

**Review of social housing regulation – initial
reaction from HQN**

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“Out, out, brief candle! Life's but a walking shadow, a poor player that struts and frets his hour upon the stage and then is heard no more.”

Macbeth

Goodbye to the TSA – snuffed out before it started. The CLG review brings the curtain down in fewer than 30 pages. So ends an organisation that ran a massive consultation exercise and racked up millions in costs and liabilities. Tenants' panels, local politicians and the ombudsman take over. If they fire blanks, a backstop regulator lurks at the HCA. Inspection stops stone dead, except for the worst offenders. You can read the short review for yourself. (<http://www.communities.gov.uk/publications/housing/socialhousingregulation>)

What should social housing organisations do?

1 Nip complaints in the bud

The TSA may have gone but the standards remain, with remedial powers shunted to the HCA. Landlords need to cut out the scope for tenants to complain to the ombudsman. Co-regulation, which is really self-regulation, still matters. Too many adverse ombudsman judgements could trigger intervention. The review says that the sector must rationalise. If you incur the wrath of the HCA, a shotgun marriage looms. **Make sure services are at an agreed standard and are cost-effective. Check that the internal complaints system is up to scratch. You must regulate yourself or face the consequences.**

2 Become local heroes

Tenants' panels and councillors will hold landlords to account. Housing departments and ALMOs should be able to manage this as they are in one area. It's a bigger challenge for large housing associations. The review is flexible about the make-up of tenants' panels. But there is bound to be demand for panels that cross landlords to provoke comparison. Otherwise it's still a monopoly. **Landlords need to support the tenants' panels that suit their residents and work hard to keep councillors and MPs in the loop. The new regime is just as strong on local offers – keep going on these.**

3 Hit the send button

The new system will only work if tenants get the sort of information they see on the Meerkat and TripAdvisor sites. **Landlords will need to put out information comparing costs and standards with others.** We expect tenants will want to know things like how much it costs to clean their block compared with other local landlords. Today a lot of performance information is complex and secret. The value for money section of landlords' annual reports was often poor. Annual reports for tenants remain a requirement. Probably the biggest challenge is to get clear, accurate and useful data out to tenants. And it is a race. HQN is aware of a company that wants to publish such data, invite residents' comments and charge public bodies for a right to reply. Will the internet be more powerful than inspection?

4 *Play safe*

There is a stand-alone section on health and safety in the review. Existing safety bodies will do their job and the HCA will pay attention to what they say. **More than ever landlords must be on top of gas and fire safety and the risks from asbestos and legionella.** Don't cut corners here.

Issues about this review

The glib view is that this is a watering-down of regulation. But is it? The push for value for money could encourage the HCA to act decisively and put failing landlords in with better, more efficient, players. The TSA was hesitant about reshaping the housing market. Under the new rules landlords might have to guarantee efficiency improvements to get disposal consents.

Local offers have played extremely well with the CLG. No wonder. The HQN review found that tenants were realistic and wanted landlords to live to tight budgets – just like they do. Local offers enthused staff. The standards and remedies that the TSA consulted on are all still there. All the CLG has done is work out how to deliver these with fewer resources: a problem every one of us is wrestling with.

Will the ombudsman service cope with the increased role? Much hinges on the funding and the ability to continue to attract great staff.

How much less does the new regime cost? This review contains no financial information. It is the polar opposite of the Sir Philip Green review that contained only financial information. Is it a shot in the dark or will all be revealed at the Comprehensive Spending Review on 20 October?

When we get the CSR, the HRA review and the final position on benefits, we can take stock. There will need to be a lot of hard thinking about the structures we need to live within our means. Future HQN briefings will set out the options.

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