



Grenfell United Submission to Social Housing Green Paper Consultation

Focus Areas:

This green paper response focuses on

Part 2: Effective resolution of complaints

Part 3: Empowering residents and strengthening the Regulator.

The ideas we put forward here will also impact:

Part 1: Ensuring homes are safe and decent

Part 4: Tackling stigma and celebrating thriving communities.

1. Why reform matters: Lessons from Grenfell Tower

Grenfell United is the main group of survivors and bereaved families of the Grenfell Tower fire. We know first-hand the devastating consequences when residents' concerns are ignored and a system that is meant to look after people fails. 72 people lost their lives following the Grenfell Tower fire. They were our loved ones, our neighbours and our friends. We lost our homes. The scale of the tragedy has devastated our lives and our community. We are determined to make sure change happens so that no one ever has to suffer what we have suffered. What makes the tragedy that has befallen our families and our community even harder to bear is the knowledge that these deaths were completely avoidable. The story is becoming clearer and clearer. We were failed before, during and after the tragedy.

Grenfell Tower was refurbished in 2014-16. But the refurbishment of the Tower was second rate and shoddy. Critically, as a forensic analysis prepared for the police shows, errors made during the refurbishment massively increased the fire risk. The council and their tenants' management organisation (TMO) ignored repeated warnings from residents about fire safety, branded those of us who raised the alarm as troublemakers and tried to bully residents into silence. The Housing Ombudsman didn't work for us. And the housing regulator (The Homes and Communities Agency) failed to protect us - in fact it was completely anonymous and silent.

The local council, the Royal Borough of Kensington and Chelsea (RBKC), failed the community, ignoring our voice, treating us as little more than a nuisance and consistently putting the interests of developers before those of the people who lived in the Tower. For so many years, our concerns, our worries, our voices were overlooked. We played by the rules, did everything that was asked of us, raised concerns through all the correct channels that we were aware of and we were completely ignored by those with the power to help us. And it cost many of our loved ones their lives.



A number of factors contributed to the Grenfell Tower fire. But at their root was a culture of institutional indifference that pervades the social housing sector. Dismissiveness of tenants' concerns and interests permeates the culture of the sector and is embedded in the policies, processes and procedures of social housing providers. It is this disregard for our voices and the attitude that residents are at best a nuisance to be ignored; this institutional indifference underpinned the council and TMO's refusal to listen and paved the way for the tragic events of 14th June 2017. **Grenfell must be a turning in how people in social housing are treated so that a disaster like this can never happen again.**

The Grenfell Tower Inquiry will not cover issues related to social housing so the changes needed must come through this Green Paper and the policy that will follow. We are therefore reliant on this consultation to hear us in a way we were not heard before the fire. Through this process the Government must make the changes needed to social housing to prevent a fire like this happening again. It is too late for our loved ones and neighbours but we remain determined to make change for everyone living in social housing across the UK.

We believe this Green Paper represents a huge opportunity to change the lives of people living in social housing and create a system that the country can be proud of. A well-functioning social housing system that cares for people and creates strong communities should be a point of national pride, like the NHS that is recognised globally.

2. The focus of our response

We were pleased to see the principles in the Green Paper outlining the areas of concern in the system. We felt listened to on those and now welcome the opportunity to put forward our ideas for solutions.

The challenge at the heart of social housing regulatory reform is how to transform the culture of institutional indifference that pervades the sector. The fire at Grenfell Tower happened because residents were ignored, their concerns dismissed and their interests neglected. Grenfell was an unparalleled tragedy, but we know across the country residents experience the same dismissiveness, the same culture of ignoring their concerns and the same poor treatment in their daily lives. **The same official attitudes that directly contributed to the deaths of 72 people in June 2017 is there in every maintenance request that is ignored, every complaint that goes unheeded, every redevelopment that runs roughshod over community concerns. It's there in the stigma that the Prime Minister herself has admitted all too often is applied to social housing tenants and in the attitude of many councils and Housing Associations.**

Changing this culture must be a central objective of social housing policy. And to catalyse such a change, we need a wholesale change in the way the sector is regulated, housing providers are held to account, residents' interests are protected and residents' voices are heard. **Culture**



needs to change and the way that change will happen is through change to regulation and changes to how tenant voices are heard.

Grenfell United's focus is on changing the culture by regulatory reform and improving tenant voice. These are the areas most relevant to our experience and this is where our response to the Green Paper focuses.

3. The flaws in the current system of regulation and what this means for reform

In the years leading up to the fire, Grenfell Tower residents were making complaints and raising their voices about how they were being treated. The whole system was the dog that didn't bark. **All elements of the system failed us.**

The Ombudsman - the body meant to stand up for us - utterly failed Grenfell residents.

Individual residents in Grenfell Tower did raise complaints to the Ombudsman about the TMO, but lost their complaints. For residents, the Ombudsman system has a number of weaknesses. There are a number of barriers before the Ombudsman can even be accessed and complaints can take over nine months to be reviewed. There is no parity of arms so residents are at a disadvantage against TMOs who have access to resources and lawyers to respond to complaints raised against them. We are also concerned that the Ombudsman is under resourced (given how long they take to respond).

The Green Paper suggests some improvements to the Ombudsman but just improving the Ombudsman is not the answer. As outlined above, the Ombudsman failed to protect residents and has lost the trust of the tenants it is meant to serve. Moreover, it utterly lacks the capacity to act as a pro-active regulator to protect residents and ensure standards across the sector. Many sectors with strong pro-active consumer protection regulators have separate Ombudsmen. Their role is to act as a referee for complaints and is focused on adjudication of claims. This is quite separate from the role of regulators, who have a much broader remit to pro-actively inspect institutions to ensure ensuring the providers have the systems, process, culture and skills to deal fairly with their residents. It demands very different skills, capacity, capabilities and operating models. The ombudsman-even if significantly revamped-will lack the capacity, skills, operating model or credibility to catalyse the change in behavior and culture that is needed.

Similarly, relying on incremental changes to the Housing and Communities Agency (HCA) will also fail to produce the necessary change.

The social housing regulator failed Grenfell residents. Grenfell residents had never heard of the social housing regulator (Homes and Communities Agency) before the fire. It might be expected that not every resident would have known about a regulator but a group of residents in Grenfell were very active in looking for ways to raise their concerns. We had formed the Grenfell Action Group and were active in trying to understand our rights and identify any avenue we had to raise concerns. We knew about the Ombudsman but we didn't know about any regulator. In



fact it was months after the fire before we heard of their existence. For us we thought the RBKC Scrutiny Committee was the highest level at which we could take our concerns, and when they ignored us we thought we had nowhere else to turn.

The fire at Grenfell must be seen in part as a total failure of the social housing regulator. For us the regulator was the dog that didn't bark. It didn't come to help us and all trust in this regulator is lost.

Stepping back from the Grenfell experience there are clear reasons why this current system of regulation does not work for tenants. Tenants can only refer cases of 'serious detriment resulting from systemic failures' to the regulator for investigation. This doesn't happen in other sectors. The regulator should be proactive and carry out their own inspections. The regulator is also seen as too close to property developers. Since the fire, the regulator has not once reached out to Grenfell United to learn lessons, instead the CEO will visit Kensington in November to speak at a conference for housing developers. It is a small example of where the regulator is focused on developers not tenants.

The cosiness of those involved in management and regulation of social housing the housing developers is a concern across the whole system, in particular the "revolving door" between regulators or providers and developers leads to distrust and should be broken.

Grenfell United believe that what happened to us is a huge failure of the housing regulator. This must be acknowledged and the regulator replaced. Incremental change using the same bodies will be utterly insufficient. The ideas put forward in the Green Paper for a system based on evolutionary change to current institutions are deeply flawed. They will do little to catalyse real change in the sector. They will not address the institutional indifference that lay at the root of the tragedy. And by failing to overhaul a system which most residents have utterly lost faith in, they may exacerbate erosion of faith in the authorities among social housing tenants.

You cannot replace the dog that didn't bark with the same kennel and the same dog. **All the trust has gone in the current system. A new system is needed to build trust and offer new hope to social housing tenants.** We have an opportunity to catalyse real change in the sector if the government is prepared to adopt the approach it has taken elsewhere and enact far-reaching, landmark regulatory reforms.

4. Our proposal for a better system of regulation

To be effective, regulation needs to reflect the characteristics of the market or activity it is seeking to regulate - a horses for courses approach is needed.

To understand what model best applies, we need to understand the characteristics of social housing. Social housing is not like water or electricity. Tenants have no choice - the provider is



essentially a monopoly. Housing is not a simple 'product' like water. It is hugely complex and has multiple dimensions (not just where you live, but nature of property, nature of services around it, how council/social landlord responds to issues, etc). Tenants face lock-in: once they have made a choice, they cannot easily change it. And there are huge information and power asymmetries between tenant and provider.

On top of this there are in fact two very different facets of activity that regulation needs to cover: economic and customer/tenant. Many of the models suggested for social housing regulation do not adequately reflect both these characteristics. For instance, a market and league table model completely ignores lack of choice and lock-in tenants face. The Osted model proposed is also no good as it is not focused on 'customers', but only on institutional performance. The nearest proxy for the position social tenants are in is that position that bank customers are in. **Banking regulation is probably the best model to inform the debate about housing regulation.**

Why the banking regulation model offers solutions:

Banking, like social housing, suffered a crisis due in part to inadequate regulation. Post crisis, the government reviewed banking regulation and instituted a comprehensive overhaul. Prior to the crisis, like housing, financial services had been lightly regulated by a single super-regulator that oversaw both economic and customer regulation and enforced few obligations of decision-makers.

Since the crisis, the UK, following the lead of a growing number of other jurisdictions, made the decision to divide the regulator into two-the so-called 'Twin Peaks' model-with one regulator, the PRA, focused solely on economic regulation and the other, the FCA, focused on conduct and customer protection. They accompanied this by the introduction of the 'Senior Manager Regime' and connected accountability regimes to make sure that senior executives could be held directly accountable in law for serious failings. A similar split was instituted in food safety regulation after a crisis. Separately, the sector also has an ombudsman that adjudicates in specific disputes between customers and their banks.

While there are differences, we believe that this broad model-where economic and customer protection regulation is split and there is a specialist regulator solely focused on protecting tenants-is the best for social housing.

The 'twins peaks' model of regulation is one that has been introduced this government in key sectors and we believe it should be brought in for housing. The reasons a twin peak model is best here is because:

- **Specialisation:** the skill sets required for economic regulation in housing (finance, asset management etc) are completely different from the skills required for consumer protection regulation (tenant liaison, deep understanding of how HA processes affect tenants etc). Putting them in one organisation inevitable means that one skill set or



another is crowded out (as happened in both financial and food standards regulation)

- **Focus:** economic and customer regulation require very different focuses. Regulators normally have a single focus and if it has two completely different activities, the risk (as happened in FS sector and also with HCA) is that one activity crowded out the other. Having a separate organisation with a single focus ensures it will prioritise that work.
- **Trade-offs:** there may be economic implications of customer protection decisions. In a single regulator, one is often traded off for the other. By splitting regulators, you reduce the likelihood that safety or other customer issues will be soft-pedalled for economic reasons. This was a key part of the thinking when food regulation was overhauled: in sectors where customers' safety or long-term well-being is at stake, the regulator should not be making trade-offs to protect economics.
- **Reputation and trust.** The current regulators have lost all credibility and trust with social tenants. A new separate consumer regulator which had only one job - to protect tenants - would be a strong signal and a good way to start rebuilding trust.
- **Cross-sector:** If you split the regulators, the consumer one could cover both public and private sector, setting new standards for all tenants. It would allow the government to tackle the wider issues of tenants' rights.

Introducing an accountability framework: Underpinning this 'twin peaks' model of regulation needs to be an accountability framework for leaders and managers with responsibility for social housing, similar to the 'Senior Manager Regime' in banking. Housing has a huge impact on wellbeing and welfare, how people experience their everyday lives. And ultimately people's safety as we saw at Grenfell. Leaders in social housing sector need to understand the seriousness of their roles and the responsibility they hold.

An accountability framework backed by law would mean that a named person is responsible for people's safety in any social housing tower block for example. There would be consequences for individuals who prioritise profit over people's safety. It would mean individual failures could lead to sanctions including criminal liability and even fines or prison. But really what we hope it will mean is that leaders take their roles and responsibilities seriously and work hard to make sure those they manage do the same, so that failures don't happen.

In summary our proposal for a new system of regulation is: a specialist economic regulator, a specialist consumer/tenant regulator, a complaints system taking learnings from the Ombudsman and an accountability framework for leaders and managers backed by law:



A new system of regulation for housing:	
<p>Economic Regulator: <i>Similar to prudential regulation authority</i></p> <p>Registration & proactive monitoring and enforcement of private registered providers (e.g. Housing Associations)</p>	<p>Consumer/Tenant Regulator: <i>Similar to financial conduct authority</i></p> <p>Registration & proactive monitoring and enforcement of all landlords (social and private) with more than 100 homes</p>
	<p>Complaints system</p> <p>Simple process for tenants to raise individual complaints, not able to be resolved between tenant and landlord/provider.</p>
<p>Senior Manager Regime: An accountability regime backed by law, to ensure leaders & managers in social housing are held responsible for their duties to tenants.</p>	

We believe these changes, taken together, would be sufficient to catalyse real change in both in individual behavior and the broader culture of the sector, much as similar reforms have begun to do in the financial service sector.

5. Tenant voice matters

In Grenfell Tower we raised our voices but we were not heard. Going forward social housing tenants must have a route to be heard, listened to and their needs and ideas acted upon. It is residents who best know what it is like to live in social housing and what is needed to make the system better.

For us there must be some principles that underpin any new system designed to give tenants a voice. These include:

- Needs to be from bottom up, not top down.
- Local first and filters up to a regional and national conversation
- Open, so any resident can join it
- Facilitated by government but not run by government
- Funded. (e.g. via a tiny proportion of rents)
- And there should be a residents' ballot on any redevelopment scheme, before planning permission or works can be approved.
- At a national level there must be a route for tenants voices to be heard in government

Essentially there needs to be channel for tenants, outside of existing structure so people who know most, i.e. people who live there, can be heard.

6. Stigma

The Green Paper identified stigma as an area of concern for people living in social housing. For many of us in Grenfell Tower we were and continue to be proud of our community. It is a sad for



us that people didn't get a chance to know about our community before the fire. We are a diverse and hardworking community. We lived in social housing but come from all walks of life: teachers, social workers, business people, scientists, nurses. We looked out for each other and everytime the lifts broke down (which was often!) it was a chance to catch up with our neighbours, so we got to know each other.

But being ignored, being mistreated, being told 'we shouldn't complain about how our homes we should just be grateful to have one', wears you down and has an impact on wellbeing.

For us tackling stigma shouldn't start with worrying about how newspapers write about people in social housing. The best way to change stigma is from the inside out, by giving residents power and agency over their lives. Changing the system, in the way we have proposed, will mean residents voices will matter, their concerns will be addressed and they will know that if that doesn't happen a system exists to protect them. It will give us a real say over our homes and agency in our everyday lives.

Addressing stigma starts with how people see themselves, it starts from the inside out. Let's create a system in which people are valued and respected, which allows people dignity.

7. Conclusion

The current system doesn't work for tenants and it failed all of us living in Grenfell Tower and our families in the most devastating way. Trying to replace it with same system is unacceptable to us. Incremental change using the same bodies will be utterly insufficient. You cannot replace the dog that didn't bark with the same kennel and the same dog.

When we spoke with Minister earlier in the year about the problems people in social housing face we felt listened to and the five principles outlined in the Green Paper ring true to us as the problems that need address. Now we ask that you listen to us about the solutions needed.

Our response is focused and we believe reasonable. We understand more than anyone the consequences when the social housing systems fails, so we are asking for Government to hear us in a way we were not heard before the fire, and to act.

There will never be another opportunity for meaningful change and it matters for the 72 people who died. Grenfell cannot be remembered for the tragic way we were failed before and during the fire, it must be remembered for the change the comes next. These proposals must be part of that change.

Grenfell United



Grenfell United is the main group representing the survivors and bereaved families of the Grenfell tower fire. The vast majority of former tower residents and bereaved families are GU members. The GU committee is elected. We are entirely non-party political. We support survivors and bereaved families and are campaigning for safe homes, justice and change. To discuss this submission further please contact Howard Taylor at info@grenfellunited.org
