

## Public Sector Equality Duty

### Equality analysis for the Direction on to the Regulator of Social Housing to set a Competence and Conduct Standard for Social Housing

## SECTION 1

### 1.1 Policy/Service

#### **Context and legal framework**

The social housing sector provides homes to 4 million households. Social landlords are required to provide homes that are safe and of a high quality with services that meet tenant expectations. The sector is made up of Private Registered Providers of social housing (PRPs), who own c.60% of the housing stock, and local authority landlords, who own c.40%.

The statutory framework for social housing regulation is set out in the Housing and Regeneration Act 2008. In brief:

- The Regulator of Social Housing (“the Regulator”) has an economic and a consumer objective.
- With regard to consumer regulation, the Regulator is responsible for regulating the social housing services provided by Registered Providers.
- The term ‘Registered Provider’ encompasses:
  - a) local authorities who provide social housing;
  - b) other bodies that have registered with the Regulator (known as ‘Private Registered Providers’).
- ‘Social housing’ comprises low-cost rental accommodation (for example, homes let at Social Rent or Affordable Rent) and low-cost home ownership accommodation.

The Regulator currently has the power to set regulatory standards on a range of economic and consumer matters. Registered Providers are required to comply with these standards. In relation to certain matters, the Secretary of State has the power to direct the Regulator to set a standard (under Section 197 of the Housing and Regeneration Act 2008), to direct on the content of those standards, or direct the Regulator to have regard to specified objectives when setting standards.

The Social Housing (Regulation) Act 2023 (“the Act”) amended the Housing and Regeneration Act 2008 to enable the Regulator to set a standard for Registered Providers in matters relating to the competence and conduct of individuals involved in the provision of services in connection with the management of social housing. The Act also amended the Housing and Regeneration Act 2008 to give the Secretary of State the power to direct the Regulator to set a standard in matters related to the competence and conduct of the aforementioned individuals. Once issued, the Regulator must comply with the direction.

We propose to use this power to direct the Regulator to set a Competence and Conduct (“C&C”) Standard with which Registered Providers are required to comply.

This Standard will apply to Registered Providers of social housing, specifically all individuals involved in the provision of services in connection with the management of social housing. As part of the Standard, Registered Providers must:

- Secure that their staff (and take steps to secure that their Services Providers’ staff) have the necessary skills, knowledge, experience, and behaviours (“SKEB”) for their services to be of a good quality;
- Secure that their Senior Housing Managers and Senior Housing Executives involved in the provision of Registered Providers’ Housing Management Services have or are working towards a specified qualification or type of qualification in housing management; and
- Takes steps to secure that the Relevant Managers of their Services Providers have or are working towards such a qualification or type of qualification.

The term ‘Services Providers’ encompasses those organisations who manage delivery of Housing Management Services on behalf of the Registered Provider. Services Providers are defined within the legislation as ‘a person who, in accordance with an agreement with the Registered Provider or another person, provides services in connection with the management of social housing provided by the Registered Provider or arranges for the provision of such services.’ This could either be under a contract directly with a Registered Provider, or under a sub-contract. Examples of Services Providers are arms-length management organisations (“ALMOs”) or tenant management organisations (“TMOs”).

### **Background**

The Grenfell Inquiry heard that the complaints, concerns, and issues of the residents of Grenfell Tower were not taken seriously by the Kensington and Chelsea Tenant Management Organisation (“KCTMO”) and the Royal Borough of Kensington and Chelsea (“RBKC”). Residents felt they were managed, not listened to. This spoke to a wider issue highlighted by the Grenfell tragedy, namely that social landlords did not prioritise the quality of service delivered by housing management staff, including when managing issues related to building safety.

Evidence heard during module three of the Inquiry indicated that some RBKC and KCTMO officers were not suitably trained,<sup>1</sup> behaved unprofessionally and treated residents with a lack of respect prior to the Grenfell Tower fire.<sup>2</sup> This raised questions about whether the skills and qualifications required to work in the social housing sector should be enhanced.

The Social Housing Professionalisation Review (“the SHP Review”), which was launched in January 2022, aimed to understand how to achieve a more professional housing sector in which all staff act professionally, listen to their residents, and treat them with courtesy and respect.

<sup>1</sup> Teresa Brown, Day 126, page 137, line 7-14. [Transcript 6 May 2021.pdf \(grenfelltowerinquiry.org.uk\)](#)

<sup>2</sup> Emma O’Connor, Day 117, page 114, line 15 – page 116, line 15. – [Transcript 20 April 2021.pdf \(grenfelltowerinquiry.org.uk\)](#)

The Review heard that:

- Measures must drive organisational-wide culture change, to ensure all staff hold appropriate behaviours and attitudes to treat residents fairly, with empathy and respect, and without stigma; and
- Any qualifications should be focused on senior staff as they are best placed to drive culture change and are responsible for the delivery of high quality, professional services.

Based on the findings of this Review, the government took a power through the Act enabling the Regulator to set a standard relating to the competence and conduct of staff involved in the provision of services in connection with the management of social housing, and a power for the Secretary of State to direct the Regulator about the content of this standard. The Act also makes provision for the standard to include a requirement for Registered Providers to secure that their own Senior Housing Managers and Senior Housing Executives have, or are working towards, a qualification in housing management and to take steps to secure that the Relevant Managers of their Services Providers have, or are working towards, such qualifications. The Act also implies terms into certain contractual agreements between Registered Providers and Services Providers (and relevant sub-agreements) which require Services Providers to secure their Relevant Managers have or are working towards a suitable qualification.

The new C&C Standard forms part of extensive changes to the Regulator's consumer remit and powers. At present, the Regulator takes a proactive approach to regulating its economic standards. With respect to the existing consumer standards, the Regulator takes a reactive approach to regulation, and is only able to intervene where a breach or potential breach of a consumer standard has caused or may cause tenants serious harm (the serious detriment test).

The government is reforming the Regulator's consumer remit through the Act - removing the serious detriment test to lower the threshold for intervention on consumer issues and facilitating the introduction of proactive regulation against the consumer standard. We are also expanding the powers of the Regulator to ensure it has the right tools to effectively carry out this enhanced role.

These changes will mean the Regulator can intervene in a greater range of cases where providers have failed to comply with consumer standard.

The government now proposes to direct the Regulator to set a C&C Standard for social housing. This will require Registered Providers to have a documented approach to managing and developing the skills, knowledge, experience and conduct of Relevant Individuals as appropriate for specific roles. This should include approaches to learning and development, appraisals, and performance management. The Standard will also require Registered Providers to adopt or develop an appropriate code of conduct. This will ensure that staff have the SKEB to deliver a good quality service to tenants.

The C&C Standard will also mean that a sub-set of senior staff must be working towards or have a housing management qualification. The roles in scope of the qualification element of the C&C Standard ("qualification element") are Senior Housing Managers, who are usually responsible for managing the direct delivery of Housing Management Services (e.g., through managing teams of staff to deliver a good quality service to

tenants), and Senior Housing Executives who are responsible for providing strategic direction and have accountability in relation to Housing Management Services. It will also apply to individuals that are Services Providers where they meet the other criteria. (The draft Policy Statement, which will be published alongside the draft Direction, sets out guidance on the functions of roles in scope of the requirements).

### **Policy Objectives**

This consultation proposes using the Secretary of State’s powers to issue a new direction to the Regulator to set a broad outcome-based standard on competence and conduct for Registered Providers regarding all staff involved in the provision of Housing Management Services. Within this Standard, there will be a requirement for Senior Housing Managers and Executives (and individuals who are Services Providers) to gain a qualification. As part of the C&C Standard, Registered Providers must secure that their staff have the necessary SKEB for their services to be of a good quality and that their Senior Housing Executives and Senior Housing Managers have or are working towards Relevant Qualifications. Registered Providers must also take steps to secure that Relevant Managers of their Services Providers have or are working towards Relevant Qualifications. We are consulting on the period within which providers must be compliant with the qualification element. This period is known as the “Transition Period” which we propose will be 24 months after the Standard comes into force.

This standard will drive up professional standards within the sector by ensuring staff have the SKEB, to deliver good quality services to tenants. This will, in turn, drive culture change and improve the wellbeing of tenants and minimise risks to their health and safety.

## **SECTION 2**

### **2.1 Summary of the evidence considered in demonstrating due regard to PSED**

#### **Background**

Data has been used from the English Housing Survey 2021-22 to reflect the current representation of people with protected characteristics (i.e. disability, age, race, and sex) that are tenants in social housing.

The Department for Levelling up, Housing and Communities does not collect data on the remaining protected characteristics, namely:

- Gender reassignment;
- Pregnancy and maternity;
- Religion or belief;
- Sexual orientation; and
- Marriage and civil partnership

Data has also been used from the NHF’s Equality, Diversity, and Inclusion Report 2021

‘How diverse is the housing association workforce in England?’ to reflect the current representation of people with protected characteristics that are working in social housing. The Report did not collect data on pregnancy and maternity.

## **Overview**

### **Tenants**

The 2021-22 English Housing Survey shows that, of the estimated 24 million households in England, 4 million households are in the social rented sector (17%). This consists of 1.6 million (6%) households who are local authority tenants and 2.5 million households who are tenants of PRPs (10%). This compares to 4.4 million (19%) private renters and 15.6 million (64%) owner occupiers.

Social renting is more common in some areas of the country - particularly London where 22% of inhabitants are social renters, compared to 16% on average across the rest of the country.

The implications of the available demographic data on social renters are that any policy affecting the social rented sector is likely to have a greater than average impact (whether positive or negative) on women, people with disabilities and people from Black Asian and Minority Ethnic (BAME) backgrounds, because these groups are all more likely to live in the social rented sector. Any policy affecting the social rented sector is likely to have a greater than average impact on older people compared to the private rented sector, where they are less likely to live— however, the disproportionate impact on older people is not applicable in comparison to the owner-occupied sector, as there are greater numbers of people aged over 65 living there compared to the social rented sector.

### **Current distribution of protected characteristic: Disability**

The English Housing Survey for 2021-22 shows that 54% of households who are social renters contain at least one person with a disability or long-term illness. This is higher than owner occupied (30%) and private rented households (30%).

### **Current distribution of protected characteristic: Age**

The English Housing Survey for 2021-22 shows that, of all social renters in England, 28% of the person(s) in whose name the accommodation is rented (the Household Reference Person or HRP) are aged 65 or over. This is lower than owner occupiers (36%) and higher than private rented households (9%).

The 2021-22 English Housing Survey shows that 4% of households who are social renters have a HRP between the ages of 16 and 24. This is less than private rented households (10%) but more than owner occupiers (less than 1%).

### **Current distribution of protected characteristic: Race**

The English Housing Survey for 2020-21 shows that, among social renters in England, 19% of the HRPs are from a minority ethnic group. This is similar to the proportion in private rented (23%), and greater than those living in owner

occupied households (8%).

Current distribution of protected characteristic: Sex

In 2019-20, 58% of households in the social rented sector had a female Household Reference Person (HRP). This is greater than the proportion of households in owner occupation (37%) and the private rented sector (40%) with a female HRP.

Current distribution of protected characteristic: Sexual orientation

The English Housing Survey for 2019-20 shows that 2-3% of Household Reference Persons identified as lesbian, gay, bisexual or any other LGB+ sexual orientation across all tenures, without significant differences between social renters, private renters, or homeowners.

**Workforce**

The National Housing Federation’s (“NHF”) Equality, Diversity, and Inclusion Report 2021 ‘How diverse is the housing association workforce in England?’ is the first ever national picture of equality, diversity, and inclusion (“EDI”) within the housing association workforce in England and represents EDI data from 174 organisations, representing 71% of homes owned by housing associations.

Though this does not include the workforce of local authorities and contractors in social housing, it generates a broad picture of the EDI of the social housing workforce. This is because Housing Associations own two thirds of the social housing stock (2.8m units compared to 1.6m units owned by local authorities)<sup>3</sup> and employ the majority of the workforce (around 117,000 people, compared to 43,000 employed by local authorities, according to the findings from research commissioned by the Department from IFF Research)<sup>4</sup> are therefore the largest type of provider of social housing and employer of social housing staff.

The implications of the available demographic data on the social housing sector workforce are that any policy affecting the social housing workforce is likely to have a greater than average impact on individuals from a minority ethnic background as the sector employs a higher percentage of people from these backgrounds than the percentage of people from these backgrounds in the working age population. It will also have a greater than average impact on women as the percentage of women employed in this workforce is higher than the percentage amongst those in the working age population.

It will also have a slightly disproportionate effect on individuals who are “trans” or “any other gender identity” as there is a slightly higher incidence, although for a smaller sample size, for this protected characteristic amongst the workforce compared to the overall population.

<sup>3</sup> <https://www.gov.uk/government/statistics/registered-provider-social-housing-stock-and-rents-in-england-2021-to-2022/registered-provider-social-housing-stock-in-england-summary>

<sup>4</sup> Annex F – The Social Housing Professionalisation Review Report

Current distribution of protected characteristic: Age

The NHF Report shows that the workforce is middle-aged, and the split is even, illustrated by the below table:

Age range	Percentage of the workforce (%)
25-34 years old	20
35-44 years old	24
45-54 years old	25
55-64 years old	21
<b>25-64 years old</b>	<b>90</b>

Current distribution of protected characteristic: Disability

The Report shows that, excluding those responding with “prefer not to say” or “don’t know”, there is a diminished representation of this characteristic with 8% of people who have a current disability or a work-limiting disability.

The Labour Force Survey 2022 data shows that for the working age population (16-64) 16.3% of individuals have a disability defined under the Equality Act 2010.<sup>5</sup> This correlates the diminished representation of this protected characteristic amongst the social housing sector’s workforce.

Current distribution of protected characteristic: Sex

The Report shows that, excluding those responding with “prefer not to say” or “don’t know,” 57% of the workforce is female.

Census 2021 data shows that for the working age population, 50.8% are female.<sup>6</sup> This indicates a greater than average representation of this working age characteristic within the social housing sector’s workforce.<sup>7</sup>

Current distribution of protected characteristic: Gender Reassignment

The Report shows that, excluding those responding with “prefer not to say” or “don’t know,” 0.79% identify as “trans” or “any other gender identity to sex at birth” within the workforce. However, the data was only collected for one-quarter of the workforce.

Census 2021 data shows that 0.54% of the population identified as “trans” or “any other gender identity different to their sex registered at birth.”<sup>8</sup> This shows a slightly higher representation within the social housing workforce compared to the overall population but this finding must be caveated by the lower quality of the data compared to other protected characteristics.

*(N.B. data has not been collected in the NHF’s Report for the sub-categories within this protected characteristic that have been collected in Census 2021 e.g., “trans man,” “trans woman” and “non-binary.” We are aware of these categories but for the purposes of this assessment we have combined them to*

<sup>5</sup> [A08: Labour market status of disabled people - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

<sup>6</sup> [Ethnic group by age and sex in England and Wales - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

<sup>7</sup> [Ethnic group by age and sex in England and Wales - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

<sup>8</sup> [Gender identity, England, and Wales - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

*make an accurate comparison)*

Current distribution of protected characteristic: Marriage or Civil Partnership

The Report shows that, excluding those responding with “prefer not to say” or “don’t know,” the workforce exhibit marriage or civil partnership characteristics that are broadly representative of the population. 47% of the workforce responded that they are married or in a civil partnership.

Census 2021 data shows that the proportion of adults who are married or in a civil partnership was 46.9%<sup>9</sup> which is broadly similar to the social housing workforce.

Current distribution of protected characteristic: Race

The Report shows that, excluding those responding with “prefer not to say” or “don’t know,” 27.3% of the workforce are from a minority ethnic group.

Census 2021 data shows that for the working age population, 19.3% are from a minority ethnic group.<sup>10</sup> This indicates a greater than average representation of this working age characteristic within the social housing sector’s workforce.

Current distribution of protected characteristic: Religion or Belief

The Report shows, excluding those responding with “prefer not to say” or “don’t know”, that 49% identified themselves as “Christian” and 40% identified themselves as having “no religion.”

Census 2021 data shows that 46.2% of the population described themselves as “Christian” and 37.2% described themselves as having no religion. This shows that the social housing workforce is broadly representative of the overall population within this characteristic.

Current distribution of protected characteristic: Sexual orientation

The Report shows, excluding those responding with “prefer not to say” or “don’t know”, that the 3.3% of the workforce identified themselves as either “gay”, “lesbian”, “bisexual” or “other sexual orientation.”

Census 2021 data shows that for the working age population, 3.9% of the population identified themselves as either “gay”, “lesbian”, “bisexual” or “other.”<sup>11</sup> This indicates a slightly smaller than average representation of this working age characteristic within the social housing sector’s workforce.

## 2.2 Assess the impact

<sup>9</sup> [Marriage and civil partnership status in England and Wales - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/peoplepopulationandcommunity/relationshipsandmarriage/bulletins/marriageandcivilpartnershipstatusinenglandandwales/2021)

<sup>10</sup> [Religion, England, and Wales - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/peoplepopulationandcommunity/ethnicityandnationality/bulletins/religioninenglandandwales/2021)

<sup>11</sup> [Sexual orientation, England, and Wales - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/peoplepopulationandcommunity/sexualorientationandgenderidentity/bulletins/sexualorientationinenglandandwales/2021)



## **Tenants**

We have considered the impact, including any differential impacts on tenants with protected characteristics, arising from new regulatory C&C Standard and the qualification element to be a net benefit to social housing tenants. The intervention will help to ensure that social housing staff gain the SKEB to deliver good quality services to tenants, improving the wellbeing of tenants and minimising risks to their health and safety. As a result, this policy will have a positive impact on those groups with protected characteristics which are disproportionately represented in social housing in general.

We are aware that the qualification element could present a service delivery risk that disrupts services to tenants. This is because we estimate that these staff will have their working hours reduced by up to 8 hours per week whilst they undertake a qualification, and this could have a negative impact on service delivery if large numbers of staff are undergoing qualifications at the same time. If this risk is realised it would have a negative impact on all tenants which would be disproportionate on groups from protected characteristics who have an increased representation in social housing. This would include women, people with disabilities and people from Black Asian and Minority Ethnic (BAME) backgrounds, because these groups are all more likely to live in the social rented sector.

We have mitigated this risk by setting a Transition Period for staff to be qualified. This reduces the impact of these reduced working hours because providers can get staff qualified sequentially in smaller cohorts over a longer period of time, and therefore fewer staff will be taking time out of their roles each working week at the same time.

With these mitigations in place we do not consider that any negative impacts on equality are disproportionate to the benefits of the policy. We do not consider that the policy is likely to have any impact on equality of opportunity and relations between groups represented in social housing.

## **Workforce**

### Age

The qualification element could slightly disadvantage and negatively impact older age groups in the workforce, such as those within 55–64-year-old age groups, as they are closer to preparing for retirement age (the effective labour market exit age for men and women in the UK is 63.7 and 63.2 respectively).<sup>12</sup> For example, for older staff who are discouraged from remaining in the sector by the prospect of commencing a qualification late in their careers. This age group is underrepresented in the social housing workforce, so the impact is reduced. Nevertheless, the policy could result in individuals from this age group exiting the sector earlier than they had anticipated.

We have mitigated this by setting a Transition Period (proposed 24 months) before the qualification element bites fully which means that Registered Providers will not need to require individuals already very close to retirement (e.g., under two years) to enrol upon such a qualification. This is because, these individuals will not need to be enrolled on to a qualification, as they will have left their post by the time the Transition Period concludes.

<sup>12</sup> [Ageing and Employment Policies – Statistics on average effective age of labour market – The Organisation for Economic Co-operation and Development \(oecd.org\)](https://www.oecd.org/ageing-and-employment-policies-statistics-on-average-effective-age-of-labour-market/)

With these mitigations in place we do not consider that any negative impacts on older members of the workforce are disproportionate to the benefits of the policy. We do not consider that the policy is likely to have any impact on equality of opportunity and relations between older members of the workforce and others.

#### Disability

We anticipate that the policy, particularly the qualification element, could disadvantage and therefore negatively impact those in the workforce with disabilities, who may have difficulties accessing traditional learning and assessment methods. This group is underrepresented in the social housing workforce so any impact will be reduced. For this group, the qualification element may be harder to meet, and may discourage individuals from applying to the roles in scope of the qualification element. However, we expect training and qualifications providers, and housing organisations to make reasonable adjustments for staff who have disabilities to ensure that they can access training and, where required, achieve a qualification. For example, leading training providers have measures in place to support accessibility such as providing a screen reader, bespoke reading, and styling tools as well as translation services.

The policy may disadvantage and therefore negatively impact those in the workforce with disabilities, who may face extended periods of leave due to illness or disability. For this group, should a chronic illness or scheduled medical intervention mean that existing staff will have to take a period of leave from work, it could mean they would not meet the qualification element to be enrolled onto a qualification within the time-period decided for staff to meet the C&C Standard. As previously mentioned, this group is underrepresented in the social housing workforce so any impact will be reduced. To mitigate this impact, we will allow those who are scheduled to be absent from work for an extended period to enrol on or start making progress towards their qualification within six months of returning from their extended period of leave. We also expect that qualifications providers will provide some level of flexibility when it comes to the time limits or maximum duration allowed for completion of the qualification when individuals' personal circumstances change, to accommodate any illness or medical intervention for example.

With these mitigations in place we do not consider that any negative impacts on disabled members of the workforce are disproportionate to the benefits of the policy. We do not consider that the policy is likely to have any impact on equality of opportunity and relations between disabled members of the workforce and others.

#### Sex

We have considered that the policy, specifically, the qualification element could slightly disadvantage people in the workforce based on their sex and will likely present a negative impact due to the expected 8 hour per week learning commitment. Women are more likely to have caring responsibilities and they are 2.7% more likely to have provide unpaid care.<sup>13</sup> Therefore they may have less time outside of contracted work hours to carry out this learning and meet the C&C Standard. This could have negative consequences for the employment of this group. This impact is increased as women are disproportionately represented in the workforce.

<sup>13</sup> [Unpaid care by age, sex and deprivation, England, and Wales - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk/people-in-work/unpaid-care)

As a mitigation, we are not setting a standardised completion deadlines across all qualifications, instead learners will need to complete qualifications within the time limit or estimated time period set by qualification providers. Qualifications providers are able to provide some flexibility when it comes to the time limits for completion of the qualification when individuals' personal circumstances change, to accommodate those with new caring responsibilities for example.

With these mitigations in place we do not consider that any negative impacts on women members of the workforce are disproportionate to the benefits of the policy. We do not consider that the policy is likely to have any impact on equality of opportunity and relations between women members of the workforce and others.

#### Pregnancy and Maternity

We have assessed that the policy, particularly the qualification element, could disadvantage and slightly negatively impact people in the workforce who are pregnant or on maternity leave as they may have difficulty adhering to the time limits for enrolling on, making progress towards, or completing qualifications. We do not have data for the number of pregnant staff or staff who take maternity leave so we cannot assess whether the impact the policy will have on the group within the social housing workforce will be disproportionate.

As a mitigation, we will allow those who are scheduled to be absent from work for an extended period, such as maternity leave, to enrol on qualifications within six months after their extended period of leave. We are allowing qualifications providers will provide some level of flexibility when it comes to the time limits or maximum duration allowed for completion of the qualification when individuals' personal circumstances change, to accommodate those who are pregnant or on maternity leave.

With these mitigations in place we do not consider that any negative impacts on members of the workforce with the protected characteristic of pregnancy / maternity are disproportionate to the benefits of the policy. We do not consider that the policy is likely to have any impact on equality of opportunity and relations between members of the workforce with the protected characteristic of pregnancy / maternity and others.

#### Gender Reassignment

The policy, particularly the qualification element, could slightly disadvantage and have a slight negative impact on individuals in the workforce who are proposing to undergo, undergoing, or having undergone a process to reassign their gender, and need to take an extended absence of leave. This extended absence of leave could mean they would not meet the qualification element to be enrolled onto a qualification within the time-period decided for staff to meet the C&C Standard and as a result this could have a negative impact on the employment for these groups. This impact is slightly increased as this group is slightly disproportionately represented within the social housing sector workforce.

To mitigate this impact, we will allow those who are scheduled to be absent from work for an extended period, to enrol on qualifications after their extended period of leave. We also expect that qualifications providers will provide some level of flexibility when it comes to the time limits or maximum duration allowed for completion of the qualification

when individuals' personal circumstances change, to accommodate gender reassignment processes.

With these mitigations in place we do not consider that any negative impacts on members of the workforce that have the protected characteristic gender reassignment are disproportionate to the benefits of the policy. We do not consider that the policy is likely to have any impact on equality of opportunity and relations between members of the workforce who have the protected characteristic gender reassignment and others.

Race:

The policy could slightly disadvantage people in the workforce who are from a minority ethnic background, as they could be impacted by bias in recruitment practices that favour individuals who have already participated in higher education. This is because the C&C Standard may lead to individuals already with further education qualifications having an advantage for prospective roles as senior executives or senior managers in the housing industry. Although the percentage of people in further education from a minority ethnic background increased from July 2011 – July 2021 from 19.3% to 23.6%. The majority of adults in further education are from a white background (76.5%).<sup>14</sup> This may lead to a bias from recruitment from providers towards individuals from a white background.

We have mitigated against this impact as we do not require staff to hold the qualification in order to be successfully recruited into a role that is in scope of the requirements. In addition, we assess that this negative impact will be mitigated by the fact that the trends in further education for ethnic minorities show an increase in their representation and that we anticipate that providers develop clear routes for professional progression into senior housing management roles for their staff, who are disproportionately from ethnic minorities.

With these mitigations in place we do not consider that any negative impacts on members of the workforce that have the protected characteristic race are disproportionate to the benefits of the policy. The policy could slightly improve equality of opportunity for existing staff in the workforce from an ethnic minority background because they are more likely to be supported by their employer to achieve a housing management qualification, if they fall into the roles that are in scope of the qualification element. Evidence published by the Social Mobility Commission<sup>15</sup> citing research by the LSE and Department for Education<sup>16</sup> found that having a level 4 or 5 qualification was associated with higher earnings than if education ended at level 3 or below. Additionally, we assess there to be no impact on relations between people who share the protected characteristic race and others.

Marriage or Civil Partnership

<sup>14</sup> <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills>

<sup>15</sup> <https://www.gov.uk/government/publications/labour-market-value-of-higher-and-further-education-qualifications-a-summary-report/labour-market-value-of-higher-and-further-education-qualifications-a-summary-report#:~:text=Higher%2Dlevel%20qualifications%20such%20as,compared%20to%20level%203%20qualification s.&text=The%20highest%20returns%20are%20for,and%20level%205%20for%20women.>

<sup>16</sup> <https://cver.lse.ac.uk/textonly/cver/pubs/cverbrf013.pdf>

We have considered whether the C&C standard will disadvantage individuals within the workforce who are married or in civil partnerships, and do not believe that any negative impact on equality is likely to arise in relation to this protected characteristic. In addition, there would be no impact on equality of opportunity and relations between people who share this protected characteristic and others.

#### Religion or Belief

We have considered whether the C&C Standard will impact individuals within the workforce based on their religion or belief, and do not believe that any negative impact on equality is likely to arise in relation to this protected characteristic. In addition, there would be no impact on equality of opportunity and relations between people who share this protected characteristic and others.

#### Sexual Orientation

We have considered whether the C&C Standard will impact individuals within the workforce based on their sexual orientation, and do not believe that any negative impact on equality is likely to arise. In addition, there would be no impact on equality of opportunity and relations between people who share this protected characteristic and others.

#### Socio-economic background

Although not a protected characteristic, we are aware that there may be a negative impact for sections of the workforce who come from a lower socio-economic background. With Free School Meals as a positive indicator for a lower socio-economic background, in 2020/21 individuals who were eligible for Free School Meals were 18.7% less likely to progress onto higher education.<sup>17</sup> This group may be negatively impacted by the policy should they be deterred from roles in scope of the qualification element. We have mitigated this impact as we do not require staff to hold the qualification at the point of recruitment but instead, they will need to have been enrolled onto a qualification within a specific timescale as set out in the Policy Statement.

With these mitigations in place we do not consider that any negative impacts on members of the workforce that are from a lower socioeconomic background are disproportionate to the benefits of the policy.

## **2.3 Summary of the Analysis**

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<sup>17</sup> [Widening participation in higher education, Academic year 2020/21 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://www.gov.uk/explore-education-statistics.service.gov.uk)

## **Tenants**

### Positive Impact

The implications of the available demographic data on social renters are that any policy affecting these tenants are, as a whole, likely to have a particular impact (whether positive or negative) on women, older people, people with disabilities and people from BAME backgrounds, because these groups are all disproportionately likely to live in the social rented sector. The introduction of the Standard is expected to have a net positive beneficial impact on social housing tenants because the it will aim to ensure that social housing staff gain the SKEB to deliver good quality services to tenants. This in turn should drive culture change and improve the wellbeing of tenants and minimise risks to their health and safety. As a result, this policy will have a positive impact on groups with protected characteristics which are disproportionately represented in social housing in general. This includes the protected groups for which data is not collected by the Department (i.e., gender reassignment, pregnancy and maternity, religion or belief, sexual orientation, marriage/civil partnership), because the increased SKEB of staff in the social housing workforce is expected to increase the quality of services for all tenants.

### Negative Impact – Service Delivery Risk

We are aware that the qualification element included in the C&C Standard, for Senior Housing Managers and Senior Housing Executives involved in managing the service, will mean we estimate these staff will have their working hours reduced by up to 8 hours per week for the duration of their qualification courses. This could disrupt the delivery of services to tenants. If this risk is realised it would have a negative impact on groups with protected characteristics which are disproportionately represented in social housing in general. This risk will be particularly acute for small and micro-organisations (managing 50 units of stock or fewer). For example, should an organisation only employ three members of staff, there would be significant disruption caused if the one senior manager (therefore one-third of staff) spent 8 hours per week undertaking a qualification.

We are mitigating this risk by providing a Transition Period (proposed to be 24 months in duration) during which time in-scope staff must enrol on qualifications. This reduces the impact of these reduced working hours because Registered Providers can make arrangements for staff to undertake qualifications courses in smaller cohorts, meaning fewer staff will be taking time out of their roles to undertake these qualifications at any one time. Small and micro-organisations will have an extended Transition Period giving them twice as long as larger organisations to enrol staff in-scope.

The percentage of staff for all providers that will be working reduced working hours are therefore, spread across a longer period, so it is easier for providers to backfill or find cover for the reduced hours of their senior staff. For small and micro-organisations, their staff will have double the time to enrol on qualifications. This mitigates risks to service delivery and disruption to tenants, and therefore sufficiently lessens the potential negative impact on groups from protected characteristics which are disproportionately represented in social housing in general.

### **Workforce**

The implications of the available demographic data on the social housing sector's workforce are that any policy affecting this workforce are, as a whole, likely to have a

particular impact (whether positive or negative) on individuals from a minority ethnic background, women, and a slightly increased impact on individuals who are “trans” or “any other gender identity.” This is because these groups are disproportionately likely to work in the social housing sector’s workforce to varying degree.

### Positive Impact

The introduction of the C&C Standard is expected to have a positive impact on the social housing sector’s workforce. This is because it will increase the SKEB of the workforce and ensure that in-scope Senior Housing Managers and Executives currently in the workforce, as well as future position holders, gain a housing management qualification. In addition, evidence published by the Social Mobility Commission<sup>18</sup> citing research by the LSE and Department for Education<sup>19</sup> found that having a level 4 or 5 qualification was associated with higher earnings than if education ended at level 3 or below. This will likely be a valuable boost to the workforce’s employability and earnings, and as such will have a disproportionately positive impact on groups from protected characteristics which are disproportionately represented in the social housing workforce. This includes the protected groups for which data is not collected by the Department (i.e., pregnancy or maternity) because they will also be in scope of the C&C Standard and receive this boost to employability.

### Negative Impact – Academic Learning Responsibility

We are aware that the qualification element will mean that Senior Housing Managers and Executives in the workforce will have to undertake academic learning in addition to their current responsibilities. It likely means that prospective senior managers and senior executives will have to undertake a qualification after the point of recruitment for these positions. We think that this could have a negative impact on individuals from an ethnic minority, individuals from older age groups, women, and individuals with a long-term illness or are disabled. Outside of protected characteristics we have also considered that the policy could negatively impact individuals from a lower socio-economic background.

We have mitigated the negative impacts on these groups by:

- Setting a Transition Period before the qualification element bites fully which means that Registered Providers will not need to require individuals very close to retirement at the time the Standard comes into force to enrol upon qualifications.
- Not setting a standardised completion deadline for qualifications, but rather giving qualification providers the necessary flexibility to set suitable deadlines for specific courses.
- Expecting training and qualifications providers and housing organisations to make reasonable adjustments for staff who have disabilities.
- Not requiring staff to hold the qualification at the point of recruitment but instead that they must be enrolled onto a qualification within a specific timescale.

### Negative Impact – Periods of Leave

<sup>18</sup> <https://www.gov.uk/government/publications/labour-market-value-of-higher-and-further-education-qualifications-a-summary-report/labour-market-value-of-higher-and-further-education-qualifications-a-summary-report#:~:text=Higher%2Dlevel%20qualifications%20such%20as,compared%20to%20level%203%20qualification s.&text=The%20highest%20returns%20are%20for,and%20level%205%20for%20women.>

<sup>19</sup> <https://cver.lse.ac.uk/textonly/cver/pubs/cverbrf013.pdf>

We are proposing a two year time limit for enrolment at the point the Standard comes into force. This could have a negative impact for protected groups who may have to take an extended period of leave during this period. We think that this could have a negative impact on individuals who are pregnant or on maternity leave, have a disability, or are proposing to undergo, undergoing, or having undergone a process to reassign their gender.

We have mitigated the negative impacts on these groups by allowing those who are scheduled to be absent from work for an extended period to enrol upon or start making progress towards their qualification within six months of returning from their extended period of leave.

### **Conclusion**

We recommend these proposals on the basis that they will not have a disproportionate negative impact on equality for both social housing tenants and the workforce. Any negative impacts are limited, have been reduced by our mitigations, and are therefore proportionate to realise the positive impacts to social housing tenants and the workforce that the C&C Standard will introduce. We have considered appropriately the need to advance equality and foster good relations and we do not consider these proposals will have any significant impact on these objectives.

## **SECTION 3**

### **3.1 Decision Making**

The proposals are expected to have a favourable indirect impact on social housing tenant groups with protected characteristics as much as for social housing tenants without protected characteristics. We assess that there will be no disproportionate negative impact on groups sharing protected characteristics. This is because we have taken steps to mitigate any potential or expected negative impacts on tenant groups with protected characteristics that could result from the intervention and to ensure that these impacts are not disproportionate.

Given the demographics of social housing tenants, the positive benefits of the proposals - which will provide benefits for all residents of social housing equally - will affect protected groups overall to a greater than average extent (particularly women, older people, people with disabilities and people from ethnic minorities), because they represent higher than average numbers in the social rented sector compared to the general population.

The proposals are expected to have a positive direct or indirect impact on the social housing workforce with protected characteristics as much as for the social housing workforce without protected characteristics. We assess that there will be no disproportionate negative impact on groups sharing protected characteristics. This is because we have taken steps to mitigate any potential or expected negative



impacts on tenant groups with protected characteristics that could result from the intervention and to ensure that these impacts are not disproportionate.

Given the demographics of social housing workforce, the positive benefits of the proposals will affect protected groups overall to a greater than average extent (particularly women, people from ethnic minorities and slightly greater than average for individuals who are “trans” or “any other gender identity.” This because these groups are disproportionately likely to work in the social housing sector’s workforce to varying degree.

Therefore, we recommend proceeding with the proposals (***‘proceed as planned with the policy or service’***) on the basis that they will not have a disproportionate negative impact on equality. We have considered appropriately the need to advance equality and foster good relations.

### 3.2 Monitoring arrangements

We will keep the impact of these proposals under review during the consultation period and for consideration of decisions at the relevant time. The Department will work with the Regulator to conduct a full review of the new regulatory regime every four years. This will include a review of the impact of this intervention.