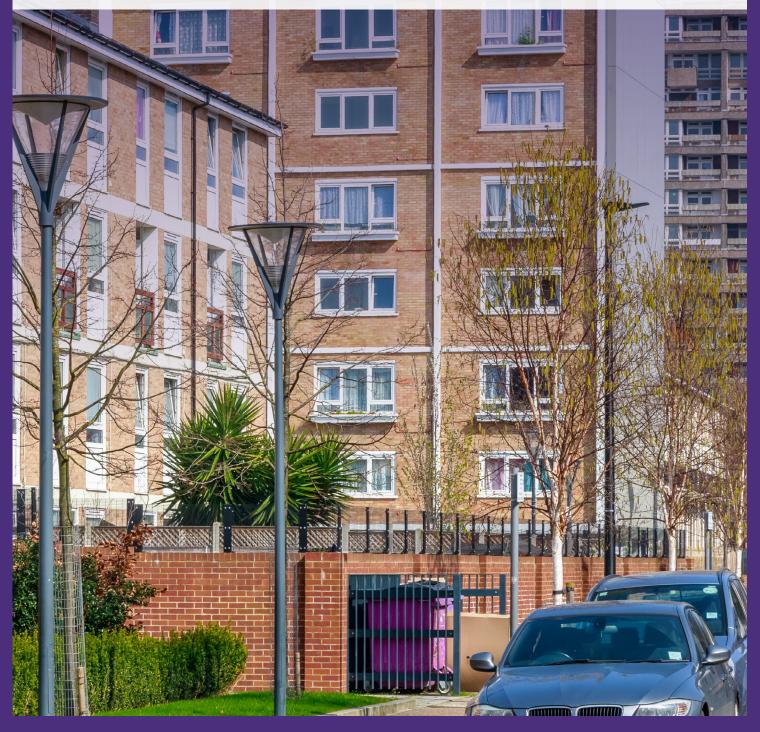


What you need to know about the Social Housing (Regulation) Bill



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Introduction

The Social Housing (Regulation) bill was laid before Parliament on 8th June 2022. It aims to deliver the proposals set out in the Social Housing White Paper by introducing measures to give tenants greater powers, improve access to redress and strengthen the Regulator of Social Housing's (RSH) powers.

The measures announced under the Bill will:

- Enable the RSH to intervene with landlords who are performing poorly on consumer issues, such as complaints handling and decency of homes, and to act in the interest of tenants to ensure issues are rectified.
- Enable the RSH to inspect landlords to ensure they are providing tenants with the quality of accommodation and services they should have.
- Guarantee timely action where the RSH has concerns about the decency of a home by only requiring 48 hours' notice to a landlord before a survey is carried out.
- Provide powers for the RSH to arrange emergency repairs of tenants' homes, ensuring serious issues are resolved quickly.
- Remove the cap on fines that the RSH can issue to a landlord who fails to meet required standards.
- Enable proactive regulation of consumer standards and provide powers to introduce new Tenant Satisfaction Measures to allow tenants to see how their landlord is performing against others and help the RSH decide where to focus attention.
- Ensure tenants of housing associations are able to request information from their landlord in a similar way to how the FOI Act works for tenants of local authority landlords.

Detail

The text of the Bill is available <u>here</u> and explanatory notes <u>here</u>.

The Bill enshrines key objectives of safety, transparency and accountability to tenants, set out by government in its social housing white paper, The charter for social housing residents. It can be summarised under three main themes:

To be safe in your home

- The Bill makes safety and transparency explicit objectives for the regulator; ensuring that homes are safe as well as of quality and being well managed, and that registered providers act in a transparent manner in relation to their tenants. The objective of safety is added to the consumer matters for which the regulator can set standards.
- It requires registered providers (RPs) to designate a health and safety lead for the organisation and sets out what role this person should have in the organisation; their details are to be published, as required by the regulator. The lead is to monitor compliance with health and safety requirements, assess risks if the organisation fails to do so, and provide advice to the responsible body to address this. The RP must provide training and resources to enable the health and safety lead to fulfil their functions.
- The bill requires the regulator and housing ombudsman to cooperate in exercising their functions, and to set out how they will do so in a memorandum which they are to maintain and publish. The Housing Ombudsman, on investigating a complaint, can direct the provider to examine their policies/ practices where it considers this to be an underlying cause of the issue.

- The bill enables the regulator to make registration as an RP conditional on meeting regulatory standards from the outset, and to set criteria relating to the financial, management and constitutional arrangements that new RPs must satisfy.
 Failure to meet standards is added as a reason for compulsory de-registration.
- It makes provision for requirements on social providers regarding electrical safety checks through amendments to the Housing and Planning Act 2016, in line with requirements on private landlords.

To know how your landlord is performing

- The bill enables the regulator to set standards for RPs on the provision of information to tenants and the regulator. This can require compliance about information to tenants concerning accommodation, facilities and services relating to social housing (the 'access to information' scheme). It requires RPs to monitor compliance with standards and self-report where they fail or risk failing to comply; and to publish information about executive remuneration, income, management costs and other expenditure.
- The regulator can direct RPs to collect and publish information on their performance, including specifying what information is required; over what period it should be collected; how the information is collected, analysed and published; what is to be published, how and in what form; what RPs this requirement applies to.
- The regulator can require the RP to submit information on performance to itself, including the RPs analysis of that information and how it was collected, processed and published. (Powers that underpin the tenant satisfaction measures).
- The regulator has actions it can take where RPs fail in relation to requirements about information and transparency including enforcement notices, financial penalties and the power to require a performance improvement plan.

To be treated fairly and with respect, backed by strong consumer regulation

- The bill removes the 'serious detriment' test for intervention on consumer matters, but the regulator is still required to act in a way that is proportionate and minimises interference.
- It gives the regulator powers to develop a code of practice on consumer standards, helping RPs - and their tenants - to understand what is expected of them, in line with its powers on governance, financial viability and value for money.
- The regulator will be able to conduct inspections of RPs without seeking the explicit consent of the secretary of state. It removes the current limit of £5000 on fines that the regulator can impose on all RPs, including local authority housing providers. The Bill also extends the powers of enforcement which the regulator has over for-profit RPs to ensure equal protection for tenants.
- It allows the regulator to undertake surveys of premises with only 48 hours' notice to the RP and 24 hours to the occupant, compared to the 28 days currently (the 'Ofsted style' inspections). It is an offence for the RP or a person acting on behalf of the RP to obstruct the regulator in this function.
- The bill also allows emergency remedial action to be taken by the regulator, where it is satisfied that the RP has failed to maintain the premises to standards required and that failure causes imminent risk of serious harm to tenants' health and safety, with 24 hours' notice. It can reclaim relevant expenses incurred when making the arrangements and undertaking remedial action. Obstructing this action is an offence for which a fine can be imposed.
- The bill enables the regulator to require RPs to develop a performance improvement plan where it has failed to meet a standard or is at risk of doing so if no action is taken, or it has failed to comply with a request or directive regarding collecting and publishing information, or where tenants' interests need to be protected. It has to make clear why the plan is required, and

either approve or give reasons why it rejects the plan the RP puts forward. If approved, the RP must also make a copy of it available to tenants who make a written request for a copy. If the RP fails to comply or implement the plan, the regulator can: give an enforcement notice; impose a penalty; award compensation; set out a management tender; appoint a manager or, in the case of a local housing authority provider, appoint advisors to the council.

 It requires the regulator to establish an advisory panel to provide information and advice in the exercise of its functions, and sets out whose expertise and concerns should be included, such as tenants of social housing, RPs, local housing authorities, lenders, Homes England, the GLA and the Secretary of State.

The bill introduces amendments to reflect the expansion of constitutional arrangements in RPs (limited liability partnerships for example), and to designate RPs by how they are actually operating (relating to for/ not for profit); it also clarifies the operation of its powers including, for example a moratorium on disposal of land; insolvency. It also expands the regulator's powers to require information from third parties relating to the financial or other activities of RPs or those applying to become an RP, to strengthen its economic regulatory powers.

CIH initial response

CIH is pleased to see the social housing (regulation) bill has now been laid before Parliament. It covers many issues that we have called for and which we strongly welcomed as they were proposed and developed through the government's green and white papers (see CIH's <u>response</u> to the green paper, a new deal for social housing).

The Bill provides a strong legislative framework to ensure that the tenant and landlord relationship is strengthened, with increased accountability to tenants backed by a proactive consumer standard and powers for the regulator. We believe that this provides a robust mechanism to drive improved standards in registered providers, that will encourage all of the sector to look at and learn from the many organisations that are working well with their tenants to deliver good homes and services.

We also support the separate proposals for a 250-person resident panel, which will convene three times a year to share tenant experiences with ministers and inform policy.

See our chief executive, Gavin Smart's immediate response to the publication of the bill <u>here</u>.

For further information: email policyandpractice@cih.org.

