This document has been produced by CIH policy staff across the UK to provide a basic summary of current housing law and policy on the following areas:

1. Right to buy
2. Capital grants
3. Private renting regulation
4. Tenancies
5. Homelessness
6. Rent policy
7. Social housing standards
8. Welfare reform

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1. Right to buy

NORTHERN IRELAND:
The House Sales Scheme as it is known in NI is available to both Housing Executive and housing association tenants, with maximum discount of £24k.

The Department for Communities is undertaking a review of the scheme with an aim of ‘enhancing’ it but potential tweaks to protect stock are possible.

In 2015 we surveyed members about the scheme 33% favoured with just 11% wanting to keep the status quo.

WALES:
Welsh Government halved maximum discounts to £8k in 2015 with local suspension rights continuing for areas of high pressure. A White paper to end RTB and Right to Acquire was published in January 2015.

Welsh Government was developing a draft Bill to end the Right to Buy and Right to Acquire before the end of the fourth assembly term. The first Minister has stated that no new legislation will be introduced in the first 100 days of the fifth assembly. However we expect the new Bill to be one of the first to be introduced as the policy featured in both the Plaid Cymru and Welsh Labour 2016 manifestos, which should enable the Bill to pass with a majority vote.

SCOTLAND:
Policy ended under 2014 legislation in new Housing (Scotland) Act, following a 2 year notice period RTB will end for all social tenants in August 2016.

ENGLAND:
In 2012 government significantly increased discounts for council tenants and pledged to replace additional homes sold on a ‘one-for-one’ basis. Since then almost 41k homes have been sold but fewer than 5k replacements have been started. Our research shows that councils face a number of challenges when trying to replace homes sold and that in practice one for one replacement is unlikely to be achieved under the current arrangements.

Government has also entered into an agreement with the housing association sector to extend the right to buy to their tenants. Replacement homes will be funded by the sale of high value council homes, as they become vacant. At present five associations are acting as pilots and we expect more information about how this will be rolled out to all HAs shortly.
2. Capital grants

**NORTHERN IRELAND:**
Housing Association Grant (HAG)

Social housing in Northern Ireland is provided by the Social Housing Development Programme funded by DSD. It provides grant funding directly to housing associations so that they can build or acquire new social housing.

Grant payments are the result of a calculation based on the ‘total cost indicator’ for the cost group multiplied by the grant rate. On average grants are 52%.

The total grant amount for 2015/16 is £101m although this figure includes funding for advanced land purchases, with a delivery target of 1,950 new homes.

**SCOTLAND:**
Affordable Housing Supply Programme (AHSP)

There are benchmark subsidy levels based on different types of tenure, energy efficiency and geographies, although amounts can be awarded above benchmark levels in certain circumstances.

Scottish councils are now provided with three year minimum grant assumptions to assist the planning affordable the housing provision in the local housing strategy, this is signed off by Scottish Government to ensure a balance of local authority and RSL developments.

Glasgow and Edinburgh are responsible for managing their own funding allocation. Scottish Government retains part of the budget for first time buyer schemes, home owner support and additional subsidy for homes built to greener standard.

Following a review in 2015, benchmark grant levels for affordable housing have been increased.

The Scottish National Party has committed to increasing affordable the affordable housing supply target from 6,000 homes per year to 10,000 per year.

**WALES:**
Social Housing Grant (SHG)

The total grant for 2013/14 was £74.4million, reducing to £63.8 million in 2014/15, and £62.1m in 2015/16. Welsh Government announced in December 2015 that SHG would increase to £68.8m in 2016/17,

The level of SHG for the delivery of social housing is 58% of total cost, with affordable housing (intermediate rents) capped at 25%. Welsh government makes an annual allocation to the 22 local authorities based on formulae that are paid accordingly and directly to these councils. These authorities then work with, and pass on the SHG to registered social landlords operating in the area, to deliver new homes, in accordance with the local housing strategy.

Welsh Government published revised acceptable cost guidance (ACG) in 2015. ACG figures are provided as guidance on the likely acceptability of scheme costs for SHG purposes. Welsh Government expects the majority of schemes are capable of being produced at or below ACG.

With a doubling of the affordable homes target to 20k for the next assembly term featuring in both the Plaid Cymru and Welsh Labour 2016 manifestos, an increased capital budget for housing is expected in the next programme for government.

**ENGLAND:**
Affordable Homes Programme (AHP)

The programme is administered by the Homes and Communities Agency (HCA) who release funding in stages via a series of competitive bidding processes.

At last year’s spending review government announced that the AHP budget would be increased significantly to £2bn p/a until 2020 to deliver a total of 400k new homes. However, this increased funding will be redirected towards low cost home ownership, and away from providing affordable homes to rent. The majority of homes funded under the programme will be starter homes (homes provided at a 20% discount for first time buyers under 40) or homes for shared ownership.
3. Private renting regulation

**NORTHERN IRELAND:**
Since February 2015 all private landlords must be registered. The certificate is valid for three years and is regardless of number of properties owned but joint owners must register separately.

Landlords who have registered an HMO are exempt from the fee. Landlords receive circulars promoting ‘education and support’ and ‘duties and responsibilities of landlords and tenants’.

The licensing of HMOs with a fit and proper person test is being introduced by the Houses in Multiple Occupation Act (Northern Ireland) 2016. A departmental review of the role and regulation of the PRS is underway – including licensing, accreditation, security of tenure and affordability CIH is represented on the stakeholder group.

**SCOTLAND:**
All private landlords in Scotland must be registered with their local authority. In order to be registered, landlords must pass a ‘fit and proper’ person test.

All properties must adhere to basic standards commonly referred to as the Repairing Standard. There are additional health and safety requirements for Houses in Multiple Occupation (HMOs).

The Housing (Scotland) Act 2014 will extend mandatory registration to all letting agents operating in Scotland. The scheme will be managed by the Scottish Government and will require letting agents to adhere to a Code of Practice and to have undertaken some form of training/qualification (still under consultation).

CIH Scotland, in partnership with Landlord Accreditation Scotland, is developing training materials for the PRS which will meet the requirements for letting agent registration.

These measures are expected to be in place by late 2017.

**WALES:**
Under Part 1 of the Housing (Wales) 2014 Act all PRS landlords and agents operating in Wales (or with a residential property for rent in Wales) will be required to register themselves via ‘Rent Smart Wales’ website from Autumn 2015.

It costs £33.50 if completed on-line and £80.50 if completed by paper to register.

Those undertaking housing letting and management functions in the PRS have until the 23 November 2016 to become trained and licensed by approved trainers.

The landlord licence fee is currently £144.00.

**ENGLAND:**
There are minimum safety standards assessed using the Housing Health and Safety Rating System (HHSRS). LAs have powers to inspect and take action. There is no national landlord registration scheme but landlords must obtain a licence from their LA to let a HMO in certain circumstances. LAs also have some powers to create licensing requirements locally.

The Housing and Planning Act will also introduce some further measures to help tackle rogue landlords:

- allowing local authorities to apply for a banning order to prevent a landlord/letting agent from continuing to operate where they have committed housing offences
- creating a national database of rogue landlords/letting agents,
- enabling tenants or local authorities to apply for a rent repayment order where a landlord has committed offences
4. Tenancies

**NORTHERN IRELAND:**
Social housing tenants have security of tenure once they have completed a 12 month introductory tenancy.

Private tenants have basic rights including the right to a rent book and 4 weeks notice to quit. The Private Tenancies (Northern Ireland) Order 2006 also introduced the right to a tenancy statement, a tenancy term (six months if not specified) and basic repairing obligations. Deposits taken since April 2013 must be protected in a tenancy deposit scheme. There has been historical resistance to a stakeholder push for written/model contracts due to Irish land law permitting verbal contracts on periodic tenancies.

**SCOTLAND:**
The Private Housing (Tenancies) (Scotland) Act 2016 seeks to increase security for private tenants with the introduction of a new standard tenancy for the PRS. The new tenancy will remove the ‘no fault’ clause meaning that PRS tenancies will no longer come to a natural end. The tenancy could only be ended by the tenant giving notice or if the landlord could prove that there was a ground for possession (grounds for possession are set out in the legislation).

The Act also includes provision to limit rent increases to one per 12 month period and powers for local authorities to request additional rent regulation measures in areas where rent is rising significantly.

**WALES:**

Two contracts a ‘standard’ (PRS) and ‘secure’ (social housing) will be put in place, with variations of a standard contract available to community landlords, e.g. for introductory tenancies, supported housing and prohibited conduct standard contracts. Significant changes will be implemented aiming to simplify processes and improve consumer rights; including the requirement for a written contract for all tenancies, based on model contracts to be made publically available by Welsh Government. A raft of guidance will be produced in 2016/17 to support the legislation, with post Autumn 2017 the target date for implementation.

**ENGLAND:**
All social landlords are currently able to choose whether they issue new tenants with a traditional ‘lifetime’ tenancy or a tenancy for a fixed term, usually of at least five years. However provisions in the Housing and Planning Act will in future require councils to issue all new tenants with a fixed term tenancy for between 2 and 10 years or, in the case of household with children under 9, until the youngest child turns 19. We do not expect this to also be extended to housing associations.

In the private rented sector, all tenants receive an assured shorthold tenancy, for an initial term of at least six months. There are no current plans to change this.
5. Homelessness

NORTHERN IRELAND:
The Housing (NI) Order 1988 as amended gives the Housing Executive the legal responsibility to offer advice to homeless or prospectively homeless households, and to sometimes provide temporary (while investigating circumstances or while waiting on rehousing in a secure tenancy) and permanent accommodation to people i.e. Full Duty Applicants having passed four tests i.e. homelessness, eligibility, priority need and intentionality.

SCOTLAND:
Priority need was abolished in Scotland in 2012 meaning that all unintentionally homeless households have the right to assistance and the offer of ‘settled accommodation’.

A duty for local authorities to assess the support needs of all households that are homeless or at risk of homelessness was introduced in 2013.

These measures are part of a wider Scottish Government move towards prevention of homelessness and adoption of the Housing Options approach.

WALES:
Under Part 1 of the Housing (Wales) Act, Wales is the first country to have a statutory duty for preventing homelessness to all eligible households. The act includes a duty to cooperate with Local Authorities for registered social landlords.

Substantial partnership working was put in place to develop practice ahead of the go-live date of April 2015, and protection of Supporting People funding has supported the implementation.

The same section of the Act allows discharge into the PRS for those households awarded a homelessness duty post- prevention work. The Act’s accompanying code of guidance has been published and the first set of data returns show promising results on the ‘stats Wales’ website.

ENGLAND:
There have been no major recent changes to homelessness legislation in England, other than provisions in the Localism Act which enabled local authorities to more easily discharge their homelessness duties by placing a household in the private rented sector.

Homeless households are still required to demonstrate that they are not intentionally homeless and that they are in priority need, before the local authority is required to house them.

There has been speculation that government might consider introducing stronger prevention duties, along the lines of those already in place in Wales, however this was not included in the recent Queens’ speech.
6. Rent policy

NORTHERN IRELAND:
NIHE rents have been kept artificially low over the years (2012-13 average £58.76 pw excluding rates compared with £70.47 for NI HAs). Government proposed 7 core principles for a social rent setting policy for NI - currently parked while the implications of social rents cut in England are analysed. The minister has frozen NIHE rents for one year and encouraged housing associations to do the same, a call that HAs appear to be disregarding. The new principles include defining a benchmark affordable rent for 2014-15 as £90.27 (inc. service charges compared with £90.67 for HAs during 2012-13) to be raised each year by CPI+1.5%, every social landlord to have a social rent policy, NIHE rents to gradually rise to reflect benchmark rent and HAs to have regard to the benchmark rent, whilst not treating as a target.

WALES:
In 2014 in Wales a new five-year rent policy was introduced by Welsh Government for housing associations with some exceptions, for example supported housing. The policy was to be applied to local authorities in 2015, following exit from the HRAS. Social rents now reflect the type, size and location of the landlord’s properties; with the intention of bringing about convergence between local authority and housing association rents and a new requirement for service charges to be separated out from rental charged.

Following rent modelling against 5 different scenarios, after the announcement of social rent reductions in England, the Welsh Minister stated in December that no change to the rent policy would be implemented in Wales for 2016/17.

SCOTLAND:
Social housing rent levels are monitored by the Scottish Housing Regulator but there is no strict regulation of rent setting and no definition of ‘affordability’.

Social landlords must consult with their tenants when considering a rent increase and take into account affordability, the cost of maintaining homes and the comparative rents of other social landlords in the area. This is set out in the Scottish Social Housing Charter Outcomes 14 and 15.

ENGLAND:
The government have announced that social rents will reduce by 1% p/a for the next four years. This reverses a previous agreement that they would increase by CPI+1% p/a for 10 years.

It is not yet clear whether the rent reduction will eventually apply to supported housing. It’s implementation has been delayed for a year to allow a review of how supported housing is funded to be carried out.

The Housing and Planning Act will also extend ‘pay to stay’. This will require council tenants with a higher income to pay a higher rent. Initially a ‘higher income’ will be defined as a household earning more than £31,000 per year, or £40,000 in London. Above this level rent will be increased by 15p for every additional £1 earned, with the revenue raised (minus the cost of administration) being returned to the Treasury.

Housing associations will be allowed to implement a scheme similar to pay to stay on a voluntary basis, but will not be required to do so.
7. Social housing standards

**NORTHERN IRELAND:**
The key government measure is the Decent Homes Standard, with the Housing Health and Safety Rating System (HHSRS) so far not introduced and the Fitness Standard still as the first component. Nevertheless the House Condition Survey (HCS) records both to allow for comparison with England. In 2011 the HCS found a non-decency rate of 3.7% for social rented homes (excluding vacants) down from 15% in 2009.

Under HHSRS there were 2.1% category 1 hazards in 2011 down from 8.6% in 2009. Standards are higher in housing association stock than in NIHE largely due to the young age. NIHE is only making slow progress to meeting Decent Homes by the target date of 2021, made more difficult by the public spending environment with NIHE not able to borrow as a public body.

Government has recently begun a review into the fitness standard and private sector housing grants.

**SCOTLAND:**
All social rented homes were required to meet the Scottish Housing Quality Standard (SHQS) by April 2015. As of 1 April, it was estimated that 94% of social rented homes were up to standard with a small number of landlords working with the Scottish Housing Regulator to address issues with remaining homes.

It is estimated that between the introduction of SHQS in 2004 and the 2015 deadline, social landlords invested £3.3billion in improvements.

The new target for social landlords is Energy Efficiency Standard for Social Housing (EESSH) with a deadline for compliance in 2020.

**WALES:**
Welsh Housing Quality Standards (WHQS) for social housing in Wales have a target date for compliance of 2020. At 31 March 2015, 72% of social housing dwellings were compliant with the WHQS (including acceptable fails) compared to 67% a year earlier. Levels of WHQS compliance continue to be higher for registered social landlords (RSLs), with 87% of RSL dwellings achieving WHQS compliance (including acceptable fails) at 31 March 2015 compared to 48% of local authority dwellings. A new consultation on revised mandatory quality standards for new, rehabilitated and existing homes was issued in January 2016 proposing a mandatory standard for improvement of existing homes, and for the design and construction of new and rehabilitated homes built using Welsh Government subsidy, reflecting recommendations made in 2014 by their Development Quality Requirements Review Group.

**ENGLAND:**
The Decent Homes Standard remains the main measure of standards in the social housing sector. The latest statistics show that currently 14% of homes in the sector do not meet this standard.
8. Welfare reform

**Northern Ireland:** Following a long delay and the NI Executive being fined through deductions to the block grant, welfare reform has finally begun to be implemented. Agreement was reached on mitigating packages and the Northern Ireland (Welfare Reform) Bill subsequently received Royal Assent on 25 November.

Several packages of measures to help mitigate the impact of WR are proposed including direct payment of housing costs element of universal credit to landlords, twice monthly payments of universal credit to claimants, protection for existing and future tenants for 4 years from any reduction in housing benefit resulting from the bedroom tax, protection from the benefit cap for 4 years, and a ‘cost of working allowance’ to address the impact of UC on lone parents with child care. It’s currently being planned that UC will roll out during 2017.

**Scotland:** The Scottish Government has opposed many of the measures introduced by the UK Government and has contributed funding to fully mitigate the ‘bedroom tax’ and plug the gap in Council Tax Reduction scheme.

The Scotland Act 2016 will devolve some powers over taxation, borrowing and social security to the Scottish Government.

The Scottish Government has indicated that it will initially seek to make use of the new powers to:
- effectively abolish the ‘bedroom tax’ by adjusting the housing element of Universal Credit
- enable the housing element of Universal Credit to be paid directly to social landlords
- offer twice monthly payments rather than monthly payments to Universal Credit claimants
- abolish the 84 day rule under which children with disabilities and their families stop receiving Disability Living Allowance and Carer’s Allowance if they are in hospital for more than 84 days

**Wales:** Welfare reform applies in Wales as for England, albeit Wales is disproportionately impacted by the cuts due to population demography and stock availability. Welsh Government has been highly critical of the impact of welfare reform, particularly of the ‘bedroom tax’.

The only fiscal differential is with regards to Council Tax benefit; for the last two years Welsh Government has topped up funding for eligible households to 100% of the charge. This has been reviewed annually with no on-going commitment beyond 2016/17.

Wales spent 106% of its discretionary housing payments (DHP) in 2014/15, with 20 out of 22 local authorities signing up to a consistent approach to making DHP awards in 2015.

**England:** The rollout of UC is continuing and job centres across all parts of England are now processing at least simple claims under UC. Government have also announced 30 more areas where all new and existing claimants undergoing a change of circumstance will begin going on to UC by the end of 2016.

Further welfare cuts are also planned including:
- a reduction in the overall benefit cap to £23k in London (£20k outside) from April 2016
- extension of local housing allowance caps to social housing from April 2018 (affecting all claimants whose tenancy started after April 2016) – although the extension of this to supported housing has also been delayed for a year
- a four year freeze on working age benefits from April 2016
- an end to ‘automatic entitlement’ to housing support for 18-21 year olds April 2017