

CIH response to Homes for the Many: Labour's Review of Social Housing



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Summary of our key points

Overall we consider that social rented housing should form a critical part of a wider housing strategy aimed at ensuring that everyone has access to a decent, safe place to call home - and which does not prioritise one tenure over another. Within this overall strategy, the role of social housing should be to:

- provide housing on a not-for-profit basis that is affordable to all, including those on the lowest incomes
- meet the housing needs of households who would otherwise have no suitable and affordable options
- enable people to live in successful, mixed communities.

In recent years government policy has been too focused on promoting home ownership and we would welcome a move towards a more balanced approach.

There is a clear need to increase not just the number of new homes being built overall, but the number of affordable homes also. We would welcome an aim to build 100,000 homes per year to rent or buy at below market rates, provided a significant proportion of these are intended for let at the lowest 'social' rents. This is the only form of housing that is genuinely affordable for many households and upfront investment in providing more homes at lower rents delivers longer term savings by reducing the cost of welfare.

There are significant variations between housing markets in different parts of the country and the exact mix of the different types of housing required will need to be determined at a local level, taking these factors into account.

However overall we are concerned that only 5,380 new homes were completed for social rent in 2016/17. Furthermore, through a combination of factors, including right to buy sales and conversions to affordable rent, the existing stock of social rented housing is still being depleted. Taking everything into account [our analysis](#) suggests that 150,000 social rented homes have already been lost in the last five years and that by 2020 this is likely to rise to 230,000.

To reverse this trend, we would suggest that some existing government investment in housing is reallocated. Currently government is planning to invest a total of £53 billion in housing over the period to 2020/21. However only £11 billion (21 per cent) of this is intended to support affordable housing, with the majority directed towards supporting people to purchase homes on the open market. Redistributing a further £1.5 billion of existing funding per year would deliver an additional 28,000 new homes per year at social rents.

Past experience also suggests that we can only build new homes in the sort of numbers required if local authorities are enabled to make a significant contribution. However in 2015 they built just 1,680 new homes. To address this, we suggest reviewing the rules concerning the use of right to buy receipts, which prevent many

homes from being replaced, and revisiting the original housing revenue account (HRA) self-financing settlement, which aimed to give councils greater freedom to borrow to build.

In addition to these changes, we make a number of further recommendations throughout our response. These are to:

- give both further certainty and greater consideration to the issue of affordability when setting future rent levels
- establish a long-term funding model for supported housing
- review the impact of welfare cuts on housing policy. More specifically, abolish the bedroom tax and the reduced benefit cap
- provide targeted funding to bring 578,000 homes up to the decent homes standard, as well as reviewing the standard to ensure it remains fit for purpose
- provide targeted funding to support landlords to carry out any specific works needed to ensure properties remain safe, following the Grenfell Tower fire
- increase funding for the retrofitting of existing stock via the energy company obligation (ECO) scheme, and provide a longer term commitment on funding
- provide additional resources to support local authority planning and housing strategy teams
- improve the approach to releasing publically owned land for housing
- reform the rules governing the use of compulsory purchase orders (CPOs), to enable councils to purchase land for housing at a lower price
- instruct the regulator of social housing to place greater emphasis on both services to tenants and landlords' responsiveness to tenants' views.

Review - how did we get to where we are?

1. What are the most important decisions made in recent decades for social housing - good and bad?

Social housing is an area in which there has been a substantial amount of policy change over the last few decades, much of which is considered in more detail in our answers to questions two and three. However, we consider the following to be the most significant changes in recent decades:

- **On the supply of social housing, the introduction, and reinvigoration of, the right to buy** - in total, since its introduction in 1980, almost 2 million households have bought their home through the right to buy. Although this will have been a positive, perhaps even life changing, opportunity for many of those households, our failure to reinvest the proceeds from sales in new homes has been a major factor in our current shortage of social rented housing. Since the reinvigoration of the policy in 2012, 60,423 homes have been sold but work has only begun on building 14,736 replacements.
- **On the standard of social housing, the decent homes programme** - prior to 2000 a substantial backlog of disrepair, estimated at £20 billion worth of work, had built up. Following the creation of the decent homes standard and subsequent investment over the following decade, the physical standard of our social housing stock has been transformed. The latest statistics show that only 13 per cent of homes in the sector do not meet the standard, compared to 28 per cent of privately rented homes and 18 per cent of owner occupied homes.
- **On the affordability of social housing, changes to rents and welfare policy** - over most of the period concerned there has been an expectation that increases in rents will help to fund new development, with housing benefit “taking the strain”. This trend was accelerated in 2011 with a substantial drop in grant funding for development (although this has since been returned to around its original level) and the introduction of ‘affordable’ rents at up to 80 per cent of market rents.

However, in recent years this approach has conflicted with government's desire to reduce the benefit bill. As a result various cuts to many households' entitlements, including the bedroom tax and the overall benefit cap, are now leaving some in a position where even the most affordable form of housing available is out of reach.

2. What were the successes and shortcomings of Labour's approach in government?

We consider the following to be notable successes of Labour's approach in government:

- **The introduction of the decent homes programme** - this is considered in more detail in our answer to question one.
- **Targeted action to reduce homelessness** - in government Labour set challenging targets to reduce levels of homelessness and took targeted action, including providing funding, to achieve them. Statistics show that substantial reductions were achieved with the number of acceptances falling from a high of 35,770 in the third quarter of 2003 to a low of just 9,430 in the final quarter of 2009. Similarly the number of households in temporary accommodation peaked at 101,300 in quarter three of 2005 before dropping to 48,010 at the end of 2010.
- **The creation of the supporting people programme** - for the first time this focused on the value and benefit that came from a diverse but significant part of the social housing sector. It provided a streamlined funding system and a clear and consistent framework for supported housing which also focused on quality and outcomes, both for the individuals/households in supported housing and for wider public services like health, social care and the justice system. However the level of investment required was significantly higher than originally estimated, raising concerns about cost shunting from other services. This led to budget reductions from the outset.
- **Beginning the process of introducing self-financing for local authorities** - Labour was heading towards a self-financing settlement in 2010 which would have facilitated a significant council house building programme. Although the latter was axed by the coalition, self-financing itself went ahead and provides a platform for future council housing investment, under the right conditions.

However despite these successes, there was also a significant missed opportunity in the **failure to invest sufficiently in new social housing**. Although Labour's focus on improving standards among existing homes was very welcome, the current acute shortage of social housing is largely a result of decades of failure to invest sufficiently in new supply. Following Labour's time in power the number of completions of affordable housing peaked in 2010/11 at 56,000, however this was still significantly short of the level required.

In addition, there is clear evidence that the Labour government's decision to **remove the 'ring fence' from supporting people funding** led to some of this money, which had been intended to support vulnerable people to live independently, being diverted to other spending priorities. In practice this led to significant cuts to services in some areas, despite government commitments to maintain funding at a national level.

3. What have been the successes and shortcoming of the Conservatives' approach in government?

We consider the following to be notable successes of the Conservatives approach in government:

- **The introduction of the Homelessness Reduction Act** - although there remains a need to ensure that local authorities are provided with sufficient resources to properly implement the Act, it has the potential to radically change the way in which we deal with homelessness. The greater focus on prevention and the principle that local authorities should provide some support to everyone, regardless of priority need, are extremely welcome. Early evidence from the London Borough of Southwark, which is piloting the approach, shows that homelessness acceptances have already reduced by 53 per cent and the use of bed and breakfast accommodation has been eradicated entirely.
- **The expansion of shared ownership** - increases in house prices and rents have left more households unable to access home ownership than previously, at a time of when our stock of social housing is also shrinking. As a result significant numbers of households are now concentrated in the private rented sector, often with high costs, limited choice and control and a lack of security for the long term. Increased investment in shared ownership has provided real alternatives for many of these households, including those on lower incomes, than would otherwise be able to access alternative models of low cost home ownership (such as starter homes).

[CIH and Orbit's first report](#) drew together research which demonstrated that a household earning £22,000 could afford shared ownership in 75-87 per cent of local authority areas (buying a 50 per cent and 25 per cent share respectively). However the same household would struggle to afford a help to buy mortgage in more than two-thirds of local authorities, whilst the private rented sector would be affordable in only 60 per cent of authorities.

However, we consider the Conservatives' overall approach to housing to be focused too strongly on promoting home ownership. This is a legitimate policy objective but should not be pursued to the detriment of other tenures.

The balance has been partially redressed in recent months but, for example, it remains the case that out of £53 billion due to be invested in housing over the period to 2020/21, only £11 billion (21 per cent) will be directed towards affordable housing. The vast majority is intended for schemes that support more people to buy homes on the open market, such as help to buy.

More specific shortcomings of Conservative policy include:

- **The ongoing reduction in the supply of social rented housing** - a combination of factors, including the decision to focus government funding on promoting home ownership, a failure to replace homes sold under right to buy and the ongoing conversion of existing homes to affordable rent, means that the number of homes being let at social rents continues to decline. [Our latest analysis](#) suggests that we have already lost 150,000 homes for social rent in the last five years and that this is likely to rise to 230,000 by 2020.
- **Welfare cuts which have pushed many households into arrears, or left them unable to access suitable housing** - the latest statistics show that more than 400,000 households are still affected by the bedroom tax. In addition a further 68,000 households are affected by the benefit cap, with nearly one third of these losing between £50 and £100 per week.

These cuts are causing real hardship and leave some households completely dependent on discretionary housing payments (DHP) to survive. For example, [our analysis](#) shows that a couple with two children living in Reading and renting privately would face an average weekly shortfall of more than £70 as a result of the benefit cap. It is very unlikely that such a household facing such a large shortfall will be able to successfully sustain a tenancy if they are unable to access DHPs. Our [further research](#) reveals the impact of the cap on individual households, including families going without food or relying on foodbanks and families falling into debt.

- **The lack of certainty on rent levels** - as part of the Budget 2015 government announced that social landlords would be required to reduce their rents by one per cent per year for the next four years. The National Housing Federation estimated that the immediate impact of this reduction in income would be a loss of 27,000 new homes, while our [2016 report published with CIPFA](#) estimated that the combined impact of this and other policy changes reduced local authority's capacity to build by 500,000 over 30 years.

The rent reduction was announced one year in to what was expected to be a 10 year rent settlement, which would have seen rents rise by CPI plus one per cent per year. As well as reducing landlords' income it therefore also removed their ability to plan for the future. Anecdotal feedback suggests that many organisations felt that they needed to be prepared for further possible rent reductions, reducing their ability to invest fully in new supply.

- **The lack of certainty on funding for supported housing** - whilst the ongoing involvement of the housing sector to find a new funding framework has been welcomed, the original proposal which involved applying local housing allowance (LHA) caps to rents and providing top up funding through

a localised funding pot caused considerable alarm for a sector. This led to a stalling of development of much needed new schemes, with a National Housing Federation survey of its members indicating an 85 per cent drop in new provision.

Under the revised proposals we remain concerned about arrangements for localised funding of short term services. This may lead some providers to focus instead on schemes for people with long term needs, as those will continue to be funded through the welfare system.

- **The deregulation of social housing** - changes to the regulation of social housing mean that it is now focussed largely on business viability, new build output and value for money, while services to tenants are now under-scrutinised.

Definition - what should 'affordable' mean?

4. What vision and role should social housing have under a Labour government?

We consider that social housing should form one part of a wider government strategy aimed at ensuring that everyone has access to a decent, safe place to call home - and that does not prioritise one tenure over another.

Within this overall strategy, the role of social housing should be to:

- provide housing on a not-for-profit basis that is affordable to all, including those on the lowest incomes
- meet the housing needs of households who would otherwise have no suitable and affordable options
- enable people to live in successful, mixed communities.

5. Does social housing need rebranding? In name, in concept, or both?

Ten years on from the Hills review, it feels timely to revisit and once again question the role and purpose of social housing. We have seen many changes during this period, including welfare cuts, austerity, funding cuts and most recently the tragedy at Grenfell Tower. These have arguably placed social housing in the spotlight like never before and lead us to consider its nature once again.

We have recently begun a [fundamental review](#) of the role and purpose of 'social' housing in the 21st century which includes what it is, the benefits it offers and who lives there. As part of this work we will look at challenging the unhelpful myths and stereotypes that surround social housing and the people who live in it, and will be exploring what a more neutral description for it might look like.

We would welcome the opportunity to maintain a conversation with the Labour Party as this work develops.

6. What should we mean by social/affordable housing, both to rent and to buy?

We are concerned that the terms social rented housing and affordable housing have come to be used interchangeably, when in fact they have clearly different meanings. We consider these to be:

- affordable housing - an 'umbrella term' for all housing that is provided at below market rates. This includes homes for let at social rents but also a number of other products, such as affordable rented housing, intermediate rented housing, starter homes and shared ownership.
- social rented housing - this term should only be used to refer specifically to homes which are available for let at the lowest 'social' rents.

Government strategy should be to provide a range of different forms of affordable housing in order to meet different needs. However, we are clear that social rented housing must make up a significant proportion of our affordable housing stock, as for many households it is the only genuinely affordable option. However, in 2016/17 only 5,380 out of a total of 41,530 new affordable homes built were for let at social rents.

It is also important to consider the way in which social rents are set, and this question is addressed in our [recent report, entitled Building Bridges](#). It suggests that government policy on rent setting should give greater consideration to affordability.

Specifically, it recommends that social rents be set:

- at no more than one-third of earnings for those on below-average incomes (as assessed at a local level)
- wherever possible, so that they are affordable to all working households without them needing to claim housing benefit (or the housing costs element of universal credit).

Building - how do we build the scale of social housing required?

7. How many genuinely affordable homes are needed?

The most recent assessment of need for new homes at less than market price said that at least 80,000 are required annually. This is out of a total of at least 250,000 new homes per year across all tenures.

We would therefore suggest that a target of 100,000 affordable homes of all types per year is sensible. Although those should be comprised of a mix of different products, including both homes to buy and rent at below market prices, it is important that a significant number of them should be built for let at social rents.

For many households social rented housing is the only form of housing that is affordable and there is clear evidence to suggest that grant funding for it is a good investment, as it delivers substantial savings to the cost of welfare over the longer term. For example, a recent Savills report [Investing to solve the housing crisis](#) estimates that investing £7 billion pounds to house 100,000 more households in social rented housing would reduce the welfare bill by £418 million per year.

The government's current affordable homes target falls significantly short of the numbers required. We are currently aiming to build a total of 275,000 new affordable homes between 2015 and 2020 (i.e. an average of 55,000 per year), which is just two-thirds of the estimated level of need.

Furthermore actual output is currently falling well short of this target, with just 41,530 affordable completions in 2016/17 and with only 5,380 of these homes being for social rent. It is clear therefore that a 'step-change' is needed in the delivery of both affordable housing overall, and of social rented homes in particular.

8. What groups of people are most in need of new affordable housing, to rent and to buy?

We consider that government's overall aim should be to provide a range of options to cater for different groups.

Given the scale of our affordability crisis, it is not only households on the lowest incomes who often have difficulty accessing decent, suitable housing through either the private rented sector or owner occupation. [Our previous research](#) shows that the average annual income for a household buying a shared ownership property, for example, is £34,000. This is a valuable form of affordable housing, which is meeting a genuine need among average earners and slightly above average earners.

However, we remain concerned that the government's current focus on building almost exclusively for affordable rent and low cost home ownership, does not cater for those on the lowest incomes. In high cost areas, like London and parts of the South East, even those on average incomes are often priced out of other tenures.

Overall there are substantial regional differences in levels of affordability and local policymakers will be best placed to determine the exact mix of different products that are needed in their area. However, with only 5,380 new homes built for social rent in 2016/17, it is clear that this needs to be a much bigger part of the mix in the future.

9. What range of agents and actors should be involved in delivering these homes?

In order to build new homes in the numbers required, it will be necessary to enable all parts of the market to contribute. This includes housing associations (currently the largest providers of new affordable homes) but also local authorities, ALMOs and the growing number of local housing companies, over 100 of which have now been established by local councils.

Past experience suggests that we have only ever delivered new homes at the scale required with significant local authority involvement. However at present, authorities face a number of barriers which often prevent them from developing new homes. These are considered in more detail in our answer to question 10 but they include unnecessary restrictions on borrowing and on the use of right to buy receipts.

In addition, local authorities also have a critical enabling role. However, anecdotal evidence suggests that funding cuts have led many authorities to cut back both their housing strategy and planning departments.

Finally, private developers should also continue to contribute. The latest affordable housing supply figures show that, in 2016/17, over 18,000 homes were delivered via developers' section 106 contributions, 43 per cent of the total. Almost all of these were delivered without any grant funding and, of the total, about 14 per cent were for let at social rents.

Government could also consider boosting the number of private developers who are building by supporting more SME builders into the market and/or by encouraging innovative methods of construction, including off-site construction (while also ensuring that standards are not compromised).

10. Our manifesto committed us to building 100,000 genuinely affordable homes to rent and buy each year including the biggest council housebuilding programme in over 30 years. Besides extra public subsidy, what other measures could be taken to boost investment to meet our target?

We would encourage government to think of housing in general, and social housing specifically, as a vital part of our national infrastructure. Investment in it brings significant economic, as well as social, benefits and a successful approach to development will mean joining up housing with other areas of infrastructure, such as transport. There will be a key role for the newly established Homes England in ensuring this is done effectively.

With the above in mind, we would propose a package of further measures to boost supply including:

- **Rebalancing existing housing investment** - our analysis shows that government has already committed a total of £53 billion via a mixture of

grant funding, loan funding and loan guarantees, over the period to 2020/21. This is a considerable investment. However only £11 billion (21 per cent) of it is directed towards affordable housing, with the vast majority being spent on supporting owner occupation. Redirecting just a proportion of the funding intended to support help to buy and starter homes towards social rented housing could significantly boost supply. For example, redistributing £1.5 billion of existing funding per year would deliver an additional 28,000 new homes per year at social rents.

- **Enabling local authorities to borrow to build** - local authorities built just 1,680 new homes in 2015. This part of the sector could build in substantially higher numbers if certain barriers to investment were removed. In particular, government should revisit the original HRA self-financing settlement, which aimed to give councils greater freedom to borrow to build. This could be achieved either by removing council borrowing caps across the board or by reviewing them on a case-by-case basis by entering into bespoke deals with individual councils in return for commitments to build.
- **Providing further certainty on future rent levels** - we suggest that the new five year settlement should become a rolling agreement, to avoid uncertainty. However, this must be considered in the context of the review of affordability noted in our answer to question six, given that the current settlement is likely to lead to rents rising faster than earnings.
- **Reviewing the use of right to buy receipts** - when the coalition government revitalised the right to buy for council tenants in 2012 it did so with a promise that all additional homes sold as a result would be replaced on a one-for-one basis. Since then 60,423 homes have been sold under the scheme but work has only begun on 14,736 replacements. This is consistent with the findings from [our previous research](#) which showed that three quarters of local authorities are only able to replace half or fewer of the homes that they sell.

Government could greatly improve this by allowing councils to retain all of the receipts from sales (currently a significant proportion is returned to the Treasury) and by removing unnecessary restrictions on how receipts are used. This includes rules that prevent receipts from being used to fund more than 30 per cent of the cost of a replacement home or from being combined with grant funding, as well as a tight three year time limit within which they must be spent.

More generally, government may want to consider the future of right to buy as part of a broader strategic review of the housing market and the measures needed to balance it.

- **Establishing a long-term funding model for supported housing** - there is an acknowledged shortfall in the number of supported homes needed, both in the short term (over 16,500 in 2015, as identified by the National Housing Federation and Sitra) and the long term (for example, it is estimated that 11,000 housing with care units are required per year to keep up with our ageing population).

To continue to develop new schemes, providers require confidence in the long term viability of these developments, which have higher costs than general needs housing, due to the nature of the facilities required and of the services being delivered. The funding system should be person centred and flexible to meet the changing needs of individuals/households, be able to grow to meet changing and future needs of the population and be able to meet the actual costs of provision. Whilst emergency and crisis accommodation may need to be funded through a national or local funding pot (as it does not fit with the timescales for universal credit), other supported accommodation should remain within the welfare system.

- **Reviewing the impact of welfare cuts** - our answer to question three sets out the affect of welfare cuts on many households' ability to afford suitable housing. However, as well as having a major impact on those individual households, this also affects landlords' plans for future development. The most obvious example of this is the government's (now abandoned) plans to extend LHA caps to the social sector, and in particular to supported housing. A survey conducted by the National Housing Federation suggested that the uncertainty created by these plans led to an 85 per cent reduction in the number of new supported homes that housing associations were planning to build.

Overall we consider that government policy on housing and welfare is not sufficiently joined up. Government should carry out a thorough review of its welfare policies and consider how these impact on their aims with regards to housing. More specifically, government should abolish the bedroom tax and the overall benefit cap. This would ensure that more people have the means to access suitable housing and in doing so, would give landlords greater confidence to invest in new homes.

- **Providing additional resources to support planning and housing strategy** - given that these services have suffered some of the biggest cuts in local government spending, they should receive special attention. This could be achieved by giving targeted support to councils, perhaps linked to City Deals or other incentive mechanisms.

11. High land prices make it expensive to build social housing. How can we reduce land costs and increase the availability of land for social housing?

There is still scope for government to make better use of publically owned land by releasing more of it for housing.

To achieve this, government could hand its land portfolio to Homes England to manage strategically. This would reduce complexity and increase the speed and efficiency with which public land can be brought in to use. It would also enable Homes England to bring new developers in to the market by, for example, offering a five year guaranteed land supply. The land could be sold at market rates avoiding a cost to the public finances. State Aid rules do not permit this right now but it would be possible post-Brexit.

Alternatively government could encourage public bodies, including local authorities, to release land in different ways. For example, allowing developers to defer payment for land until after building is complete could improve scheme viability. Or by retaining an equity stake public bodies could achieve a longer term financial gain as a result of the increased land values that development will deliver.

Finally, government could also enable local authorities to buy land more cheaply by making a change to the compulsory purchase order (CPO) process. At present councils are required to pay a high price for land bought in this way, based on its eventual value once planning permission has been granted. If councils were instead enabled to buy land at its current value, this could make it much more affordable for them to assemble land for development.

13. What should we do to increase the contribution that private developers make to providing more affordable homes?

A substantial proportion (over 40 per cent) of affordable housing is delivered via section 106 and it is vital that this is retained and strengthened. A key issue is the use or abuse of viability assessments. While it is clearly important that a section 106 requirement does not render a development unviable, we are concerned that there is some evidence of the system being manipulated simply to reduce or escape agreed requirements to provide affordable housing.

Standards - how do we secure decent standards in current and new social housing?

14. Our housing stock is ageing and over half a million council and housing association homes are classified as non-decent. How can Labour deliver decent homes for all?

In the first instance government can support landlords to ensure their homes meet the decent homes standard by providing:

- further certainty on rent levels. This not only enables development of new homes but also investment in planned maintenance and improvement programmes for existing stock

- targeted additional funding (separate from existing funding which is intended to increase supply) to bring an additional 578,000 homes up to the existing standard.

Beyond this, there is a case for government to review and update the decent homes standard. We had welcomed the Labour party's previous proposal to extend the standard to create a 'warm homes' standard aimed at eliminating fuel poverty and also meeting our national carbon targets. A similar approach is already in place in Scotland where a new energy efficiency standard for social housing is intended to further raise the standard of the stock.

In addition, the Grenfell Tower fire has brought to the fore a number of further questions about the maintenance and refurbishment of existing homes in tower blocks. The inquiry into the fire is still ongoing and it may be some time before its causes are fully understood, however it seems likely that some other blocks will require remedial works to ensure that they are safe.

Clearly it is imperative that this work is completed as quickly as possible. To support it government should be prepared to target additional and specific upfront funding for landlords who need it. This investment could take a number of forms, from direct government investment to revolving loans to assist landlords in managing the cash flow implications of large and unexpected expenditure.

15. How should we make new and existing social homes greener and more energy efficient?

The latest government figures show that, in 2015, 2.5 million households (11 per cent of all households) were living in fuel poverty. At the same time, as a country we are falling significantly short of our own carbon reduction targets. [Our report, published jointly with Orbit](#), shows that in total 625,000 homes per year need to be brought to near-zero carbon emissions by 2050 to comply with targets in the Climate Change Act.

We have already referred in our answer to question 14 to the potential for government to review the decent homes standard to place greater emphasis on tackling these issues.

In addition, funding for retrofitting works via the energy company obligation (ECO) scheme has been reduced and is currently only committed until September 2018. We consider that the £640 million currently available, while welcome, is not sufficient to fully address the scale of the challenge and so there is an opportunity for government to increase this at the end of the current funding period.

Finally, there is also a need for greater certainty around funding arrangements and so we would welcome a move to a longer term commitment on funding.

Tenants and residents - how do we improve involvement, voice and rights?

The subject of how to give tenants and residents a greater voice is currently the subject of a number of pieces of research, including the Housing Minister's recent tenant roadshows, our own [Rethinking Social Housing project](#) and Shelter's recently announced review of social housing. In addressing the following questions, it will be important to reflect on the findings from those projects as they emerge.

16. How do we make the regulation of social housing more tenant focused?

Currently regulation is focussed narrowly on issues of business viability, new build output and value for money. The regulator only engages with issues relating to the quality of services delivered to tenants where there is a risk of "serious detriment" occurring. This is a 'high bar' for regulatory intervention and as a result we are concerned that these services are not subject to sufficient scrutiny.

However it seems likely that, as the lessons of the Grenfell Tower fire become public, both services to tenants and landlords' responsiveness to tenants' views will need to take on greater importance in the regulatory system. While consideration will need to be given to the precise form this takes, we consider that it would be a positive change as there is a clear need to ensure that tenants have adequate mechanisms to raise concerns about services and to hold their landlord to account.

17. How do we best ensure a voice for tenants in national standards and policy-making?

First and foremost it is critical that tenants have adequate mechanisms to raise concerns about their own landlord at a local level, and this is considered in our answer to question 16.

Over and above this, there may also be merit in considering whether there are sufficient means for policy makers operating at a national level to consult with tenants. Certainly in recent years tenants have not been routinely consulted on major policy changes, like the extension of the right to buy, fixed term tenancies and changes to rents. This lack of engagement at a national level has been raised consistently at the previous Housing Minister's recent roadshow events. We would therefore welcome a change to a more collaborative way of working, where government routinely seeks the views of tenants and housing professionals as part of its approach to formulating policy proposals.

At present it is unclear what mechanism government would use to do this and so consideration should be given to the best way approach.

18. How do we ensure an effective voice and role for tenants with their landlords, including on estate regeneration?

When carried out effectively, estate regeneration can bring enormous benefits for existing residents, such as substantial improvements to the physical standard of homes, and new community facilities and employment opportunities, as well as delivering much needed new housing.

[Our research, published with the Centre for Regional Economic and Social Research \(CRESR\)](#) sets out some positive examples of this. It makes clear that plans to regenerate an area should always be built on extensive work with existing residents to understand their needs and aspirations and that collaboration with the community should continue throughout the development process.

One major concern of existing residents is often the prospect of social rented homes being demolished and not replaced on a 'like-for-like' basis. We agree that this is a critical issue and that, in order to ensure that existing residents are always able to remain in the area (should they choose to do so), genuine replacement of any social rented housing which is due for demolition must be a priority in any scheme.

Our research shows that in many areas increasing densities is an effective way of achieving this, while also delivering new homes and ensuring a more mixed community. For example in Poplar, 1,176 new homes are being built to replace 300 which are being demolished. The estate will retain the same level of social rented housing but additional homes built for outright and low cost home ownership and private rent will create a more mixed community. Similarly in Plymouth a total of 794 homes have been demolished with 1,102 new homes being built in their place. A further 300 existing homes have also been refurbished.