

Housing news briefing

October 2023



In this edition of our news briefing, we draw attention to some of the key developments and publications affecting the sector.



The view from Keith

We saw a relatively, quieter month for official pronouncements, which might be valuable catching up time from the prolific volume in 2023 so far.

Every new and updated publication impacts on the data that you are required to capture, record, keep secure, process, report and act on. So, now may be a good time to review your data strategy.

On that theme, the need for joined up data is reflected in the government's response to the Select Committee report on Funding for Levelling Up. The government has acknowledged that to succeed, levelling up requires co-ordination and sharing of reliable data within its own departments, perhaps taking a tip from Ombudsman guidance on complaint handling and the avoidance of interdepartmental silos.

As Karl points out in Karl's blog though, while capturing meaningful data is a crucial start point, decision making, and action based on the data is the next crucial step.

I hope you find October's news briefing a useful summary of developments.

Letter to registered providers about RAAC

The Regulator of Social Housing (RSH) has written to social housing providers, urging them to check their buildings do not contain reinforced autoclaved aerated concrete (RAAC). The failure of RAAC components has been identified as a risk in some public buildings constructed between the 1950s and 1980s.¹ Following interactions with sector advisers and stakeholders, it's understood that RAAC is not widely used in social housing. However, it might be found in a small number of buildings constructed during this time, especially those with flat roofs and panel construction.

The RSH expects landlords to have a thorough understanding of their properties, including building safety issues, whether there are RAAC components in the home, and any associated risks to tenant safety. The RSH also expects landlords to develop proportionate mitigation and remediation plans where required and to seek appropriately qualified advice as needed. Providers will need to inform the RSH if they identify any issue relating to RAAC.

Tenant Satisfaction Measures FAQs

Regarding the new tenant satisfaction measures (TSMs), the RSH has published a set of key questions, together with its response. The questions cover topics such as how TSMs apply to small providers and what approach should be taken to surveying tenants with specific complex needs or disabilities. Other topics include stock condition, building safety and complaints.

Third annual landlord and resident panel surveys

The Housing Ombudsman Service has launched its third set of annual surveys of landlords and resident panel members. The Housing Ombudsman aims to understand more about how landlords handle complaints and how they share the lessons learnt. In this year's landlord survey, the Housing Ombudsman is asking for feedback on the impact of their most recent Spotlight reports, which focused on damp and mould and managing agents. The survey also features questions on demonstrating learning from complaints, how and when landlords tell residents about service provided by the Housing Ombudsman and their self-assessment against the Housing Ombudsman's Complaint Handling Code.

Government response to the Select Committee report on Funding for Levelling Up

The government has welcomed the report from Parliament's Levelling Up, Housing and Communities Committee. The report emphasised that Levelling Up is not confined to a few funding programmes but is a comprehensive, system-wide approach aimed at supporting different regions to realise their full potential.

The government agrees that effective co-ordination across various departments is crucial to achieving the goals in the Levelling Up agenda. Additionally, the government acknowledges the vital role of reliable data in assessing progress. As a result, the government is collaborating with the Office for National Statistics and other relevant departments to strengthen existing data metrics, most of which are publicly available as laid out in the technical annex of the Levelling Up white paper. Addressing the issue of funding, the government recently released a funding plan aimed at streamlining the funding landscape. The plan outlines steps being taken to make the funding process less burdensome, with the government aiming to launch 'a funding simplification doctrine' in 2024.

Welcome to Karl's blog



In this issue of Karl's Blog, Karl George RSM's head of governance, considers the recent workforce data report from the National Housing Federation and what it means for the sector, particularly the commitments to be made by and in respect of senior teams.

I was keen to read last month's publication by the National Housing Federation: [How diverse is England's housing association workforce in 2023?](#) I was particularly interested to find out what its EDI data tool, launched in 2021, would reveal about the workforce composition. In the end, there were few surprises but having data to review is critical to moving the dial on inequalities.

I have talked before about the RACE Equality Code we use here at RSM. Data is one of the four principles of the code, contained in the 'composition' element in our RACE acronym (the R, A and E being reporting, accountability and education). We explain to our clients that to make and measure change you need first to identify indicators that will make an impact over the long term, those which will create tangible differences to the existing landscape around race diversity of the board and senior leadership team.

But data isn't everything.

As Kate Henderson, chief executive at the NHF, highlights in the introduction to the report: 'Data is the starting point for change, but better understanding of it needs to be followed up with action.' I would go further. We, as a sector, are now in the place where we must see measurable outcomes emerging from our actions.

Let's consider some examples.

For too long, we have been talking about the lack of representation at all levels for disabled people in the sector, yet only 9% of the sector's workforce have a disability or long-term condition, compared to 24% of the population and 29% of residents.

There has been little change in the ethnic diversity of boards or executive positions since 2021 despite the number of promises and initiatives. The NHF's report found that the ethnic diversity of the workforce is not reflected in executive positions: 10% of the workforce is black/African/Caribbean/black British but only 3% of executives; 5% of the workforce is Asian/Asian British but only 1% of executives.

Is this acceptable? Surely not. The narrative around what is acceptable needs to change, and this can only take place through dialogue. This may be uncomfortable and lead to difficult conversations, raising challenging issues. Yet the resulting decisions will, hopefully, demonstrate that your organisation is committed to improvement.

The NHF makes a number of recommendations for where we go from here. These include inviting employers to review processes for collecting and storing EDI data, to use data to set targets and shape plans and strategies, all informed by engagement with staff with lived experience to understand the barriers experienced and how to overcome them. At a senior level, an invitation is issued to join the [NHF Chairs' Challenge](#), described as 'a public commitment (by the chair) to take your board on a journey to understand how diverse and inclusive you are now, and develop a vision for the future.'

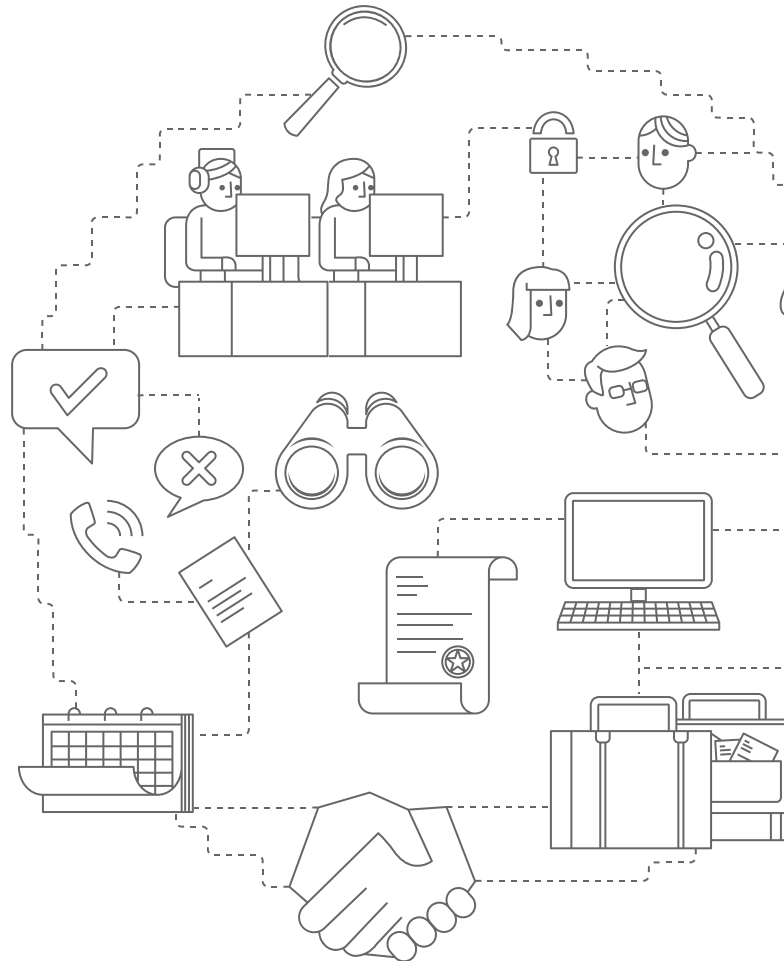
I welcome the work being done around the Chair's Challenge, which mirrors work in other sectors. To highlight just a few, we have seen: Business in the Community's [Race at Work Charter](#), [The Big Promise](#) from Race Equality Matters, The Confederation of British Industry's [Change the Race Ratio](#), and, of course, the 12 Musts from the RACE Equality Code (and it would be remiss of me not to note that the code is one of the 'useful resources' included in the NHF's Code of Governance 2020 in the area of Diversity and inclusion).

We all want to see a more equal and diverse housing sector where everyone at every level feels they belong. The work done by the NHF is a fantastic call to arms to take a deep dive into the data and, crucially, use it to commit to change where that data identifies gaps that can't be reasonably explained or simply should not exist.

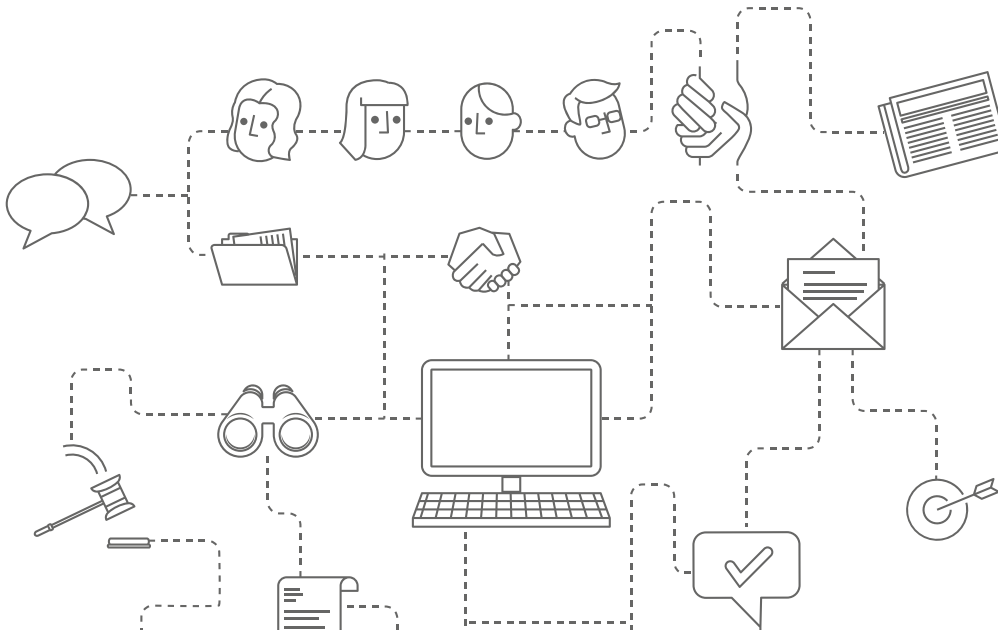
In considering such gaps, a great starting point is the 'explain or reform' approach adopted in the [Police Race Action Plan](#). It requires transparent explanation for why racial disparities or injustices exist or an explanation of the steps that will be taken to reform and improve policies/arrangements to address such disparities. We could take a similar view across all protected characteristics (albeit acknowledging that there will need to be some level of prioritisation linked to available resources).

So, please review the report, take the Chair's Challenge, adopt the RACE Equality Code. Let's take a 'no-excuses' approach to tackling these stubborn disparities, which have been static over the last few decades.

Some exciting news: Watch this space for further information about our collaboration with the Housing Diversity Network and the creation of a sector-specific EDI diagnostic tool.



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Consultation on fees

The RSH has launched a consultation on proposed changes to its fee principles and levels in line with recent legislative and government requirements. From July 2024, social landlords must pay for the full costs of regulation, in line with other regulated sectors. The Social Housing Regulation Act, which received Royal Assent in July 2023, gives new fee-charging powers to RSH to ensure it can deliver its expanded role.

In addition to increasing the fees, the RSH is also proposing to:

- charge larger social landlords for each social home they offer while charging smaller housing associations (those with fewer than 1,000 homes) a single annual cost;
- begin charging councils with more than 1,000 homes a fee, principally as councils will be included in the new regulatory inspections programme; and
- impose fees on organisations when they submit applications to register as social landlords (as opposed to the current practise, in which fees are paid by landlords only after they have successfully registered).

The consultation closes 31 October 2023.

Insight report

The Housing Ombudsman Service has published its latest Insight report, covering April to June 2023, which highlights lessons learnt from instances involving pest infestations and gas safety. Key points include:

- the Housing Ombudsman Service made 1,284 determinations, a 69% increase on the previous quarter (January to March 2023);
- property condition accounted for 58% of all complaints, a slight decrease from the previous quarter;
- 2,911 orders were made to make things right, a 91% increase compared to the previous quarter; and
- 52% of those orders were for resident compensation.

Key learnings for the sector include:

- conducting timely inspections for pest infestations are important and work to locate their source should be a priority. Landlords should communicate effectively with tenants to keep them informed of developments and timelines;
- when conducting gas safety testing, landlords must follow all applicable safety regulations; and
- landlords should ensure they have accurate and up-to-date record of residents' vulnerabilities, and they adhere to their own gas safety standards and procedures.

Health risks of damp and mould

Guidance on understanding and addressing the health risks of damp and mould in the home has been published jointly by the Office for Health Improvement and Disparities, Department for Levelling Up, Housing and Communities, and UK Health Security Agency.

The guidance was developed with a multidisciplinary group of experts in housing and health as a direct response to the Coroner's Prevention of Future Deaths report following the terrible death of two-year-old Awaab Ishak. The guidance aims to ensure landlords are fully aware of their legal obligations and the significant health hazards associated with damp and mould. It has been published to raise standards in housing and prevent harm to tenants.

The guidance includes:

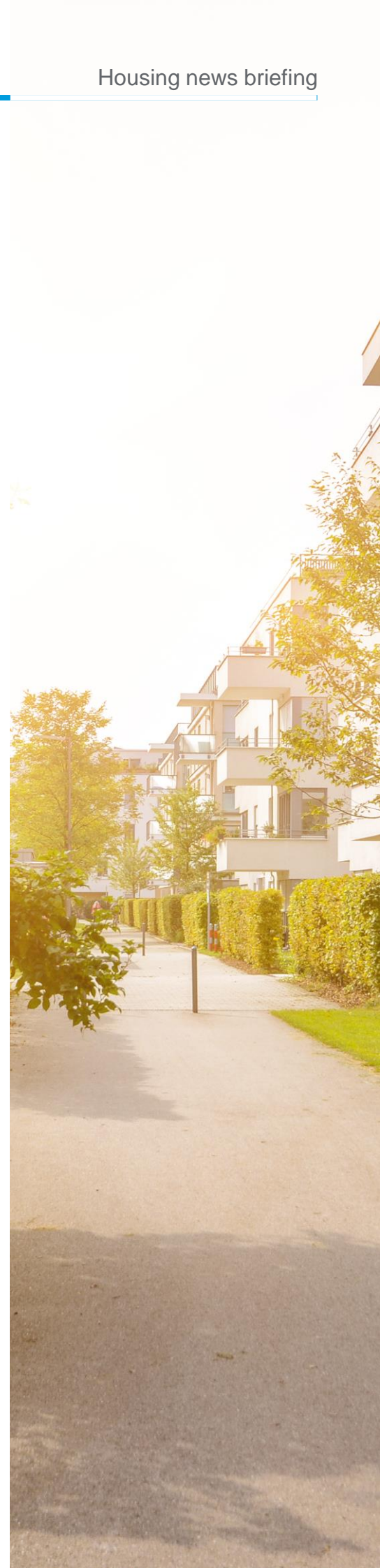
- an overview of health risks associated with damp and mould;
- relevant regulations and legal obligations placed on landlords in relation to damp and mould; and
- recommendations for landlords when responding to reports of damp and mould and reducing the risk.

RSH publishes quarterly survey for Q1 2023-24

The RSH has published the results of its latest quarterly survey (1 April to 30 June 2023) of registered providers' financial health. The report shows that providers are continuing to balance investing in existing homes and building new ones, while operating in a particularly challenging and fast-moving economic environment.

Key points include:

- operational costs are still being impacted by high inflation and higher maintenance and repair expenditures;
- providers spent £1.8bn on repairs and maintenance which, although is below forecast, was the highest Q1 figure recorded. It is also predicted that providers will invest a further £8.2bn over the next 12 months;
- providers continued to build and acquire new homes, investing £3.7bn. This was 24% below expected levels, which indicates an investment backlog; and
- despite significant financial pressures, providers were able to attract £1.8bn in new finance during the quarter, with bank facilities accounting for the majority of this.



References



[Letter to registered providers about RAAC](#)



[Consultation on fees](#)



[Tenant Satisfaction Measures FAQs](#)



[Insight report](#)



[Third annual landlord and resident panel surveys](#)



[Government response to the Select Committee report on Funding for Levelling Up](#)



[RSH publishes quarterly survey for Q1 2023-24](#)



[Health risks of damp and mould](#)

Further information

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