**Crisis’ response MHCLG consultation on “A new deal for social housing”** *November 2018*

Crisis is the national charity for homeless people. We are dedicated to ending homelessness by delivering life-changing services and campaigning for change.

Our innovative education, employment, housing and well-being services address individual needs and help homeless people to transform their lives. Our eleven Skylight Centres across Great Britain offer holistic support across a whole range of issues, including support to secure access to adequate and affordable housing and employment support to help people prepare for, find, sustain and progress in work. Ensuring that homeless people can get access to affordable, decent, secure housing is central to our services for homeless people.

In June 2018 Crisis published Everybody In: How to end homelessness in Great Britain [Everybody In: How to end homelessness in Great Britain](https://www.crisis.org.uk/ending-homelessness/the-plan-to-end-homelessness-full-version/executive-summary/) setting out a long-term strategy for national governments. Building more homes at socials rent levels is central to this strategy, alongside measures to improve access to social rented housing for homeless people and increase the availability of crucial support services to help people sustain their tenancies. Homelessness has a significant financial and social cost; as well as the £1.1 billion councils spend each year temporary accommodation and measures to mitigate homelessness, there are wider costs to public services.[[1]](#footnote-2) Investing to increase the supply of good quality social rented housing would provide the foundation for Government to deliver a more cost effective, preventative response to homelessness. It will also be central to ensuring the effective implementation of the Homelessness Reduction Act (2017), and the Government’s [Rough Sleeping Strategy.](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733421/Rough-Sleeping-Strategy_WEB.pdf) [[2]](#footnote-3)

Crisis welcomes the opportunity to respond to [A new deal for social housing](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733635/A_new_deal_for_social_housing_print_ready_version.pdf), the Government’s Green Paper. Our submission addresses the parts of the Green Paper relevant to the services we provide, and our work as an organisation campaigning to end homelessness. The submission has also been informed by three workshops with people using Crisis services – people with lived experience of homelessness – examining their experiences of applying for and living in social housing (see **Annex: *Social Housing Green Paper – Consultation Workshops for Crisis Clients***).

**Summary of key points from our submission**

Crisis welcomes the Government’s commitment in the Green Paper to “*get back to the scale of new social housing that will make a real difference to communities*.” Alongside the recent announcement of longer term funding for housing association partners and the decision to scrap the council housing borrowing cap, this shows real intent to ensure social housing continues to play a part in providing homes for those that need it.

For the Government to meet its objective of ending rough sleeping and ensuring effective implementation of the Homelessness Reduction Act, however, it must put in place a more ambitious programme of investment and reform.

This must include **delivering a step change in the supply of new homes for social rent** (as opposed to market linked affordable rents) **with an annual target of 90,000 additional homes[[3]](#footnote-4) and ending the continued erosion of the existing social rented stock**. There is a compelling body of evidence demonstrating that a more ambitious programme of investment in social rented homes would be a cost-effective way to meet the needs of low income households.[[4]](#footnote-5) Publicly funded housing delivery can also help to maintain build out rates during market downturns.[[5]](#footnote-6)

Government must also **tackle the barriers homeless people face getting access to and sustaining social housing tenancies**, ensuring that the manifesto commitments on homelessness and rough sleeping are not undermined by the effects of housing policy and practice. To help achieve this it should direct the social housing regulator to **implement a more proactive approach to ensuring housing associations fulfill their obligations to assist councils with their homelessness duties, and ensure funding is available to deliver tailored packages of support for all homeless people**. Government must also address the impact of housing benefit restrictions on social housing tenants and landlords, and ensure that social sector rents remain affordable to people earning the National Minimum Wage.

We welcome proposals in the Green Paper to:

* Open a conversation about more proactive regulation of the Consumer Standards. We want to see a more proactive approach extend to the role housing providers play in meeting the needs of homeless people, preventing homelessness and providing a supply of homes at social rent levels.
* Ensure we are using existing social housing efficiently for those who need it most – with the proposal that Government will collect evidence on how allocations frameworks are operating around the country.
* Tackle prejudice towards social housing and its residents. Delivering significantly more housing for social rent should be at the heart of the Government’s approach to tackling stigma, and ensuring effective implementation of the Homelessness Reduction Act.

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| --- |
| ***Workshops with Crisis clients found:***   * *Most workshop participants felt they had little or no chance of getting into social housing. Some said they were the lowest priority for rehousing even though they were homeless. Others couldn’t even join a council register because they didn’t meet “local connection” rules, or because they’d had rent arrears in the past.* * *For those who had been able to get a social tenancy, most said moving on into social housing was a positive, life-changing experience. For some it had provided a foundation for improved personal well-being and progression. But poor housing conditions and neighbour nuisance had had a negative impact on a minority of Crisis clients now living in social housing, sometimes making it hard for them to address the underlying causes of their homelessness.* * *Crisis clients want to see:*   + *More flexibility from housing providers to keep the door open to social housing by looking at homeless people’s individual circumstances and by ensuring homes are ready to move into.*   + *Better access to effective support services and budgeting help.*   + *More social housing being built and better use made of empty homes.*   ***See******Annex: Social Housing Green Paper – Consultation Workshops for Crisis Clients*** |

Our recommendations to Government are as follows:

* **Increase the supply of social rented housing:**
  + Set a target for the delivery of 90,000 social rent homes per annum for 15 years, and grow investment to meet this requirement[[6]](#footnote-7);
  + Develop an investment plan capable of delivering the resources to meet this requirement, taking account of the contribution that can realistically be made by housing associations and councils respectively, and identifying the role of Government investment and other potential sources of funding.
  + Ensure the investment plan can meet the scale of investment needs in all parts of the country, not just in areas of highest affordability pressure.
  + End the practice of converting social rent homes to affordable rent as a matter of urgency.
  + Do not proceed with proposals to allow increased flexibility on the tenure of homes replaced under right to buy. Social rent homes sold should normally be replaced by a new home for social rent unless needs analysis demonstrates there is no requirement for social renting.
  + End the policy of investing in market linked affordable rents for general needs housing for low income households and ensure that social housing remains affordable to those at the lowest end of the earnings distribution, including people earning the National Minimum Wage.
* **Improve access to and sustainment of social rented housing by homeless people:**
  + Revise national allocations guidance to make clear that homeless people should not be excluded from registering for social housing.
  + Require all providers of permanent, mainstream social housing to set and report publicly on an annual guideline target for the minimum proportion of social lettings to homeless nominees.
  + The social housing regulator should work with the social housing sector to develop and publish a code of practice on the measures social landlords (councils, ALMOs and housing associations) should adopt to deliver their existing homelessness obligations under the Tenancy Standard[[7]](#footnote-8) and support implementation of the Homelessness Reduction Act. The focus of the code should be on enabling homeless people and others on very low incomes to access and sustain social tenancies.
  + Endorse the Homes for Cathy commitments as a model of practice for housing providers committed to preventing and tackling homelessness.[[8]](#footnote-9)
  + Ensure funding is available to deliver tailored packages of support to homeless people entering social housing. Support must be available to address the full range of needs, including low intensity floating support for people allocated general needs housing, Critical Time Intervention support for people leaving state institutions, and intensive, specialist support to deliver Housing First.
* **Ensure there is effective scrutiny of social landlords’ role in preventing and alleviating homelessness**
  + The regulatory objectives of the social housing regulator should be amended to include a requirement to safeguard and promote the interests of current and future tenants, homeless people and other service users.
  + Reforms to the social housing regulatory framework should include a proactive approach to regulating housing providers’ performance in delivering the consumer standards, including meeting their obligations to support councils in meeting their homelessness duties. Housing association boards should address their responsibilities in this regard.
  + Any performance indicator regime should include coverage of homeless households housed, evictions, fixed term tenancies ended and new social rent homes delivered.
  + Social landlords should be required to report on social value, and their activities in this area should be considered as part of wider regulator judgements on value for money.

We provide a summary of the evidence on shortage of housing supply (section 1), and access barrier (section 2) as context for our response to the questions posed in the Green Paper (section 3).

1. **Homelessness and the availability of social rented housing**

**90,000 additional social rent homes are required each year**

We strongly welcome the Government’s commitment to restart investment in social rented housing, but to have a meaningful impact on homelessness, Government needs to go much further than the commitments announced to date.

Crisis and the National Housing Federation jointly commissioned Heriot Watt to conduct an analysis of the scale of housing requirements to address the backlog of housing need and end homelessness.[[9]](#footnote-10) The study estimated that four million households in England have an unmet housing need. As it will take time to build up an effective programme to address existing and future needs and demands, the study assessed the scale of provision required to meet needs over a fifteen-year timeframe.

Over that time horizon, the total level of new housebuilding required is estimated at around 340,000 *per year* for England. These numbers include significant allowances for suppressed household formation by younger adults resulting from previous inadequate supply and unaffordability, as well provision for increased demolitions to address stock restructuring requirements. This is why the numbers are significantly above official household projections.

The estimated level of need for social rent housing is approximately 90,000 homes a year, with an additional requirement of 50,000 homes for intermediate rent or shared ownership. At national level, this represents an affordable housing requirement of 45%, with a 27% requirement for social renting. The analysis projects that provision at this level would deliver a supply of social housing lettings that is sufficient to enable local authorities to meet the scale of “core homelessness”[[10]](#footnote-11) by the mid-2020s.

As figure 1 shows, additional social rent provision should be skewed towards regions where housing pressures are greatest, currently the South and London.[[11]](#footnote-12) To achieve the recommended balance between ‘within-London’, ‘near-to-London’ and the ‘Greater South East’ the Heriot Watt analysis has constrained requirements for London to a reasonable estimate of its capacity to build additional housing each year, and accepted that a higher number will have to be in the South of England.

While this suggests that the focus of additional investment in social rented housing should be on London and the South, there is nevertheless a continuing need for more modest levels of social rent investment in the Midlands and northern regions. The Heriot Watt estimates, based on affordability and need, suggest that the share of social rent in overall new provision ranges from 13 per cent in the Midlands to 44 per cent in Greater London.[[12]](#footnote-13)

This raises concerns about the Government's formula for concentrating social rent funding (and the original council borrowing headroom) on areas of “high affordability pressure”, defined as areas where average private rents exceed average social rents by £50 or more a week. This stipulation is not being applied to funding for other types of affordable housing (affordable rent or low cost home ownership). It is a blunt mechanism for directing funding that fails to take account of the scale of unmet housing need in any given locality or the likelihood of the poorest households gaining access to private rented housing. It risks leaving parts of the north of England without access to much needed housing association investment to meet newly arising need, or to contribute to remodelling obsolete housing.

**Figure 1. House building requirements by tenure 2016-2031 (England).**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Private** | **Shared Ownership** | **Intermediate Rent** | **Social** | **Total** | **Affordable %** | **Social %** |
| North | 28,810 | 5,580 | 6,694 | 6,894 | 47,977 | 40% | 14% |
| Midlands | 22,741 | 6,010 | 4,387 | 5,074 | 38,212 | 40% | 13% |
| South | 107,566 | 14,297 | 11,002 | 45,588 | 178,453 | 40% | 26% |
| Greater London+ | 28,637 | 2,321 | 10,523 | 32,983 | 74,464 | 62% | 44% |
| **England** | **187,755** | **28,208** | **32,605** | **90,539** | **339,107** | **45%** | **27%** |

The Heriot Watt analysis finds that building a lot more social rented housing creates a virtuous circle of improved affordability and reduced housing need, with more households able to access decent housing and to have more choice about location, type and tenure.

**Government must put in place an investment plan to meet the target of 90,000 social rent homes**

The Government must set an ambition of delivering 90,000 homes for social rent each year, and develop an investment plan to achieve this target.

Prior to the announcement that the council housing borrowing cap would be scrapped, it seemed unlikely that the combined impact of £2 billion for 25,000 social rented homes through the affordable homes programme,[[13]](#footnote-14) £1 billion additional borrowing headroom for councils, and increased flexibility on the use of right to buy receipts would be capable of boosting the supply of social renting to much more than 15,000 homes a year by the end of the current spending round (allowing for a continued contribution from cross subsidy).[[14]](#footnote-15)

There remains a lack of clarity about the number of additional social rent homes that might be deliverable because of reformed council housing borrowing rules. Analysis by Savills has suggested in broad terms that the policy change could release between £10b and £15b extra debt for housebuilding, equivalent to up to 15,000 homes a year,[[15]](#footnote-16) while the Government has estimated output of 10,000 homes a year.[[16]](#footnote-17) The Office for Budget Responsibility has produced a more cautious forecast, suggesting public sector housebuilding could increase by 20,000 to 2023, but that the overall increase in housebuilding would not be much more than 9,000 homes because of lower housing association/private output.[[17]](#footnote-18) It is at present unclear how much of this potential additional housing might in practice be provided at social rent levels, given that councils currently provide more additional homes for affordable than social rents. Delivery of 10-15,000 council homes each year will also take time to achieve, given that the scale of new council housebuilding has been very modest, averaging just 1600 homes a year since 2011/12.[[18]](#footnote-19) Reliance on council housing borrowing capacity also limits the scope for investment in the 50% of local authority areas where councils have not retained ownership of the housing stock.

Together, existing government spending commitments, new council borrowing flexibilities and continuing scope for cross subsidy might, over time, create capacity to deliver in the region of 20-30,000 social rented homes a year if council housebuilding focusses primarily on delivering homes for social rent. This represents at best no more than a third of the 90,000-requirement identified by the Heriot Watt study, at worst not much more than a fifth, and would still be less than the output of new social rent homes achieved in 2010/11.

There is a strong fiscal imperative to act, and identify sources of investment to meet identified needs. Analysis has demonstrated that investing more in social rented housing would see cost benefits for the tax payer over time by generating savings in Housing Benefit spending.[[19]](#footnote-20) The Centre for Social Justice has called on Government to model the financial implications of shifting demand-side subsidy through Housing Benefits to supply-side investment in homes for social rent housing over the longer term.[[20]](#footnote-21)

Significant increases in the supply of social rented housing would also contribute to reductions in homelessness,[[21]](#footnote-22) and therefore reductions in the costs of homelessness. Sir Oliver Letwin’s review of build out rates has also noted that delivering a wider range of tenures on sites improves the rate at which new homes are built, another reason to justify increased public investment on social rented housing.[[22]](#footnote-23)

**Crisis calls on the Government to:**

Set a target for the delivery of 90,000 social rent homes per annum for 15 years, and grow investment to meet this requirement;[[23]](#footnote-24)

* Develop an investment plan capable of delivering the resources to meet this requirement. This should take account of the contribution that can realistically be made by housing associations and councils respectively, and identify the role of Government investment and other potential sources of investment (see below).
* Ensure the investment plan is capable of meeting the scale of investment needs in all parts of the country, not just in areas of highest affordability pressure.

Investment options the Government should consider include:

* Increasing the share of national government housing investment spent on social rented housing. Analysis by the Chartered Institute of Housing (CIH) shows that up to 2021, almost four-fifths of housing investment is allocated to support the private housing market, and CIH has been amongst those calling for a proportion of this funding to be re-allocated to increase the output of housing at social rent levels.[[24]](#footnote-25)
* The capacity to increase the supply of affordable housing and, specifically, social rented housing through land reforms including:
  + A requirement that all publicly owned land made available for development delivers 50% affordable housing and includes a proportion of social rented housing – to be determined either by a national target percentage or to deliver the relevant local authority/sub-regional policy target;
  + Reforming land compensation legislation to capture more of the uplift in land value generated by planning permission for the benefit of the community – including to deliver more affordable housing.[[25]](#footnote-26)

**Stopping the loss of social rented homes**

There has been a significant loss of social rented homes as a consequence of the policy of requiring developing housing associations to convert homes let at social rents to affordable rents. In total, between 2012 and 2017, 102,004 units have been converted to affordable rent from social.[[26]](#footnote-27)

The impact of this policy requirement continues to be felt; the Green Paper tells us 5% of the total stock of social housing is now let at affordable rents, but does not mention that the proportion of lettings at affordable rents is far higher, reaching 18% in 2016/17.[[27]](#footnote-28) In the housing association sector the proportion of lettings at affordable rents is higher still, at around a quarter of general needs lettings. [[28]](#footnote-29) In London, the Mayor has taken steps to stop the conversion of affordable to social rents as a requirement of Mayoral funding,[[29]](#footnote-30) and some large providers have taken the decision unilaterally to do the same,[[30]](#footnote-31) but many providers are not in a position to do this. Market linked rents are unaffordable to the lowest income households in many parts of the country, and some housing providers do not let affordable rent homes to households on the lowest incomes.[[31]](#footnote-32) **Crisis calls on Government to end the practice of converting social rent homes to affordable rent as a matter of urgency.**

The right to buy has also contributed to the loss of social rented homes. The change of policy implemented in 2012 that increased the amount of discount available to qualifying households resulted in a rapid rise in sales from a post-recession low of 3,865 in 2008/09 to 18,110 in 2016/17.[[32]](#footnote-33) This level of right to buy discounts does not represent value for money for the Exchequer.[[33]](#footnote-34) The Government is now piloting an extension of right to buy to housing association tenants. In the past two years, the replacement rate for homes sold has been under 40% (ie less than 2 in 5 homes sold are replaced).[[34]](#footnote-35) The Government is proposing to provide councils with more flexibility on the use of right to buy receipts to improve the rate of replacements.[[35]](#footnote-36) While welcome, these changes do not address underlying concerns about the fiscal effectiveness of the policy or the deliverability of replacement homes for social rent. Given that 18,000 homes were sold last year, and less than 2 in 5 were replaced, **Crisis calls on Government to suspend the Right to Buy until such a time as the availability of social rented housing comes closer to meeting the extent of need.**

Indeed, acknowledging that the target of replacing “additional” homes sold under the policy has not been achieved, the Green Paper is now proposing “greater flexibility over the tenure of replacements.” This would allow councils to replace social rent homes with shared ownership or other intermediate properties. The CIH has calculated that the impact of social rent to affordable rent conversions, Right to Buy and demolitions, has been a net loss of 151,000 social rent homes in the five years to 2017.[[36]](#footnote-37) This is despite construction of 50,000 new social rented homes over the same period.

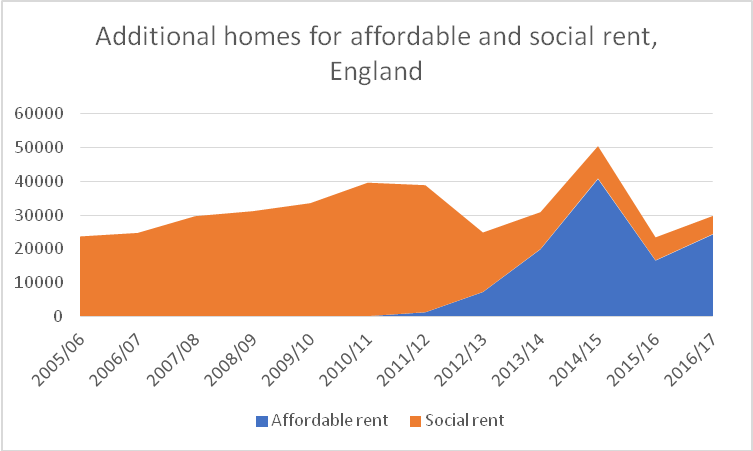
**Crisis strongly opposes this proposal because it will lead to further erosion of the social rented stock and calls on Government not to allow increased flexibility on the tenure of replacement homes.**

**Affordable rents “not for the poorest”**

As noted above, affordable rents form an increased share of social lettings, and there is evidence that this can restrict access to social housing for some of the lowest income households.

The number of new social rent homes fell to a post war low of 5,900 in 2016/17 (figure 2). This followed the Coalition Government decision to withdraw funding from social rent housing, and invest instead in affordable rent homes, with rents set in relation to market rents (to a maximum of 80% market values). Like housing associations, local authorities now deliver more new homes at affordable rather than social rents; in 2016/17, councils provided 1,470 homes for social rent, and 2,480 for affordable rent.[[37]](#footnote-38)

**Figure 2: Number of additional homes for affordable rent and social rent, England**



*Source:* <https://www.gov.uk/government/statistics/affordable-housing-supply-in-england-2016-to-2017>

As they are set in relation to market rents, affordable rents are typically higher than social rents, and there is more variation in affordable rent levels across the country than is the case for social rents (figure 3). For a two-bedroom home, affordable rents are on average 30% more than social rents, but the difference is greatest in areas of highest rental values.[[38]](#footnote-39) In many areas, affordable rents are beyond the budgets of households on low wages.[[39]](#footnote-40)

The decision to switch investment to affordable rent in order to reduce per unit grant for new development made the assumption that the client group for social and affordable rent would be the same.[[40]](#footnote-41) This was underpinned by the presumption that, so long as rents are covered by housing benefit, they are affordable to even the lowest income households, at least to the extent that affordability is embedded in the Housing Benefit scheme (and its Universal Credit replacement). There is evidence, however, that for those who require Housing Benefit to meet the full cost of their rent, housing is typically unaffordable by the standard measures of affordability. [[41]](#footnote-42)

**Figure 3: Weekly average social rent and affordable rent (housing association)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Property type**  **Local authority** | **1 Bedroom Home**  **£** | | **2 Bedroom Home**  **£** | |
| **Social** | **Affordable** | **Social** | **Affordable** |
| Brent | 106.62 | 177.21 | 120.68 | 216.41 |
| Tower Hamlets | 106.54 | 159.62 | 119.53 | 180.93 |
| Croydon | 100.27 | 134.68 | 116.52 | 172.07 |
| Oxford | 96.97 | 135.14 | 114.35 | 156.45 |
| Birmingham | 79.80 | 86.30 | 91.07 | 103.05 |
| Sheffield | 69.55 | 76.21 | 77.54 | 90.75 |
| Newcastle | 73.41 | 84.29 | 79.27 | 93.86 |
| Liverpool | 72.19 | 82.05 | 81.27 | 95.68 |

*Source: NHF from Statistical Data Return 2017*

There are also a growing range of circumstances where Housing Benefit no longer meets the cost of rent in the social housing sector, including where the removal of the Spare Room Subsidy or the overall benefit cap apply. While Discretionary Housing Payments are often available to mitigate these shortfalls, they do not provide an open-ended commitment and so do not fully mitigate the long-term risk to social landlords. Higher affordable rents make it more likely that out of work households will also be subject to the benefit cap.

There are significant problems with housing affordability in the social housing sector, even before considering the impact of a return to annual rent increases of CPI plus 1% from 2020-21.[[42]](#footnote-43)   Across the UK more than half of social housing tenants in the lowest fifth of the income distribution spend over a third of their income on housing.[[43]](#footnote-44)

In our workshops with people with lived experience of homelessness, social housing tenants expressed anxieties about budgeting and keeping up with rent, utilities and council tax payments (see Annex**: *Social Housing Green Paper – Consultation Workshops for Crisis Clients***). Such insecurity was expressed both by people in work who were partially reliant on benefits to pay their rent and people unable to work and fully reliant on benefits. These problems are magnified for tenants paying higher affordable rents. There is also evidence that rent levels impact on work incentives and that, for those on low incomes, lower rents provide a clearer financial incentive than higher rents to enter work and increase earnings.[[44]](#footnote-45)

A survey of local authority housing options teams for the 2017 Homelessness Monitor found that the switch to affordable rent levels was a particular barrier to providing social housing to people moving on from homelessness. [[45]](#footnote-46) Some housing associations have chosen to target affordable rent housing at employed households.[[46]](#footnote-47) Further, while many social landlords say they do not reject tenants on affordability grounds”, it has been acknowledged that “*tenants may be rejected for higher-cost products like Affordable Rent”*.[[47]](#footnote-48) One housing association is quoted as follows: *“the cost of the product does lead to some self-selection, it’s not just our affordability checks, because you do need to earn more to afford these homes, so it’s not for the poorest among us, those Affordable Rent products*”.[[48]](#footnote-49)

Such practices reduce the pool of lettings available to homeless people and those on the lowest incomes. So while investment in affordable rent homes and social to affordable rent conversions may have driven an increase in the number of homes built per pound of grant, the policy is at the same time limiting access to social housing for homeless people.

The replacement of social rent housing with affordable rents has also driven up the cost to the Exchequer of Housing Benefit. The National Audit Office calculated that, over 30 years, funding new homes at social rents offers the taxpayer better value for money than higher affordable rents.[[49]](#footnote-50) This is because Housing Benefit savings in the longer term outweigh the higher upfront investment cost required to deliver homes at social rents.

Crisis questions the value of affordable rent housing as a general needs product for homeless people and others on the lowest incomes, and **we call on Government to end the policy of investing in market linked affordable rents for this client group.** Social housing investment should instead be focused on homes at social rent levels, and on maintaining social rents at a level that is affordable to households with earnings at the national living wage.

That is not to suggest that rent setting in isolation will solve the growing affordability problems faced by homeless people and low income households seeking social rented housing. Housing providers are also exposed to the risks caused by reduced entitlements to Housing Benefit, and the impact of delays with Universal Credit payments. They may also be less inclined to accept applications from the lowest income households because of the reduced availability of support services.[[50]](#footnote-51) We address these issues below.

**Affordability assessments and inflexible approaches to rent in advance can have the unintentional effect of excluding homeless people**

More housing associations appear to be using affordability assessments to assess whether applicants will be able to afford their rent.[[51]](#footnote-52)

While a recent scoping analysis found “*no evidence that housing associations are rejecting significant numbers of applicants on the grounds of affordability*”, there appears to be a group of providers that are refusing households that are “*too much of a risk*”.[[52]](#footnote-53)

Inflexible application of rent in advance requirements, and an expectation that applicants provide rent guarantors, can have a similar effect in restricting access to social housing for homeless people.[[53]](#footnote-54) Crisis staff have reported cases in which homeless people (including people in employment) are only able to gain access to housing association tenancies if Crisis uses charitable funding to cover the cost of rent in advance.

It doesn’t have to be this way. Some social housing providers adopt flexible approaches to agreeing the amount of rent that must be paid in advance at the start of the tenancy, reflecting the circumstances and financial capacity of the applicant. Some providers report that they assess affordability in order to identify whether applicants require supportive services to help the tenancy succeed.[[54]](#footnote-55)

We set out proposals in section 2 of this submission for the publication of a code of practice on measures social landlords should adopt to deliver their obligations under the Tenancy Standard. This should address best practice in the use of affordability tests and other pre-tenancy assessments, to ensure these operate as an enabling tool rather than a barrier to accessing social housing.

**Decreasing supply of lettings means fewer lets to homeless people, especially single adults**

There has been a significant reduction in the availability of social housing lettings to new tenants (fig 4) with an 11 per cent fall in the year to 2016/17. The Homelessness Monitor attributes the fall to the severe drop in new completions in 2015/16 (see figure 1), as well as the long-term impact of right to buy sales.

The long-term decline in the availability of social rented housing in England is strongly implicated in recent rises in homelessness. A growing proportion of council housing options teams report difficulties in accessing social tenancies to help prevent or resolve homelessness in their areas – 70% in 2017 compared with 64% in 2016.[[55]](#footnote-56) Analysis of lettings data demonstrates that homeless people have been disproportionately affected by the decline in lettings, with the proportion of lettings to homeless people also going down.[[56]](#footnote-57)

**Figure 4. Reduction in flow of lettings to new tenants[[57]](#footnote-58)**



This trend has impact more severely on single homeless adults that other household types. Crisis’ analysis of data for England (figure 5) demonstrates that the number of permanent mainstream lettings to single homeless people declined from 19,000 in 2007/08 to 12,000 in 2016/17.[[58]](#footnote-59) The fall as a proportion of all new lets is similar, declining from 12 per cent to 8 per cent over the same period.

**Figure 5. Proportion of new social lets to homeless households, by household type**



These trends highlight the pressure of the social rent supply shortage on councils’ ability to provide permanent, stable housing for homeless people. Significant increases in new supply would increase social housing providers’ capacity to meet the needs of homeless people as well as others in housing need.[[59]](#footnote-60)

1. **Barriers to accessing and sustaining social housing faced by homeless people**

While increasing the supply of social rented housing would increase providers’ capacity to house homeless people and reduce the pressure to ration social housing access, the current policy context means it cannot be assumed that this will automatically improve access to social housing for homeless people.

Crisis welcomes the Government’s intention to review the way allocations frameworks are working. There is a growing body of evidence that some homeless people and other low income households are struggling to gain access to social rented housing because of eligibility restrictions and housing providers’ response to the risks created by welfare reform. There is also evidence that the fixed term tenancy regime is being used by a minority of housing providers to manage the risks of letting to low income households, creating an environment of continuing tenure insecurity for these households.[[60]](#footnote-61)

**Restrictions on housing eligibility can prevent homeless people from accessing social housing**

Powers conferred by the Localism Act (2011) allow local authorities to exclude categories of applicant from registering for social housing. Whereas previously applicants could be judged ineligible for housing if they met the “unacceptable behaviour test” – behaviour serious enough to make the person unsuitable to be a tenant on the basis that the authority would be entitled to a possession order – the new rules mean categories of applicant can be excluded on behavioral grounds determined by councils. Many councils have chosen to adopt policies that exclude people from eligibility on the grounds of behavioural related factors such as a history of rent arrears, anti-social behaviour or a previous criminal conviction. While councils should consider individual circumstances in implementing such polices, evidence from those with lived experience of homelessness suggest that such consideration is not always given (see ***Social Housing Green Paper – Consultation Workshops for Crisis Clients***). People can also be excluded from registering for social housing because they don’t meet councils’ local connection requirements. These vary from area to area, but the vast majority of councils apply residency or other local connection criteria in accordance with Government guidance.[[61]](#footnote-62)

Workshops with people with lived experience of homelessness revealed the impact of such exclusions and the *“blanket assumptions”* that are made by social landlords (see ***Social Housing Green Paper – Consultation Workshops for Crisis Clients***). Participants expressed frustration that eligibility exclusions seem to “*trump*” vulnerability, and their people’s personal histories and circumstances are not taken into account.

There is also evidence that some social landlords adopt “blanket” approaches in their consideration of applicants with historic arrears. It can be very difficult for homeless people to challenge housing providers that judge them ineligible to apply or receive an offer unless they have access to the specialist support of advice workers or other advocates.

|  |
| --- |
| ***Case study example***  *A was living in a refuge, after domestic violence left her no choice but to give up her housing association tenancy. She had previously accrued rent arrears during a former tenancy with a local authority, in part associated with Universal Credit administration. Her MP had helped resolve the UC difficulties, reducing the former tenant arrears. Difficulties with the affordability of refuge service charges led to her moving refuge twice, but during this time she accrued some service charge arrears. Following intervention by Crisis, her former social landlord agreed to support her in applying for a new social housing tenancy through the local choice based lettings scheme, as she was unable to return safely to her original home.  When A placed a bid for a home with another housing association, a Homes for Cathy member, she was initially refused an allocation on the grounds of her former tenant arrears, and incorrect information suggesting she had not adhered to an arrears repayment plan.*  *Crisis contacted the housing association, encouraging them to rethink their position in the light of the Homes for Cathy commitments. A was about to begin a university course, was eligible for a maintenance loan and had secured part time employment. The housing association initially agreed to offer a property viewing without a commitment to offer an allocation, but after meeting A and reviewing her financial circumstances, they have now offered her a tenancy. A was able to obtain “hardship funding” from her University to help with the costs of moving. Crisis will provide budgeting support while A settles in to her tenancy.* |

As this case study shows, to combat homelessness it is essential that councils and housing providers adopt a flexible approach to housing eligibility. Providers adopting the commitments adopted by the Home for Cathy group, agree to:

* Operate flexible allocations and eligibility policies which allow individual applicants’ unique set of circumstances and housing history to be considered
* Offer constructive solutions to households deemed ineligible for an offer of a home.

The case study also highlights the negative impact of repeated moves and changed circumstances on benefits claims and the ability to budget, and on people’s ability to meet the costs of moving into a new home. It also illustrates how the circumstances which give rise to homelessness may put homeless people at risk of falling foul of blanket exclusions. People with a history of homelessness may also have a history of rent arrears, sometimes as a consequence of the impact of benefit restrictions or administrative problems or unaffordable rents. Blanket restrictions leave some groups of homeless people unable to access social housing, and therefore risk undermining the effective implementation of the Homelessness Reduction Act.

Crisis strongly supports the intention set out in the Green Paper to gather evidence about the operation and impact of allocations processes. We encourage Government to use the forthcoming review of allocations to engage widely with social landlords, the homelessness sector and statutory public services to examine the extent of the problems identified in this submission, and to ensure measures are adopted to address identified.

**More immediately, there is compelling evidence demonstrating that Government should act to end the exclusion of homeless people from housing registers. Crisis therefore calls on Government to revise national allocations guidance to make clear that homeless people should not be excluded from registering for social housing.**

**Fixed term tenancies may be undermining the security of those most vulnerable to homelessness**

Crisis welcomes the announcement that Government will not make fixed term tenancies mandatory for local authority landlords at this time on the grounds that “*there has been a growing recognition of the importance of housing stability for those who rent*”. Councils and housing providers are still able to use fixed term agreements on a discretionary basis, and there is evidence that they are being used by some housing associations to manage the risk of arrears.[[62]](#footnote-63)

A significant minority of providers using fixed term tenancies are doing so without having adopted clear criteria for their use and renewal, in contravention of the Regulatory Standards[[63]](#footnote-64); 28% of councils and 22% of housing associations surveyed for a Heriot Watt study[[64]](#footnote-65) do not have policies in place. This means these providers are not compliant with their obligations under the Tenancy Standard, a matter relevant to the Government’s review of social housing regulation (see comments on Chapter 3 of the Green Paper in Section 3 of the Crisis Submission). This leaves many tenants facing reviews with no basis on which to judge whether they’ll be able to stay in their home. [[65]](#footnote-66)

The same research suggests that where housing providers have adopted criteria for reviewing and renewing tenancies at the end of their fixed term, these include a strong focus on “*behavioural concerns*,” (78% councils and 91% housing associations), the incidence of rent arrears (78% councils and 86% housing associations) and financial capability – specifically whether rent is too expensive for tenant (28% of councils and 67% of housing associations). These conditions can be comparable to the qualification criteria being used by some providers to exclude some groups of people from gaining access to social housing (as described above), leaving those on very low incomes and other vulnerable households at greater risk of non-renewal or, at best being offered only short-term tenancies in perpetuity.

Arrears repayment obligations can be more onerous for fixed term tenants than for those with assured or secure tenancies because of an expectation that debt is paid back within the lifetime of the tenancy.[[66]](#footnote-67) This increases the risk of tenants being unable to meet arrears repayment obligations. Most social housing providers using fixed terms reported that non-renewal will be rare and say that they would be reluctant to pursue non-renewal, which raises questions about the rationale for their use.[[67]](#footnote-68) The Heriot Watt research reveals continuing uncertainty about whether fixed term tenancies will achieve their aim of freeing up significant numbers of lettings.[[68]](#footnote-69) A large housing association has now stated publicly that it will end its use of fixed terms[[69]](#footnote-70), and other providers are reportedly considering the same approach.[[70]](#footnote-71)

There is however a risk that the practices of a minority landlords will result in continuing insecurity of tenure for fixed term tenants (which may include a disproportionate number of people moving on from homelessness) and may result in homelessness. This should be a matter of concern to Government, as it is an area of practice with potential to undermine both Homelessness Reduction Act implementation and the successful delivery of the rough sleeping strategy. There is a strong case for more effective regulatory oversight of this issue.

**Crisis recommends that guidance on the use of fixed term tenancies is published as part of a code of practice on the measures housing providers should adopt to deliver their obligations under the Tenancy Standard and support implementation of the Homelessness Reduction Act, enabling homeless people and others on very low incomes to access and sustain social tenancies.**

**Lack of sensitivity to the needs of homeless people when a home is offered**

Some participants in the Crisis workshops who had received a social housing offer commented that the home they’d been offered was unsuitable for their needs. For example, one participant – who had been rehoused following domestic abuse – was offered a flat in a block where they’d been told there were no neighbour problems. In reality, they found themselves in a block with boarded up flats, and repeated incidents with neighbours involving drug use, domestic abuse and police visits. This left the person affected feeling vulnerable and at risk, and unable to settle.

Some participants talked about the financial challenge of being offered an unfurnished property in the social sector, or a home in a poor state of repair. While obtaining access to a social rented home was a positive experience for some, the costs of decorating, buying white goods and furnishing a home can be a huge challenge for people moving on from homelessness.

There was an awareness from participants that the problems outlined above were in part linked to the shortage of social rented homes and the financial pressures faced by social landlords. Workshop participants were also aware that the rationing systems that had been put in place to decide who should have priority often assigned single homeless adults with little priority.

**To address these barriers to social housing access and tenancy sustainment, Crisis calls on Government to ensure:**

* The social housing regulator adopts a proactive approach to regulating housing providers’ performance in fulfilling the regulatory expectations that they assist councils in meeting their homelessness duties and support tenants to sustain their tenancies. Housing association boards should address their performance in this respect.
* All providers of permanent, mainstream social housing to set and report publicly on an annual guideline target for the minimum proportion of social lettings to homeless nominees
* The social housing regulator should publish a code of practice on the measures social landlords (councils, ALMOs and housing associations) should adopt to deliver their homelessness obligations under the Tenancy Standard and support implementation of the Homelessness Reduction Act, enabling homeless people and others on very low incomes to access and sustain social tenancies. This should draw on the work of the Homes for Cathy group[[71]](#footnote-72), and should include:
  + a person-centred approach to handling housing applications, avoiding the use of blanket grounds for exclusion from housing registers, and ensuring that pre-tenancy assessments/affordability tests operate as an enabling tool rather than a barrier to accessing social housing
  + partnership working between councils and housing associations to deliver Housing First solutions where appropriate to people with homeless people with multiple and complex need, with unconditional access to social housing tenancies;
  + increased delivery of shared tenancy schemes and other housing models targeted at single adults moving on from homelessness;
  + offering constructive solutions to applicants who can’t immediately be enabled to access social housing – for example optional tenancy training, and support to establish a pathway to permanent housing;
  + ensuring providers monitor their performance against key indicators relating to homelessness including the proportion of lettings to homeless people, eviction rates by client group type, and the outcome of fixed term tenancies

ensuring that properties offered to homeless people are ready to move into – providing essential furnishings, white good and floor/wall coverings, or help to access the finance to provide these – and that the location and type of property meets the reasonable requirements of the applicant.

**Government should also endorse the Homes for Cathy commitments as a model of practice for housing providers committed to preventing and tackling homelessness.**

**Digital exclusion and lack of transparency in the allocations system**

Many of the homeless people taking part in consultation workshops to inform this submission experienced difficulties applying for social housing. Problems included:

* Participants described needing to be persistent to work out how to use digital systems, even by those who felt they were digitally competent. There was felt to be an expectation that the applicant will manage the process themselves, and that it is rare to get support with the application Digital forms can be inflexible, and unable to cope with variations in circumstances that the system had not considered. It could then be hard to find out how to resolve problems with the applications process or form, or to obtain advice or support with this. This was the case even for people living in homelessness hostels where providers are funded to provide support. The problems are magnified for those with learning difficulties, limited or no access to the internet, literacy needs and language barriers – it was not always clear how to obtain help;
* Participants highlighted how individuals with a history of addiction or mental health issues may not have been good at keeping records or documents. This can also be a problem when trying to apply for housing online or claim benefits.

“*They ask for too much documentation from you. Bills, bank statements, ID and birth certificates. I don’t have any of them*”

* Many participants found social housing bidding processes (typically used as part of choice based lettings schemes) hard to use or understand. Some councils’ requirements about frequency of bidding can be hard to comply with, particularly for more vulnerable people.
* The lack of transparency about how allocations decisions are made meant that some participants had jumped to conclusions about how people were prioritised. Those left continually bidding over months and years had a sense of feeling forgotten.

**Crisis recommends that:**

* Social housing providers are encouraged by the social housing regulator to review applications systems in consultation with a cross section of applicants and third sector advice/support agencies to ensure processes and digital forms are easy to understand and use.
* Government ensures that housing options teams are funded to provide practical support to help those who need it apply for social housing and bid for properties – with adequate provision made for supported bidding.
* Government should work with the sector to promote best practice, including sharing examples of training courses and on-line materials that help people understand and use the application process.

**Homeless people need access to tailored packages of support to help them access and sustain tenancies**

Effective support services are essential to help homeless people get access to and sustain mainstream housing. This is the case even for people who do not have complex support needs, but who need low intensity, short-term support as they adjust to independent living after a period of homelessness.

Good quality housing-related support is cost effective,[[72]](#footnote-73) but spending on housing-related support (through the former “Supporting People” programme) has decreased by 67% in real terms since 2010.[[73]](#footnote-74) Council housing options teams report social landlords’ increased reluctance to accept tenants considered to have support needs, because of concerns that appropriate support will not be funded.[[74]](#footnote-75) Our workshops with homeless people highlighted the difficulty many experienced getting access to effective support (see **Annex: *Social Housing Green Paper – Consultation Workshops for Crisis Clients***). Many participants described their frustration at being unable to get effective support to help them address the underlying causes of their homelessness, or to seek permanent housing. This affected their ability to apply for social housing, as well as to sustain tenancies once rehoused. There were some examples of good practice however, with individual support providers named for their effective, life changing services. But at a time of reduced spending on support service many homeless people are unable to access provision, which in turn limits their prospects of both gaining and retaining access to general needs social housing.

Recent announcements of funding to deliver essential support services for people with a history of rough sleeping are welcome,[[75]](#footnote-76) alongside last year’s announcement of £28 million to fund three city-region Housing First pilots.[[76]](#footnote-77) Research for Crisis and Homeless Link has identified a cohort of 16,500 homeless people with multiple and complex needs across England who would benefit from Housing First.[[77]](#footnote-78) Crisis is calling on Government to expand Housing First provision, setting a national target for the supply of homes for Housing First from the social and private rented sectors and increasing funding to meet the scale of identified need.

But a more comprehensive approach is needed to extend the provision of support to homeless people across the spectrum of support needs, and to broaden the preventative impact of such support. As part of the plan to end homelessness, Crisis asked PwC to estimate the costs and benefits of measures to tackle homelessness through a range of targeted interventions, including housing-related support. The PwC analysis found that over 10 years, interventions costing £9.9 billion would deliver benefits worth £26.4 bn.

Crisis has called on Government to invest £40.8 million over a three year period in Critical Time Interventions (CTI) to meet the needs of 1,200 households likely to leave state institutions at risk of homelessness over the next three years. CTI is a time-limited practice that supports people who are vulnerable to homelessness when they move on from a state institution or state care.[[78]](#footnote-79) It is a ‘housing led’ approach, providing rapid access to permanent accommodation. This funding would provide for housing options support and an offer of settled housing. An intensive case management approach addresses the needs of people once they have security of accommodation.

**Crisis calls on Government to ensure funding is available to deliver tailored packages of support to homeless people entering social housing and where relevant, to provide ongoing support with tenancy sustainment, particularly for those at risk of eviction.** Support must be available to address the full range of needs from low intensity to complex support, including Critical Time Intervention support for people leaving state institutions, and intensive, specialist support to deliver Housing First.

1. **Crisis response to relevant Green Paper questions**

We set out below out responses to the specific questions posed in the green paper where these are relevant to our area of expertise.

**Chapter 3 Empowering residents and strengthening the Regulator**

**Key points**

* Ensuring effective scrutiny of the consumer standards is essential to ensure all housing providers play their part in ending homelessness. The review of social housing regulation provides an opportunity to ensure that social landlords provide decent homes and effective services for the 4 million households that already live in social housing, but also play their part in meeting the needs of homeless people and others who form part of the 4 million households in the backlog of housing need.[[79]](#footnote-80)
* To ensure housing providers play their part in supporting the effective implementation of the Homelessness Reduction Act, regulation of the consumer standards should ensure providers meet their existing responsibilities under the Tenancy Standard to prevent and alleviate homelessness.[[80]](#footnote-81) Any metrics used to assess performance against the consumer standards should include coverage of factors such as homeless households housed, evictions, fixed term tenancies ended and new social rent homes delivered (as well as wider evidence on social value).

**Q.21 Do the proposed key performance indicators cover the right areas? Q. 22 Are there any other areas that should be covered (by key performance indicators)?**

The Green Paper proposes a new performance monitoring framework for social housing in which key performance indicators are reported publicly, via the social housing regulator. The Paper suggests that coverage might include keeping properties in good repair, maintaining the safety of buildings, effective handling of complaints, respectful and helpful engagement with residents and responsible neighbourhood management, including tackling anti-social behaviour.

Crisis is supportive in principle of the proposal that certain core indicators should be reported publicly, and that the regulator should be involved in overseeing publication, so long as any such indicators are just one component of a nuanced and effective regulatory approach.

Having a national indicator set would help to achieve standardisation, and place an agreed bundle of indicators in the public domain. It is important, however, that the new performance indicator regime is developed in collaboration with the sector, is aligned with existing data gathering/comparison mechanisms particularly the sector scorecard[[81]](#footnote-82) and, critically, encompasses indicators that address social housing providers’ performance in preventing and alleviating homelessness.

To ensure all providers play their part in tackling homelessness, the range of indicators should include metrics that address providers’ performance on their obligations to meet local housing needs, assist with councils’ homelessness duties, provide nominations and support tenants to maintain their tenancy and prevent unnecessary evictions (as stipulated by paragraphs 2.1.1 and 2.2.7 of the [Tenancy Standard](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/725828/Tenancy_Standard_2015.pdf)). Indicators should include coverage of homeless households housed, evictions, fixed term tenancies ended and new social rent homes delivered.

Through the Statistical Data Return the regulator already collects a range of data on housing providers’ performance, though the purpose of this is currently linked to regulation of the economic standards.[[82]](#footnote-83) Lettings data is gathered separately through the CORE return[[83]](#footnote-84), but changes to reporting arrangements since 2012 have made it more difficult to access reports for individual providers/local authority areas. Since 2012 providers have not been obliged to submit data on evictions through the Statistical Data Return, though many still do. There would be scope to develop the range of indicators gathered within the parameters of existing data collection arrangements.

Any move towards a set of national consumer focused performance indicators should be accompanied by a stronger focus on ensuring providers’ own internal/local performance monitoring arrangements are co-produced with tenants and other stakeholders.

**Q 23 Should landlords report performance against these key performance indicators every year?**

Yes.

**Q24 Should landlords report performance against these key performance indicators to the Regulator?**

Yes. Crisis supports the case for more proactive regulation of the consumer standards, and regulatory involvement in gathering and publishing performance information should be part of this.

**Q42 Does the Regulator have the right objective on consumer regulation?**

The regulatory objectives of the social housing regulator should be amended to include a requirement **to safeguard and promote the interests of current and future tenants, homeless people and other service users**. This broader objective reflects the wording of the Scottish regulatory system, and would oblige the regulator in England to consider the needs of homeless people as well as other prospective tenants and users of social housing. This could in turn help drive a stronger focus on the social value and impact of housing providers’ activities, and on ensuring they play their part in supporting implementation of the homelessness legislation.

**Q44 Should the Regulator be given powers to produce other documents, such as a Code of Practice, to provide further clarity about what is expected from the consumer standards?**

Yes. The evidence presented in the Crisis submission provides a strong case for the use of codes of practice to elaborate on expectations of providers under the Consumer Standards. As noted in section 2 of our submission, there is a case for a code of practice addressing the role of providers in preventing and alleviating homelessness, encompassing practice in areas such as allocations, the used of fixed term tenancies, interventions to tackle anti-social behaviour and prevent eviction, and strategies to meet local housing need. This should be developed in consultation with the sector, building on existing best practice.

**Q45 Is “serious detriment” the appropriate threshold for intervention by the Regulator for a breach of consumer standards? If not, what would be an appropriate threshold for intervention?**

The “serious detriment” test is not an appropriate threshold for intervention for a breach of consumer standards. As currently framed, the test sets the bar for intervention too high; the former chair of the regulation committee of the Homes and Communities Agency, Julian Ashby, has himself said that *“It’s an almost impossibly high threshold for intervention, and its Tenant Involvement and Empowerment (TIE) Standard, for example, has never breached it.”[[84]](#footnote-85)*

The threshold for intervention should not rely on a single test, but should be shaped by a broader and more nuanced approach to determining when intervention is necessary. This should draw on learning from the Cave Review,[[85]](#footnote-86) and the work of the Tenant Services Authority. Building on a co-regulatory approach, it could encompass review of performance information (beyond key performance indicators), risk based analysis and a proportionate and graduated scale of regulatory interventions.

A more proactive approach to regulating the consumer standards should reduce the need for regulatory intervention (see our response to question 46). But it is also essential to ensure that the regulator can investigate and, where appropriate, intervene in a proportionate way to enforce the consumer standards.

**Q46 Should the Regulator adopt a more proactive approach to regulation of consumer standards?**

Yes, Crisis would 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. While such regulation is critical to protect and empower tenants, it can also play a part in ensuring that social housing providers deliver their responsibilities to support councils’ implementation of their homelessness duties, as well as having wider social impact.

Without regulatory oversight, the extent to which social housing providers play an effective role in delivering wider government strategies – such as homelessness prevention - is determined principally by the level of organisational commitment to social impact/value. There is currently no presumption in the regulatory system that housing providers will demonstrate their effectiveness in contributing to national/local strategies to, for example, prevent and tackle homelessness, tackle domestic abuse or deliver wider interventions that have social value. There is a public interest case for stronger regulation of consumer-focused activities that impact on wider government strategies.

**Q48 Should the Regulator have greater ability to scrutinise the performance and arrangements of local authority landlords? If so, what measures would be appropriate?**

Crisis would support greater consistency in regulatory oversight of councils and housing associations implementation of the Consumer Standards.

**Chapter 4 Tackling stigma and celebrating thriving communities**

* We strongly welcome confirmation in the Green Paper that the government is determined to tackle prejudice towards social housing and its residents.
* The stigmatization of social renters is comparable to the stigma experienced by homeless people and reflects the wider public discourse about the role of welfare support and social housing.
* Our workshops with people with lived experience of homelessness shows that social housing can have a positive, transformative effect on the lives of people moving on from homelessness. Delivering significantly more housing for social rent should be at the heart of the Government’s approach to tackling stigma, and ensuring effective implementation of the Homelessness Reduction Act.

**Q53. In addition to sharing positive stories of social housing residents and their neighbourhoods, what more could be done to tackle stigma?**

Crisis strongly welcomes the commitments in the Green Paper, and the Prime Minister’s subsequent statements to ‘*change the way tenants and society as a whole think about social housing.*’[[86]](#footnote-87)

The stigmatisation of social renters can be compared to the stigma experienced by homeless people, and, arguably, reflects the wider public discourse about the role of welfare support and social housing.[[87]](#footnote-88)

Remedies to tackle stigmatisation lie not just in supporting initiatives such as *See the Person/Benefit to Society* campaign (welcome though this is), but in a much broader reframing of concepts of housing and welfare conditionality that have dominated Government policy for more than a decade. In addition, as the Green Paper itself acknowledges “proposals to increase supply, will contribute to changes in attitudes over time.”

The Crisis report *Everybody In. How to End Homelessness in Great Britain[[88]](#footnote-89)* sets out the evidence for a housing-led approach to homelessness, with the objective that everyone has a safe, stable place to live. To achieve this, we call on government to deliver a step change in the delivery of new social rented homes, as well as taking steps to ensure the private rented sector is fit for purpose for low income households.

As noted in the introduction to the Crisis submission, the scale of investment proposed is insufficient to achieve the required step change. Increasing the scale of investment in new social housing and broadening access to social rented housing is critical to tackle stigma.

**Q56 What evidence is there of the impact of the important role that many landlords are playing beyond their key responsibilities?**

Crisis' alliance with the Homes for Cathy group of housing associations demonstrates the commitment that exists from many social housing providers to deliver social value. Organisations such as Placeshapers provide evidence of the impact of housing associations’ activities beyond their core housing responsibilities.[[89]](#footnote-90)

Where housing providers deliver services that help tenants settle into their new home (for example, ensuring new tenants are able to decorate and furnish their homes), manage budgets on a low income and respond to unexpected life events or financial shocks they contribute to early prevention of homelessness. Government should ensure that the assessment of value for money delivered by housing providers reflects this wider contribution. Through the review of social housing regulation, it should facilitate an operating environment in which the assessment of social value is embedded in the assessment of value for money.

**Q57 Should landlords report on the social value they deliver?**

Crisis supports the proposal that social landlords should report on social value, and that their activities in this area should be considered as part of wider regulatory judgements on value for money.

Crisis wrote to the Social Housing Regulator as part of its 2017 consultation on revisions to the Value for Money (VFM) Standard to urge the regulator to ensure that any target based approach to assessing VFM takes account of social value. Specifically, this should include the extent to which housing associations provide homes that homeless and other very low income households can afford to occupy (distinguishing between provision of social rent housing and other forms of affordable housing), and support interventions that enable people moving on from homelessness to prepare for and sustain their tenancies.

Failing to take account of social value and, specifically, activities that address needs at the lowest end of the income spectrum or amongst those with higher support needs, risks encouraging providers to focus on lower risk/higher income client groups, exacerbating the shortage of homes affordable to homeless people.

**Q59 [Re Anti-Social Behaviour] What key performance indicator (KPI) could be used to measure this work?**

We question whether there is a single KPI that could effectively measure the impact of providers’ activities to tackle anti-social behaviour. We urge government and the regulator to ensure that the focus on this area addresses the relationship between anti-social behaviour and homelessness, and incorporates a strong focus on preventative work. This should ensure that evictions on the grounds of anti-social behaviour are minimised, and that where eviction cannot be avoided households are not evicted into homelessness.

The Neighbourhood and Community Standard already incorporates a clear focus on prevention (albeit top-line), but the regulator could play a role in providing further clarification of what constitutes best practice in this area drawing on best practice already operating in the sector.[[90]](#footnote-91) A more proactive approach to regulating the consumer standards would ensure that more providers implement best practice.

Workshops with Crisis clients (see **Annex: *Social Housing Green Paper – Consultation Workshops for Crisis Clients***) revealed that a minority of those that had moved on from homelessness into social housing had experienced problems with disruptive neighbours or other types of anti-social behaviour, and that this could have a damaging impact on their well-being. However, when exploring solutions to these problems, participants were sceptical of whether eviction was a useful solution, and mindful that it could be counter-productive to make people homeless in these circumstances. They suggested that solutions lay in a more assertive, joined up response from councils and other relevant services (including the police), and more effective support to help people address addiction or mental health issues.

**Q61 How can we encourage social housing residents to be involved in the planning and design of new developments?**

Ensuring residents are invited to take part in planning and designing new developments is important. But it is equally important that this engagement extends to those living outside the social housing sector, including homeless people and those registered on housing waiting lists as well as the wider community. Crisis urges government to work with the sector to ensure relevant practice guidance across the planning and residential development sectors identifies housing applicants and people moving on from homelessness as part of the audience for such community engagement.

**Chapter 5 Expanding supply and supporting home ownership**

**Key points**

* If the Government is serious about its objective to tackle homelessness, it must deliver a step change in the delivery of new homes for social rent and end the erosion of the social rented stock.
* To achieve this Crisis calls on Government to:
  + Set a target for the delivery of 90,000 social rent homes per annum for 15 years, and grow investment to meet this requirement[[91]](#footnote-92);
  + Develop an investment plan capable of delivering the resources to meet this requirement over a fifteen-year period, taking account of the contribution that can realistically be made by housing associations and councils respectively, and identifying the role of Government investment and other potential sources of funding.
  + Ensure the investment plan can meet the scale of investment needs in all parts of the country, not just in areas of highest affordability pressure.
  + End the practice of converting social rent homes to affordable rent
  + Not allow increased flexibility on the tenure of homes replaced under right to buy. Social rent homes sold should be replaced by a new home for social rent unless needs analysis demonstrates there is no requirement for social renting.
  + End the policy of investing in market linked affordable rents for low income households and ensure that social housing remains affordable to those at the lowest end of the earnings distribution, including people earning the National Minimum Wage.

**Q62. Recognising the need for fiscal responsibility, this Green Paper seeks views on whether the Government’s current arrangements strike the right balance between providing grant funding for housing associations and Housing Revenue Account borrowing for local authorities.**

Both housing associations and councils must be fully engaged in tackling the scale of the shortage of social rented housing. The balance of contribution to be made by each sector should be driven by a realistic assessment of the capacity of each – an assessment which Government should develop in collaboration with the relevant agencies.

The key question that the Green Paper fails to address is whether the likely scale of delivery is sufficient to meet identified needs, and if not, the scale of the investment gap. Our analysis of the scale of need for social rented housing and proposals to address the investment gap are set out in Section 1 of this submission.

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