility as to how they carry them out.

Chelmsford CAB

Dear colleagues

I have responded only to the question below as my experience working at Chelmsford Citizens Advice Bureau has furnished me with ample evidence on the appalling insecurity of housing experienced by many of our clients.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Response: I believe that fixed term tenancies, whether of two, five or more years, should **not** be given by social housing providers. Tenants should be given a permanent, open-ended tenancy agreement. Only then would they then be provided with genuine stability and long-term security which are needed to enable people to put their lives on a more sustainable footing. Secure long-term affordable housing is a crucial element in enabling people to remain in work, keep their children in the same schools, retain community and family networks, and avoid getting into debt.

Yours sincerely

Clare Palmer
Social Policy Co-ordinator
Chelmsford CAB
47 Broomfield Road
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CM1 1SY

Cherwell District Council

Question 1: does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

We accept that the government needs to strike this balance and do not see a need for over prescription

we agree with the requirement to publish clear and accessible policies, and that this should include tenancy management, tenancy fraud and eviction as this supports our homelessness prevention strategy.

There is a need for some conformity between providers and we would seek to address this through our Strategic Tenancy Policy

Tenants should be given a clear understanding of how to make complaints we believe that flexible tenancies should continue to provide a stable platform for people to put down roots in a community, find work and get on with their lives.

Question 2: does the draft direction on tenure set the right minimum requirements for a registered provider's tenancy policy?

We accept that some shorter term tenancies may be appropriate for some people, but we believe that flexible tenancies should importantly continue to provide a stable platform for people to put down roots in a community, find work and get on with their lives.

It is important that the tenancy review does not work as a disincentive to improve economic circumstances – either by taking on better paid work, increased hours or entering the job market

We accept the use of probationary tenancies as a useful tool to combat antisocial behaviour

We welcome the guarantee of the same level of security of tenure to existing social housing tenants who move home as we believe that otherwise mobility would be compromised and overcrowding would increase. We believe this should apply to Affordable Rent homes or existing tenants choices will be hampered.

However we also believe that there are issues of equality of treatment for tenants which will arise both from the introduction of the affordable rent regime and from efforts to maintain tenancy rights

Question 3: does the draft direction set out the right minimum protections for tenants of registered providers?

we welcome the move towards clarity but, as above would want to see the right to equal security of tenure extended to Affordable rent homes in the interests of promoting mobility

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

We welcome the requirement to offer support to tenants who do not have access to the internet

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

we support the involvement of tenants in scrutinising RP's performance offering a range of ways to be involved in scrutiny is likely to attract greater participation

Opportunities to be involved in the management of homes are welcomed but need to be accompanied by support and capacity building if they are to be meaningful

tenant cashback – we welcome the initiative's direction of involving and empowering tenants. We would want to see this supported by education and training opportunities to build tenants' understanding of budgeting and capacity to carry out repairs.

We are concerned that the activities suggested as appropriate for tenants to undertake are in many cases already their responsibility eg changing lightbulbs, gardening and interior decorating – and this will not lead to the expected savings.

We acknowledge the governments' wish to use a light touch and allow local flexible schemes to develop, but are concerned that schemes should contain adequate safeguards and that due regard should be given to the need for planned maintenance

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We note that the Government proposes that RPs should devise locally appropriate schemes, however we would like to make the following comments:-

Schemes should include an element of training and tenant development
Schemes should include safety checking elements

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

The wording is similar to that used in recent amendments and is unlikely to make material changes

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

We support the continued requirement that providers should maintain an ongoing decency standard. The level of insulation under the Decent Homes standard is relatively poor and RPs should be required to achieve a higher standard

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation directions – should we make it more explicit?

We support an explicit requirement to provide energy efficient accommodation as part of both the green agenda, reduction in fuel poverty, and the improved financial inclusion of social housing residents

Cheshire West and Chester Council

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

- 1.1 The proposed directions on tenure reflect Government policy by moving away from the traditional long-term social tenancy and reiterate the expectation that landlords' tenancy policies should reflect 'the purpose of the accommodation, the needs of individual households, the sustainability of the community, and the efficient use' of the stock, as per the current Tenancy Standard.
- 1.2 There is no requirement to use any specific form of tenancy for any particular category of tenant, but landlords will be required to have regard to factors such as age or other vulnerability in formulating their tenure policies.
- 1.3 It would be helpful if the directions could clarify the definition of 'vulnerable'; would this be the definition used in the Housing Act 1996 part VII, or the definitions used by social care? Clarity here would be helpful to ensure that tenants with similar needs are given the same security of tenure by different registered providers.
- 1.4 The direction envisages the use of fixed-term tenancies of a minimum of 2 years, though, in practice, social tenancies are likely to be granted for at least 5 years. (This will apply to new tenants only.) A later note from CLG confirms that the minimum 2-year period should only be used in exceptional circumstances and that a grant of 5 years will be the norm. However, lifetime tenancies may still be granted, if the landlord thinks it appropriate, depending on the circumstances of the individual or household involved.
- 1.5 Providers' tenancy policies will therefore be expected to describe, in a sufficiently detailed and transparent manner, not only the terms on which tenancies will be issued and administered and in what circumstances a longer-term tenancy will be granted, but in what circumstances a tenancy will **not** be re-issued and what support will be available to the tenant to find alternative accommodation where this occurs. There will clearly be a need for consistency between a provider's allocations and tenancy policies.
- 1.6 This will require careful thought and careful drafting, alongside the requirement for consultation and regular review of impact and implications.
- 1.7 The new tenure arrangements are designed to make social housing more flexible, however, they may well cause tenants unnecessary worry about whether they will be allowed to stay in the family home once the letting term is over and could have a real impact on local communities; tenants who view the property as nothing more than a short-term home

will not feel able to put down ‘roots’ and are therefore unlikely to have any motivation to invest in the local community and get involved in improvement or engagement programmes.

- 1.8 Although local authorities are expected to draft a broad-brush Tenancy Strategy, registered providers are only obliged to ‘have regard to’ this document and there is no penalty if the provider chooses to ignore it. In view of the already close links between registered providers and local authorities in terms of housing priorities and related activity, it is not really clear what value this requirement will add in terms of outcomes for tenants or to the provider/ local authority relationship.
- 1.9 Although it is unlikely that any social housing provider would choose to summarily end the tenancies of tenants housed under these new proposals, further clarification should be given as to the level of advice and assistance that the registered provider should provide if the tenancy is *not* to be extended. It is important that this advice and assistance is robust and enables households to secure alternative accommodation, rather than merely signposting to housing options teams.
- 1.10 If the advice and assistance given is not sufficiently robust this will place greater pressures on housing options and homelessness teams, who are already dealing with acute stress in the housing market and could well result in tenants falling prey to the ‘revolving door’ scenario and the repeated threat of homelessness.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider’s tenancy policy?

- 2.1 We welcome the clarification on the ability to extend probationary tenancies for private registered providers and are pleased that the Government has confirmed that the minimum tenancy period of 2 years is to be used only in exceptional circumstances. Following the probationary tenancy (which can be extended to 18 months), a further grant of 5 years is considered to be more appropriate under normal circumstances than the 2-year minimum, providing households with a more settled housing solution.
- 2.2 If the tenants’ circumstances change sufficiently during the letting period to the point where an affordable rent or even intermediate home ownership is more appropriate, then this would give them sufficient time to consider the options available and to find an alternative home.
- 2.3 The minimum period is really a safety net, however, as longer-term tenancies may be granted at the provider’s discretion, especially where vulnerable individuals are involved.
- 2.4 At the end of the tenancy term, the proposal to revalue the rent payable

based on private sector rents at that time could result in a very large increase in the rent payable and this is of great concern. We would prefer to see rents rebased only on new lettings of the property and not where it is re-let to the same tenant. The tenant must still be deemed to meet the relevant criteria in terms of housing need to be re-offered the property, otherwise they would be supported to take up an alternative tenure or find an alternative home. Therefore, where the property is re-let to the same tenant, the same terms as the existing annual rent increase formula should apply ie RPI + 0.5%. At the very least, a cap should be applied to the rebased rent level (eg RPI + 3% or 5% overall), to avoid an overwhelming rent increase.

- 2.5 From the provider's point of view, an unexpectedly sharp drop in rental values could result in a fall in rental income, which could have a significant impact on rental streams and fiscal standing; therefore we would advocate a similar cap on reductions in the rent payable, to protect providers' interests and ensure that they have sufficient income to continue to invest in their existing stock.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

- 3.1 The draft direction incorporates a requirement that the Standard must include a guarantee of a tenancy of no less security for existing social tenants who choose to move to another social rented home. This guarantee does **not** apply where a tenant *chooses* to move to an Affordable Rent home, however, although registered providers will have discretion to provide the same level of security in this situation should they wish to do so.
- 3.2 The guarantee *only* applies, therefore, where tenants are decanted to another property (regardless of whether it is a social rented or Affordable Rent home). Thus the proposed direction does not guarantee protection for existing tenants except in very narrow circumstances and this is not considered acceptable; the direction should require the same security for existing tenants even where they choose to move to a new Affordable Rent home. Providers have the ability to recoup any financial loss in this situation by converting other existing properties to the Affordable Rents regime on re-letting and, though the proposed direction does highlight a provider's discretion to maintain the same level of security, we would like to see an unqualified guarantee of protection for existing tenants included in the directions.
- 3.3 Although the phrase 'where a tenant *chooses* to move' is used, it may well be the case that a tenant is moving due to a change in circumstances or because of a newly arising need eg moving closer to family for support in later life and it would be unfair to penalise a long-standing tenant in this instance. Where a tenant is downsizing to a new home from a larger home, applying the full affordable rent could act as

a disincentive to move and could well result in increased levels of under-occupation.

- 3.4 Further, the proposal could have an adverse impact whereby existing tenants living in inappropriate accommodation due to size or medical reasons will choose to remain in unsuitable accommodation rather than risk losing their security of tenure by moving to an Affordable Rent property. This will be a real issue for providers who convert a significant proportion of their stock to affordable rents and could ultimately lead to an increase in overcrowding, as well as under-occupation.
- 3.5 There should be a requirement for providers to provide detailed advice to transfer tenants on the implications of moving to Affordable Rent properties and the possible effect on their security of tenure, to enable them to make an informed decision.
- 3.6 Arrangements for the protection of vulnerable tenants and other priority groups are required to be set out in the tenancy policy/ tenancy strategy. This will be subject to public consultation, which should ensure it is adequate and appropriate, but we would like to see more explicit, positive direction in terms of protection for the vulnerable.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

- 4.1 Although we applaud the intention behind this proposal, which is to increase flexibility for tenants, encourage mobility for employment purposes and enhance the opportunity to move across a wider geographic area, it runs the risk of raising expectations which a landlord simply cannot fulfill. Tenants may wait for a very long time to find a suitable ‘match’ and indeed may never find one, resulting in frustration and a feeling of not being able to put down ‘roots’ in their current home.
- 4.2 In reality, it is our experience that most social housing tenants, given the choice, do not want to move away from the area in which they grew up and in which their families and friends are situated. Although a small number may want to move for employment purposes, the majority are reliant on benefits and there is a high proportion of tenants with limiting long-term illnesses and disabilities in the social housing sector, for whom work is simply not an option.
- 4.3 Many landlords already operate sub-regional lettings and exchange schemes and it is unlikely that many tenants would want to move much further than within their home sub-region. Arrangements can be made for those who do wish to move further but, in our experience, these cases are few in number. A national scheme may therefore have limited impact.
- 4.4 It would also risk creating a conflict of interest within existing cross-

boundary and multi-organisation lettings schemes, as some providers would inevitably seek to prioritise existing tenants who wished to move over those households on the waiting list when allocating vacant homes.

- 4.5 Since the introduction of the proposed Affordable Rent model ‘as is’ may effectively result in tenants losing their security of tenure on transfer to an Affordable Rent property, this in itself is likely to lead to reduced movement within the social housing sector and reduce the numbers wishing to pursue a mutual exchange.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

- 5.1 Again, whilst we welcome the aim of encouraging greater tenant involvement and empowerment and agree with the concepts set out in the proposals, the directions comprise activities that the vast majority of social landlords already do. We at Cheshire West and Chester already encourage scrutiny through various tenant groups, as do many other social landlords and we do not feel that the directions bring anything of additional value to the table; they are useful, however, as a register of best practice.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

- 6.1 The recent Local Offer process and our initial Customer Service Inspection of Voids Processes by tenants have given tenants an opportunity to raise issues around the nature of the repairs service they receive and a cashback-style scheme did not feature in their recommendations.
- 6.2 This reflects the fact that the majority of tenants see the landlord repairs service as being focused on customer care and quality of service much more than private alternatives. Tenants have expressed an interest in widening the services available, but these are generally outside the usual landlord responsibilities and on a pay-per-use basis. For example, services such as plumbing in washing machines, connecting cookers and provision of transport for moving furniture and other bulky items when new tenants move in have been suggested. In our experience, tenants view the landlord contractor as quick, reliable, safe and cost effective compared to private sector providers of such services.
- 6.3 The limited take-up of the Right to Repair scheme would indicate that the majority of tenants are not interested in undertaking repairs themselves and then seeking recompense from their landlord. Indeed, it is telling that more and more home owners are increasingly opting to pay a small monthly fee to utilities companies and private providers to procure

maintenance and repairs cover for boiler and drainage repairs and suchlike, in essence buying-in the type of service that tenants are provided with.

- 6.4 There are many potential criticisms and issues where cashback schemes are concerned, not least agreeing the value of the cost saving resulting. Value for Money approaches in recent years have employed a range of tactics, namely to:
 - Reduce numbers of contractors
 - Channel ordering arrangements to limited numbers of staff/ a dedicated call centre
 - Reduce duplication of roles
 - Aggregate volumes through procurement clubs in order to drive through efficiencies in costs and supply chain
 - Adopt a lean structure for the management of repairs minimising the number of visits to a property.
- 6.5 In summary, value is unlocked through streamlining processes, administration and reducing numbers of contractors. Cashback, by contrast, will effectively produce potentially thousands of contractors who will need to be managed, administered and quality assured, each adding costs when all the mainstream repair contracts are seeking savings through streamlining processes. The actual value of these additional costs against an average repair value of £76 is likely, if apportioned directly to each cashback claim, to reduce significantly or even eliminate the value of any cashback due. It is notable that many private contractors charge a call out fee of between £40 and £70, so the costs of going to a property on demand are clearly not inconsiderable.
- 6.6 If there are, in fact, no savings to be made, but landlords, keen to support the scheme in principle, set and pay standard cashback amounts, then the result will be tenants who do not use the cashback scheme effectively subsidising those who do and the landlord will see no actual cost savings arising.
- 6.7 Further, such a scheme may well encourage unscrupulous and opportunistic individuals to use door knocking and hard sell techniques to take advantage of tenants, particularly those who are elderly and vulnerable, by offering works at a very low cost and promising a cashback payment for the tenant as an incentive to agree to the works. Tenants could well find themselves facing much higher costs in the long run to remedy any shoddy repair work resulting from such 'offers' and, in

the very worst cases, may find the structure and fabric of their home compromised as a result.

- 6.8 It is, in fact, difficult to understand how the advocated approach could be considered cost effective, as economies of scale will be lost and it is likely to be both costly and time consuming for registered providers in administering payments, checking the quality of work carried out, verifying contractors' credentials in terms of relevant qualifications, public liability insurance and so on.
- 6.9 There are also additional risks in relation to substandard work and issues around liability for remedial works and compensation for injury or damage arising, so it is hard to imagine any providers, in practice, being encouraged to offer such a scheme.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

- 7.1 Although we welcome, in principle, the opportunity that the new Affordable Rent scheme offers for registered providers to operate in a more flexible way, we are concerned that there are still some major issues that need clarification before the scheme can be introduced successfully.
- 7.2 While there is flexibility for providers to charge *up to* 80% of market rents, it will be complex for providers to develop a workable business plan on this basis and this may impact on their long-term funding/borrowing programmes.
- 7.3 Although the scheme may be viewed as an intermediate tenure and will help those on the margins of affordability, the vast majority of social housing tenants are on low incomes and/ or benefits and only a small number are likely to be able to afford to contribute to a higher rent out of their own pocket.
- 7.4 This will inevitably mean that higher rents will be funded from the public purse, in direct contradiction to the Government's goal of controlling housing benefit costs. Indeed, in some higher value areas, 80% of market rent would still be unaffordable for the vast majority of people and this is likely to impact some areas of Cheshire.
- 7.5 The result will be a 2-tier system of rents and there will inevitably be situations where tenants living next door to one another will be paying different rents for comparable services, potentially leading to hostility between neighbours and creating neighbourhood management issues, especially where one tenant's rent is funded by benefits and one is not. Although providers can fall back on the Tenancy Strategy to explain the differential, from experience, this is unlikely to satisfy the tenants involved.

- 7.6 Serious consideration also needs to be given as to whether the Affordable Rent scheme may act as a disincentive to work, trapping people in the benefits system and increasing reliance on the state.
- 7.7 The expectation is that all new homes developed by registered providers for rent will be let under the Affordable Rent scheme. As a local authority, we have the duty to meet the housing needs of the most vulnerable people in society, so we must ensure that there is an adequate supply of housing that is affordable/ accessible to vulnerable households. This means ensuring that at least some of the new properties delivered are available for these households.
- 7.8 At the same time, we must support the delivery of new affordable housing, which will be funded by the Affordable Rent scheme, so getting the balance right will be a delicate and difficult task.
- 7.9 There is also the question of what happens in the face of a boom or bust in the private rented sector. Should market rents increase rapidly due to increasing housing shortages or increasing demand in a specific area, using 80% of current market rents at that time as the yardstick for rebasing rents could mean a significant increase in rent for those tenants subject to the rebasing criteria. Conversely, a fall in local rents could result in affordable rents being *lowered* at the end of the term; this would have a very real impact on registered providers' income streams, with all the attendant dangers that would bring. This is one reason that lenders have concerns about the scheme and this may well impact on registered providers' future borrowing capacity.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

- 8.1 Tenants will welcome the requirement for landlords to comply with the Decent Homes Standard with immediate effect, meaning that they must work proactively to maintain decent homes by investment ahead of potential failures of structure, fixtures and fittings.
- 8.2 A number of social landlords have been unable to meet the Decent Homes deadline, however, including Cheshire West and Chester Council and therefore flexibility needs to be made for them to address this. We note that extensions already granted will stand.
- 8.3 The consultation paper makes no reference to the level of resources that councils will need to achieve decency across all their stock within a reasonable period. The implied assumption is that the new Housing Revenue Account (HRA) self-financing regime to be introduced in April 2012 will provide councils with the resources to deal with any backlog. Authorities will have to carefully balance their financial responsibilities to manage prudently any increased borrowing and debt repayment with the desire to achieve decency within a timescale that is acceptable to the

new regulator and, of course, the authorities' tenants.

- 8.4 The Government has already acknowledged that authorities with high levels of non-decency within their stock will require additional funding to help with the backlog. Cheshire West and Chester Council and other authorities successfully bid for additional resources from the Government's Decent Homes Backlog Funding initiative earlier this year. However, this opportunity was over-subscribed and there are still real concerns that, without some further flexibility and resources, the self-financing system will not necessarily allow all authorities to achieve decency across all their stock within a reasonable time frame.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

- 9.1 Explicit direction to improve energy efficiency in the Quality of Accommodation Direction could be unnecessarily bureaucratic. Providers generally take their energy efficiency responsibilities very seriously and are already striving to improve thermal efficiency and reduce energy costs in their stock.
- 9.2 Depending upon where organisations are in terms of stock condition and individual SAP ratings, formal requirements may actually inhibit the operation of an effective energy strategy. For example, a wholesale requirement to fit solar panels to homes fulfilling certain criteria, or an imposed quota for introducing specific measures, may be counterproductive if the properties concerned are not in a suitable condition to benefit.
- 9.3 A responsive housing service will be moving on these issues already, especially as new technologies reduce running costs and Feed-In Tariff (FIT) incentives make money saving technologies more viable and available.
- 9.4 Explicit direction should therefore be proportionate, if introduced.
- 9.5 On a more general note, it would be very helpful if the Government could provide a clear and comprehensive guide to the range of funding sources available to councils in providing energy efficiency.

Circle

About Circle

Circle is one of the UK's leading providers of affordable housing. With a dedicated team of more than 2,200 staff, Circle manages more than 63,000 homes, including supported and sheltered housing, for around 200,000 people across the UK. Its mission is to enhance the life chances of its residents by providing great homes and reliable services, and building sustainable communities.

The Circle group includes 12 partners. Nine registered providers (RPs): South Anglia Housing, Wherry Housing Association, Old Ford Housing Association, Circle 33 Housing Trust, Merton Priory Homes, Mole Valley Housing Association, Mercian Housing Association, Roddons Housing Association and Russet Homes; two support & care partners: Circle Support and Invicta Telecare, as well as Circle Living for sales and marketing and management of shared ownership, market rent and private sale properties, and property repairs.

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

We believe that the amended direction on tenure, subsequently published on 28 July 2011, adequately sets out the relevant factors registered providers should consider when deciding what type of tenure to offer. On the one hand, it identifies the correct areas which need to be taken into account in making a tenure decision. But on the other hand, it rightly allows flexibility for registered providers to provide the right solution for the tenants' specific personal circumstances and the environment in which the provider is operating in.

We would like to see housing associations maintain as much flexibility as possible to respond to changing customer needs. We are still considering all options including fixed term tenancies as with the limited information available we feel we need to gain a better understanding through working with our partner boards before reaching a decision on our approach. With regard to fixed term tenancies, there are concerns regarding the information and skills to carry out assessment of incomes and we would be looking to government for information or guidance on this.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

At present we have no plans to introduce a fixed term tenancy of less than five years so the minimum requirement of a two year tenancy would not be relevant. However, we welcome the revision of the directions to the regulator to require registered providers to set out the circumstances they would use a two-year tenancy because we believe that two year tenancies are not appropriate in many circumstances.

We welcome that the draft direction makes clear that for new tenants, a flexible tenancy may be preceded by a probationary tenancy. We believe that this represents sector good practice and reflects the benefits which Circle has already seen from the use of starter tenancies in controlling antisocial behaviour and ensuring tenancy sustainability. We are also likely to retain the option of extending the probationary tenancy by six months where tenant conduct demands.

We also support the requirement that the Standard must include a guarantee of a tenancy of no less security for existing social tenants who move to another social home. While the guarantee does not currently apply where a tenant chooses to move to an Affordable Rent home, we have committed that any Circle tenants who is currently on a social rent and lifetime tenure will retain this status if they voluntarily transfer into an Affordable Rent home. This is to ensure that tenants are incentivised to use mobility schemes which maximise the use of social housing stock and are not dissuaded by the fear of losing their tenancy rights.

We would like to see the Government encourage other registered providers to take a similar approach. As the provider of 'House Exchange', a web-based mutual exchange service, we are concerned that if tenants face losing their lifetime tenure if they move into a newly built or re-let affordable rent property, they are less likely to agree to transfer and this will decrease mobility in the social sector - a stated objective of government policy.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

We believe that on the basis of the revised direction published on 28 July 2011, tenants will have the right minimum protections from registered providers. The requirement for more detail in tenancy policies will ensure greater accountability and transparency. Where minor breaches of tenancy have been committed, the emphasis should be on addressing those issues through sound tenancy management in the new tenancy, rather than eviction.

As covered in Question 2, we support the guarantee of a tenancy of no less security for existing social tenants as an important protection. We have also extended this to tenants who voluntarily move to an Affordable Rent home so that they maintain their social rent and lifetime tenure and we would encourage other registered providers to follow suit.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

We very much agree with the principle of encouraging registered providers to offer a better mutual exchange service to their tenants and we strongly support the creation of a National Affordable Home Swap Scheme. The Human City report 'Counting Costs', commissioned by Circle last year,

estimated the burden to the UK economy of poor mobility in social housing at more than half a billion pounds a year. The Government has highlighted that with only around 5% of social housing tenants moving each year, mobility in the sector is far lower than for those in other tenures, with the trend worsening.

Circle is committed to improving the options for tenants who want to move home. To make that happen we provide ‘House Exchange’, the country’s largest not-for-profit web-based mutual exchange service. We have been working closely with DCLG and other providers to pave the way for closer links between the different mutual exchange systems and we are actively engaged with the G15 London Moves pilot mobility scheme.

We therefore support the aims of the proposed direction but we would like to see some changes to the detail to make it more effective. At present the direction gives registered providers the option to subscribe to ‘an internet based mutual exchange service which, with the consent of the tenant, shares the property details of each such tenant registered with that service with other providers of mutual exchange services’. This is very welcome.

However, it also alternatively allows them to subscribe to ‘as many internet based mutual exchange services as necessary to provide tenants with access to as many mutual exchange properties as possible.’ This could allow registered providers to fulfil their duty by signing up to a number of mutual exchange services which are outside of the National Affordable Home Swap Scheme and therefore limiting their chances of finding a suitable property and not maximising the potential for improved mobility. We believe that in order for tenants to genuinely have ‘access to as many exchange properties as possible’ as the direction states and for this objective to be meaningful, a clause should be added to the direction to ensure that the registered provider must subscribe to an internet based mutual exchange registered provider which is part of the National Affordable Home Swap Scheme. In this way, the prospects for tenants wanting to move across the sector will be improved and progress towards the government objective of greater mobility within social housing will be advanced.

There is more we would like to do but it will need support from government at a national and local level to make a real difference. What we would like to see are systems for allocating homes that put more control in the hands of tenants who want and need to make a change in their lives. That means making it easier for moves across local authority boundaries, supporting people to move to smaller homes even if that might mean keeping a ‘spare room’ and taking down some of the barriers to mobility that people in the private sector don’t have to face. It will take courage and imagination but we believe it can be done.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

We are an organisation which is committed to putting customers at the heart of everything we do. We therefore agree with both the principle and details of

the proposed revision to the direction on tenant involvement and empowerment. Indeed Circle has already taken steps to provide our customers with a wide range of opportunities to scrutinise and influence how services are delivered and homes are managed.

We have set up scrutiny panels to act as a driver for continuous improvement in performance and excellence and ensure that customers' views, aspirations and priorities are central to each of our individual partners' framework for behaviour and performance. We also provide performance information and promote opportunities for tenants to get involved through our annual report and Home Matters publication which goes out to all of our residents quarterly. Most recently, we have undertaken a wide consultation of our customers as part of our repair and maintenance review to give them the opportunity to influence how the service is shaped around their needs and aspirations.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Circle has no plans at present to introduce the Tenant Cashback scheme amongst our registered providers. Whilst we are keen to encourage greater customer involvement in the management of their property, we are concerned that the scheme could be difficult to administer as some sort of verification would often be necessary to avoid fraudulent claims. This verification would add to the burden of housing management teams and without checking these claims we feel that the scheme could be open to abuse. We would also not wish to encourage our tenants to undertake significant or structural work which could damage the property and should be completed by skilled professionals. Similarly for minor repairs, many of our tenants already undertake these kinds of jobs in their property because they see it as their home and do not seek reimbursement and we would not like to disincentivise that behaviour by paying others to do repairs.

Instead, we would favour a model where customers are able to give input on exactly how they would like their repairs and maintenance provided and have it shaped around their needs, rather than delivering it themselves. We are therefore currently undertaking a complete review of our repairs and maintenance service as the single biggest service we provide to our customers. We have put tenants at the centre of this review through holding customer workshops and panels across the country, organising registered provider feedback sessions and holding meetings with local business leaders and community groups. This will lead to a complete re-organisation of our procurement processes to standardise the service across our partners and provide a more consistent and high quality service to customers. Our residents are therefore helping us to shape a completely new service, with a re-procurement and greater customer focus and which will achieve considerable efficiency savings.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

We believe that the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent. Circle has bid under the Affordable Homes Programme for 2011-15 and it was announced by the Homes and Communities Agency (HCA) on 14 July that our bid has been successful. However, we are still in negotiations on the contract.

Circle's priority is affordability and we have therefore based our bid to the HCA and any proposed rent increases for future tenants on this criteria rather than a direct move to 80% of market rent across the board. We undertook a robust independent assessment of over 40,000 of our properties to decide what level of rent increase was affordable in each local area based on our actual properties, not averages based on suburb, local authority or housing allowance area or any other boundaries. This is to ensure that residents are at the heart of our proposals as rents remain affordable.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

We support the revisions to the quality of accommodation direction. Although the vast majority of our housing stock has already met the Decent Homes standard, we have recently transferred former local authority housing stock into the Group and we therefore welcome that the date for compliance will be removed from the direction and extensions already granted to registered providers will still stand. We are committed to meeting our extended deadlines on these properties and will be investing significant resources to ensure that all of our housing stock meets the Decent Homes standard.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

We are determined to improve the energy efficiency of our homes and thereby addressing fuel poverty at a time of rapidly increasing energy costs. However, we believe that the best way to enable and encourage housing associations to engage in this work is not by setting explicit standards through the regulator but by giving them the freedoms and flexibilities to manage their stock more effectively. We therefore do not think energy efficiency should be made more explicit in the Quality of Accommodation Direction.

We would like to see the Government encourage the HCA to give housing associations the freedoms and flexibilities to be innovative where properties are difficult to retro-fit, allowing them to develop their own creative solutions. For example, for some properties it may not be cost-effective to retro-fit those homes to a certain energy efficient standard and might be more sensible to dispose of those homes and reinvest elsewhere where homes can be built or adapted in a more energy efficient way. Therefore removing regulation and intervention could actually allow housing associations to address energy

efficiency in a number of ways which are most appropriate for them and thereby help them to deliver more.

Citizens Advice Bureau

Introduction

Citizens Advice welcomes the opportunity to respond to this consultation. We are a partner in the National Homelessness Advice Service, funded by the Department for Communities and Local Government (CLG), the aim of which is to minimise housing problems and prevent homelessness by providing timely and effective advice.

In 2010/11 Citizens Advice Bureaux saw 2.1 million clients and helped with 7.1 million issues.

During 2010/11, bureaux dealt with over 155,000 enquiries relating to social housing tenancies, just under half of which were problems of rent arrears. In addition, bureaux dealt with almost 9,000 enquiries relating to allocations, from people in search of a social housing tenancy.

For example:

A CAB in Devon describes the case of a 26-year-old, married woman with four children, two of whom are severely autistic, with a fifth expected. She has a partner with severe learning difficulties and receives income support, housing benefit, council tax benefit, carer's allowance, child benefit and disability living allowance (high care). Her husband also receives DLA. They live in private rented accommodation that needs to be renovated, following an inspection by Environmental Health who declared it to be a Category 1 hazard. The local Council does not have suitable social housing with enough bedrooms to accommodate them during the renovation period, so they have nowhere to go. They have been at the top of the waiting list for a year in North Devon and two years in Mid Devon. The family, who have significant health and disability issues, are facing homelessness.

A CAB in North London describes the case of a 27-year-old lone parent living with her 3-year-old child in a one-bedroom housing association flat. She has been there for 5 years. She receives child benefit, income support, housing benefit and council tax benefit. She is on the council housing waiting list and wants to be re-housed in a two-bedroom property. She has been to the last stage of the complaints procedure but without success. She has been to see her MP, but there is still no help from the housing office as she is in the "general" band. The client states that she has been asked to wait until they find her the right property, but there is no time limit. She feels frustration at the lack of progress and the likelihood of the situation continuing for the foreseeable future. She suffers from depression, to which this situation is a contributory factor.

A CAB in Cornwall describes the case of a lone mother with a 4-year-old child who has lived in a private rented property for three years on a

periodic shorthold tenancy. The landlord first gave her notice in March to leave the property by June 15th. She was told to stay put by the Council as they are unable to house her at present. She has been unable to find a private tenancy at a price she can afford. Her current rent is £600 a month, with a housing benefit shortfall of £25 a week. This was being made up through discretionary housing payments, but this has now stopped and the client has to make up the shortfall from her income support and child tax credit. She has been told by the Council that she may be put in temporary accommodation 30 miles away if evicted. She does not deem this to be suitable as her family are near where she now lives and her child is starting at the local primary school in September.

A CAB in Bedfordshire has been advising a lone parent and housing association tenant who has a £3k debt with EON and whose heating bills are amounting to £900 per quarter because the client's new property (and perhaps 30 others) is fitted with a faulty heating system. The landlord has accepted (verbally) that there is a problem but is unwilling to do anything about it because it would cost £10k. per house to 'uninstall'. Therefore, even if the current debt is resolved, the problem will remain as new debt is accrued. EON is threatening disconnection or installation of a prepayment meter, and is unwilling to accept less than £360 per month plus something off the debt. This is unaffordable for the client, who is on benefits. Her electricity usage is higher than her income and this situation will continue until the housing association takes action to replace the defective installations.

This response is based on the evidence from our advice work. Citizens Advice Bureaux deliver advice services from over 3,500 community locations in England and Wales.

General comments

The CLG consultation paper¹¹ states (p. 4) that: "This Government has made it a top priority to make the system of social housing in England do what it is meant to do. We have introduced the most radical shake-up of social housing for 50 years to create a fairer system that will allow us to build more affordable homes".

We are on record¹² as having serious reservations about the measures adopted in pursuit of these objectives. Notably:

- Reduced security of tenure;
- The move towards higher rent levels for new tenants;

¹¹ CLG, Implementing social housing reform: directions to the Social Housing Regulator, July 2011.

¹² Citizens Advice, Local decisions: a fairer future for social housing, Evidence, January 2011. A copy accompanies this submission for ease of reference.

- The characterisation of social housing as residual welfare provision for the less successful, who should move on if their prospects improve, rather than as a positive tenure choice.

It follows that our observations on the current consultation take as given the legislative context, but should not be taken to imply that our previous reservations are any the less.

More positively, there are aspects of the proposed instructions that we believe will benefit tenants. Specifically:

- The projected nationwide tenancy exchange scheme;
- More extensive opportunity for tenant involvement in management functions.

The consultation questions

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

In our evidence to the previous consultation¹³, we set out our reservations regarding a move to “Affordable Rents” at 80% of local market rents. These concerns remain, especially given the extension of size restrictions in housing benefit (HB) from the private to the social rented sector and the impact on HB of the projected overall benefit cap.

Reduced security of tenure through time-limiting and/ or the expectation that better-off tenants should move also give cause for concern.

We would recommend the retention of the requirement for providers to “offer and issue the most secure form of tenure compatible with the purpose of the housing and the sustainability of the community”, reflecting the fact that our experience leads us to place far more importance on security of tenure than does the consultation paper.

The Standard should also make it explicit that providers should not use the type of tenancy granted to make it easier to evict tenants who are deemed to present a greater risk of rent arrears or of anti-social behaviour. There are other and more constructive remedies for such breaches.

While it is good practice that providers express clearly their policies in such matters, it is also important that the Standard should make clear the extent of providers’ discretion and not be constructed in a tendentious manner, pushing them towards preconceived conclusions that might disadvantage tenants.

¹³ See note 2 – hereafter referred to as “our previous evidence”.

The importance of consultation in how such options are exercised locally by the provider links to question 5.

We welcome the reference in the draft direction to the need to “sustain tenancies and prevent unnecessary evictions”. Eviction should be a last resort and we suggest that this should be stated explicitly. Reduced security of tenure combined with HB cuts could cause some providers to resort too readily to seeking possession.

To this end, we also suggest that this direction should make reference to the need to maintain services around income maximisation, debt advice and budgeting skills. These will be even more important given the introduction of “Affordable Rents”.

There should also be a requirement to provide advice and assistance to tenants where a fixed-term tenancy is not to be renewed. This should cover options for suitable alternative accommodation and help with moving, as well as signposting to sources of independent advice where appropriate.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider’s tenancy policy?

Given the conceptual links between these issues, we have addressed this question in our answers to question 1.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

Again, see response to question 1.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

Yes.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

We agree that tenant involvement in the issues listed should be actively promoted.

We also consider that:

- There should be specific mention of the right of disabled tenants to make or be compensated for disability-related improvements;
- There should be opportunities for prospective tenants – those on local housing waiting lists – to make their voice heard.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We do not have sufficient information to respond to this question.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

We can see no technical problems here. Our general reservations concerning the introduction of "Affordable Rents" were set out in our previous evidence.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

It is important that the need to meet the Decent Homes Standard is given sufficient prominence and that providers are clear that temporary exemptions will be genuinely exceptional.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

Yes. The move towards minimum energy efficiency standards and new opportunities for improvements provided for in the current Energy Bill should be explicitly recognised.

City of Stoke-on-Trent

We welcome the opportunity to comment on and influence the development of the co-regulation framework. In summary we found the draft proposals positive, but feel that greater clarity is required in specific areas to allay our concerns.

We have a number of queries that are not linked directly to the consultation questions posed. The first concerns the timetable for implementing and complying fully with the revised standards. In many instances it is proposed that the standards should be effective from 2012. We believe that this should apply developing work for implementation to support the standard, however we believe target dates for compliance should be set for 2014/15. The exception to this is Tenant Cashback which should be later. We are eager to ensure that our tenants and prospective tenants receive the best possible service but are concerned within the context of HRA Reform, and the change in the operation of social housing for local authorities, that the capacity to evidence compliance to new standards may be reduced.

The second concern we have is in relation to clarity. The consultation proposes to withdraw previous directions provided to the Social Housing Regulator. We would request further clarity does this mean that the number of standards reduces to four ie Tenant involvement and empowerment, Quality of accommodation, Tenure and Rent? We are aware that the Tenant Services Authority has indicated that it will increasingly focus on value for money. The value for money standard provided guidance and transparency of expectation to all social housing providers. We are concerned that if it is removed this will be lost. Our responses to specific questions are set out below.

Tenure

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

We believe that the draft direction is fair and satisfactory providing us with sufficient flexibility to meet the social housing need of our local communities, but this will be an additional cost to us. Please confirm that registered providers, if they so choose, can still provide a 'tenancy for life'.

The consultation process required to support this standard is complex if it is to meet the needs of all stakeholders. This will take time and depending upon stakeholder feedback and political approval, will take time to implement. We believe that compliance with this standard should not be expected until 2014/15.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

We believe that the draft direction does set out the minimum requirements for a tenancy policy in the main. We would argue however that the minimum time period

for a fixed term tenancy should be raised to five years to ensure that communities and individuals are settled and to reduce the administrative and financial burden to Registered Providers. .

We are also mindful that this requirement potentially raises many practical challenges for us in respect of legal support, administering and managing different tenancies and establishing appeals process. These are potentially an additional cost and will take time to establish.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

We believe that the draft direction does set out the right protections for tenants and welcome this standard.

Mutual exchange

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

We agree with the principle of the proposed direction as it will enable a consistent approach between all social housing providers. It would be helpful if the detail could be clarified, specifically in relation to Information Technology. For instance, the preferred option as outlined in Localism Bill: a fairer future for social housing: Impact Assessment suggested that funding might be available to help social housing providers prepare for this standard and we would welcome clarity in respect of this funding.

Our concerns in relation to this standard are around the costs (both human and financial). The first is in relation to modifying and maintaining Information Technology systems to the required standard to support a national mutual exchange process. The second is in relation to the provision of information to tenants.

Tenant involvement and empowerment

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

We agree with the principle and most of the detail in the draft direction.

We believe it is essential that tenants are at the heart of our business and are in a position to hold us to account. We have a range of involvement opportunities designed to achieve this and are actively seeking to strengthen the scrutiny function. Further detail of some of our involvement mechanisms in relation to repairs and maintenance are included in response to the next question.

Our major concern is in relation to Tenant Cashback. In February 2008 we entered into a 10 year contract with Keir to provide our repairs and maintenance service. This was entered into in good faith and has achieved value for money. The contract does not expire until February 2018, six years time. If we were to implement a Tenant Cashback scheme before the end of

the contract we would incur financial penalties which would not be in the best interests of our tenants.

We welcomed reference to the fact that social housing providers, like ourselves, who had entered into long term contracts, would not be able to implement the Tenant Cashback scheme before the contract expired within the impact assessment accompanying the Tenant Cashback scheme. It suggested very strongly that a phased implementation of Tenant Cashback was expected. This message did not come through in the draft directive or narrative accompanying it and we would welcome further clarity in this respect.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Tenants are already involved in a number of opportunities to define and scrutinise the repairs and maintenance service provided by our Joint Venture Company partner Keir primary through a panel of tenants established to scrutinise delivery (Housing Services Review Group). In addition recent road shows have taken place to enable the city council to listen to tenant priorities in relation to repairs and maintenance. These priorities will in turn be developed into a repairs and maintenance strategy and influence the self financing Housing Revenue Account business plan from 1 April 2012.

Tenants are involved in 'system thinking' interventions to ensure that key business processes meet their needs. Tenants are also involved in Mystery Shopping to test the service, they scrutinise key performance measures and complaints.

Undoubtedly costs are accrued in supporting the various involvement structures that we have but we believe this is outweighed by our ability to develop services that have been defined by tenants for delivery to tenants.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Although not directly applicable to Local Authority housing we are mindful that there are implications for Local Authorities. This may result in an increase in demand for local authority housing and an increase in the amount of Housing Benefit paid.

Quality of accommodation

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

In the main we agree with the draft direction however we would welcome further clarity in relation to what will be considered 'reasonable' in this context. We believe that offering a clearer guidance on the expected standards will ensure consistency for social tenants nationally.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

We believe that the direction should be more explicit in relation to energy efficiency in order to support national targets in relation to reducing carbon emissions and should strongly support links to other statutory obligations which are explicit to local authorities. The targets which have been set in respect of reducing carbon emissions are challenging and housing services will play a vital role in achieving these and we would welcome clearer links. In addition we operate in an area of severe social, economic and health deprivations and improvements in energy efficiency plays a significant role in reducing health and social inequalities.

Colchester Borough Council

Thank you for the opportunity to respond to the consultation on Implementing Social Housing Reform: directions to the social housing regulator.

Colchester Borough Council can appreciate the requirement to update directions to the social housing regulator so that the Government can make its housing reforms work in practice. However, as can be seen by our responses we have concerns over some of the areas of regulation as a Registered Provider (RP), particularly tenant scrutiny and Tenant Cashback proposals. As a strategic housing authority we also have concerns about the lack of mention of the Local Authority Tenancy Strategy in the draft directions.

1. Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

We are in support of many of the requirements of the draft direction on tenure. It is agreed that the regulator should direct RPs to publish clear policies outlining their approach to tenancy management. It is also agreed that RPs should set out how tenants can appeal or complain against tenancy decisions. Guidance that the regulator should expect RPs to take into account the needs of vulnerable tenants and children is welcomed.

We are concerned that there is no mention of Local Authority tenancy strategies in the draft directions. RPs should consider the LA tenancy strategy when deciding what tenancies they should offer and issue.

2. Does the draft direction on tenure set out the right minimum requirements for a RP's tenancy policy?

It is welcomed that there is a minimum term and that RPs will need to set out clearly in their tenancy policies how they will take account of the needs of vulnerable households. However, it is not clear in the direction who is to be classed as 'vulnerable'. This is likely to lead to differences between RPs causing discrepancies in how the same group is treated by different landlords. This is likely to cause difficulties to Local Authorities in their strategic housing role when giving housing options advice to tenants.

We welcome that RPs will need to detail the exceptional circumstances in which they will grant tenancies of less than five years. This clarifies a general minimum tenancy term.

3. Does the draft direction set out the right minimum protections for tenants of registered providers?

We understand that the direction is needed to facilitate affordable rent. Although we have concerns about the functioning of the affordable rent product and its impact on Colchester and its residents, we understand that these concerns are outside the scope of this consultation.

4. Do you agree with the principle and detail of our proposed direction on mutual exchange?

We support the regulation for RPs to facilitate mutual exchanges by subscribing to an internet based swap service. We are also pleased that the need for support for tenants to access these services is recognised, whether that is access to a computer, or assistance using the internet.

We support the intention that RPs should subscribe to a service which is part of the planned national scheme. At present, tenants often have to subscribe to many different schemes to see all their options, having all their options on one site will make it much easier for tenants.

5. Do you agree with the principle and detail of our proposed revisions to the direction of tenant involvement and empowerment?

We agree that a direction on supporting and facilitating tenant involvement is appropriate. The provision of information is a necessary part of this to allow tenants to make informed choices.

The ALMO, Colchester Borough Homes, places a premium currently on tenant and resident involvement. The CBH involvement structure has recently been reorganised to reshape future participation of resident involvement in Colchester. The involvement structure has recently been reviewed to encourage wider tenant participation that will truly reflect the diverse make up of CBH residents. Well organised, structured, well informed, pro active groups will give residents the confidence to scrutinise CBH services.

Tenants sit on the board to establish strategic direction for the ALMO. They are members of the Association of Tenants and Leaseholders and can participate in the Association's committee.

They also take part in seven different action groups focusing on the areas of:

- Customer Service Improvement Group
- Property Service Consumer Panel
- Community Budget Group
- Leasehold Group
- Safer Neighbourhood Group
- Older Persons Service Group
- Equality Focus Group

Tenants also act as quality assurance advisors over the cleaning of communal areas in blocks of flats, and tenants who act as 'village voices' reporting issues from rural areas. There are also action groups involved in media including social media and a young person group.

There are also informal opportunities to get involved through the annual Tenant & Leaseholder Conference, Forums, Neighbourhood Action Panels,

Focus groups, Community groups and Tenant and Resident Associations, monthly tenant survey.

However, we have concerns over tenant scrutiny. Organisations where tenants are unwilling to form tenants panels may find that they are then subject to regulatory intervention if complaints increase.

The involvement of other parties in complaints processes, for example, local politicians also raises concerns. The complaints could become politicised. Vexatious complaints could become protracted as tenants explore all avenues.

The new environment means that evidence from MPs, tenants panels, the Ombudsman and the Health and Safety Executive must be investigated by the regulator. The regulator will then intervene if it feels it is a matter of 'serious detriment'. The directions do not clarify the meaning of 'serious detriment' or how a threshold for intervention would work.

There is a concern that this is a move away from a holistic regulatory process to one based on individual circumstances and individual agendas. This creates a large amount of uncertainty for landlords endeavouring to carry out their business plans.

6. What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We share the concerns around health and safety and financial efficacy which feature in the Government's own Equality Impact Assessment on the proposed new Tenants Cashback scheme. There will need to be quality assurance mechanisms and help to ensure that tenants obtain good quality services from trades people.

We would fully need to cost the options available for involving tenants as savings generated may be insufficient to offset the costs of setting up and running a scheme.

The management and control will be the principle concern. Given that the right to improve and right to repair legislation already exists it will be necessary to understand how the findings of the pilot schemes that are now being operated would impact on the Council. Many of the items of minor repair that the Government has highlighted in the scheme are already tenant responsibility rather than the landlord's. Local spending per property is significantly less than the suggestion that something in the region of £1200 was being spent per property nationally.

Many procurement arrangements are exclusive with the supplier and there may be issues with contractual arrangements if the suppliers consider a Tenants Cashback scheme run counter to this principle.

The Council would seek to understand how the proposed arrangements would be treated by the Revenue in respect of VAT and how such mechanisms could work to ensure that no additional tax burden fell to the repairs

Risks associated with the scheme will need to be defined as the Council will be responsible for discharging its liabilities as a Landlord in that all work will need to be carried out in a safe manner and in accordance with any legislative requirements. The impact of a tenant directly employing a person to carry out works which result in damage to the property or adjacent properties or injury to others will remain the ultimate liability of the Council as Landlord.

Managing the scheme would at first sight appear to negate any possible savings. The Council would wish to be assured that any repairs that a tenant identified as being needed were necessary. This may require an inspection in the first instance to ensure that the repair was needed, and that the quantity and cost of any defined repair was reasonable. The Council would then need to be assured that the repair was actually carried out as claimed and to an acceptable standard.

The administration of payments to reimburse individual repairs to an undefined number of individual suppliers will inevitable impact on our creditor payments section and again is likely to negate any perceived cost benefits.

The model is intended both to encourage tenants to become more self-reliant in looking after their homes, and to allow them to share in financial savings. Aims of maximising choice for residents in the context of achieving value for money and empowering and encouraging residents to participate in and shape the services they receive are embedded in the both out asset management strategy and the tenancy agreement. However what is unclear is under what principle financial savings could and would be shared.

We already involve tenants in commissioning works and services, for example, tenants have been involved in awarding a gas servicing contract. They have also been involved in the commissioning of the Capital Delivery Programme. Tenants and Leaseholders have taken an active part within the overall procurement process including taking part in the final interviews for selection of the contractors. Tenants were also consulted over choices for replacement components.

There are also concerns arising from our tenant age profile. Given the age profile of our tenants, 33% are aged over 65 years and nearly 10% of our stock is sheltered housing we feel that there will be limited scope for involving all tenants in a scheme. However, the benefits of gaining new skills may appeal to our younger tenants. We would need to carefully manage any scheme so that those tenants unable to carry out or commission their own repairs (such as our frail or vulnerable tenants or tenants with disabilities) do not feel that they are disadvantaged from sharing in the benefits of such a scheme.

The Council has tendered competitively for the majority of the repairs work and carries out regular benchmarking and market testing to ensure good value for money is achieved. We are unsure how the scheme would operate if tenants were to propose a contracted cost for a repair that could be carried out by the Council at lower cost.

We would seek to understand the proposed commissioning and payment process as from the profile of our tenants many will not be in a position to appoint and pay for work and then reclaim the costs. This would seem to significantly disadvantage large proportion of tenants.

The Council would seek to understand how the Government would treat failure by the Landlord to comply with the Right to Repair Legislation timescales in the event that a tenant undertook to carrying out a qualifying repair themselves.

We also know, from working with our home improvement agency that many residents are reluctant and fearful of commissioning their own repairs and maintenance as they are concerned about how they judge the competency of tradespeople, value for money and their ability to specify the work required. We will need to examine how we address this issue and whether it would discourage tenants from participating. Ensuring that all tenants can participate may incur further costs through providing advice and support.

One mechanism which may aid this is the Local Business Accord Colchester Borough Homes has developed with local businesses to improve relationships and communication between themselves and local businesses and so improve services tenants receive. This may be a mechanism to improve tenant confidence in local traders and also as a quality control mechanism.

7. Do the proposed revisions to the rent direction adequately reflect the introduction of affordable rent?

We understand that the direction is needed to facilitate affordable rent. Although we have concerns about the functioning of the affordable rent product and its impact on Colchester and its residents, we understand that these concerns are outside the scope of this consultation.

8. Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

The revisions to the Quality of Accommodation direction reflect the expiry of the original target date for compliance. The proposals that exemptions can be granted for local authorities with a backlog of work is a welcome pragmatic solution.

The direction seems to suggest that if an RP having achieved statistical decency then defaulted on its continuing obligations to maintain decency it could be penalised. It is inevitable that from one year to another the peaks

and troughs of component failures will change according to their installation dates. The fact that the decency programme introduced additional finance will mean that future failures are going to be compressed from one year to another.

To overcome this dilemma a more long term solution is required and the overall long term business plan for the stock must be viable.

In the context of delivery, it is also worth noting the impact that inconsistent annual models have on contractors. They would prefer to have the certainty of a consistent delivery over an extended period to allow them to staff up appropriately and also enter into strong supply chains.

9. Energy Efficiency is implicit in the revisions to the Quality of Accommodation direction; should we make it more explicit?

The Quality of Accommodation direction references previous Decent Homes guidance and is flagged as not a change in policy. Adding explicit directives may create what is in effect a policy change.

There is a need to encourage RPs to tackle energy efficiency. With the rising costs of energy, fuel poverty is likely to become more common. Tenants in social housing tend to have lower or fixed incomes and will feel rises in fuel prices disproportionately.

Both Colchester Borough Council and Colchester Borough Homes recognise that rising energy prices will be a serious burden on our tenants and as such we will look to carry out a number of projects over the coming years to reduce the impact of this as much as possible.

One way we are tackling these issues is by installing Photovoltaic (PV) Panels (Solar Electricity) on suitable Council housing stock and corporate buildings. The project will install solar PV on Council flats, sheltered housing schemes, bungalows and houses. In some cases it may be possible for the residents to benefit by using the free energy generated by the panels. Savings on energy bills could be £100-£150/year although this does depend on the installation and energy use in the property.

We are also looking very closely at the possibility of using the Passivhaus standard. Successful local examples exist and would be a model we would look to replicate when undertaking our own developments.

Colchester Borough Homes

1. Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Whilst CBH welcomes the requirement for landlords to publish clear and accessible tenancy management policies, guidance on what constitutes appropriate criteria would be helpful. It is unclear, for example, if the criteria can be property-based as well as applicant-based.

In order to inform the decision on the most suitable form of tenancy, we would welcome clarification on the legal aspects of implementing fixed term tenancies, for example whether there will be mandatory grounds for possession on the expiry of a fixed term tenancy and how the issue of proportionality might be applied when evicting a tenant whose fixed term has expired.

In practical terms, there is potential for a wave of applicants needing to be re-housed on a 5-year cycle, resulting in shortages of accommodation at peak periods. Bearing this in mind, we would appreciate clarity on what measures will be required regarding offers of alternative accommodation, as well as how former fixed term tenants will be considered in terms of intentional homelessness from a legal standpoint.

We are concerned that the opportunities to set local policies will be particularly limited for those landlords who, like ourselves, who participate in sub-regional choice-based lettings schemes. It is unclear how effective local authority tenancy strategies will be in these cases as a single landlord could have to take into account to several tenancy strategies within a single scheme. Any CBL scheme covering landlords with differing policies will undoubtedly present difficulties in terms of transparency, complexity and consistency in the application and appeal processes.

2. Does the draft direction on tenure set out the right minimum requirements for a RP's tenancy policy?

An exclusion from fixed term tenancies for certain categories of vulnerable tenants, along with a definition of vulnerability in these cases, would reduce the potential for these applicants to become "lost" in a system they do not know how to navigate, where they may be considered vulnerable by one landlord but not the next.

We are concerned that the proposed directions appear to be aimed towards general needs accommodation and would welcome clarification on any exclusions which may be applicable to fixed term tenancies, for instance sheltered accommodation.

We also feel that landlords would benefit from guidance on the appropriate steps to be taken to formulate tenancy policies (e.g. taking into account

equalities impact assessments, tenant consultation, the local authority tenancy strategy etc.).

3. Does the draft direction set out the right minimum protections for tenants of registered providers?

We feel that minimum requirements for the appeals process on the expiry of fixed tenancies should be set out, to balance fairness for the tenant with the need to avoid prolonged appeals. We would like to see detail on what minimum rights applicants may have to transfer and/or switch tenancy type during a fixed term. Similarly, we feel that more details are needed on how the Right to Buy will operate under a fixed term tenancy.

4. Do you agree with the principle and detail of our proposed direction on mutual exchange?

Although we support in principle a national mutual exchange system which is free for tenants to use, it is unclear from the proposals whether there will in fact be a single national scheme or not, how adequate geographical coverage will be defined and enforced, and how the future offer will differ from what is currently available.

Serious thought will need to be given to which types of tenants are eligible for the scheme and how it is expected to work in practice. For example, would a fixed term tenant with 2 years remaining on their tenancy be able to exchange with a secure tenant? If so, what type of tenancy could each tenant expect in their new homes? There is scope for exchanges which are beneficial to both parties to become more difficult to find. This could have the effect of making mutual exchanges less attractive to tenants, defeating the object of increased mobility.

We would of course be committed to providing support to tenants, particularly vulnerable tenants, in accessing such a system. However, we are concerned that this may become very much more onerous than at present given that landlords around the country are likely to offer a mixture of tenancy types, a range of lengths of fixed term tenancies and considerably more complex policies once the Localism Bill comes into force. This may make it difficult for landlords to give information and advice on the options available and for tenants to make an informed decision. Any mutual exchange scheme will need to be responsible for providing full, accurate and easily understood information on what can be considered a suitable exchange and what type/length of tenancy exchanging tenants can expect in their new homes.

We would also like to see a ceiling on costs and charges for landlords as we are concerned that the costs of subscription could be disproportionate to the utility of the scheme.

5. Do you agree with the principle and detail of our proposed revisions to the direction of tenant involvement and empowerment?

We welcome the general direction of increased resident involvement and empowerment, and CBH places a great deal of emphasis on developing this aspect of our service. We do feel however that clear parameters need to be defined regarding the minimum type and level of support required from landlords to ensure that costs incurred are kept reasonable and proportionate.

We are concerned that if regulatory intervention becomes complaint-based, the emphasis risks moving away from the overall quality of a landlord's service and towards single issues. There may be a disproportionate shift towards the concerns of those tenants who are best at making their voices heard via the complaints system, as well as the political interests of MPs and councillors. With 3 possible routes to the Ombudsman, we are concerned that there is scope for landlords to respond to a single complaint in triplicate as well as to the individual complainant. An unambiguous definition of what constitutes serious detriment is also in our opinion essential.

It is difficult to comment on the support required by landlords to enable tenants to carry out housing management functions without more detail. It is unclear how the Right to Manage is defined and how the regulatory framework might differ from current arrangements in this respect.

6. What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

CBH has serious reservations about the workability and financial viability of tenant cashback schemes.

We note that a figure of £1200 per property per year on repairs has been quoted, whereas in Colchester the figure is closer to £200. It is difficult to see the potential for significant savings given that our current repair and maintenance contracts have been agreed via a stringent procurement process, with significant involvement by tenants. The aim of this process to maximise economies of scale and value for money, whilst at the same time providing some assurance of expertise.

The introduction of a tenant cashback scheme would mean that many existing contracts would need to be renegotiated in the light of the contractor no longer being the sole supplier, and new terms would in all probability be less favourable to the landlord as a result.

To achieve transparency and value for money in a tenant cashback scheme, it would be prudent to obtain a number of quotes for each individual repair, perhaps including a quote from the landlord and/or its contractors. This would add significantly to administration costs. In addition, facilitating payments to new suppliers as well as pre- and post-work inspections will add to the running costs of any such scheme, eroding any notional savings.

There are a number of other dangers. As well as the potential for deliberate damage to property and poor standards of work, there is scope for exploitation of vulnerable tenants by unscrupulous and unaccountable third parties. In addition, we are concerned that such schemes may put tenants without access to funds to pay for repairs upfront at a disadvantage.

Many of the jobs tenants would be interested in commissioning or carrying out themselves would be likely to relate to improvements such as decor, which do not in any case form part of the landlord's obligation. It is unclear how a tenant cashback scheme fits in with the Right to Repair, particularly with regard to the expected timescales for completion of repairs. We are also concerned about the health and safety implications of poor workmanship and the possible deterioration to properties which landlords would ultimately be obliged to rectify.

Having canvassed a number of our tenants on the subject they appear to share our concerns, and two thirds of our respondents felt that the tenant cashback scheme was not a good idea. Responses from Colchester tenants include:

- “Responsibility of the landlord”.
- “In principle some smaller jobs could be managed this way – providing regulated properly. There is potential for abuse”.
- “Poor quality repairs: possible dangerous situations. Regulation of tradespeople”.
- “May use non-reputable builders. Random/unnecessary bills – there would be no control”.

It is also worth pointing out that under current arrangements our tenants already have a significant input in procurement and commissioning of repairs and maintenance services.

7. Do the proposed revisions to the rent direction adequately reflect the introduction of affordable rent?

Whilst it remains to be seen what effect reversing years of rent convergence will have on disadvantage and social mobility, the arguments for and against the affordable rent model are outside the scope of this consultation. The detail of the direction to the housing regulator appears to be an adequate reflection of how rents will operate within this model. However, we feel that it would be helpful to make explicit what arrangements will be in place should negative RPI occur.

8. Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

We agree broadly that the revisions reflect the original target date for compliance. However, we would argue that in the long term the Decent Homes standard should be replaced with a local minimum standard, and there

should be more scope for stock investment decisions to be made locally. Landlords should have a degree of flexibility in order to make strategic decisions and gain maximum benefit from the funds available and local choices will be restricted by a rigid requirement to maintain 100% decency. For example, if a landlord is planning to dispose of stock in the near future it may not be desirable to invest funds in maintaining that stock in the short term simply to fulfil the decency requirement. In addition, forward planning of investment may need to take into account natural peaks and troughs resulting from the cyclical nature of stock maintenance. It would therefore be helpful to have a degree of tolerance built into the decency requirement to reduce the potential for higher costs at peak periods.

9. Energy Efficiency is implicit in the revisions to the Quality of Accommodation direction; should we make it more explicit?

We feel that the direction does need to be more explicit, perhaps incorporating a minimum EPC rating and/or including a requirement for landlords to have a published energy efficiency strategy. We also feel that the direction needs to explicitly tie the quality of accommodation in to current and future government carbon reduction standards. However, any such standards should be flexible enough to take into account the age and type of properties.

College of Occupational Therapists

Please find below a response on behalf of College of Occupational Therapists Specialist Section – Housing (COTSS-H)

Tenant scrutiny

We would support the move to increasing the involvement of tenants in the scrutiny of service delivery. We would particularly support the formation of panels of disabled tenants to oversee the services to this client group. Facilities should be available to all panels to allow effective participation by disabled tenants.

Flexible tenancies

Flexible tenancies will allow providers to review tenancies to allow more effective use of specially adapted properties. We are however concerned that short term tenancies may discourage providers from undertaking adaptations for tenants with these tenancies. Likewise if tenants are asked to make a contribution they maybe reluctant to take the option of an adaptation if they only have a short term tenancy.

Mobility

Any internet based home swap service should also include information on accessibility to allow disabled tenants to fully partake in this service.

Tenant Cashback

The tenant cashback model will encourage tenants to be involved in the improvement and upkeep of their neighbourhood. We would recommend that access and other improvements for disabled tenants are included in this scheme to give tenants control over their environment.

Anthony Allott
Occupational Therapist
Housing Association Lead COTSS-H

Communities Homes People

About us

CHP is a not for profit housing association formed in 2002. We currently own and manage approximately 8,000 properties in Essex

Response

1. Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Yes. We note the proposed removal of “most secure” from the current standards which will enable PRP’s to offer fixed term tenancies where appropriate. We support the recognition of the importance of offering a tenancy that is compatible with the needs of individual households and achieves the efficient use of housing stock.

CHP’s approach is to offer fixed term tenancies of five years to tenants of houses as we believe that over time, this will address under-occupation in a transparent and fair way. As family composition reduces, we can work with existing and prospective tenants to meet their needs and free up accommodation needed by families.

We currently have 550 family houses that are occupied by single tenants (many elderly) and whilst we operate a Spacesaver incentive scheme, we recognise the impact on moving home in the later stages of life. By offering a fixed term tenancy from the start, tenants will understand from the beginning that they may be required to move at the end of a fixed term period should their family composition change.

2. Does the draft direction on tenure set out the right minimum requirements for a RP’s tenancy policy?

Yes, but it would be helpful if there was a clearer definition of vulnerability.

3. Does the draft direction set out the right minimum protections for tenants of registered providers?

Yes, as mentioned above, we intend to offer five year tenancies for houses which will be renewable unless:

1. Conditions of Tenancy have not been complied with
2. The property is under-occupied or **statutorily** overcrowded
3. The property has been the subject of disability adaptations that are no longer required by a member of the household
4. CHP requires vacant possession to repair, improve, modernise, demolish or sell the property
5. Adaptations are required to enable the household to remain but the works are not considered by CHP to be Value for Money
6. The tenant has given Notice to Quit to CHP
7. Court proceedings for possession of the home have begun

For items 2-5 above CHP will offer suitable alternative accommodation. If renewal is not considered because of breach of tenancy conditions/legal action to recover possession of the property has commenced, CHP will give appropriate advice and assistance.

Existing assured tenants prior to the introduction of fixed term tenancies who choose to move to another social rented home will be issued with a lifetime tenancy unless they choose to move to an affordable rented home.

4. Do you agree with the principle and detail of our proposed direction on mutual exchange?

We agree with the requirement to participate in internet-based, mobility/mutual exchange schemes and welcome the choice to subscribe to a national or a number of individual schemes. CHP currently subscribes to two schemes, one national and one regional. The number of successful mutual exchanges we achieved increased to 120 last year (from 84 in 2009/10) so we value their importance as a housing option.

The scheme(s) need to be simple for residents to use and understand.

We have some reservations about the requirement that “registered providers must provide reasonable support to tenants who do not have access to the internet”. As we operate across the county of Essex this has the potential to be very resource intensive and we would recommend that this part of the direction is reviewed.

5. Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

We support the principle of the majority of the proposed revisions. CHP tenants currently have 25 ways to influence and be involved in its business including board membership.

We have concerns however over the role of tenant panels being recognised as a “designated person” for the purpose of referring complaints to the Housing Ombudsman. This could be viewed as an additional hurdle for a complainant to have to overcome. There should be further detail on the role of the Panel before this direction is finalised.

Our most serious concern related to the direction on the Tenant Cashback model.

1. CHP Residents are already involved in the management or repairs and maintenance services and have determined things such as a reduction of the priority response times, lettable standard, choosing contractors etc. Our residents are also involved as tenant auditors and/or members of the scrutiny panel, with plans in place to link future tenant auditor functions to improve skills and knowledge to assist residents when returning to the workplace.

2. Tenants do have the right to carry out improvements on their homes and would be entitled to compensation when terminating the tenancy. The backbone of the Tenant Cashback scheme is to "reward" residents for undertaking minor repairs on their home, the theory being that it would be cheaper than employing a contractors and residents would share any savings (details still not confirmed)
3. The Impact Assessment of the Tenant Cashback is without costs although it asserts that setting up of any such schemes should be cost neutral, this is unlikely to be the case for CHP. Our direct repairs & maintenance costs are low, primarily as we have low overheads, that is, management costs reduced to a minimum, so any new scheme would result in an increase in management costs and potentially a higher cost per repair. The issue of residents being rewarded for undertaking repairs could be seen as inequitable as not all residents will be able to undertake repairs.
4. On the basis of an average repair costing £85, the only potential saving is the labour & overhead costs. However we may incur additional costs of post inspecting any repair works to ensure that then meet the relevant standards.
5. The theory is that tenants are better placed to know what repairs are required, this is not always the case, and may generate more work when considering whether the costs of a repair is indeed an improvement - one only has to look at the issues of damp & condensation (although not technically a repair until diagnosed) to see the potential for discord over what is required. Even on things such as a leaking tap, a resident may renew a tap and we may have rewasherered/redisced – so any such scheme would require criterions that is agreed and monitored.
6. With regards to standards, the current proposal is that resident would be able to choose their own fittings, RP's who have standardised components to simplify repairs and obtain durability will reduce their opportunity for first time fix (future repairs as will not be certain what type of components are in situ) and for savings as a result of bulk purchase (by our suppliers).
7. CHP does use small contractors (another facet of the scheme) to put monies back into the local community and some of our tradesman are residents.
8. CHP has an Environmental Improvement Committee that considers neighbourhood improvements and decides on projects where they would like to see their budget spent.

9. Overall CHP (from the Impact Assessment) is meeting the majority of the aims of the scheme, involved residents, local labour, local contractors, involvement in environmental budgets, but it does not meet the criterion for repairs to be undertaken by residents. Whilst this is a laudable option it will be a more costly option for CHP.
6. **What type of models for involving social tenants in repair and maintenance services are registered providers like to offer, how many tenants might participate in these and what costs and benefits might they result in?**

CHP currently has:-

- a. Central Residents' Forum
 - b. Scrutiny panel
 - c. Asset and Contract Management and Repairs Focus Group
 - d. Environmental Improvement Committee
2. Consideration would need to be given to whether these forums are the most suitable to explore and facilitate any Tenant Cashback incentives, or whether new models for involving tenants would need to be devised.
 3. If tenant involvement in other groups is any indication of the level of participation, this is likely to be quite limited.
 4. A clear idea of the scope of any Tenant Cashback scheme would need to be agreed before predictions of costs or benefits could be made.

We await with interest the outcome of the pilots.

7. **Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable rent?**
Yes.
8. **Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?**
Yes.
9. **Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?**

It is unclear what is actually meant by this question, as the suggested wording for the Quality of Accommodation standard, in the proposed directions, is exactly the same as the current Decent Homes Standard. The guidance notes for the DHS give a detailed definition for each criterion, including 'reasonable thermal

comfort'. This will presumably be the case when the guidance notes for the new standard are issued.

Community Gateway Association

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

The requirement for all providers to clearly articulate their tenancy policies is to be welcomed. However, the introduction of fixed term tenancies (whether that be at a minimum of 2, 5 or any other number of years) we consider to be a retrograde step in our work to build thriving and sustainable communities. It removes an important element of choice for social housing tenants on whether they wish to remain in their communities or consider opportunities elsewhere. It will also introduce unnecessarily excessive bureaucracy in providers' management of an increasing number of different types of tenancies.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

The draft direction is very non-directive on general matters of tenancies but is quite specific about what a tenancy policy should contain with regard to fixed term tenancies. This lack of balance gives it the feel of what is being required by the Government/Regulator is a "Fixed Term Tenancy Policy".

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

In the context of lessening of tenants' rights, it is right that minimum protections are provided.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

We have previously commented on this fixation of the Government on exchange schemes and tenant mobility. The continued concentration on what is a minority activity with regard to providing homes is disappointing. There are clear socio-economic reasons why the ability to move around the country is a minor consideration of social housing tenants and the effort expended in trying to promote such mobility is disproportionate. We are members of a sub-regional CBL scheme and even moving across nearby city/town boundaries is not a priority need for tenants. There is also a digital exclusion issue among social housing tenants which is not (and probably cannot be) regarded within the draft directions.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

CGA welcomes the Government's view of the need for providers to be open to scrutiny by their tenants (although, we oppose the introduction of an unnecessary step in a tenant's ability to take their complaint to the Ombudsman).

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We believe that the Tenant Cashback Scheme will prove to be a minority function, which tenants will only irregularly avail themselves of. It is unlikely that individuals will be able to commission work at greater value for money than providers are able to with the benefit of economies of scale. It is much more important, as is partly reflected in the draft direction, that tenants can easily and significantly influence their providers' policies, processes and standards on repairs and maintenance.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Yes

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

We have no comment to make on this part of the direction.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

We do not believe that such a specific element of providing “decent homes” is most suitably dealt with in a Regulatory direction.

Confederation of Co-operative Housing (CCH)

Response to DCLG consultation on “Implementing social housing reform: directions to the Social Housing Regulator”

1 Summary of key points and recommendations - we request consideration of the following suggestions in relation to the directions:

1.1 Tenure:

- an explicit requirement that a social landlord seeks to agree with tenants their policies on tenure prior to introduction of the policy
- a requirement that permanent tenancies are granted to “older people and those with a long term illness or disability” as proposed in DCLG’s “Local Decisions” paper

1.2 Mutual exchange and transfer:

- less prescription and a more localist approach to how social housing landlords should ensure that tenants have access to an internet based mutual exchange system
- an explicit requirement to remove transfer applications for most tenants from allocations waiting lists as proposed in DCLG’s “Local Decisions” paper

1.3 Involvement & Empowerment

- we particularly welcome the direction on Involvement & Empowerment
- we favour retaining the title “Involvement & Empowerment Standard” (the direction suggests that the word *empowerment* may be removed from the standard)
- a requirement that landlords seek to agree tenant panel arrangements with their tenants
- in relation to tenant panels, we suggest referring to “holding the landlord to account”, provision of performance and comparator information, access to staff and governance structures, and review arrangements to assess the impact of tenant panel arrangements.
- to reflect the Localism agenda, we propose a direction that landlords seek to agree a strategy with their tenants regarding how they will work with tenants locally to meet local needs and aspirations.

- we support the principle of tenant cashback but have concerns about its implementation in practice. We would prefer to see the evidence of pilot schemes before the introduction of firm regulatory requirements.

1.4 **Quality of Accommodation**

We would consider specific expectations regarding environmental efficiency over and above what is already implicit in the quality of accommodation standard to be regulation creep and contrary to the spirit of Localism.

2 The Confederation of Co-operative Housing

- 2.1 With a membership of just over 100 housing co-operatives and service user controlled housing organisations, the CCH has been the **representative body for co-operative and tenant controlled housing** in England and Wales since 1994. We are recognised in this role by Government, the UK co-operative movement, and other bodies. The CCH also has a long track record of working in the housing association sector to support tenants who wish to participate in decision-making. In particular, the CCH developed the **Community Gateway** model, a tenant and community owned membership model for large scale housing organisations, which has been implemented in various places in England and Wales.
- 2.2 The CCH is also recognised as one of the four national tenant organisations (alongside our partners in TAROE, NFTMO and TPAS). In this capacity, at the request of the Housing Minister, we are currently leading an NTO programme to establish a framework for **tenant panels**, and at the beginning of 2011 we reviewed the first year **Annual Reports to Tenants**.

3 Consultation questions

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

- 3.1 Generally we consider that the draft direction reflects the substance previously consulted in DCLG's Local Decisions paper.
- 3.2 We set out in our response to that consultation that we support a vision that is about:

- offering wider housing choices to tenants, prospective tenants and communities
- using housing choices to enable and encourage individuals to maximise their life opportunities
- encouraging wider local communities to take a greater responsibility for meeting local housing needs and enabling them to do so in a variety of different ways
- using housing choices as a means to strengthen and develop local communities

3.3 However, we are concerned that:

- some social landlords will not consult with their tenants regarding their use of new tenure arrangements without an explicit reference in either the direction on Tenure or in the direction on Involvement & Empowerment to social landlords being held to account by their tenants regarding this policy area
- the reference to providing a guarantee of a permanent tenancy for particular tenants – referred to in Clause 2.50 of the Local Decisions paper as applying particularly to “older people and those with a long term illness or disability” – has been changed in the direction (clause 3f) to a requirement to produce a policy on vulnerable tenants. Whilst most landlords would provide permanent tenancies to vulnerable tenants, this falls short of the guarantee alluded to in the previous DCLG consultation. We did not understand Ministerial intentions to be that a social landlord would be in a position to choose to grant only temporary tenancies to vulnerable groups of people.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

- 3.4 We support the principle that tenants should have access to information that would enable them to carry out a mutual exchange if they wish to. However, we are concerned that the detail set out in the proposed direction is too detailed, prescriptive and would appear to run contrary to Localism principles.
- 3.5 We are concerned that some of our small housing co-op members may struggle to resource the proposed direction.
- 3.6 We are disappointed that the DCLG has not made a direction regarding the proposal set out in the Local Decisions paper to take “most transferring tenants out of the allocation system, so that they no longer have to compete with new applicants on the waiting list”. We consider that this would have a greater

impact on facilitating mobility than an internet based system for mutual exchange.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

- 3.7 We welcome all aspects of the proposed direction on tenant involvement and empowerment (although we note some concerns about clause 2(a)v which we detail in response to Question 6).
- 3.8 We are concerned that Clause(1) refers to a “Tenant Involvement Standard” – we consider that the standard should continue to be called the “Tenant Involvement & Empowerment Standard” to reflect through the use of the word *empowerment* the process to facilitate tenants to take power in their lives.
- 3.9 We are pleased that the Direction links “exercising housing management functions” with the Right to Manage in that it suggests that all housing providers should be considering a range of approaches to involvement in housing management with their tenants.
- 3.10 We are also pleased with the specific references to tenant panels (or equivalent); provision of information; tenant scrutiny; and annual reports. We welcome that the direction requires landlords to “seek to agree” some of these arrangements with their tenants, but we would suggest that landlords should also be required to seek to agree their tenant panel arrangements with tenants.
- 3.11 As the organisation leading on the development of a framework of options for tenant panels, we would also suggest considering whether it would be helpful to refer to the following in relation to tenant panels:
 - referring to “holding the landlord to account” as a purpose of tenant panels
 - provision of performance and comparator information
 - access to staff and governance structures
 - and review arrangements to assess the impact of tenant panel arrangements.
- 3.12 We anticipate that the new standard will be based on the direction and appropriate elements from the existing standard. Generally we would not wish to see elements of the existing standard lost as a result of the new direction.
- 3.13 Revising the standard will require that amendments are made to the existing clause in the standard regarding “local offers” because that was a time limited clause. We consider the phrase “local offers” to be both prescriptive – in that

it attempts to prescribe how tenants and landlords should approach local engagement – and vague and misleading in that what was expected of tenants and landlords was not clear. We propose a direction that landlords seek to agree a strategy with their tenants regarding how they will work with tenants locally to meet local needs and aspirations.

- 3.14 With regards our clause 3.3 above, we reiterate that we would like to see a specific and explicit requirement that landlords be required to seek to agree their policies on tenure with their tenants (and refer to this again here because the Involvement & Empowerment Standard may be the appropriate place for it if it is agreed).

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

- 3.15 As a body that represents co-operative and mutual housing, we fully support the principle of self help inherent to “tenant cashback”. Indeed this principle sits at the heart of tenant management – where tenant management organisations receive the equivalent amount of money a landlord would pay on a service to provide the service and is entitled to use any surplus generated for community purposes.

- 3.16 However, there needs to be an understanding that landlords have a “duty of care” to their tenants which means that should tenants carry out repairs functions, the landlord would need to be satisfied that they are properly trained to do so, and that the landlord will be legally responsible for any repairs carried out by tenants and therefore needs to be satisfied that repairs are done to a standard that meet health and safety and other requirements.

- 3.17 This would mean that:

- the landlord would need to factor in any resources needed to inspect repairs done through tenant cashback
- this and the economies of scale generated by large scale repairs contracts may make it unlikely that any cash savings could be made by a tenant carrying out their own repairs
- it may be appropriate to enable tenant cashback arrangements in relation to small scale repairs such as decorating
- there would need to be greater training and competency requirements in relation to more complex repairs

- 3.18 We are certainly in favour of involving tenants collectively in commissioning and managing repairs.
- 3.19 In general, we would prefer to see evidence from pilot tenant cashback schemes before regulatory requirements are introduced in this area.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

- 3.20 Yes

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

- 3.21 Yes

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

- 3.22 No – why is there a need to do so? This would be regulation creep and against the spirit of Localism.

Co-regulation champions

Response to direction on Tenant Empowerment

Introduction

The Co-Regulation Champions were selected by the TSA in early 2011 to promote excellence in Co-Regulation throughout the sector.

The Champions have each carried out a number of dissemination activities and have agreed to continue working together to share best practice.

At a meeting in September 2011, the Champions (staff and tenants) agreed to return a joint response to the DCLG consultation on a draft direction to the regulator, specifically looking at the standard on tenant involvement and empowerment.

The following Champions have signed up to this joint response:

Amicus Horizon

Community Gateway

Helena Partnerships

Riverside

Salix Homes

SOHA

Wherry Housing Association

Q5 Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

As housing providers that are committed to excellence in tenant empowerment, we are pleased to see the draft direction strengthens the obligations on landlords to develop and support scrutiny arrangements with tenants.

We feel there is scope for some confusion over the terminology used (scrutiny and tenant panels), with tenants and providers uncertain if they have the right arrangements in place. It may be more helpful for ‘tenant panels’ to be given as an example of how scrutiny might be carried out.

With regard to sub-paragraph 4 (2) (a) (v), we have serious concerns over the proposed introduction of Tenant Cashback and the way in which the Direction is fairly prescriptive over this.

We feel it is of the utmost importance to involve residents in repairs and maintenance and enclose below some examples of how we do so. However, we also feel strongly that the methods by which tenants are involved should be a matter of negotiation and agreement between the provider and tenants.

6 What type of models for involving social tenants in repairs and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

As housing providers that have been identified as Co-Regulation Champions, we are pleased to share some examples of how we involve residents in repairs and maintenance. Please see below for details.

In **Riverside**, our tenants are very actively involved in the repairs service at all levels. In recent years we have moved through procurement to single repairs contractors per operational division, with 5 partners now selected. Each of these procurement exercises actively involved a panel of tenants who worked with staff at every stage of the bid, including an opportunity to grill potential contractors on everything from VFM, service delivery, health and safety, approach to equality and diversity, to provision of local apprenticeships. The tenants didn't always go for the cheapest option, instead choosing the contractor that they liked best overall and felt was most up to the challenge. The result is we are working with locally based family firms in some areas and large organisations such as Morrisons and Mears in others. Most areas are now also working to a repairs formulae which means contractors are working to an agreed specified repairs value per property per annum. Each area has monthly contractor review meetings with a panel of tenants which gives tenants the opportunity to question the contractor on areas of concern. We have recently set up a tenant ran Maintenance Scrutiny Panel which takes an overarching view of contractor performance across the organisation. The panel has recently commissioned our tenant inspectors to undertake a review of the repairs service across Riverside with results expected by December. Other examples of where tenants have contributed to VFM is be working with repairs staff in terms of specifying repairs components such as boilers, recognising that a cheaper option isn't always best if it only has a life of 20 years compared to a slightly more expensive product.

Soha Housing involves tenants in all aspects of repairs and maintenance. For example, tenants are involved throughout the procurement process, from setting the VfM weighting of cost to quality to helping interview and select the contractor. Performance is reported quarterly to all tenants through Hometalk and online. Last year, we introduced a performance indicator for first time fix and worked with tenants to develop a robust definition. In addition, our regular contractor performance meetings are chaired by a tenant.

Tenant Inspectors recently re-visited the repairs service with an open door inspection (short notice) to check that recommendations from their previous inspection had been implemented. In addition, the Tenant Scrutiny Panel have just carried out a review meeting on Soha's performance and decision making around responsive repairs.

Helena Housing - Our Tenant Scrutiny Panel, the Customer Excellence Panel, have previously scrutinised our repair and maintenance service (2009) and are currently in the process of reviewing this service area again. As part of their on-going training Panel members have been briefed on VFM.

Whilst carrying out a review they consider a number of key areas including:

- *How are we performing? (cost and performance)*
- *What matters most to tenants (feedback from consultation)*
- *Do our service standards reflect what matters most to tenants? (review of service standards)*
- *Are we monitoring the right things? (review of CEP KPI's)*

In response to the evidence presented to them in 2009 the panel came up with a number of recommendations, headlines of which include the following (can send over service specific detailed changes if required):

- *Focus more on getting repairs right first time*
- *Tailor services to meet the individual needs of tenants and residents by exploring extended appointment times for those in full-time employment.*
- *Improve communication e.g. keeping tenants informed of progress*
- *Involve tenants in determining what repairs are classed as emergency, urgent or routine (repair classification work is on-going – further outcomes in the near future)*
- *Amend the service standards and introduces the new Customer Excellence KPI as recommended by the Panel.*

The key point here is that, as illustrated above, in the course of each service review service VFM is a key consideration for CEP. Specific cost information is often in the form of outcomes from ABC activities.

A separate service review saw CEP scrutinising the practice of sending out paper repair receipts. Proposals for alternative ways of working have resulted in significant cost savings to the Company and associated VFM for our customers.

Salix Homes customers are involved in all aspects of the repairs service through the Property Panel. The panel monitor performance on a monthly basis and are consulted and influence service delivery and improvements.

Panel members played a key role in the procurement of new contracts for gas services; responsive repairs and contractors for decent homes work. Each contract has achieved value for money. Panel members attend monthly contract meetings and are invited to be members of any project team when services are being reviewed.

The Customer Senate scrutinised repairs appointments and their findings were reflected in the contract requirements during the recent procurement of the responsive repairs contract.

Performance is reported monthly on the website and in customer contact points and quarterly in the customer newsletter.

Wherry involve our residents wherever possible to influence our services. We have a Property Partnership Board that includes resident representatives and ensure that any aspect of changes impacting on repairs and maintenance are reviewed within this group. This group also monitors aspects of performance for this area. In general, we use all avenues of feedback to inform our service improvement programmes, we carry out daily satisfaction surveys and review all comments by residents; we use customer journey mapping; mystery shopping; have utilised residents in the process of tendering, reviewing and awarding contracts; We have recently reviewed our repairs & maintenance service locally, utilising feedback from more than 30% of our resident base and produced a resident charter to ensure we are measuring and reporting on the top 3 most important aspects that residents told us about.

Council of Mortgage Lenders

Directions to the Social Housing Regulator

Introduction

1. The Council of Mortgage Lenders (CML) welcomes the opportunity to respond to the consultation paper from the Department of Communities and Local Government (DCLG) setting out proposals for revised directions from the Secretary of State to the Social Housing Regulator.
2. The CML is the representative trade body for the UK residential mortgage lending industry. Its 109 members currently hold around 94% of the assets of the UK mortgage market. In addition to lending for home ownership, the CML members have also lent over £138 billion for buy-to-let mortgages to support a private rental market
3. Over £60 billion UK-wide has been lent by CML members to housing associations for newbuild, repair and improvement to social housing. This has enabled significant improvement in the condition of existing homes and communities as well as delivering new affordable homes without increasing use of public money.
4. This response has been prepared following consultation with the CML Social Housing Panel of members

Key issues for lenders

5. Lenders are keen to see a strong and effective framework of regulation, particularly with regard to financial viability and governance. We recognise that these areas are not directly affected by this consultation but we remain keen to engage with government departments on wider regulatory changes that do impact on these areas.
6. The issues covered in this consultation are of concern to lenders in as much as they impact on the operational efficiencies of registered providers. While lenders are generally supportive of the changes in tenure, they are concerned that some areas covered by the proposed directions may be over prescriptive and that this can impact on operational efficiency.

Response to consultation questions

7. The following answers relate to the questions set out in the consultation document.

Tenure reform

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

8. We are content with the proposed directions on tenure and the degree of choice open to providers. We believe it important that providers continue to have flexibility in the type and length of tenure they offer.

Mutual exchange

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

9. We welcome the move to give tenants greater mobility however if this ambition is to be realised, tenants will need access to good internet services. Support will need to be given to tenants who do not have home access to these facilities. There is concern at the increased costs of providing a national framework for mutual exchanges, and that these costs should be proportionate to the benefits derived.

Tenant involvement and empowerment

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

10. We are generally supportive of the proposals, but share the concern expressed by others that the directions should not become overly prescriptive as to how things are done. There have been considerable changes in consumer regulation and we have been supportive of them.

Affordable rent

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

11. The amendments to this section are minor and we are content that homes provided for affordable rent will be allocated in the same way as social rent properties.

Decent homes

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

12. We have no comments with regard to this section of the consultation.

Councils with ALMOs Group

Dear Sir

Consultation – Implementing Social Housing Reform: directions to the Social Housing Regulator

I am responding to the above consultation document in my role as Chair of the Councils with ALMOs Group (CWAG). CWAG is a Special Interest Group of the Local Government Association (LGA) and currently has 38 member authorities representing different types of authorities including Metropolitan Boroughs, Unitary Authorities, London Boroughs and District Councils.

Consultation Questions

Question 1 – Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer?

Yes, the relevant factors are set out, however there is the potential for complexity in the way these are applied at a local level, with very different outcomes in different localities. In this context, the requirement for Registered Providers to publish details about their policies on tenancy management is particularly important, bringing clarity and transparency to the new flexibilities and how they will operate locally.

Question 2 - Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

As indicated above, the tenancy policy needs to set out clearly how tenancy decisions will be made and applied.

We support the inclusion of tackling tenancy fraud and preventing unnecessary evictions within the requirements as well the requirement to give details of appeals and complaints processes. We also welcome the explicit expectation that providers will offer tailored interventions for their most vulnerable tenants and those with children.

We support the continued use of the probationary tenancy period and its extension to private Registered Providers. In addition, we support the recent amendment to the direction whereby the grant of a fixed term tenancy should normally be for a minimum period of 5 years, with a two-year tenancies being used only in exceptional circumstances.

We support the principle of no less security for existing tenants who move home within the social rented sector. This is very important to ensure mobility is not constrained by the new flexibilities around tenure length.

Question 3 – Does the draft direction set out the right minimum protections for tenants of registered providers?

Yes – the draft direction appears to address the key areas. Most have been highlighted within the comments above:

- Flexibility around the type and length of tenancy to be offered, including probationary tenancies and a presumption that two year fixed term tenancies will only be used in exceptional circumstances.
- A requirement to take account of the specific needs of vulnerable households and those with children.
- The inclusion of safeguards including advice and appeals.
- Ongoing protection for existing tenants who move home within the sector.
- Tackling tenancy fraud, tenancy sustainability and preventing unnecessary evictions

Question 4 – Do you agree with the principle and detail of our direction on mutual exchanges?

Yes – we welcome the proposed direction on mutual exchanges that will bring a consistent approach across landlords and authorities.

Question 5 – Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

We strongly support the drive to empower tenants to scrutinise the performance of Registered Providers. Many CWAG members have already responded to this agenda, developing tenant panels and other resident involvement structures. We recognise that this direction needs to be underpinned by clear expectations of providers, both in terms of the quality of data to be provided and the support available to enable tenants to effectively challenge the providers record and performance.

Whilst we understand the rationale for introducing a common route for social housing complaints through the creation of a single Ombudsman service, we do have concerns about how this may operate in practice. In particular the proposed ‘democratic filter’ will mean complainants will have an additional hurdle to negotiate before the Ombudsman considers their complaint.

Question 6 – What type of models for involving tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Many local authority tenants already have significant involvement in the development of repair and maintenance programmes for example through setting contract and service standards, being involved in the procurement of contractors, evaluating the effectiveness of programmes etc.

The Tenant Cashback proposals go significantly beyond this, offering tenants the option to carry out or commission their own repairs and receive a share of the savings. CWAG members are sceptical how such a scheme would work in practice and are keen to see more research on the model and feedback from the three pilot schemes.

Specific concerns include:

- How to ensure the quality of repair and maintenance works carried out directly by tenants? Landlords already have considerable experience of having to re-work inappropriate repairs with poor workmanship and /or materials.
- How will savings be generated to release cash payments back to tenants?
- Health and safety issues as well as complications around insurance and other liabilities, guarantees and warranties.

Question 7 – Do the proposed revisions to the rent direction adequately reflect the introduction of affordable rent?

We believe the directions adequately reflect the introduction of Affordable Rent.

Question 8 – Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Amending this direction to reflect the expiry of the original target date for compliance is necessary, however there needs to be a recognition that maintaining decent homes is not a level playing field for all local authority providers.

A provider's ability to achieve and maintain decency will depend on the level of resources available. The move to self-financing in 2012 brings with it a starting assumption that the housing stock has achieved the DH standard. Resources available within the self-financing business plan are intended to enable local authorities to maintain this position. There is however a group of authorities that has not completed their Decent Homes Programmes and their ability to achieve the standard will be dependant on securing sufficient funding to achieve the objective. In agreeing extensions and setting target compliance dates, allowance needs to be made for this.

A number of CWAG members are keen to broaden the approach to this standard, taking into account wider asset management principles, rather than focussing on the age of particular components within the property.

Thank you for taking the time to consider our response.

Coventry City Council

Approved at full Council Meeting on 13th September 2011

The Report is available to view at <http://cmis.coventry.gov.uk>

A webcast of the Council meeting is available to view on

www.coventry.gov.uk/webcast

Introduction:

Coventry City Council objects to the move away from lifetime tenancies towards fixed term tenancies in the social sector. This has negative implications for creating and maintaining balanced, sustainable communities and will reduce stability and security for individual households and families. Social housing is a key part of the housing landscape and should continue to play an integral role in the mixed housing economy. In addition, housing is a human right that must be protected.

In terms of the impact on tenants, introducing fixed term tenancies will remove the stability and security that social tenants currently benefit from. Security and stability allow tenants to put down roots in a community, find employment, and acts as a platform for households to realise their aspirations. There is clear evidence that changing schools and having education disrupted can lead to poor educational outcomes; tenants may have to commute long distances if they are required to find a new home when their circumstances improve; and it could act as a disincentive for unemployed households to seek paid work if they might lose their tenancy as result.

It is important that social/affordable housing is not seen purely as a 'stepping stone' or transient tenure, but is also a valuable tenure in its own right. For many tenants it is the most appropriate form of tenure in the long term.

Question 1:

Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Coventry City Council objects to registered providers offering anything less than the most secure tenancy for households in social and affordable rent properties.

If the directions to the Social Housing Regulator include offering less secure, fixed term tenancies, there should be stronger guidance to ensure that the type and length of the tenancy is suitable for the household's needs. There should also be robust safeguards for vulnerable households.

The draft direction states that tenancies should be compatible with "the purpose of the accommodation, the needs of individual households, the sustainability of the community, and the efficient use of their housing stock". Coventry City Council believes that the needs of the household and the sustainability of the community should be the foremost consideration, above other considerations, and this should be more explicit.

The review at the end of the tenancy period is a particularly vital part of the process. Again, if the directions to the Social Housing Regulator include offering less secure, fixed term tenancies, then there should be robust guidance on the tenancy renewal criteria and the assistance given to households if their tenancy is not renewed. Safeguards should also be in place to ensure that the decision to end or extend the tenancy term is made with the household's needs as the foremost consideration.

Question 2:

Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

The draft direction identifies most of the main points that need to be addressed in a registered provider's tenancy policy. However, the need for the registered provider's policy strategy to 'have regard' to the local authority's Strategic Policy on Tenancies should be included.

The Council is concerned that the draft direction requires the Regulator to ensure that registered providers have clear tenancy policies, without anything to ensure that these policies actually do provide additional safeguards for vulnerable households, or have suitable criteria for tenancy types, length of fixed terms, or circumstances where tenancies may or may not be renewed.

Question 3:

Does the draft direction set out the right minimum protections for tenants of registered providers?

Coventry City Council is fully supportive of protecting the security of tenure of existing social housing tenants but believe that this security should also be protected if an existing social housing tenant moves from a social rent property to an affordable rent property, especially if the move is necessary because of a change in the housing needs of the household or any vulnerability.

Question 4:

Do you agree with the principle and detail of our proposed direction on mutual exchange?

Coventry City Council supports the principle of the direction concerning mutual exchange, but there are some concerns about the detail. The focus on internet-based schemes will disadvantage those that have no internet access or are unable to use a computer. The direction partly addresses this by stating that RPs should offer 'reasonable support', but the Council believe that this should be strengthened further to state that those that require support and assistance will receive support that is appropriate to their needs.

Question 5:

Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement?

Coventry City Council is supportive of greater tenant involvement and empowerment, and supports this section of the draft direction.

Question 6:

What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

Coventry City Council has no comment to make on this question.

Question 7:

Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Yes, the proposed revisions adequately reflect the introduction of Affordable Rent.

Coventry City Council has concerns regarding the future calculation of 'affordable rent' levels. The revision states that the 'affordable rent' rate will be set when the property is let, based on a valuation in accordance with RICS methods, and will increase each year by no more than RPI +0.5%.

Whilst the rent would be reset based on a new valuation each time the property is let to a new tenant or re-let to the same tenant, it is concerning that there is no cap or time limit set on the period that the 'affordable rent' can be increased by RPI +0.5%.

If the household's circumstances mean that a longer term tenancy is granted, it is possible that the 'affordable rent' could rise to a level which is above 80% of the market rent, or even up to and over full market rent, depending on the rate of increase of the market rental value of the property.

The Council would like to see a maximum period for which the 'affordable rent' can increase without being re-evaluated against market rents, in order to avoid this scenario.

Question 8:

Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Coventry City Council's housing service strives 'to ensure decent homes, housing choice, and support for Coventry citizens'. The Council is supportive of the revisions to ensure that compliance with the Decent Homes Standard is part of the Regulator's standards in the same way as the other standards.

Question 9:

Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

The proposed direction states that the Regulator must have regard to the Decent Homes Guidance in setting the Quality of Accommodation Standard. This guidance is already clear about what is required; therefore energy efficiency does not need to be made more explicit in the revisions to the Quality of Accommodation Direction.

Crawley Borough Council

Summary

This is a response to a Government consultation on draft directions proposed to be given by the Secretary of State for Communities and Local Government to the Social Housing Regulator by Crawley Borough Council.

Response to Questions

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

The introduction of fixed term tenancies will remove the stability and security of tenure that is currently in place. Security and stability is a key driver for building sustainable communities. A fixed term tenancy could act as a disincentive for unemployed households to seek work if they may lose their tenancy as a result.

There should be stronger guidance to ensure that the tenancy type and length suits the needs of the household. Feedback from tenants has highlighted that they will only be interested in taking up the most secure tenancy that can be offered.

The review at the end of the tenancy period is a particularly vital part of the process. Again, if the directions to the Social Housing Regulator include offering less secure, fixed term tenancies, then there should be robust guidance on the tenancy renewal criteria and the assistance given to households if their tenancy is not renewed. Safeguards should also be in place to ensure that the decision to end or extend the tenancy term is made with the household's needs as the foremost consideration.

The correlation between the tenancy type and the 'Right to Acquire' needs to be set out when a tenancy is issued.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

The main points of a RP's tenancy policy is covered, however the RP's policy must have regard in terms of compliance to the Local Authorities Tenancy Strategy as set out in the Localism Bill and that compliance should be made clearer as to how RP's tenancy policies should interact with the Local Authorities housing priorities within the direction.

Although RP's will have clear tenancy policies there is no guidance for RP's in the production of these policies thus ensuring that there are safeguards in place for vulnerable households, length of fixed terms or areas where tenancies may or may not be renewed.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

Protecting security of tenure of existing social tenants has been set out however the direction will need to specify what protection is offered. Security of tenure should also be protected if an existing social housing tenant moves from a social rent property to an affordable rent property, especially if the move is necessary because of a change in the housing needs of the household or any vulnerability.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

Internet based scheme's whilst generally positive may not be accessible for all, although the direction does state RP's must provide support, the support must be appropriate to the individuals needs. There is a risk of alienating those in need and it is perceived that there will not be enough resources in place to assist all those unable to access a web based system.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Tenant involvement and greater empowerment is supported, the directions set out further involvement and empowerment for tenants by promoting wider resident scrutiny which is already being achieved across the sector.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

There are many issues with the cash back incentive. A question would arise as to how the claims for cash-back would be processed and how issues surrounding the quality of work would be enforced as well as the subsequent 'quality checking' of work carried out.

Further issues would arise worthy of consideration are around health and safety and liability insurance. It is questionable how cash incentives would sit in with the benefits framework.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Yes, revisions reflect Affordable Rent.

In reference to the future calculation of 'affordable rent' levels, the revision states that the 'affordable rent' rate will be set when the property is let, based on a valuation in accordance with RICS methods, and will increase each year by no more than RPI +0.5%.

Whilst the rent would be reset based on a new valuation each time the property is let to a new tenant or re-let to the same tenant, it is concerning that there is no cap or time limit set on the period that the 'affordable rent' can be increased by RPI +0.5%.

The service charges are right to be included within the 80% rent threshold, however, the service charges themselves are subject to alteration each year and these alterations are sometimes outside of the control of the registered provider.

Although rent levels can be reappraised at each re-let to the same tenant or to new tenants, on a lettings plan depending on the RP's respective policy, if the household's circumstances mean that a longer term tenancy is granted it is possible that the 'affordable rent' could rise to a level which is above 80% of the market rent, or even up to and over full market rent, depending on the rate of increase of the market rental value of the property.

It restricts the potential to introduce a means-based rental strategy which would need to be responsive to changes in personal household incomes, upwards or downwards on potentially an annual basis. It is suggested that a formulae-based Rent Standard is also permitted, which could permit the social landlord to charge rents as a proportion of household income, and potentially up to 100% of market (or beyond 100% to ease those tenants out of 'affordable housing' that could afford private sector housing).

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Yes. Compliance with a decent homes standard will ensure tenants live in decent homes.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

The proposed direction states that the Regulator must have regard to the Decent Homes Guidance in setting the Quality of Accommodation Standard. This guidance is already clear about what is required; therefore energy efficiency does not need to be made more explicit in the revisions to the Quality of Accommodation Direction.

Crisis

Crisis, the national charity for single homeless people, welcomes the opportunity to respond to this consultation. We have serious concerns about some of the changes that are being made to social tenancies through the Localism Bill and elsewhere and are fundamentally opposed to the introduction of flexible tenancies. Whilst the extra detail provided in these directions is welcome, we strongly believe that central Government should maintain a greater role in prescribing social housing standards and that much of this guidance should be in primary legislation.

Given that these reforms are described in the consultation document as ‘the most radical shake up of social housing for 50 years’, there is a need for strong, comprehensive regulation to safeguard the rights of current and prospective tenants. Social housing and the support and stability it can provide are of great importance to many households, including those who have been homeless. For single homeless people, Crisis’ client group, to be granted a social house they will typically have had to prove that they are extremely vulnerable. It is particularly concerning therefore that if they do manage to secure social housing they will be entitled to so little statutory protection.

We are pleased that the Government has listened to concerns raised by Crisis and others and has amended the directions to include the provision that registered providers must lay out in their tenancy policies details as to ‘any exceptional circumstances in which they will grant tenancies for a term of less than five years’. However, we remain opposed in principle to flexible tenancies and do not believe that this concession will do enough to ensure much needed security for social housing tenants.

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider’s tenancy policy?

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

Crisis does not agree that the direction on tenure sets out the relevant factors for landlords to consider, nor that it contains adequate minimum requirements or minimum protections for tenants.

We are fundamentally opposed to the introduction of flexible tenancies. The stability provided by social housing is vital for many vulnerable people and may be the first stable housing that homeless households, for example, have experienced. It can provide a platform from which people can improve their circumstances and achieve their aspirations, including moving into work. Flexible tenancies will undermine this much needed security. Flexible tenancies could also mean that people are likely to stay in areas for shorter periods of time, leading to high turnover on estates and an increase in the associated problems of anti-social behaviour and poor community cohesion. The likelihood under the flexible tenancy regime that tenancies will be reviewed if tenants’ financial situation improves risks creating a real work disincentive.

For these reasons we strongly support the existing direction on tenure, that ‘registered providers shall offer and issue the most secure form of tenure compatible with the purpose of the housing and the sustainability of the community.’ This, as the consultation document acknowledges, ‘effectively requires providers to grant lifetime tenancies to the vast majority of new tenants in general needs social rent housing.’

We already know that some social landlords, such as Westminster Council, have expressed an intention to use the new freedoms to offer 2 year tenancies as standard, despite the Government’s assurances that this will only be the case in exceptional circumstances. In their response to the earlier *Local Decisions* consultation, Westminster Council said ‘The City Council is likely to let all new council tenancies using the flexible tenancy for a period of two years.’¹⁴ We fear that there is not enough protection either in the Localism Bill or in these directions to prevent this from happening.

Whilst the amendment the Government has made to the directions to require the majority of tenancies to be at least 5 years in length is welcome, we see no reason why 5 years could not be the legal minimum and believe this should be in primary legislation. Crisis supported amendments, jointly with Shelter, to alter the Localism Bill to this effect. We are disappointed that the Government was not prepared to accept this.

The new direction states that tenancy policies will outline ‘any exceptional circumstances in which they will grant tenancies of less than five years’. We believe there should be much more detail as to what these exceptional circumstances might be. Currently, we feel that the wording is too vague and open to interpretation to offer any real protection to prospective tenants.

A useful comparison is the introduction of Assured Shorthold Tenancies, which were initially intended to be one of a range of tenancy options available to landlords. However, they have rapidly become the norm and as such have weakened security of tenure for the majority of private tenants. We fear that a similar shift may happen in social housing, as it is possible that some landlords may take advantage of the new flexibilities even in cases where this is not in the best interests of the tenants, and that 2 or 5 year tenancies could become standard, despite this being contrary to the Government’s stated intention.

It is important that tenancy policies are clear and detailed so that current and prospective tenants in different parts of the country are well informed and understand the reasons behind decisions. Central Government should have a role in prescribing their content to ensure transparency and consistency across the country.

We do not believe therefore that it is appropriate for individual landlords to determine entirely the content of their policies, as is proposed in these directions. Instead, we would support a national code of guidance which outlines the minimum content requirements and protections for tenants. This is particularly important because it is not clear whether individual tenancy policies will have any legal standing in court. It

¹⁴ Response from Westminster City Council to *Local Decisions: a fairer future for social housing* (2011)

is vital that tenants are able to challenge decisions made by their landlord, and we would be extremely concerned if the direction did not allow for this. A statutory code of guidance could be challenged through the courts if necessary, offering important protection to tenants.

We would also like to see more detail in the directions as to how security will be guaranteed for more vulnerable households. This could include longer minimum terms or full exemptions for particular groups. During Lords committee stage of the Localism Bill, Crisis supported amendments which would have exempt people aged over 65 and people with a disability or long term health condition from the flexible tenancy regime. We hope that the Government will give further thought as to how to protect these and other vulnerable groups.

In terms of the requirement that tenancy policies should include information as to the circumstances in which tenancies will be reissued, we believe this should be strengthened to require a presumption of renewal. This would ensure greater stability for tenants and mean that in practice, the majority of tenancies would be longer than the 5 year minimum, in line with the Government's stated intention.

There is also a risk that flexible tenancies will not be re-issued when they come to an end, but instead will be allowed to 'run on' indefinitely. This would leave tenants with little security as their tenancy could potentially be brought to an end at any point with only 6 months notice. The directions should require that flexible tenancies are always properly renewed so that tenants have a clear understanding of how long they can remain in their home before their tenancy is re-assessed.

We are concerned that little thought has been given as to where people are expected to live when their social tenancy is terminated. There is a real risk that this could lead to an increase in homelessness and mean people are trapped in a vicious circle of losing their social home only to become homeless and require housing assistance again. This clearly has cost implications both for the local authority and the household involved.

Although it is welcome that tenancy policies must clearly outline the assistance that will be given to households at the end of a tenancy, we believe that this should be more detailed and guarantee that no household will be placed in unsuitable accommodation or left with nowhere to go. Suitability criteria must be clearly defined, and include details on physical standards, location and affordability. Private Rented Sector (PRS) access schemes could play an important role in helping tenants to find suitable alternative accommodation. Such schemes should be encouraged and adequately funded by both central and local Government.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

Crisis supports moves to make it easier for people to transfer between social rented properties either in their area or in different parts of the country. This should allow tenants to move to a house more suitable for their household size if they so wish, which will make better use of limited stock. It could also enable people to move to areas with more job opportunities.

However, this direction is significantly undermined by the Government's proposal to cut housing benefit entitlement for people deemed to be 'under-occupying' their social house. This will result in 670,000 social tenants losing an average of £676 per year. We know that in many areas there will simply not be smaller properties available for tenants to move to, so many people will have to try to make up the shortfall themselves, or move to PRS accommodation. Crisis is strongly opposed to this change. We believe that it is far better and will ultimately be more successful and sustainable to encourage people to move to another social house or into PRS accommodation than to compel them to.

We welcome the assurances that existing secure tenants who transfer to another social house will retain their secure tenancy. It was an issue on which we supported amendments to the Localism Bill. However, we are concerned that this does not apply to tenants moving to Affordable Rent properties. If more tenants will be moving, as a result of either better transfer systems or the under-occupation cut, it is likely that some will move into Affordable Rent properties. Although we appreciate that the decision to maintain a secure tenancy will be at the discretion of the social landlord, we do not believe that this offers enough assurances, and strongly believe that existing tenants transferring to Affordable Rent properties should have the same rights as those moving between normal tenancies.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We fully support moves to further empower and involve social tenants. However, we have some concerns around the details of these proposals.

Tenancy Panels certainly have the potential to improve scrutiny of landlords' policies and behaviour. However, the panels may not be fully representative of the tenant body, and in particular may not include those with vulnerabilities or who face multiple disadvantages. There will be no requirement for there to be a Tenancy Panel at all, so we would be concerned about what right of redress would be available in cases where residents simply did not have the capacity to set one up. Tenants with personal or confidential problems may not wish to raise them through a panel made up of their neighbours, so we do not believe that Tenancy Panels should be the only avenue through which tenants can appeal against or seek a review of a landlord's decision.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

We agree that the revisions to the rent direction are clear. However, we have serious concerns about the Affordable Rent model, particularly in relation to Housing Benefit and work incentives. We believe the introduction of higher rents in Affordable Rent properties could increase the poverty trap, creating work disincentives and making it more difficult for tenants to move into employment.

The Welfare Reform Bill will bring in measures to cap total household benefit claims at £500 per week. In parts of the country, particularly London, setting social housing

rent at 80% of the market rate could push their total benefit entitlement above this total. This could potentially leave tenants struggling to make up shortfalls in their rent, and fundamentally undermines the purpose of social housing to provide affordable homes for people on low incomes.

Even in areas where this will not be the case, 80% of the market rate will still be significantly higher than the current subsidised social rents. This means that the Housing Benefit bill will have to rise to cover the increased rents, which is contrary to the Government's aim to control spending in this area. In addition, low rents in the social sector enable tenants to move into work easily without facing steep withdrawal of benefits. Raising social rents significantly, as is proposed, would undermine this and is inconsistent with the Government's aim of improving work incentives through the benefits system.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

We believe it would be useful to make explicit standards about energy efficiency. Ensuring that social houses are energy efficient would help to tackle the fuel poverty that many low income households face.

Cross Keys Homes

Dear Sir/Madam

Implementing social housing reform: directions to the Social Housing Regulator

Thank you for the opportunity to contribute to this consultation on the way forward for social housing reform.

Cross Keys Homes is a provider of affordable housing and comprises a workforce of more than 250 people. We own and manage more than 10,600 homes including; general needs, sheltered and hostel accommodation, leasehold and intermediary stock for around 30,000 people in and around Peterborough.

Please find our response to your consultation on the following pages.

If you have any further queries regarding this, please do not hesitate to contact:

Kelly Field, head of communications and continuous improvement
kelly.field@crosskeyshomes.co.uk

Cross Keys Homes' (CKH) response to the consultation questions are below.

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Yes, although it is disappointing that the proposed directions are much longer and more detailed than those issued under the last government following passage of the Housing and Regeneration Act 2008.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

Yes, under these Cross Keys Homes' board has approved a recommendation that affordable tenancies will be let on a lifetime basis but with the option of fixed term tenancies of up to five-years where there is clear evidence that a tenant will have a significantly improved financial position in the foreseeable future.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

Yes, as we are able to continue to offer lifetime tenancies where we see fit and there is no requirement to use any specific form of tenancy for any particular category of tenant, but we will be required to have regard to factors such as age or other vulnerability in formulating tenure policies. It is right and proper that the judgement should rest with the housing providers.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

We recognise and support the national objectives for mutual exchange through subscription, promotion and enhanced access through registered providers to customer. We understand that this seeks to free-up under-occupied properties and

make better use of accommodation, alongside enhancing social mobility to improve employment opportunities.

However, the proposals still appear vague and untested in areas as to whether these objectives can/will be achieved. We would like to see a pilot to test the effectiveness of the proposals, prior to landlords incurring subscription costs and providing further support to access the service.

For example, we would like clarity on how this system will operate on a national basis ie:

- A realistic assessment demonstrating the probability of ‘matching’ a tenant in a one bed flat with an overcrowded family consisting of two children with a single person in a three-bed house
- An indication of the frequencies required to generate sufficient proportions of homes to meet national objectives to tackle overcrowding and free-up under-occupied homes. Along with how this will be managed, measured and reviewed in a consistent and comprehensive way

Using mutual exchange to promote mobility in terms of tenants finding work in another part of the country is an untested concept and the matching process is likely to be too complex. We would welcome clarification on how this will operate in a systematic way and at a national level.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

In the main we agree with the proposed revisions for tenants to hold registered providers to account. All providers have policies and procedures in place although some are better at this than others. Cross Keys Homes has always engaged well with tenants and not only do we welcome these arrangements enabling tenants to monitor and comment upon our performance but we are ahead on this and already have an effective scrutiny panel in place. However, ideas around tenant panels for complaints for example do need some further work. Generally, we feel this is an established principle and that there is appropriate support for tenants to consider options in terms of the Right to Manage.

Publishing information about repairs and maintenance budgets would inform tenants about local schemes along with other performance information. There needs to be a balance of time, cost and resources dedicated to this work.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

We are not keen on these proposals and are concerned about they might work in practice. Enabling tenants to carry out their own repairs and have control over their own repairs’ budget is understandable, but we feel that a holistic view must be taken.

Quality control and checking costs are vital to ensure value for money of any repairs service. We would not allow our contractors to undertake work without external checks. If a process was put in place to quality check work completed, this may be over and above the current cost of quality control. Substantial costs may be incurred for rectification of poor work and with a

greater number of contractors the higher the potential cost. There would also need to be an independent to ensure that work meets agreed standards to ensure it did not impact on future tenants.

Tracking repairs is part of maintaining a valid database used in investment cycles. For Cross Keys Homes using just one contractor means this is relatively straightforward and a cost effective exercise, but should there be multiple then this may become unmanageable and could impact on future capital spend.

There could also be potential health and safety problems with tenants carrying out repairs. All our properties at some point will have tenants subsequent to the current ones who will have to live with the impacts of any repairs carried out beforehand. Our contractor ensures that its operatives undertake a range of training on health and safety, risk assessments, using tools and equipment and all have an abundance of experience. This would not be the case for most tenants or even small scale contractors who would possibly not even pass the existing validation processes that our contractor did.

Establishing a system where some tenants will carry out their own repairs, others use local contractors and then the remainder using our contractor will inevitably result in extra costs in terms of tracking quality, retaining asset data and paying for the work. Any potential savings arising from large scale contracts will be missed and tracking savings made as a result of the scheme will be difficult to identify.

We have placed a lot of effort into establishing our current arrangements with a private contractor and we would be concerned that this may be undermined by a piecemeal approach to repairs and maintenance. Tenants are already involved in the service from the procurement of the contractor, performance monitoring and mystery shopping of the service.

The Tenant Cashback scheme in its current format will not add value to the way repairs and maintenance services are provided. It is vital that the stock remains in as good a condition as possible and that the method ensuring that this happens is as efficient as possible.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

We recognise that the consultation is introducing a new standard for Private registered providers. As a registered provider, we would envisage that standards for both sectors should be consistent with one another that's if two individual standards are required at all.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

We support proposals to implement extensions to the Decent Homes (DH) Standard deadline of December 2010, with local authorities who have defaulted on these timescales.

We recognise that many local authorities have followed the LSVT or similar routes and have enabled recipient landlords to subsequently attract the necessary private finance to meet the DH Standard.

Going forward, the Regulator should negotiate achievable timescales with local authorities; these should be considerate of local priorities and constraints placed on financial positioning. Opportunities may be available to direct green funding towards upgrading hot-spot deprived housing conditions.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

The references made here to energy efficiency are more than adequate and it is for registered providers to address this through their own asset management plans.

Dacorum Borough Council

Dear Mr Shapps

Re: Consultation on Directions to the Social Housing Regulator

Thank you for the opportunity to respond to the consultation on Directions to the Social Housing Regulator.

General

The Council welcomes the direction of social housing policy emerging through the Localism Bill, in particular the commitment to provide greater choice and flexibility locally to deliver housing services. The Council also welcomes the protections for tenants that are proposed and which are to be directions to the social housing regulator.

The Council is in the process of drawing up, and consulting on, its Strategic Tenancy Policy and detailed views on certain aspects of the new policies will emerge following this process and the response below should be read in this light.

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

The Council's view is that it does. The Council supports the requirement to pay particular regard to the needs of more vulnerable groups and their children.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

The Council are still in the process of finalising its policy position on flexible tenancies. The Council notes and welcomes that guidance issued subsequent to the publication of this consultation that flexible tenancies, in practice, should be for not less than five years. In practice the length of tenancy offered, including the possibility of secure tenancies, should take account of the household composition, particularly if there are children or people with any vulnerability. The Council welcomes the protection proposed for existing tenants.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

The Council feels that it does

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

The Council agrees with the principle and detail and welcomes the additional commitment to facilitate mobility.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

The Council agrees with the principle and detail and welcomes the additional commitment to increase tenant involvement and empowerment.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

The Council supports the principle of encouraging tenants to take more responsibility in the upkeep of their homes including the carrying out of simple repairs. The Council also supports providing sufficient information to tenants on repairs, maintenance and improvements to allow greater influence on how the services are run. The Council are piloting a Tenant Cashback scheme to work through the practicalities of operating the scheme more widely. The Council is concerned, however, that the Tenant Cashback proposal carries with it potential risks and costs which, ultimately, will be borne by tenants as a whole if not overcome, and need to ensure that works are carried out safely and are fit for purpose.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

The Council feels that they do.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

The Council agrees with the proposed revisions.

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

The Council feels that as this is a rapidly changing area of work and one of growing importance that it would be of benefit that revisions be more explicit. In particular in relation to the Green Deal, carbon reduction targets and proposed revisions to the Building Regulations, all of which may have financial implications upon business planning.

Yours sincerely

**Mark Gaynor
Corporate Director Housing & Regeneration**

Dartford Borough Council

RESPONSE TO CONSULTATION: IMPLEMENTING SOCIAL HOUSING REFORM – DIRECTIONS TO THE SOCIAL HOUSING REGULATOR

Question 1

Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

DBC response

Yes, although this should be a minimum requirement. Local authorities should have control over what additional factors they consider to be relevant.

Question 2

Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?

DBC response

The minimum requirements are adequate, however there is some concern that not guaranteeing a secure tenancy for existing social tenants wanting to move to an affordable rent home will discourage applicants on the transfer list from moving, or downsizing. Secure, lifetime tenancies should always be offered to vulnerable or older applicants and to persons whose husband, wife or partner has been killed or become permanently disabled through active military service during the period of their tenancy.

Question 3

Does the draft direction set out the right minimum protections for tenants of registered providers?

DBC response

Tenants appear adequately protected, however, please note the response to Question 2.

Question 4

Do you agree with the principle and detail of our proposed direction on mutual exchange?

DBC response

Whilst it is acknowledged that mutual exchange systems are beneficial to tenants, we do not feel that the directions of a mutual exchange service should be overly prescribed. Local authorities in Kent joined up to provide a regional Kent Homechoice internet based mutual exchange service, which includes an advocacy service to households in need of support. In our experience there were very limited exchanges through the Government's previous 'Homeswapper' scheme and we feel it did not provide value for money. However, the Council supports the idea of a national scheme in principle as long as there is no additional cost involved and the Kent Homechoice scheme remains operational.

Question 5

Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

DBC response

It is noted that the direction refers to a tenant panel or equivalent group which we presume could be a Resident's Forum. The Dartford Resident's Forum is fully involved in monitoring service performance with each Forum member having a portfolio responsibility for a service area.

Question 6

What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

DBC response

Although the Council supports these proposals in principle, at this stage it is unlikely that we will be able to offer tenants opportunities to participate in any kind of 'Cashback' scheme as there are insufficient resources available; in terms of both staff and financial resources

The Council has a number of concerns regarding this model and the ongoing management and monitoring of the scheme which must be considered alongside the Council's obligation to safeguard its assets and to ensure, as a responsible landlord, that tenant repairs do not impact on other tenants.

It is not clear what constitutes a 'routine' repair or even if tenants would want such a scheme. We therefore feel that more work needs to be done in terms of piloting before we can make a decision over whether it is practical to participate.

Question 7

Do the proposed revisions to the rent direction adequately reflect the introduction of affordable rent?

DBC response

Affordable rent is currently only applicable to private registered providers in this consultation. However, it is understood that local authorities will be able to charge an affordable rent on new build council housing.

Question 8

Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

DBC response

Dartford achieved 97% Decent Homes by the deadline date but recognises that maintaining decent homes is an ongoing challenge. In any case, there will inevitably be a number of properties that fail due to tenants not allowing access despite repeated attempts to carry out the work. It is therefore felt that exemptions should be granted on this basis as an exceptional circumstance.

Question 9

Energy efficiency is implicit in the revisions to the Quality Accommodation direction; should we make it more explicit?

DBC response

No, there is no need for the direction to be more explicit.

Dean Sanders

Enquiry type Complain or provide feedback about the consultation process Your enquiry This is not a consultation. You have not altered anything from your original ideas. I feel like i am wasting my time. You have already introduced the 80% rents on new tenants in Housing Associations by BLACKMAIL. They had to accept your proposals in order to bid for money to build new houses . As you know that was by May 2011. Divide the opposition i think. Most of your proposals on tenancy and rents are totally wrong and you know it. As for councils discharging their responsibilities if British people turn down private places. Well you already know my views. I notice our kids are going to be forced into Private places with all the INSECURITY it brings as well as rip off rents. That no doubt you will lower housing benefit on as time goes on. MORE homeless again. Makes you proud to be British Not. I notice no mention of all the people who come into UK and are being given Social Housing. At the moment in Taunton it is taking the Perverse. Even priority being given it seems in new housing. And yet our kids forced into private . This is totally unjust and yet you ignore things and bring in a bill that treats the people like CATTLE/Serfs. By the way where is the £65 Billion gone from council house sales. At least Labour were starting to build more at long last. But your government and and in the 80's and 90's Thieved the money. Come on have the balls and tell me you did. Sorry you hide behind the power of Parliament. Well i promise you something my Kids and their kids will never fight for this country in any form. I can understand the people who use direct action and i think i will now join them. I have always been against that. But there is no democracy as you can not even hold a fair and honest consultation. You just do what your political extreme views are. Well you crossed the line on this

Derby City Council (#1)

A response to the CLG consultation paper by Derby City Council.

Note: This response has been drawn up by Derby City Council in consultation with a number of stakeholders in the city. While the views of partner organisations and other local stakeholders have been taken into account, the views expressed remain those of the City Council.

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

Yes, the factors set out are sufficiently broad ranging to capture the key issues. But the statement that RPs should develop tenancies compatible with ‘the sustainability of the community’ needs clarification. Requiring it to support or be compatible with existing local (sustainable) community strategies would add this clarity.

The flexibility to offer forms of tenancy which are no longer required to be ‘the most secure form of tenure’ is to be welcomed. That is, fixed term tenancies may be more appropriate than lifetime tenancies in the case of households whose need for accommodation is likely to be short term. This may for example apply in the case where current owner-occupied accommodation has been given up due to marital breakdown. Once the financial affairs have been resolved the individuals concerned may well be able to re-access owner occupation or the private rented sector / shared ownership.

Similarly, licences to occupy are still appropriate in some supported housing where the stay is short term and residents may exhibit challenging behaviour.

The flexibility to grant additional succession rights is also useful in circumstances where additional protections are needed for vulnerable dependants.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered provider’s tenancy policy?

It does with one exception, this being that it makes no reference for the policy to be drawn up ‘with regard to’ the local authority strategic tenancy policy. Given that the legislation (as currently drafted) will require this, it seems appropriate to echo and make explicit that requirement here. Consequently, we recommend such a requirement be added, which should help ensure, as far as practicable, consistency of practice across the local authority area.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered providers?

It provides the right protections in most circumstances. But there is one notable exception in respect of tenants moving from social rented housing to affordable rents. In these circumstances the direction is explicit in *not* protecting security of tenure.

This potentially undermines the stability of existing tenants considering relocation and is a barrier to mobility – which is contrary to other objectives within these reforms.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

A national tenant's exchange scheme potentially has benefits such as assisting people to get back into work where this requires relocation. However, we have major reservations about this direction, for the following reasons:

- a) The provision of social housing should be based on housing need and circumstances and a system outside the allocations policy may militate against this.
- b) There are also significant cost implications, primarily from the charges required for subscriptions to a provider organisation, and those involved in training / giving access to those tenants unable to access the internet independently. It is not clear at this stage what the level of these costs will be or from where they would be met.
- c) It should also be noted that under the Government's current proposals, tenants risk a loss of security of tenure if moving from a social rented property to an affordable rent property. This may substantially reduce participation in mobility schemes

For these reasons we would prefer to see the pilot scheme up and running successfully before a binding direction is issued.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

We agree with the principle of greater scrutiny and landlord accountability. But the proposal to encourage direct tenant involvement in property maintenance and repairs through a cash back scheme seems problematic. It is not difficult to envisage a situation where repairs are done to varying and often poor standards, by unqualified or unsuitably qualified tradesmen – or as a ‘DIY’ effort by the tenant. When the property is finally vacated, the landlord may be left with an ill-maintained and even unsafe property.

It is also quite possible that the level of monitoring of privately organised works needed to prevent such outcomes would be of such an expense so as to eliminate any cost savings that may be achieved in ‘procurement’.

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

As per our response to the preceding question we are not convinced any net savings will be made in the long run. Although it may be possible to achieve nominal savings in the short term by greater competition amongst potential providers of maintenance and repair services, these are likely to be negated by the consequences and costs of poor quality and/or unsupervised works.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

Yes, but the requirement to undertake a RICS type valuation survey on every re-let seems excessive. We consider that one such survey every 5 years should be sufficient apart from in the most volatile market conditions or where there are other clear indications that the rent level should be reviewed.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

As stated in the consultation document, these are relatively minor and seem entirely appropriate – particularly as the deadline for compliance with the decent homes standards has long since passed. (Notwithstanding the fact that some RPs have not yet achieved the standard for some of their stock).

Question 9: Energy efficiency is implicit in the revisions to the Quality of Accommodation Direction; should we make it more explicit?

Making energy efficiency ‘more explicit’ would inevitably strengthen the requirement. In view of national initiatives to reduce carbon emissions it should therefore be considered how best to reward the direction to achieve this.

Derby City Council (#2)

Regarding the consultation on the above, I only have one comment, which is regarding question 9.

I think that adhering solely to the Decent Homes Standard is inadequate in terms of the Government's approach to meeting it's statutory obligations for a low-carbon economy.

The Standard makes no allowance for 'hard to treat' property in terms of carbon emissions reduction; a house can be severely thermally inefficient but still decent. With ever-rising cost of energy, RP's should have every encouragement to reduce the likelihood of fuel poverty by ensuring that 'F' and 'G' efficiency-rated homes at least are eliminated.

Nick Peel | Project Manager | **Adults, Health and Housing** | Derby City Council, PO Box 6323, Derby, DE1 2WW | Telephone 07534 283397 | www.derby.gov.uk

Derwent Living

From: Peter McCormack [Peterm@derwentliving.com]
Sent: 08 July 2011 16:05
To: Directions
Subject: Consultation:Implementing social housing reform:directions to the social housing regulator

I would like to comment on the above paper.

I am concerned that Government is issuing detailed directions to Housing Associations. We are private sector bodies who receive some element of public funding. In the case of Derwent Living our assets total more than £400m but social housing grant accounts for less than a quarter of that. Three quarters of our funding is private. We are not public bodies.

The requirements on mutual exchange schemes are excessive. We already promote mutual exchange and want to maintain our local approach to this. I had thought that the Government was a champion of localism.

We support the introduction of short term tenancies and welcome that we have local choice to use lifetime tenancies.

I am disturbed by the directives on tenant scrutiny. This is already good practice. We have a scrutiny panel and provide performance information through local offers. These are essentially local arrangements with our residents. Why is there a need for central Whitehall direction on this?

Similarly repairs and maintenance is a matter for us and our residents not Ministerial direction!!!

Pete McC

Peter McCormack
Chief Executive

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Devon and Cornwall Housing

Social Housing Directions Consultation
Department of Communities and Local Government
Zone 1/A4
Eland House
Bressenden Place
London
SW1E 5DU

Dear Sir/Madam

Response to consultation on ‘Implementing social housing reform: directions to the Social Housing Regulator’

Devon & Cornwall Housing (DCH) manages over 18,000 affordable homes across our area, through our housing service delivery subsidiaries Penwith Housing Association and Tor Homes. We are also the lead organisation in Partnership South West, currently planning to deliver 1,600 new homes through the HCA Affordable Homes Programme 2015.

Question 1: Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?

DCH response to question 1: DCH acknowledges that the move away from ‘tenancies for life’ gives providers more flexibility in terms of the offers they make and the way the stock can be managed.

However, DCH also expresses concern that the changes should not lead to a residualised sector, with social housing being a welfare tenure of last resort. Reducing the length of tenancies will not address the underlying issue which is a lack of supply. And, we have concerns that short-term tenancies will create a large disincentive for a household to improve its income through employment, if this may result in loss of their home.

A further concern is that tenancy turnover is a key cost driver for social landlords, and any shortening in the average length of tenancies will lead to higher management and maintenance costs, impacting on organisations’ ability to fund improvement and development plans. We particularly welcome the government’s proposal that most tenancies should be for at least five years.

Question 2: Does the draft direction on tenure set out the right minimum requirements for a registered Provider’s tenancy policy?

DCH response to question 2: We welcome the proposal that registered providers should publish policies on tenancy management. However, there is a potentially problematic interaction between this requirement, and the new local authority duty to develop tenancy strategies which registered providers must have regard to. registered providers who have stock in a number of local authority areas will have difficulty in effectively reconciling varying local authority approaches with their own policies.

Question 3: Does the draft direction set out the right minimum protections for tenants of registered Providers?

DCH response to question 3: We support these proposals.

Question 4: Do you agree with the principle and detail of our proposed direction on mutual exchange?

DCH response to question 4: Mutual exchanges are a fundamental part of existing mobility opportunities for residents, and a more effective mutual exchange service will improve the effective use of the existing stock and help mobility of tenants for economic as well as social reasons. However, DCH believes that the direction as worded is too prescriptive and process-based, and it should be up to registered providers how they achieve improved mobility outcomes.

Question 5: Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?

Question 6: What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate in these and what costs and benefits might they result in?

DCH response to questions 5 & 6:

Scrutiny

DCH wholeheartedly welcomes and endorses the proposals on resident scrutiny.

Involving social tenants in repair and maintenance services (cash back scheme)

There are many concerns over value-for-money, workmanship, quality checking and efficiency, and DCH believes that until the current pilots of this proposals have been completed, it will be premature to introduce this new direction. It will certainly be essential that the cost of administering the scheme do not outweigh the benefits achieved.

Question 7: Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?

DCH response to question 7: We support these proposals.

Question 8: Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?

DCH response to question 8: We support these proposals.

Question 9: Energy efficiency is implicit in the revision to the Quality of Accommodation Direction; should we make it more explicit?

Response to question 9: The directions should require that thermal efficiency outcomes (Sap, affordable warmth etc) and standards (level of insulation etc) should be agreed between providers and their residents, rather than targets being prescribed in the directions themselves.

Thank you for the opportunity to take part in this consultation process.

Yours sincerely

Tom Woodman
Group Head of Strategy & Performance

Diocese of Salisbury

Dear Sirs,

We have one specific observation to make on the Consultation document. This concerns the ‘social home swap programme’ intended to increase tenants’ choice and control over where they live.

The proposal is to set up internet-based mutual exchange facilities and for registered providers “proactively to promote the option of mutual exchange”.

It is important to recognise, register and protect throughout this new process the relatively small-scale (but growing) number of housing developments for which there is a defined restriction on eligibility for occupancy. These are schemes of high community impact, mainly but not exclusively rural.

Occupancy restriction, normally to persons with defined local connection but sometimes to those with defined needs, is imposed in a variety of ways. Usually this is a public provision by way of a s.106 planning agreement with the local authority (for instance in cases of building on an ‘exception site’ outside the development boundary of the settlement); but sometimes the restriction is a private agreement between the freeholder and the registered provider as lessee.

These private arrangements are likely to proliferate in future, through the provision of housing by Community Land Trusts and similar innovative schemes being encouraged by the Government, for example those where the original land provider is to retain a proportion of occupancy allocation rights.

Your definition of ‘property’ in the draft Directions (“any low cost rental accommodation of a registered provider”) is misleading in this context, and needs revision.

Because occupancy restriction affects a tiny proportion of the national housing stock, it will be all too easy for it to be overlooked in the design of the proposed mutual exchange systems across different registered providers. Flagging it up at consultation stage would be a helpful initial safeguard.

Yours faithfully,
Richard Trahair.

Richard Trahair JP BA(Hons) FRICS
Diocesan Property Secretary
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District Forum of Tenants of Carrick Housing Ltd

Dear Mr Shapps

Implementing social housing reform: consultation on directions to the Social Housing Regulator

We are the District Forum of Tenants of Carrick Housing Ltd, an Arms Length Management Organisation (ALMO) in the Carrick area of Cornwall. The feedback from the Forum has been favourable especially concerning tenant involvement but there are some concerns.

Regulation of social housing

Despite the Government's commitment to reduce the number of quangos, it would appear that one quango is being replaced by another.

Tenure reform

We are concerned that tenants in Cornwall will not be able to afford the 'Affordable Rent' if it is set at 80% of local market rents. Private rent rates are very high in Cornwall. We would like to see ability to pay being taken into consideration in what is a low wage economy.

The 2 year tenancy is not thought to be long enough and we are interested to know what exceptional circumstances for less than 5 years would be appropriate.

Mobility

The nationwide social home swap programme could put a strain on local services here if people on benefits or retired people move to what is a very desirable area and people seeking work move out. The present Home Choice and Home Swapper programmes are thought to be adequate. There are great concerns about using an internet based programme as not everyone is on line or can afford to be.

Tenant cash-back

We have an excellent repairs and maintenance team and would not like to lose this valuable service.

We have grave concerns about how the repairs and maintenance carried out by tenants would be monitored for quality and health and safety.

We are worried about the amount of staff hours that would be used to monitor, run and set this scheme up.

We anticipate that the costs would exceed the present costs to the housing providers and

Where would this money be coming from?

Thank you for giving us this opportunity to take part in this consultation process. Yours sincerely,

J Chappel

Chair of the Carrick District Forum of Tenants Ltd
The Carrick District Forum of Tenants **Ltd**

Kathryn Farrell (Clerk to the DFT).

01872 224726

kfarrell@carrickhousing.org.uk

0800 138 5552

(Please note calls may be recorded for training and monitoring purposes.)

Date: 27th AUGUST 2011
Contact number: 01395-517453
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Our Reference:
Your Reference:



East Devon District
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To the DCLG Consultation Co-ordinator,

Please find enclosed the Tenants of East Devon District Council response to the Consultation Document :

' Implementing social housing reform : Directions to the Social Housing Regulator '

The document was issued to the active tenants of E.D.D.C. and our responses formulated and agreed, at a meeting of the Tenant and Leaseholder customer Panel.

We appreciate this opportunity to make our views known and hope they are taken into consideration during the Governments' decision making process.

Yours truly

Mrs. Sue Saunders
Chairperson of the Tenant and Leasholder Customer Panel
Housing Strategy Unit

Q.1 : Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue ?

See item 47. In brackets :

The directions given in this statement require objectivity and are therefore subject to abuse.

A.1 Unanimously agreed by the Tenant & Leaseholder Customer Panel – with a proviso

On the face of it, the draft direction on tenure is fair, as long as the emphasis when deciding which type of tenancy to offer, remains on the needs of the individual and not on boosting the housing providers income.

We would like to see a monitoring procedure put in place, to avoid abuse of the system.

Q.2 : Does the draft direction on tenure set out the acceptable minimum requirements for a registered provider's tenancy policy ?

A.2 Unanimously agreed by the Panel – with a proviso.

We are pleased to see that tenants and would be tenants will have recourse to a complaints / appeal system but this should be set out in detail and be easily accessible.

Q.3. Does the draft direction set out the acceptable minimum protections for tenants of registered providers ?

A.3 The following are the Panel's unanimously agreed responses to Q.3

See item 50. 1st sentence

We believe the minimum guaranteed tenancy should be five years and not two. A two year period is not sufficient for a new tenant to feel settled enough, to begin making plans for the future. Vulnerable tenants should be given special consideration in accordance with their situation.

51 Probationary tenancies are essential to ensure easy eviction of a tenant in breach of their tenancy agreement.

52 The ability to extend probationary tenancies is a useful addition.

53 The transfer of a secure tenancy is a source of comfort for people wishing to move. However, some financial investigation may be needed before permission is granted, for a SECURE TENANT to transfer to an Affordable Property. Although we are being continually reassured that properties are allocated to those whose priority is greatest, there is a chance that the significantly higher rent payable for an Affordable property, may affect the choice of applicant. They may in the future, be judged

not on need but on their ability to keep up with the payments. However, if this is NOT the case, then a flexible tenancy or extended probationary tenancy, may prove valuable in the case of a tenant who is unable to keep up with the payments.

Q.4. Do you agree with the principle and detail of our proposed direction on Mutual Exchange ?

A.4 Whilst the Panel agree in principle there are a couple of items that need clarification.

56. What is the average subscription cost to a Mutual Exchange service ?

58. There is a reference to those who do not have access to a computer. Is it possible for a person wishing to exchange, to apply using a paper application form and for them to ask for someone to bid for likely exchange properties, on their behalf ?

Q.5 Do you agree with the principle and detail of our proposed revisions on the direction on tenant involvement and empowerment ?

65. 2nd sentence. Qoute :

The intention is to give tenants opportunities to be involved in the commissioning or carrying out of routine repairs, as agreed with their landlord, and share in any financial savings made as a result.

A.5 The Panel feel there is a great deal of emphasis is being placed on the governments Cashback scheme.

If we have understood the concept correctly, then we would question the advisability of sharing financial savings directly, with the tenant concerned, we fear this system could be open to a great deal of abuse.

Tenants as a whole, would be better served if the money saved, was added to the Programmed Works fund or paid directly into the H.R.A..

Perhaps the government see this scheme as an enticement to tenants, to get involved in the management of their homes.

We as a Panel would object to this method of recruiting tenants. We would seriously question the motives of anyone wanting to get involved simply because of a promise of financial gain. Having such a person representing the rights of their fellow tenants, is not a state to be desired.

Q.6 What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants participate in these and what costs and benefits might they result in ?

A.6 Unanimously agreed by the Panel

East Devon District Council already has an extensive tenant involvement policy, with Tenant Service Review groups looking at every aspect of the Housing Service, including Repairs and Maintenance.

The Repairs and Maintenance Service Review Group are keen to encourage value for money and best practice, they have been the source of many cost cutting ideas and regularly attend meetings with contractors to ensure a high standard of workmanship. All tenants have a choice of kitchens, bathrooms, doors and paint for the outside of their homes.

Tenants are issued with a satisfaction slip, on the completion of work carried out on their home.

Tenants have the right to complain if the work is not carried out to their satisfaction.

The Tenant Panel receives regular reports from all the Service Review Groups. As its remit is to represent the interests of the tenants, the T&LCP ensures action is taken to deal with any problems which might arise.

The Housing Review Board is made up of Tenants, Councillors and Independents and has the authority to make recommendations direct to the Council's Cabinet.

If the proposed Cashback scheme is government's attempt at encouraging tenants to get involved in the management of their homes, then they have chosen an extremely foolhardy and complicated way of going about it.

They do not appear to have given sufficient thought to the cost implications of setting up such a scheme. They above all, should appreciate the severe financial strain Local Authorities are under at this time. Financial benefits may be accrued in the future but to undertake such a scheme in the present climate would be unthinkable.

Social Housing was designed to give homes to those in need. These properties are under the guardianship of the landlord, be they a Local Authorities or a Housing Associations. The landlords have until now, been duty bound to provide homes which meet the Decent Home Standard, yet it seems strange that during this time of economic hardship you are proposing that tenants take on this responsibility.

We agree in principle that tenants should take some responsibility for the maintenance of their homes, however, there is a gaping hole in the governments proposed Cashback scheme. Whilst we know the majority will want to keep their homes in a decent state of repair and would commission reputable tradesmen to undertake the work, there are those who will employ cowboys then quite happily sit back and watch as their home collapses around their ears.

We are concerned that these proposals and changes should come at this time. Decisions made in the face of adversity rarely give serious consideration to the long term effects, focusing solely on present day necessity.

It was during a period of financial crisis that the original concept of Social Housing was mutilated by government, when they gave tenants the RIGHT TO BUY their Council properties. We are now reaping the rewards of this decision a lamentable shortage of Social Houses.

Q. 7 Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent ?

A. 7 The Panel's unanimously agreed response .

Without the governments promised funding for new builds, we are concerned that housing providers will opt for new tenants who have sufficient income to afford the higher rents, in order to accrue funds to build these desperately needed, new properties. We worry that those in real need, will be passed over for this reason.

Conversely, if those WITHOUT the where-with-all to afford the higher rents are allocated these properties, who will pay the rent. Surely, there will be a vast increase in people applying for housing benefit and this will only place further stress on the nation's economy.

This is a Catch 22 situation for landlords. Do they house the HAVE S, with the money to pay the higher rents or the HAVE NOTS, the very people Social Housing was designed to help in the first place ?

Q.8 Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance.

A.8 The Panel's unanimously agreed response.

The new direction giving regulators the power to grant extensions to compliance with the Quality of Accommodation Standard, gives us real reason for concern.

Many landlords are already failing to keep step with the required Decent Homes Standard and this new direction gives them the opportunity to fall further behind. We have also heard it said that the required level of the Decent Home Standard is to be reduced.

Given these facts, we believe the proposed revisions to the Quality of Accommodation are a utter disgrace.

Government appears to be washing their hands of those tenants who rely on legislation to compel their unscrupulous / inefficient landlords to provide them with homes of a Decent Standard

Government are no longer placing an emphasis on the standard of repair of our homes and are therefore telling tenants in a round about way, that they no longer take any interest in our living conditions.

Q.9 Energy efficiency is implicit in the revisions to the Quality of Accommodation direction; should we make it more explicit ?

A.9. Unanimously agreed by the Panel

It is essential that all directives are spelt out clearly, to ensure complete compliance.

Implementing social housing reform: directions to the Social Housing Regulator

Consultation Question	Agreed Response
Does the draft direction on tenure set out the relevant factors that registered providers should consider when deciding what type of tenancy they should offer and issue?	The draft direction provides minimal guidance on the factors that should be considered. There is some guidance in relation to the vulnerable, but nothing in relation to non vulnerable people or financial circumstances. The guidance needs to be clearer to ensure registered providers make consistent and fair decisions which will avoid unnecessary disputes.
Does the draft direction on tenure set out the right minimum requirements for a registered provider's tenancy policy?	The draft direction does set out the right minimum requirements providing an acceptable level of security for the tenant and flexibility to enable the registered provider to manage the tenancy effectively
Does the draft direction set out the right minimum protections for tenants of registered providers?	The draft direction does provide sufficient protection to current tenants who transfer or decant
Do you agree with the principle and detail of our proposed direction on mutual exchange?	Existing tenants who want to move are often in low housing need resulting in poor prospects of being successful through choice based lettings. Registered providers must offer and promote options to their tenants and assist them to find an exchange especially if they have no regular access to the internet. The proposed direction should do this adequately however it needs to ensure that those social housing tenants with no immediate access to the internet such as those who are isolated in rural areas should be provided with regular updates on potential exchanges.
Do you agree with the principle and detail of our proposed revisions to the direction on tenant involvement and empowerment?	We agree that tenants should be involved with the management of registered providers accommodation and this is adequately covered within your proposal
What type of models for involving social tenants in repair and maintenance services are registered providers likely to offer, how many tenants might participate	We are a stock transfer authority so this question is not applicable.

in these and what costs and benefits might they result in?	
Do the proposed revisions to the rent direction adequately reflect the introduction of Affordable Rent?	<p>Affordable rent needs to be a balance between what is financially viable for Registered Providers and what continues to be affordable for tenants. It may be in some cases that the affordable rent would be lower than the social rent and therefore not practical for a Register Provider to implement.</p> <p>The proposed revisions to the rent direction would adequately incorporate the introduction of affordable rent. The revisions incorporate new and future lettings and identify the rent increase each year for affordable rented properties.</p> <p>From a Local Authority perspective it is believed that it is positive that the Directions Consultation proposes to review the rent of each property before a new tenant moves in to ensure that the rent remains reasonable and less than 80% of the market rent.</p> <p>The only potential issue with the proposed rent increase would be if the RPI+5% increase each year meant that the rent would be over and above 80% of the estimated market rent. Whilst it may not be an issue for East Lindsey because the difference between affordable and social rent is not that great, there does need to be robust checks and balances to ensure that the changes to the rent system do not force more people into deprivation and poor quality private rented houses and increase the levels of homelessness across the Country.</p>
Do you agree with the proposed revisions to the Quality of Accommodation direction to reflect the expiry of the original target date for compliance?	Yes, on the basis that the Decent Homes Guidance is used as the standard, as detailed in the consultation document.
Energy efficiency is implicit in the revisions to the Quality of Accommodation direction; should we make it more explicit?	The ‘provision of a reasonable level of thermal comfort’ is detailed within the criteria for the Decent Homes Standard, as detailed in the consultation.

East Midlands Tenant Participation Forum

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Consultation response to Implementing social housing reform: directions to the Social Housing Regulator

The East Midlands Tenant Participation Forum (EMTPF) exists to raise the profile and standard of tenant¹⁵ participation (TP), and bring together its members working on TP issues surrounding landlord services and sustainable communities; to ensure social tenants build their skills and knowledge to be able to have an effective say in the management of their homes and communities. EMTPF is tenant led organisation.

The Forum has been working with landlords and tenants driving up standards of tenant participation and building the capacity of tenants by developing an ethos of partnership working since 1999. The Forum was developed with the assistance and support of the Government Office for the East Midlands.

Membership levels of the Forum have remained constant over the last few years with 38 subscribing landlord members representing approximately 250,000 tenancies.

The Forum is developing its voice for the region by responding to all Governments consultations that have an impact on housing organisations and their tenant base

The East Midlands Tenant Participation Forum welcomes the opportunity to respond to the consultation on **implementing social housing reform: directions to the Social Housing Regulator**. Members of the Forum and tenants groups within the East Midlands were given the opportunity to feed into this response.

Tenure reform: There is a fear that with so many housing organisations bringing in local flexible tenancies that whether or not you are granted a social housing tenancy and under what terms will become a postcode lottery with winners and losers.

There should be a robust and transparent appeals process for all tenants to challenge where they feel there is unfairness in the new system.

¹⁵ Throughout this document 'tenant' refers to those living in a property provided by a social housing provider including residential leaseholders.

Mutual exchange: There are many reasons that tenants want to exchange their homes, including for work purposes, because they are in overcrowded accommodation or under occupied, because they live in the wrong area or need support, to name a few.

Whilst the implementation of a national mutual exchange system is a good idea more thought needs to go into how local needs on mutual exchanges can be met including better housing management options and making better use of Choice Based Letting systems.

This direction does not take into consideration some of the work that was done by the housing mobility taskforce report completed in 2010.

Tenant involvement: Whilst the content of this direction is welcomed, one important area needs to be given more thought, that of redress for tenants groups who are not being involved in holding their landlords to account.

It is understood from housing inspection reports that some housing organisations are paternalistic in their approach to tenant involvement and empowerment.

Tenants groups have no form of redress if their landlord does not allow them the independence that they need to scrutinise the performance of their landlord and therefore hold them to account.

Rent: There are several areas that this direction does not address and therefore needs a lot more work and thought.

The rent restructure formula set out in 2001/2002 is out of date and is no longer fit for purpose and does not fit well with the government's planned measures to reduce the burden of a £21 billion bill for housing benefit.

Tenants have been the subject of above inflation rent rises for the duration of the regime which has seen rents double or in some cases treble over the past ten years. Rents in the private rented sector have risen at the same pace whilst the average wage has reduced.

In a recent report the National Housing Federation stated 62% of social housing tenants have an income of under £15,000. This policy has had the effect of making even social housing tenancies unaffordable for working tenants or older people who come just above the pension guarantee threshold.

Whilst there is an element of discretion in annual rent increases using the formula of RPI + 1/2% reality shows that this discretion is not being used to reflect local circumstances.

Instead of extending the rent restructure formula until 2015 the government should explore whether the outcomes of the regime have been met.

Affordable Rent Programme: Whilst the new affordable rent product is welcome to assist in the building of new housing, the proposed programme has some drawbacks that need to be addressed in the directions,

The programme will incentivise housing organisations to convert social housing void properties in more popular and affluent areas to maximise the earning potential of these properties. However this could have the impact of pushing up the housing benefit bill to unsustainable proportions.

Tenants in Affordable rent properties should not have the right to buy the property as this could have an impact the long term viability of the programme.

Should house prices fall in the time between building or conversion of the properties under the scheme and the discount given under the right to buy, could result in a net loss to the housing organisation that is unsustainable for the programme and would not incite the confidence of mortgage lenders.

Should anyone wish to discuss this response from the East Midlands Tenant Participation Forum please do not hesitate to contact us using the contact details at the top of this report

Tenant Cashback Scheme Consultation Response.

The East Midlands Tenant Participation Forum (EMTPF) exists to raise the profile and standard of tenant¹⁶ participation (TP), and bring together its members working on TP issues surrounding landlord services and sustainable communities; to ensure social tenants build their skills and knowledge to be able to have an effective say in the management of their homes and communities. EMTPF is tenant led organisation.

The Forum has been working with landlords and tenants driving up standards of tenant participation and building the capacity of tenants by developing an ethos of partnership working since 1999. The Forum was developed with the assistance and support of the Government Office for the East Midlands.

Membership levels of the Forum have remained constant over the last few years with 38 subscribing landlord members representing approximately 250,000 tenancies.

The Forum is developing its voice for the region by responding to all Governments consultations that have an impact on housing organisations and their tenant base

Reasons for Responding

The East Midlands Tenant Participation Forum welcomes the opportunity to respond to the consultation on the subject of the Tenant Cashback scheme. Following a debate held on the subject of a Cashback scheme delivered by Andrew Burke from the National Housing Federation and attended by over 50 participants at the EMTPF

¹⁶ Throughout this document 'tenant' refers to those living in a property provided by a social housing provider including residential leaseholders.

regional seminar on 18 August, the Forum on behalf of its membership has felt it important to submit a response.

From the debate, it was clear that the tenants had a number of concerns with the proposals. These are as follows:

Vulnerable Tenants

Elderly tenants or disabled tenants may struggle or be unable to carry out the repairs themselves. Several tenants at the debate, themselves with mobility problems, were concerned about their ability to cope with carrying out repairs and living in a property in a poor state of repair.

If they can't do the repairs, which many said they couldn't then they would miss out on any repayments.

They may have more equipment (aids and adaptations), such as chair lifts that could go wrong, so increasing their repair costs and yet they'd miss out again on cashback as explained above. In fact they thought they were being penalised for essential aids and adaptations

Health and Safety

Tenants questioned the safety of the scheme. It was a concern that tenants may not have the necessary skills and training to carry out repairs to the correct safety standards. Officers were concerned that landlords may be held liable for injuries caused by unsafe repairs.

Cost

The proposal suggests that the scheme could provide better value for money and reduce repairs costs, however the debate highlighted several reasons why the scheme may end up increasing costs.

It is unlikely that tenants working individually or in small groups could achieve the same economies of scale as housing providers. If a landlord operates the tenant Cashback scheme on a proportion of its properties, they may face higher repair charges for the others.

Companies used by tenants to carry out repairs, could overcharge or not carry out repairs to an acceptable standard. Tenants at the debate were concerned about 'cowboy builders,' carrying out repairs to poor standards or causing damage. Landlords may have to cover the cost of putting such work right. They could be faced with insurance claims for damage caused to the property and to neighbouring properties.

There is a possibility that some tenants could abuse the system and submit fraudulent claims. Tenants could 'create' repairs, by either causing damage or carrying out a repair that is not necessary. There is a further risk that tenants could claim for repairs not actually carried out. To prevent this happening, safeguards and checks would have to be implemented, requiring extra resources from the landlord.

Redundancies

Adopting the tenant Cashback scheme could make large numbers of staff redundant and drive up unemployment. One tenant feared the possible impact on the town where she lives, she explained that the Council was one of the last employers left in the town and it would be better to keep people in work.

Consultation

Tenants at the debate asked where the idea for the tenant Cashback scheme had originated. There was a general sense that tenants wanted to be consulted about such schemes rather than have them imposed by politicians.

Although not discussed by tenants at the debate the following are also reasons why the Forum wishes to respond to this part of the consultation.

The majority of tenants do already look after their homes and do so at their own expense; this will not change as a result of these measures. It is only tenants who lack certain social skills or who have certain vulnerabilities who are responsible for the majority of repairs.

For example a study completed by Housing solutions group found that 2.5 per cent of tenants accounted for 11 per cent of the organisation's £1.3 million annual repairs expenditure. Understanding this and responding to this information in developing a housing MOT scheme has saved the organisation £87,000 in the first year.

Housing organisations alongside their tenants should be working together to understand why housing maintenance bills are rising dramatically and find innovative solutions that will benefit all.

The Tenant Cashback scheme will not assist in bringing costs down for housing void cost caused by tenants who do not look after their properties however this can be achieved by educating tenants who have social problems or supporting tenants with vulnerability problems.

Summary

To summarise the EMTPF response to the tenant Cashback scheme, the general feeling is that the scheme could be costly, could discriminate against vulnerable tenants and a risk exists of repairs being carried out unsafely or to a poor standard.

To conclude the debate, tenants were asked to raise their hands to show if they were for or against the proposals. Most were against the scheme, a few wanted to see how the pilots performed but most importantly no one was in favour of implementing a scheme.

There should be ways to understand why repairs and maintenance costs continue to rise and innovative ways sought to remedy this with the full involvement of tenants.