Social Housing Green Paper: A ‘new deal’ for social housing

Submission from Homeless Link, November 2018

Introduction

1. Homeless Link is the national membership charity for frontline homelessness agencies and the wider housing with health, care and support sector in England. With over 750 members, we work to improve services and campaign for policy change that will help end homelessness.

2. We welcome the opportunity to submit a response to the Social Housing Green Paper. Homeless Link believes that everyone should have a place to call home and the support they need to keep it and having a decent place to live should be a right for all and not be beyond the reach of the poorest and most vulnerable people in society. Social housing can play a key role in both preventing homelessness and ending homelessness through providing a more affordable and secure place to live. Our response primarily focuses on answering relevant questions across the five core themes.

3. Homeless Link would be glad to elaborate further on any of the information provided. For any questions about this submission, please contact Michaela Des Forges, Policy Manager at Michaela.DesForges@Homelesslink.org.uk

Summary

4. Homeless Link welcomes the focus of the Green Paper on improving social housing and supports its broad aims to ensure social homes provide an essential, safe, well managed service for all those who need it. However, our view, and the view of many of our members, is that the Green Paper does not go far enough in ensuring that social housing provides “an essential, good quality and well-run safety net for those who need it most”. In fact, social housing as a safety net has failed to provide for those who need it the most. Rough sleeping has risen by 169% and the number of households in expensive, temporary accommodation has increased by 66% since 2010.1

5. Social housing is part of the solution to preventing and relieving homelessness. Evidence shows that social housing has an important role to play in ensuring that people with a history of rough sleeping never return to the streets by providing stable and affordable homes.2 However, “move on” from short-term supported housing services has been an increasing challenge due mainly to the shortage of available truly affordable accommodation. According to our 2017 Annual Review, lack of affordable accommodation is the main barrier stopping people moving on from homelessness services.

6. The Green Paper is not ambitious enough when it comes to increasing supply in order to help those whose needs are not served by the market and it does not sufficiently convey that there is an acute housing shortage in England. Along with St Mungo’s and many of our other members, we welcome the Prime Minister’s announcement that the borrowing cap on councils will be lifted to allow them to build more homes and hope this will help increase the supply of much-needed social housing. However, the Government will need to provide significantly more funding to build the 90,000 new homes for social rent every year for 15 years that are needed to meet demand.4

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1 MHCLG (2018) Statutory homelessness and homelessness prevention and relief, England: January to March 2018
7. It is estimated that around 14% of social housing is supported housing. Supported housing enables people to live more independently, preventing the need for costly residential services and improving outcomes for people in areas such as health, wellbeing and employment. The National Audit Office have recently identified a 70% reduction in local authority spending on housing-related support. The Ministry of Housing, Communities and Local Government (MHCLG) have heard of local authorities cutting funding, raising the threshold for people to qualify for support and reducing the scope and length of contracts. There is an urgent need for the pressure on support funding streams to be acknowledged and addressed. We believe the Government needs to invest in housing-related support funding to match local need so that supported housing can secure a more sustainable future.

8. In order to meet the Government’s other priorities, particularly those in the Rough Sleeping Strategy, more social housing is essential for those whose needs are not met by the private housing market. Without focusing on the structural causes of homelessness including prioritising the increase in supply of social housing along with an effective welfare safety net, homelessness will never be fully solved and the Government will struggle to deliver its promise to end rough sleeping by 2027.

9. Alongside increased supply of social housing, a commitment to increase low-rent housing supply and affordability across all tenures is needed. We urge the Government to increase affordability and security in the private rented sector and also to reverse the freeze on the Local Housing Allowance and review levels so that they reflect the reality of the local rental market.

10. Universal Credit is currently putting tenancies at risk. The Government needs to pause the roll out of Universal Credit, including both natural and managed migration, until identified issues faced by people with a history of homelessness in making and managing a Universal Credit claim are fully addressed.

11. Overall, we would like to see the Government being more ambitious in taking urgent action to tackle the chronic undersupply of genuinely affordable housing, supporting vulnerable tenants, and providing social housing to those who need it the most, primarily people who are homeless. Increased investment and supply of social housing will help create thriving, mixed communities, as well as contributing significantly to solving the housing and homelessness crisis.

Ensuring homes are safe and decent

Question 10. How can residents best be supported in this important role of working with landlords to ensure homes are safe?

12. Social housing should be of good quality and safe, allowing tenants to live their lives. Access to safe and decent housing is important for people who have experienced homelessness. Housing conditions are important for health – poor quality housing impacts on mortality and morbidity, cardiovascular disease, accidents in the home, mental health and respiratory diseases, among other health outcomes. We know that improving housing conditions can lead directly to improved health and wellbeing. For example, increased safety and affordable heating provision have been shown to reduce absences from school or work. We support efforts to increase the safety and quality of social housing.

13. Landlords can best work with tenants to ensure their homes are safe by letting homes at a high standard and making necessary changes and timely repairs so they continue to be safe and decent. Tenants can be supported by being provided information about what they should expect in social housing and by having these expectations met as a matter-of-course. Landlords should proactively ensure that social housing is well managed and good quality. Where these expectations are not met,
tenants should feel empowered to report issues and have these issues resolved quickly. High quality social homes will help reduce the perceived stigma associated with living in social housing and improve the wellbeing of households and communities.

**Question 13. Do we need additional measures to make sure social homes are safe and decent?**

14. Alongside many others in the sector, **we welcome the review of the Decent Homes Standard and ask the Government to consider including measures to prevent and respond to homelessness and support people to retain existing tenancies.** In a recent survey, the National Housing Federation found that 79% of housing associations offered tenancy sustainment advice and support. ⁷ We believe that all housing associations should offer tenancy sustainment advice and support and take measures to support those at particular risk of losing their tenancies and returning to the streets.

15. As stated in the Green Paper, social housing “is made available to help those whose needs are not served by the market”. The Government is not doing nearly enough to ensure that there is enough social housing available to those whose needs are not being met by the market, as is exemplified by the rising numbers of homeless households and rough sleepers. The increase in those becoming homeless due to the loss of an assured short hold tenancy is a strong example of the failures of the housing market. The safety net provided traditionally by social housing has been eroded over the past decades, and is a contributory factor in the increasing levels of homelessness. Over recent years this problem is reaching crisis levels. Rough sleeping has increased by 73% over the past three years, and the number of households in expensive, temporary accommodation has increased by 66% since December 2010. The numbers of families sharing and severe overcrowding has increased significantly, particularly in London. This puts additional pressure on those properties and places additional pressure on the emotional and social wellbeing of the households living in them. Housing Benefit for those in the private sector has increased significantly, associated with more reliance on this sector for housing low-income households. ⁸

16. Social housing plays an important role in preventing and relieving homelessness. Social housing rents are linked to local earnings and are often far more affordable than private sector tenancies – particularly to those on low incomes. Evidence shows that people are much less likely to become homeless again if they moved into social housing rather than private rented housing. ⁹ Increasing the supply of affordable social homes can reduce the pressure on current social housing properties, reduce homelessness and poverty and contribute to wider social and health outcomes for tenants and communities.

17. The move towards replacing social rent with “affordable” rent levels is a barrier to preventing people moving on from homelessness to social housing, ¹⁰ as well as driving up the cost to of the Housing Benefit bill. The National Audit Office concluded that funding new homes at social rents offers the taxpayer better value for money than higher affordable rents. ¹¹ In some areas, “affordable” rents has meant that social housing is out of reach for homeless and low-income households. ¹² We support Crisis’ recommendation that **social housing investment should be focused on homes at social rent levels, and on maintaining social rents at a level that is affordable to low-income households.**

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¹¹ National Audit Office (2012) *Financial Viability of the social housing sector: introducing the Affordable Homes Programme*, paragraph 2.7

¹² Crisis (2018) *Everybody In: How to end homelessness in Great Britain*
18. Welfare reform changes have exacerbated these affordability issues. Our evidence has highlighted that Universal Credit (UC) is not currently meeting its aims for people experiencing homelessness, leading instead to serious hardship and homelessness in some cases. Our evidence shows that people are waiting in excess of five weeks to receive payment due to errors within the operation of UC and the requirements placed on people throughout the process of making a new claim. Although the Government has recognised that the initial five-week wait for a UC payment is unmanageable for some people and revised their advance payments mechanism.\(^\text{13}\) This deduction applied on top of other deductions with high repayment rates, makes managing outgoings highly problematic. Some financial advice services are now advising people not to take out an advance payment due to the inevitable increase in debt. **The Government needs to pause the roll out of Universal Credit, including both natural and managed migration, until identified issues faced by people with a history of homelessness in making and managing a Universal Credit claim are fully addressed.**

19. In order to make our social homes safe and decent, and accessible to people with a history of homelessness and on low incomes, **more social housing at genuinely affordable rents is needed.** Alongside this, more affordable rents in the private sector are needed. The Local Housing Allowance (LHA) has been frozen since 2016, contributing to an ever-increasing gap across most of England between people’s incomes and the rents in their areas. Recent research has highlighted that in 123 out of 152 areas in England, less than 20% of one-bedroom properties within the private rented sector is affordable within LHA rates. This rises to 136 out of 152 areas in England for families trying to access two-bedroom properties.\(^\text{14}\) This has a significant impact on affordability of housing, which can both lead to homelessness and restrict people’s options when moving on from homelessness services. In Homeless Link’s Annual Review 2017,\(^\text{15}\) 73% of respondents identified the lack of affordable housing as preventing people from moving on from their services. **We urge the Government to reverse the freeze on the Local Housing Allowance and review levels so that they reflect the reality of the local rental market. We support the CIH position that we need to move towards a policy framework that links rents to local income.**\(^\text{16}\)

20. Homeless Link welcomes the Green Paper’s recognition of the need to review local allocations policies to “better understand how the system is playing out in local areas in order to understand if it is striking the right balance between fairness, support and aspiration”. Many of our members report that people who are homeless and/or sleeping rough face major obstacles and restrictions in accessing local authority social housing or even their waiting lists. One of the consequences of the Localism Act 2011 introducing restrictions to accessing waiting lists for groups of people deemed ‘non-qualifying’ has meant in practice that people with a history of rent arrears, a record of anti-social behaviour, with previous convictions or no local connection are excluded. In addition, most single homeless people are unlikely to be assessed as in ‘priority need’ and, as such, the local authority has no duty to provide settled accommodation for them. **We ask the Government to change the statutory guidance on social housing allocations for local authorities in England so that individuals with a history of homelessness are not excluded from waiting lists for social housing.**

21. **Allocation policies and criteria applied by housing associations should also be reviewed to ensure they do not exclude people with a history of homelessness.** There is evidence that many housing associations, mainly in response to the risks created by welfare reform, are using affordability assessments to assess whether applicants will be able to afford their rent.\(^\text{17}\) Homeless

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\(^\text{13}\) Currently, claimants can access up to 100 per cent of their award immediately after making a claim and pay this loan back over 12 months, with the potential for repayments to be delayed for up to three months.

\(^\text{14}\) Crisis (2018) Everybody In: How to end homelessness in Great Britain


\(^\text{16}\) Chartered Institute of Housing (2018) Rethinking Social Housing: Final report

Homeless Link

Link and our members are concerned that there appears to be an increase in the number of housing associations refusing households that are “too much of a risk”\textsuperscript{18} and in practice restricting access to those with a history of homelessness. We are hearing increasing reports from our members that many housing associations are requiring excessive amounts of rent in advance (varying from several weeks to months) and/or rent guarantors, thereby, excluding individuals moving on from homelessness accessing this social housing.

22. Housing associations have a critical role to play in preventing and tackling homelessness and as such they should be taking all the steps they can to remove barriers and restrictions in access for people with a history of homelessness. Homeless Link supports the Homes for Cathy commitments\textsuperscript{19} as a model of good practice for housing associations committed to tackling homelessness and these include a commitment to be flexible about their own allocations and eligibility policies so those most in need are not excluded. We urge all housing associations and government to sign up these commitments.

23. Social housing should be available and affordable for those who need it most and whose needs are not being met by the market. Local authorities and housing associations should adopt more flexible approaches to housing allocation and eligibility and these policies should not result in unnecessarily excluding people with a history of homelessness.

24. Appropriate and safe early intervention, support and enforcement around housing options and tenancy issues are critical in helping to identify, safeguard and support those at risk of domestic abuse. There are strong links between domestic abuse and homelessness, with domestic abuse a strong precursor to experiences of homelessness and living on the street. St Mungo’s research has shown that almost half of their female clients had experienced domestic abuse and a third (32%) of the women they work with said domestic abuse had contributed to their experiences of domestic abuse.\textsuperscript{20} We are concerned however, about the considerable variation in the response survivors receive from social housing providers - both local authorities and private registered providers (typically housing associations). Homeless Link has also signed up to the joint response from the National Housing and Domestic Abuse Policy and Practice Group which addresses these issues in more detail.

Effective resolution of complaints

Question 17. How can we ensure that residents understand how best to escalate a complaint and seek redress?

25. Providing tenants information and ensuring tenants understand how to escalate a complaint is the best way to ensure that residents know what action to take to escalate a complaint. This information should be widely available and in clear and accessible language.

26. Working with tenants to develop complaints procedures will also help to ensure that it is fair, comprehensible and accessible. The process should be straightforward and easy. We also believe that landlords have a responsibility to be proactive in seeking feedback and also not waiting until they receive complaints to resolve known issues.

Question 18. How can we ensure that residents can access the right advice and support when making a complaint?

27. Our members work with people in social housing with very complex needs who may need additional support to raise complaints. Advice and support should be made widely available and accessible. A more responsive Housing Ombudsman role could be effective in helping tenants to make a complaint and seek redress.

\textsuperscript{18} Hickman, P, Pattison, B and Preece, J (2018) \textit{The impact of welfare reforms on housing associations}. Glasgow: University of Glasgow

\textsuperscript{19} https://homesforcathy.org.uk/our-commitments/

Empowering residents and strengthening the Regulator

28. In light of the issues facing people who are homeless in accessing social housing (paragraphs 19 - 22) we support Crisis’ ask that the Social Housing Regulator should have a role in ensuring housing associations fulfil their obligations to assist councils with their homelessness duties, and ensure funding is available to deliver tailored packages of support for all people who are homeless.

**Question 22. Are there any other areas that should be covered for key performance indicators?**

29. Helping tenants to sustain their tenancies should be included as a performance area. Negative exits from social housing tenancies can, and often, lead to homelessness. Social landlords should help their tenants retain and sustain their tenancies by providing affordable tenancies and flexible and ongoing support where needed to sustain them. This should also include support with the application process and more awareness of allocation policies.

30. The main aspiration of people who are homeless is to have a home of their own, and homelessness services help people to achieve this. Social housing can act as a key route out of homelessness and contribute to wider Government objectives to reduce rough sleeping, reduce health inequalities, improve health outcomes and improve employment opportunities. However, many people who are homeless and people with complex needs need help to sustain their tenancies. Social landlords should have a role in ensuring tenants are provided with the personalised support they need. **Additional funding for support services should be provided so that people can retain and sustain their existing tenancies.**

31. We support the National Housing Federation’s Commitment to Refer guidance. This is a voluntary commitment that a housing association will refer an individual or household to a local housing authority if they are homeless or threatened with homelessness, thereby supporting the aims of the Homelessness Reduction Act and particularly the Duty to Refer.

32. The MHCLG and DWP are currently working together with providers, local authorities, membership bodies and resident representatives to develop a sound and robust oversight regime for supported housing. Any reform to the regulatory system for social housing should be undertaken with awareness of the review of the oversight of supported housing.

**Question 30. What other ways could we incentivise best practice and deter the worst, including for those providers that do not use Government funding to build?**

33. More funding for wider support services, including housing-related support, would help incentivise best practice. Assurances over long-term funding for support services (including increased community mental health services), and an effective welfare system will help by allowing landlords and property managers more time to spend on maintaining properties rather than chasing rent and arrears, dealing with anti-social behaviour and initiating court proceedings for eviction.

34. Our members report an increasing level of the complexity of needs of individuals in their services. In particular, they report increasing mental health need, as community mental health teams struggle with high caseloads, meaning that thresholds to access support are extremely high. In 73% of cases where homeless accommodation projects turn someone away, one of the reasons cited is that their needs are too high to be safely supported in the service.²¹ This shows there is a significant gap in support for people who are most in need of it. The Government should ensure there is increased funding for tailored packages of support for people moving on from homelessness and entering social housing. Also it is critical to ensure provision of ongoing support and services for those who need it to help people stay in their homes and to prevent eviction and the need for more costly

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services down the line is needed.

35. It is estimated that around 14% of social housing is supported housing. Homelessness and housing-related support services deliver cost savings across public service budgets and as well as positive outcomes for vulnerable people. Services enable people to live more independently, preventing the need for costly residential services and improving outcomes for people in areas such as health, wellbeing and employment. Investment in housing related support also leads to savings in other parts of the system. The most comprehensive evaluation of Supporting People (now housing-related support) found that a £1.6 billion investment generated net savings of £3.4 billion to the public purse. This included avoiding £315.2 million health costs, £413.6 million costs of crime and criminal justice and £96 million costs of homelessness.22

36. The NAO have recently identified a 70% reduction in local authority spending on housing-related support.23 MHCLG have heard of local authorities cutting funding, raising the threshold for people to qualify for support and reducing the scope and length of contracts. We believe the Government needs to invest in housing-related support funding to match local need.24 Adequate levels of funding to ensure current supported housing services are viable in the long-term and can unlock potential for future growth as need rises.

Question 38. Are there any other innovative ways of giving social housing residents greater choice and control over the services they receive from landlords?

37. Social housing has given people who have been homeless a more permanent and secure offer of accommodation. Social housing needs to be truly affordable, offer stability in tenancy length and location, working with and supporting individuals where problems arise such as anti-social behaviour and rent arrears. Social housing should offer flexibility, allowing tenants to move from their current home to new ones where this is required. This may be due to problems occurring in the area they are living or with neighbours, or where risks mean they need to move to a different location for safeguarding purposes. The volume of properties in a social housing provider’s portfolio can enable these transitions to take place more smoothly, reducing the negative impact on the landlord and the tenant.

38. Social housing should be coordinated with other services. Some residents will face challenges, such as, substance misuse and mental health problems and social housing providers should connect with other relevant services that will help the individual get the support they need to achieve their goals.

39. Social housing should be innovative, providing a range of models suitable for different groups of people. For example, within the social rental sector the provision of shared housing remains a rarity, except in in relation to supported housing, and this model may be appropriate for some people.

40. Social housing supports our members as a way of preventing and relieving homelessness. Social housing has played a key role in the provision of Housing First, as well as a number of other approaches and schemes which use social housing to give people who have been homeless a more permanent and secure offer of accommodation.

41. Homeless Link runs the Housing First England project, which aims to create and support a national movement of Housing First services across England. Housing First is an evidence-based approach to successfully supporting homeless people with high needs and histories of entrenched or repeat homelessness to live in their own homes. The overall philosophy of Housing First is to provide a stable, independent home and intensive personalised support and case management to homeless people with multiple and complex needs. Housing First aims to integrate isolated people into their community, to develop their social networks and to help rebuild their lives.

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22 Capgemini for DCLG (2009) Research into the financial benefits of the Supporting People Programme
23 MHCLG, Supported Housing Presentation, 2018
24 MHCLG, Supported Housing Presentation, 2018
42. Housing First is based on seven principles:25

- People have a right to a home
- Flexible support is provided for as long as is needed
- Housing and support are separated
- Individuals have choice and control
- An active engagement approach is used
- The service is based on people’s strengths, goals and aspirations
- A harm reduction approach is used

43. Adopting these principles has supported Housing First to deliver the successful outcomes it has to date. Where social housing has played a key role in the provision of Housing First, landlord services must recognise these principles to ensure it achieves the successful outcomes. The experience of St Mungo’s shows that short-term tenancies, which are common in private rented housing, are disruptive to the delivery of support. Housing First works better in social housing because tenants have the stability they need to focus on rebuilding their lives away from the street.

Question 43. Should any of the consumer standards change to ensure that landlords provide a better service for residents in line with the new key performance indicators proposed?

44. There should be an additional consumer standard to support the provision of social housing that is truly affordable (sub-market level rents), good quality, secure and sustainable for those on the lowest incomes and the most vulnerable.

45. We also support Crisis’ position that the regulatory objectives of the social housing regulator should include a requirement to safeguard and promote the interests of current and future tenants, homeless people and other service users, similar to the Scottish regulatory system. We would also like to see more proactive regulation of the consumer standards including, specifically, standards that address the role of social housing providers in preventing and alleviating homelessness.

Tackling stigma and celebrating thriving communities

Question 53. In addition to sharing positive stories of social housing residents and their neighbourhoods, what more could be done to tackle stigma?

46. Homeless link welcomes the commitment to tackle the stigma associated with social housing. And we agree with the Green paper that “proposals to Increase the supply will contribute to changes in attitude over time.” People who are homeless also experience stigma and as a sector we are working to reframe the narrative focusing more on the strengths, assets and aspirations of people who are homeless as well as focusing on the structural causes of homelessness. Alongside this there also needs to be continued focused on reframing the role of welfare support and social housing.

47. Good quality, high standards and safe housing can reduce the stigma associated with living in social housing. Housing in poor state of repair and poorly maintained can impact on how tenants view their homes and their motivations for upkeep.

Expanding supply and supporting home ownership

Question 64. What level of additional affordable housing, over existing investment plans, could be delivered by social housing providers if they were given longer term certainty over funding?

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48. Homeless Link believes that social housing is a key part of the solution to ending homelessness by providing secure and affordable homes. There is strong evidence social housing has a powerful role in preventing future homelessness as it provides more stability and support to those who move on from homelessness than private rented housing.\(^{26}\) However, there remains a chronic shortage of supply of social housing. Research from Heriot-Watt University identifies the estimated level of need for social housing in England is approximately 90,000 new units of social housing a year for the next 15 years.\(^{27}\) Beyond the numbers these new homes must be of the right type, in the right places and a range of accommodation options and costs so that everyone can have a home to live in. The Heriot Watt research also identifies that building more social rented housing will also lead to improved affordability and reduced housing need, with more households being able to access decent housing and to have more choice about location, type and tenure.

49. Increased investment is required to tackle the under supply of new social housing, including through grant funding for housing associations. Action is also required to stop the conversion of social rents to affordable rents, as well as stopping the reduction in availability of social housing and we support the calls for The Right to Buy policy to be suspended to prevent immediate further loss of social housing.

50. In order to meet the Government’s other priorities, particularly those in the Rough Sleeping Strategy, more social housing is needed for those whose needs are not met by the private housing market. ‘Move on’ from homeless supported housing has been an increasing challenge for services due, in the main, to the shortage of available affordable accommodation and to support people out of homelessness for good the under-supply of truly affordable social housing needs to be rectified. We also support the calls for specific investment in homes designated for use by people who have a history of rough sleeping and ongoing support needs and would like to see the Clearing House programme running in London expanded across the country.

51. The additional supply of social housing must include an emphasis on housing those most in need and those who would benefit the most by stable and affordable housing. This includes using social housing for Housing First and providing safe, stable and affordable social and supported housing to those with experience of homelessness.

52. Without focusing on the structural causes of homelessness including prioritising the increase in supply of social housing along with an effective welfare safety net, homelessness will never be fully solved and the Government will struggle to deliver its promise to end rough sleeping by 2027.

53. We urge the Government to be more ambitious in taking urgent action to tackle the chronic undersupply of genuinely affordable housing and the many more homes that need to be built to meet this demand. The Government should set out how it plans to meet the level of need for social housing of around 91,000 homes a year for the next 15 years.

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27. Bramley, G. (forthcoming) Housing supply requirements across Great Britain for low income households and homeless people. (All figures rounded to the nearest thousand)

28. Since 1991, nearly 4,000 social homes have been ring-fenced for former rough sleepers in London through the Clearing House programme.