

CIH submission to MHCLG Decent Homes Standard Review

Additional comments on a new Decent Homes Standard

CIH is pleased to submit additional comments to MHCLG's review of the Decent Homes Standard (DHS). We have included some broad comments that reflect the main concerns and comments feedback from members and professionals in the sector, and then address the specific questions around the criteria.

In an earlier survey on a review of the DHS (2018), our members were overwhelmingly in favour of this (94 per cent of respondents). A critical driver was the need to embed minimum energy efficiency levels; 87 per cent wanted this included, so the requirement for all social housing to reach EPC Band C by 2035 (and by 2030 in cases of fuel poverty) is welcome, and an important step in both improving existing homes and tackling the decarbonisation challenge.

Consultation with CIH members and sector leaders reveals a clear concern that the review should be comprehensive rather than simply adding to or updating the existing measures that comprise the DHS. It should enable landlords to take a strategic approach to asset management and coordination of energy efficiency and other improvement programmes across the range of their housing types and tenures, incorporating consultation with and inclusion of tenants' priorities.

The original DHS has been successful in delivering much needed improvements to existing homes, from a baseline following years of underinvestment, particularly for council housing, limited by the funding regime that then existed before it was introduced. The specific additional investment, albeit linked initially to ALMOs, enabled the ten-year target to reach the standard to be very nearly met, a significant achievement for the sector in partnership with government. However, the standard it set was itself limited and many social landlords set out to achieve more than this and are keen that any future standard supports a more strategic approach to investment in their homes. The original DHS in some cases drove compliance with the standard and a focus on replacement of major elements such as kitchens and bathrooms, rather than a more strategic approach or one that involved the input and priorities of tenants and residents.

For this reason, CIH would encourage MHCLG to use this opportunity to develop a system that focuses on outcomes and include the involvement of tenants and residents in priorities for action and investment. How the outcomes are achieved can then be developed flexibly by landlords across different geographies and housing types, in agreement with tenants and residents.

It should aim to deliver homes and outdoor spaces that keep people:

- Safe
- Secure
- Healthy



- Comfortable and at an affordable cost
- Connected (socially and virtually).

A stronger focus on tenant and resident involvement in shaping local approaches would enable landlords to incorporate wider activity such as adaptations to properties, neighbourhood, and environmental improvements. This would enable existing homes, communal areas and outdoor spaces to be improved in ways that support people's health and wellbeing, tackling the health inequalities that have been <u>highlighted</u> by the experience of people in lockdown, particularly when living in non-decent, poorly heated, insecure and overcrowded homes. Better engagement with residents to increase awareness would also support and link into Green Skills and the wider employment strategy.

The evidence of the impact of poor quality homes on health reinforces the need to develop a new DHS driven by outcomes that can be extended beyond the social housing sector to private rented housing, so that people renting across sectors can expect a decent home that will support their wellbeing and not cause or exacerbate health issues (including issues of affordability that drive overcrowding). This will ensure that the contribution of housing to wider population health can be maximised, providing long term savings/ reduction of increased costs to other public services, notably the NHS.

Funding

The original DHS was accompanied by a specific additional funding stream for councils to access. A new DHS is likely to require landlords to review and refocus their investment decisions, particularly if there is limited or no additional funding from government. This will be particularly difficult for councils, with business plans developed based on the existing standard.

The requirements for increased building safety and meeting net zero targets are likely to involve significant funding by landlords; in CIH's and Orbit's first report into implementing zero carbon (Warm homes and a safe environment) costs averaging £17,000-£20,000 per property were identified to meet the EPC Band C target, if combined with other refurbishment work. This is similar to the range of costs identified in the recent report by the Environmental Audit Committee, although the costs of achieving zero carbon may be considerably higher.

If there is limited or no additional funding to implement any new DHS, it will be even more important that the standard is set to support landlords to look strategically and flexibly at how they incorporate and align DHS work with other retrofit programmes to help to absorb the additional investment needed. However, it is likely that there will be landlords who may be unable to meet all the requirements without additional funding, particularly with the ongoing need to step up housing delivery. CIH would encourage government to work with the sector to develop a clear funding framework to identify and target additional resources where these are most needed, for example in terms of concentration of poorer quality housing, in light of the demonstrated benefits that decent homes have for health.

The review of DHS needs to address the issue of homes that arguably are too expensive to retrofit to meet the DHS or zero carbon targets; it would be counterproductive if the framework leads social landlords to dispose of these into a private rented sector where



there are fewer levers and less incentive for private landlords to undertake the necessary improvements.

DHS, quality of homes and stigma:

The review of the DHS provides an opportunity to embed another key aim of the government's social housing white paper - addressing the stigma that tenants and residents experience. CIH's work on stigma with See the Person (It's not okay: a guide to tackling stigma in social housing) illustrated the importance of the repair and maintenance of a home, and of wider estate management, as critical factors in how tenants and residents felt they were viewed and treated by landlords and wider communities. The review should also ensure this is addressed. Real tenant involvement in understanding energy affordability and the work to change their homes and communities (Decent Homes and net zero measures) should be developed, shaping both priorities and action plans. This approach requires flexibility for landlords to be able to respond to tenants, and might also be part of how government could monitor/ be assured of progress, in having clear processes to involve tenants and identify their satisfaction with the process and the outcomes.

Item 2 minimum standards - policy options

Option 1 Decent equals safe

CIH is concerned that option one would simply collate all existing legislation and regulatory requirements. Whilst there is some limited value in providing a single point of reference that captures existing requirements (although requiring ongoing updating as these changed) it would reduce the DHS to being simply a reporting mechanism. It risks repeating the weakness of the original standard, creating a compliance led approach by some landlords rather than encouraging a strategic, flexible, and ambitious approach involving priorities shaped by tenants and residents.

It would not easily build in what are now becoming mainstream expectations such as broadband for home working and schooling, electric charging points, storage etc. Whilst many social landlords set higher ambitions than the previous DHS and would be likely to do so again, this would not necessarily apply across the whole sector (with increasing provision by for-profit providers) nor if extended into the private rented sector.

Option 2 Decent addresses present day expectations and aspirations

The current Decent Homes Standard has been in place for nearly 20 years and is still the benchmark, so in setting a new approach and measure for Decent Homes we need to be ambitious, in shaping what our homes should be like in 2040. Option two would usefully ensure tenants and residents can be set at the heart of it - in establishing what expectations and aspirations are required.

Given the urgency of addressing climate change, every opportunity must be made to incorporate net zero when any work is undertaken within homes, and the Decent Homes review must enable and drive that approach, and alignment with requirements for building and fire safety. It is important to avoid approaches which lead to abortive or duplicated work, i.e., retrofit work to achieve an interim standard must be capable of providing a stepping-stone to a higher (zero carbon) standard, if necessary, setting a higher standard



initially (e.g., for solid wall insulation) so as to minimise costs and maximise effectiveness in the longer term, given that the government is clear about its 2050 zero carbon target. Any DHS work should not make homes more inaccessible given the <u>existing shortfall</u> in appropriate homes to meet the needs of disabled people and an ageing population. The nature of this means that greater flexibility must be built into any new approach, to enable landlords to tailor interventions that address different housing and build types as well as priorities for intervention and outcomes agreed with tenants and residents.

There are many other elements that landlords need to consider in a refreshed DHS to meet tenants' aspirations, including:

- Wi-Fi and broadband connectivity
- Quality of communal areas
- Soundproofing
- Going beyond the front door neighbourhood and environment
- Storage (including scooter storage)
- Electric charging points/ car facilities

CIH favours an approach that enables landlords and tenants together to agree and factor in local priorities in terms of elements that, once aspirational, are increasingly considered as necessary, and work out how to incorporate and future proof work programmes and investment plans. This provides a challenge for government in how it can be assured of progress being made, particularly if/ where additional funding is available; the review of consumer standards by the regulator of social housing and the renewed emphasis on tenants and resident satisfaction may give a useful opportunity to work with the sector and tenants to shape measures.

Item 3 reasonable state of repair

Building components

Q1a Is the list of building components complete, or are there omissions or inconsistencies, taking account of new technologies or materials and presentday expectations on quality and decency?

What constitutes a decent home should be clear for tenants and residents to assess, rooted in their experience of living in their homes. Their voice and local discretion should be the starting point for landlords in establishing its strategic approach, over and above a set or minimum list. That will address the ambition of government in terms of involving customers and allows for better response to what matters to them.

If identification of major components is the way the DHS will be developed and implemented, there are some omissions from the list, such as solar proofing; broadband; secure by design features etc - the list would need regular revision to ensure that it is future proofed (as highlighted by the largescale changes experienced during the pandemic, for example).

Q1b Is it useful to differentiate between 'key' and 'other' building components? Please explain your answer



Q1c Does clustering of two or more non-serious issues rendering a property non-decent remain a useful and valid approach?

In CIH's discussions with sector leaders, apart from overarching concerns about a component-led approach, many were not in agreement that 'key' and 'other' distinctions were either useful or appropriate, nor that multiple 'others' are needed before intervention. Landlords need to be able to develop an approach that balances tenants' expectations - to repair if possible, replace if not - and addresses cost effectiveness (including full upgrade of some building elements to zero carbon standards initially where a piecemeal approach would be more costly) as part of its ongoing work to maintain safe and decent homes.

Aged elements

Q2a Is it right that age is a consideration when considering issues around decency and disrepair? Please explain your answer

The connection of age of components and decency should be removed. Age is not necessarily an appropriate factor in assessing the operation or value of component (either from an asset management or customer perspective); this connection in current DHS has led to some perverse decisions to comply rather than an effective asset management decision. How components are used is as much of a factor as age in their effective operation.

Q2b Is it valid and useful for the standard to provide and set out component lifetimes? If so, why?

Q2c Taking into account advances in new technology, do you think component lifetimes need refreshing or updating?

As above, the DHS should enable landlords, including consultation with tenants, to establish a strategic approach to renewal of major elements in their homes, how these will be implemented and ongoing operation for the benefit of both landlord and tenant.

Poor condition

Q3a Is the prescribed approach to identifying building component in poor condition useful, or is there scope for greater local discretion? Please explain your answer

As above.

Looking forward

Q4 If the criterion needs amending, do you have proposals for change? What are they?

If the DHS should include set criterion as set out in the review, how will it incorporate tenant-centred changes to housing such as adaptations? Consideration would also be needed if additional criterion should be set for specialist housing (such as how retrofit of



retirement and housing with care schemes might be expected to incorporate the equivalent of HAPPI standards).

About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support, and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world.

Further information is available at: www.cih.org

CIH contact: James Prestwich, Director of policy and external affairs

www.cih.org