

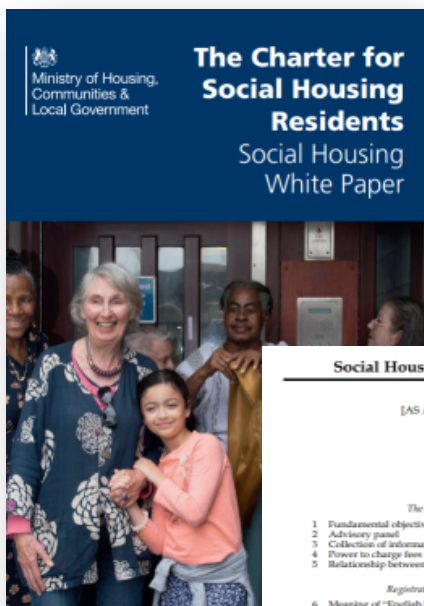
# Changes to Social Housing Regulation

HRSSC – Thursday 27 April 2023

Karen Swift (Director of Housing & Regeneration)



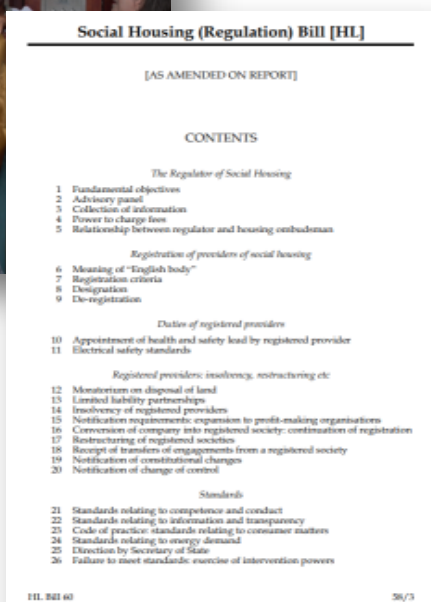
# Background



## The Charter for Social Housing Residents

The government's social housing white paper; "The Charter for Social Housing Residents" was published in Nov 2020, outlining the Government's pledge to:

- empower residents,
- provide greater redress,
- improve social housing regulation and
- improve the quality of social housing



## Social Housing Regulation Bill

As a result of the measures outlined in the Charter for Social Housing Residents, the Social Housing Regulation Bill was introduced on 8 June 2022. Three key aims of the Bill are to:

- make changes to the consumer regime
- strengthen the powers of the Regulator of Social Housing
- strengthen economic regulation.



# Benefits to Residents of the changes to Social Housing Regulation



- Empowerment of residents.
- Social Housing Landlords are held accountable.
- Greater transparency for tenants and leaseholders.
- Tenants and leaseholders will feel safe in their homes.
- Their housing provider will be led by qualified housing professionals.
- Improvement of the quality of residents homes.
- Should see improvements in housing services delivery.



# The changes to Social Housing Regulation - What we know (1)



- **The Regulator of Social Housing (RSH) will become proactive** *instead of solely reactive.*
- **Consumer Standards will be revised and consulted on** – *moving from 4 to 6 individual standards.*
- **New RSH Social Housing Quality Residents Panel already introduced** - *consists of 250 residents who share their views with the government on its approach to driving up the quality of social housing.*
- **Complaints easier for residents to make** - *using the Housing Ombudsman service to seek redress from their social housing landlord.*
- **New Tenant Satisfaction Measures (TSMs) have been introduced (1 April 2023)** *consisting of 12 tenant perception survey questions and 10 management information performance-related measures.*
- **New 4-yearly inspection regime to be introduced** *for social housing landlords with 1,000+ properties.*



# The changes to Social Housing Regulation - What we know (2)



- **A named “Health & Safety Lead”**, overseeing H & S requirements for their landlord required for landlords with 1,000+ properties.
- **A named “Responsible Person”** overseeing compliance with the 6 new consumer standards required for all social housing landlords.
- **Professionalisation of Housing Managers** – managers including senior executives must have or be in the process of being trained to have a CIH Level 4 or 5 Certificate or Diploma in Housing (or equivalent).
- **Awaab’s Law** will force social landlords to investigate and fix damp and mould issues within strict time limits, set by the government.
- **RSH & Housing Ombudsman’s close relationship to be formalised** in the impending Social Housing Regulations Act.
- **RSH will have increased contravention and enforcement powers** – including unlimited/uncapped fines.



# What we don't know...



- The details of the six new consumer standards.
- The definite timeline for the impending Social Housing (Regulations) Act, including:
  - The dates for royal assent and implementation of the Act.
  - When the consumer standards consultation will start and end.
  - What the grace period will be for avoiding contraventions/enforcements after implementation of the impending Act.
  - The details of secondary legislation which will follow - Awaab's Law
- The trigger points for the Regulator's interventions and contraventions .
- What happens to Housing Managers who do not have a CIH Level 4/5 qualification Will there be a period that they need to become qualified by?
- The format of the new inspection regime and the details underpinning performance improvement plans.
- If new burdens funding will be made available.



# Current Regulatory Standards for Social Housing (2008 to present)



## Consumer Standards

1. Home
2. Tenancy
3. Neighbourhoods & Community
4. Empowerment and Engagement

The Regulator does not resolve individual complaints and cannot mediate in disputes between landlords and tenants, (this is the role of the Housing Ombudsman).

The Regulator's stance is 'reactive', intervening only where it suspects tenants at risk of serious harm based on info and allegations from variety of sources where there is a suggested breach of consumer standards.

## Economic Standards

1. Rent Standard
2. Governance & Financial Viability
3. Value for Money

The Regulator only applies the Rent Standard to LAs. All economic standards apply to RPs.

The Regulator uses 'In Depth Assessments' against all the Economic Standards for RPs and failure to comply can result in a downgraded regulatory judgement or a regulatory notice (as applicable); or enforcement action against the RP.



# Summary of the New Proactive Regulation Regime for Social Housing

There will now be **6** new standards :

1. Safety
2. Quality
3. Neighbourhood
4. Transparency
5. Engagement and Accountability
6. Tenancy

## Consumer Standards

1. Rent Standard

(Below do not apply to LAs)

2. Governance & Financial Viability
3. Value for Money

## Economic Standards

### Tenant Satisfaction Measures

- feeds into the Regulator's monitoring of the Consumer Standards.
- Will inform compliance and provide a steer on focus of inspections.

### The Housing Ombudsman

- The Ombudsman & RSH will work closer together.
- The Ombudsman will also inform the Regulator of 'systemic issues' in relation to compliance.

### New Inspection Regime

- 4 yearly with RPs > 1000 units
- reactive inspections for those with <1000 units or found to have systemic failures and cause of concern

### New Landlord Roles

Social Housing landlords must nominate named officers to take on below roles:

- Responsible Person
- Health & Safety Lead





# LBTH/THH Preparedness



- **Social Housing Regulation Bill (SHRB) Group**

A cross-departmental group chaired by Karen Swift, Director of Housing & Regeneration and consisting of LBTH /THH officers meeting six-weekly to discuss preparedness and the impact of the impending Social Housing Regulations Act.

- **Compliance Checks with Current Consumer Standards**

The SHRB Group are carrying out a review of compliance with activities in the Social Housing White Paper (Charter for Social Housing Residents) as well as the current consumer standard.

- **TSM Dry-run**

THH has performed a dry-run survey of the we tenant perception-related TSM questions and are currently analysing the results. Also working through the data collection process to carry out an assurance exercise on the 10 management information related TSMs

- **Housing Managers Qualifications Survey**

Development of a survey is in progress, to establish if staff in LBTH housing management roles meet the professionalism requirements (CIH level 4 and 5 in housing or equivalent) as set out in the DLUCH/Secretary of State press release (Feb 23). THH is carrying out a similar exercise. A plan to develop staff will follow - pending royal assent and further details.

- **Keeping updated on legislative changes**

Continue to monitor the progression of the Bill and any emerging details on revised Consumer Standards and the inspection regime – to consider all legislative changes.



# The Social Housing Regulations Named Officers/ New Roles



Roles Required Under the Social Housing (Regulations) Bill	Considerations
<p><b>1. Health &amp; Safety (H &amp;S) Lead</b></p> <ul style="list-style-type: none"> <li>Responsible for overseeing the management of the risk of not complying with H &amp; S regulations.</li> <li>The Bill states where a LA has a Cabinet and an elected mayor, the H &amp; S Lead can be:               <ul style="list-style-type: none"> <li>- a member of the executive other than the elected mayor, or</li> <li>- an employee of the local authority.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The Council’s Building Safety Lead</li> <li>Cabinet Member for Regeneration, Inclusive Development &amp; Housing</li> <li>THH’s Director of Asset Management (pending transfer to the council)</li> <li>THH’s Head of Asset Management (pending transfer to the council)</li> </ul>
<p><b>2. Responsible Person</b></p> <ul style="list-style-type: none"> <li>Government will legislate to require social landlords to identify and nominate a Responsible Person. The Responsible Person must ensure the landlord complies with the consumer standards set by the RSH.</li> <li>The “Responsible Person” must be :               <ul style="list-style-type: none"> <li>- a senior officer such as an executive and</li> <li>- an employee of the landlord</li> </ul> </li> </ul> <p>(More information regarding this role will come out in secondary legislation or the final Social Housing (Regulation) Act.)</p>	<ul style="list-style-type: none"> <li>Chief Executive</li> <li>Corporate Director of Place</li> <li>Director of Housing &amp; Regeneration</li> <li>A senior executive from THH (pending transfer to the council)</li> </ul>

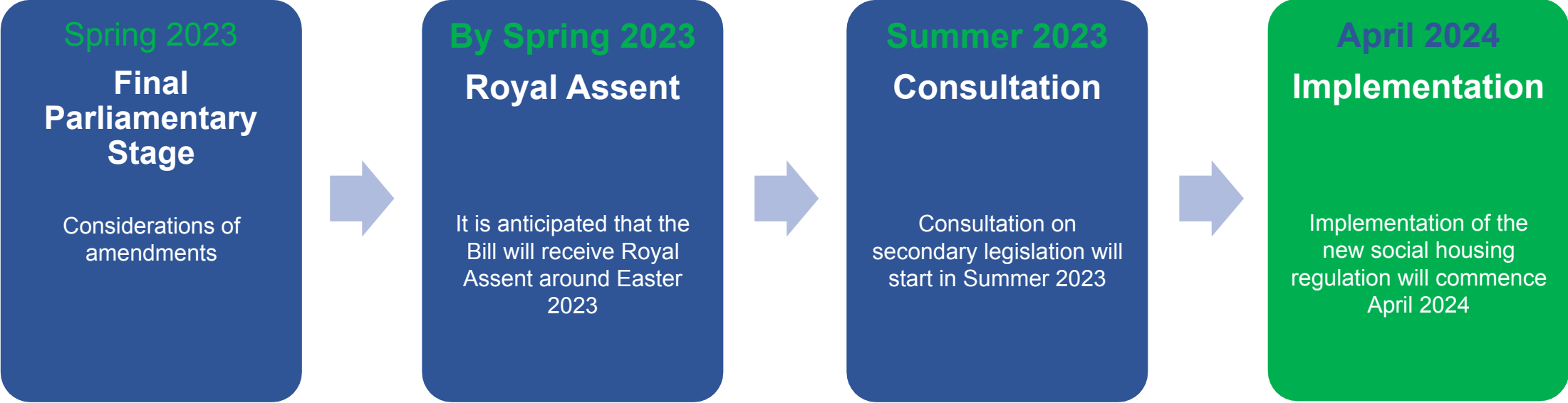
# Additional costs from the new Regulation Regime



- **Professionalisation of Housing Managers** – costs of course and time to study
- **Additional cost of carrying out Tenant Perception Surveys** as part of the TSMs
- **Potential of increased compensation payments** as a result of an increase in the number of complaints made to THH and the Housing Ombudsman
- **Increased demand and costs of repair services**
- **Potential fines for non-compliance from the Regulator**



# Social Housing (Regulation) Bill 2022 Trajectory



# Risks arising from New Social Housing Regulation Regime



- **Bringing housing management service in-house** - *staff retention, morale, impacting on performance*
- **Increased complaints made to the Housing Ombudsman**
- **Inspection and enforcement action by the Regulator**
- **Financial pressures on the Housing Revenue Account**
- **Professionalisation of housing managers** - *recruitment of qualified staff and training provider capacity*
- **Other legislation coming into force:** *BSA (2022), FSA (2021) FS Regulations and possible revised Decent Homes Standard.*



## Further information

- [The charter for social housing residents: social housing white paper \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)
- [Social Housing \(Regulation\) Bill \[HL\] \(parliament.uk\)](https://parliament.uk)
- [Regulatory standards - GOV.UK \(www.gov.uk\)](https://www.gov.uk) – Current Economic and Consumer Standards which RPs must comply with.
- [TSM Decision Statement \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)
- [Tenant satisfaction measures: A summary of our requirements – September 2022 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)
- [Reshaping consumer regulation: Our implementation plan - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

