

Written evidence submitted by G15 [RSH 073]

About the G15

The G15 is the group of London's largest housing associations. Our members house one in ten Londoners and own or manage more than 650,000 homes across the country. We're independent, charitable organisations and all the money we make is reinvested in building more affordable homes and delivering services for our residents. Each G15 member is different, but we're all striving towards the same goal – to solve the capital's housing crisis and improve the lives of Londoners.

<https://g15.london/>

Introduction

The G15 is the group of London's largest housing associations. Our members provide over 650,000 homes across the country and house one in ten Londoners. Last year, G15 members built three-quarters of all affordable homes in London and 15% of all those constructed across the country. Alongside our contribution to building the much needed new affordable homes the country needs, every year we invest significant resources into the maintenance and improvement of our existing homes. Our members are all registered with the Regulator for Social Housing and the Housing Ombudsman and are committed to providing the highest quality homes for our residents. We welcome the committee's inquiry into the regulation of social housing and are pleased to provide this response to the questions the committee has sought feedback on.

It is absolutely vital that the voices of residents living in our homes form part of any conversation about the regulation and the quality of social housing. Our members each have well-established methods in place to engage residents and customers in the running of their organisations. In addition to this, we have raised this inquiry with an informal group of G15 residents who will be submitting their views separately and independently to this evidence.

Good quality housing

G15 members believe that everyone should have access to a safe, high quality and affordable home. Ensuring our homes are safe, warm, and dry is fundamental to helping more people to live well. We are investing millions of pounds every year into existing homes through extensive planned works programmes, which includes replacing kitchens and bathrooms, replacing windows and roofs, and ensuring critical equipment such as lifts and communal doors are well maintained. Collectively, this year alone G15 members are investing £418.5 million in planned works to improve thousands of bathrooms, kitchens and windows of our resident's homes. In addition, we are also carrying out major upgrades to improve the energy efficiency of our homes to support tackling climate change and improve residents' wellbeing.

Our members also carry out critical compliance checks every day across gas, electric, fire safety, and other areas to ensure residents' homes are safe. Crucially, for when things break

or go wrong, as they inevitably will in any type of home, our members deliver responsive repairs services to address issues as quickly as possible.

The English Housing Survey, which is independently compiled by NatCen Research, shows that 4% of socially rented homes have a damp or mould problem, which whilst requiring our attention and continuous efforts to address, is lower than other types of homes.¹ The latest English Housing Survey found that 13% of social homes do not meet the Decent Homes Standard. We know that there is work to do to address this, but note that this figure is lower than in the private rented sector and owner-occupied homes. Furthermore, the social housing sector is the most energy efficient form of housing, with two thirds of the homes being EPC A-C, which is higher than both the private rented sector and owner occupied homes.

G15 members regularly survey their residents on their overall satisfaction with the service they receive from their landlord. The average reported level of satisfaction of residents was 78% for the year 2020/21. We know that resident satisfaction must be more than surveys and that is why our members have robust resident engagement structures in place. For example, at MTVH, there is a resident engagement structure and regular surveys that inform the service improvement that we have to undertake to benefit our residents. Feedback from residents was used to inform a new organisational structure which puts them at the centre of what the organisation focuses on and delivers. As a result, MTVH has introduced more resident facing roles and, the organisation is increasing the level of service the central customer services team can deliver at the first point of contact with residents to speed up and improve responses. Operationally, resident feedback is used to inform service delivery. In customer services, any examples of dissatisfaction are reviewed, and calls listened to, which can lead to coaching for colleagues or feedback to local teams. MTVH's repairs survey feedback is also reviewed regularly to provide feedback to colleagues and to look at where things have gone wrong, so that improvements can be made to internal processes.

However, despite the extensive resources and commitment invested in this important work, we know that some people have not always received the service and support they deserve and, in some cases, have had to wait too long for issues to be resolved. Our members are committed to tackling in our homes, and to continually improving the response residents receive from us when they need to report repairs or other issues to us.

Current regulatory regime

We believe that the current regime for regulating social housing is fit for purpose. The Regulator of Social Housing has a focus on the long-term sustainability of the social housing sector and for systemic issues that may arise, and this works well in partnership with the Housing Ombudsman that considers individual complaints which have been raised by residents to understand if they have been handled correctly by social housing providers.

The transparency of the Ombudsman's judgements is welcome and G15 members see the strong regulation of the sector as a key tool to improving our homes and the services we provide to our residents. It is critical that where cases are raised with the Ombudsman, we are able to understand concerns and discuss steps we can take to resolve cases and learn for the future. Whilst this dialogue is for the most part regular and consistent, it can on

¹ English Housing Survey 2020-21

occasion be challenging for members to identify the most appropriate point of contact and this has made communication more difficult, leading in some cases to decisions that have seemed inconsistent with previous judgements and the Ombudsman's policy. It is important that the Ombudsman's appeals process is adequately resourced, so that the process works in a timely fashion for residents. This must also be a two-way dialogue with a clear expectation that responses to members' evidence, especially where there is disagreement, must be forthcoming. G15 members welcome regular communication with the Ombudsman and appropriate case officers and would encourage this to remain a focus for the Ombudsman.

The current regulatory approach is based on the principle of 'co-regulation'. This is a mature approach which places the onus on boards of registered providers to work with residents in seeking assurance that standards are being met, and then demonstrating how they do this to the Regulator. Through this, boards should have robust processes which provide assurance that their organisation and the service it delivers remain compliant with the standards. Of course, residents should be supported to play an active role in reviewing and scrutinising the performance of their landlord through a range of activities, which is the case across G15 members.

In relation to how clearly defined the roles of the Regulator and Ombudsman are, members of the G15 think that in theory, these are very clear. However, in practice, there is on occasion a slight confusion in roles and remit. We hope that with the implementation of the Social Housing White Paper, it will be clear on what the remit is of both institutions. In addition, with the new Building Safety Regulator and the New Homes Ombudsman, there is a potential for further confusion between the role of each of these regulators. G15 members would welcome some clarity on how this new regulatory structure will be implemented, as we will rightly be accountable to these four institutions.

When a resident complains to their housing association, members communicate with them to inform them of the Ombudsman process should that be necessary. For residents who are engaged and knowledgeable of both the Ombudsman and Regulator, the system for resolving complaints is effective. However, we know that some of our residents are not familiar with the different routes of escalating a complaint and, in some cases, are using formal legal processes to pursue matters that could more suitably be addressed via the existing forms of redress. Whilst pursuing a legal disrepair claim is of course any residents' right, it is often not the most effective route to resolving a complaint or addressing an issue with a residents' home. For example, when a legal disrepair claim begins, landlords are required to halt works to a property (apart from to make safe) whilst the matter is resolved through the legal system. This can lead to works to resolve the underlying issue being delayed. We know that the Ombudsman is working with the Ministry of Justice on the pre-action protocol in response to this concern, and we welcome this work. We are aware that some residents have been proactively contacted by lawyers before raising a complaint with their housing provider. The use of legal routes has sometimes come with a promise of compensation to the resident and there is concern that this may be misleading for some residents. We believe that more should be done to support residents to access complaints procedures, including the Ombudsman and the Regulator where necessary.

Where a housing association has been found to have not dealt with a complaint sufficiently, we believe that the Ombudsman and Regulator do have sufficient powers to take action against providers. This has been seen recently with the Ombudsman's willingness to identify social housing providers who have been issued with complaint-handling failure orders.

Financial pressures on the social housing sector

As not-for-profit housing associations, G15 members have a number of financial pressures over the short, medium, and longer terms. This includes meeting the cost of remediation works in light of the building safety crisis, retrofitting our homes, increasing the supply of affordable housing and improving the quality of existing homes.

Members of the G15 have set aside £3.6bn for fire safety remediation over the next 15 years. This is equivalent to the housing association resource required to build 72,000 affordable homes. In the absence of sufficient government funding or the ability to recover all costs from original developers and contractors responsible for defects, this vital building safety work will also have an impact on the other work that housing associations will be required to do, such as improvements to existing homes.

To relieve some of this financial pressure, the government should allow social housing providers full access to an enlarged Building Safety Fund, which is currently restricted on the basis of tenure of the building that needs remediation and therefore penalises social housing providers in favour of private providers. We would also ask that the Treasury removes VAT from remediation works to maximise the value and impact of the money being invested. Taking the G15's £3.6bn VAT-inclusive spending plans, removing VAT could potentially make £720m of this resource available to support works and related activity rather than being lost to taxation.

Fire safety isn't the only demand on a housing association's finances. There is a demand for new affordable homes, retrofitting existing stock to meet the government's net-zero targets, and improving the quality of existing homes. One G15 member has reduced its development programme by 1,500 homes until 2025 in order to pay for major works. These competing financial pressures do have an impact on our members' ability to carry out works on existing homes, especially given the urgency of other demands such as ensuring buildings are safe

Social Housing White Paper

The Social Housing White Paper was welcomed by our members and many have already been looking at their systems to see where they can be improved to amplify resident voice, just one area the White Paper rightly identified improvements must be made. Several G15 members are signed up to the National Housing Federation's Together with Tenants initiative, which aims to rebalance the relationship between social landlords and their residents.²

Members of the G15 are taking a variety of approaches in how we implement the new measures proposed in the White Paper. For example, some G15 members are moving to a 'patch based' system of operations to housing management, with the aim for those that work in housing operations to be closer to the ground and therefore able to respond to any repairs and maintenance issues.

The G15 have worked with others to refine the development of measures in the White Paper, including through a representative on the Tenant Satisfaction Measures Sounding Board with the Regulator and Department for Levelling Up, Housing and Communities. We would welcome the introduction of legislation to enact the Social Housing White Paper in Parliament as soon as possible, so that housing associations are able to implement the legal requirements in full.

We support the approach outlined by the Regulator and welcome a greater focus on consumer standards in accordance with the principle of co-regulation. This puts residents at

² <https://www.housing.org.uk/our-work/together-with-tenants/>

the centre through their role in co-regulation, preserves sector independence, and minimises the potential for the diversion of resources.

Decent Homes Standard

Our members believe that the Decent Homes Standard should be changed to embrace modern technology and reflect the changing targets that housing associations are required to meet. The new Decent Homes Standard should:

- Be simple in order to increase resident engagement and reduce disputes.
- Take account of residents' feedback
- Embrace modern technologies
- Be in line with current government policy priorities and strategies

The G15 notes that the original Decent Homes Standard came with the funded Decent Homes Programme. Our members believe that any review of the Decent Homes Standard should come with funding to enable housing associations to implement these standards, especially on quality and energy efficiency. As has already been highlighted, housing associations face a number of financial demands including remediation for building safety and retrofitting our existing stock to meet net-zero by 2050. Therefore, additional funding alongside the new Decent Homes Standard will be required to ensure it is fully met.

The Decent Homes Standard needs to be focused on achieving a baseline standard for all properties. Given the variety and differences in G15 members' stock, we would argue against a one-size-fits-all approach, especially when it comes to achieving net zero through green roofs or electric charging points. Our members are ready to embrace new technology and would welcome the Decent Homes Standard focusing on this to increase efficiency.

In relation to whether the Decent Homes Standard should include energy efficiency, we would welcome a fair approach in line with the private rented sector. This would prevent the any additional costs being faced by the Decent Homes Standard being passed onto our residents. This equity across the social and private sector, and would also reduce the potential for social housing stock to be lost from the sector as a result of the uneconomical costs of retrofitting some homes.

Summary

The G15 welcomes this inquiry. Our members are receptive to regulation as it makes our service better for our residents. We believe:

- The regulation of social housing is fit for purpose.
- The Social Housing White Paper will improve the regulatory regime and legislation to support its implementation should be introduced as soon as possible, so that residents have a stronger voice.
- Additional requirements in the Decent Homes Standard should be accompanied by additional funding.

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