

*“A lot of work has already gone into the Green Paper/White Paper/Charter for Social Housing Residents – specifically on regulation. Why not just implement that?”*

Tenant activist Rob Gershon responds on Twitter to the launching of this Inquiry.

HQN supports this call from Rob to just get on with it. Why has it taken so long to put in place the consumer regulator that is meant to be a key part of the reforms needed after Grenfell? Officials tell us that the earliest we can expect the new regime to start is 2023, that is a full five years after the fire. On the one hand we see no need for this Inquiry if it is yet another talking shop. But on the other hand, the media coverage of social housing is shameful, so we do get why the Committee wants to probe at this time. Our plea is that this does not lead to further delays. “A little less conversation, a little more action, please.”

We founded HQN 25 years ago with one simple aim – to improve social housing. At the start we pushed for more investment in homes and for regulation of housing management to boost standards. We were heavily involved with housing inspection and the improvements to council housing brought about by arm’s length management organisations (ALMOs).

HQN continues to push for better social housing through our networks, training, and events. Around 1,400 organisations, mainly landlords, subscribe to our improvement networks and almost 13,000 people attended our training and events this year. Earlier this month our Residents’ Network ran a session featuring presentations from the director of consumer regulation at the RSH alongside examples of good practice from residents throughout the country.

Our members do want to provide good services, which is why they join HQN. As MPs you will be well aware from your casework that landlords do get things very wrong, and tenants suffer. We find that our members are keen to learn the lessons from mistakes and put matters right. A regulatory regime that encourages good services for tenants is what we all want to see.

We support the Charter for Social Housing Residents proposals to eg:

- “Transform the Regulator of Social Housing (RSH) so it proactively monitors and drives landlords’ compliance with its consumer standards”
- “Remove the ‘serious detriment’ test and introduce routine inspections for the largest landlords (with over 1,000 homes) every four years”
- Strengthen the RSH’s enforcement powers to tackle failing landlords...”

Under the current rules the RSH is set up to fail on consumer regulation. By law it must “minimise interference” with landlords. The ITV news team were incredulous that the RSH did not talk to tenants on estates with problems. The RSH will say they are adhering to the rules. We must set up the RSH to succeed by changing these rules. That is what the Charter seeks to do. If your Inquiry could quicken the pace that would be most welcome.

Here are our suggestions for improving consumer regulation:

## **1 Get the facts on stock condition and act**

The homes shown on the ITV news were in a shocking state of repair. After watching this the Welsh Government wrote out to all their landlords asking if they too had such poor homes and if so, what they were going to do about it. You might well ask why the Welsh Government did not already know the full picture. That is, after all their job in most people’s eyes. In fairness, at least the Welsh officials are trying to find out.

Can we answer that question in England? There is a high-level English House Condition Survey and the RSH does check the position at housing associations during their in-depth assessments (IDAs). But there are gaps so we would suggest that each social landlord should:

- Commission a stock survey from suitably qualified experts,
- Include the costs of de-carbonisation, and
- Demonstrate that they have a viable plan in place for fixing the homes and the finances to do so.

From our work we can say that many landlords do indeed have surveys they can rely on. Paying for the works is when the problems really begin. One housing association featured in the ITV news tell us that they have allocated £1.5bn to turning round a single estate. Will every association be able to do this? What is the knock-on effect on their ability to build new homes? We visit councils where the finances are not at all strong. It is hard to see how they can meet the standards set by any reasonable regulator.

For us, the starting point for a new regulatory regime must be to get the facts straight. How much do we need to spend on the homes to bring them up to scratch? Where is the money coming from? It may be that Government has to help put funding in place as it did with Decent Homes. The consumer regulator should collate the data on stock condition and check that each landlord has the funds to deliver. And they must ensure that the landlords do the works efficiently and effectively.

## **2 Get the facts on housing management and act**

Little is known about how landlords are performing. This has been the case since the end of inspection for housing. The RSH does not look into the quality of estate management, lettings, voids, repairs, and customer care. That is unless, in exceptional circumstances

there is “serious detriment” to tenants. This means that the RSH puts out gradings for governance and viability but not the actual service itself. No one thinks this makes sense.

We have run several pilot inspections and there is much to learn from these:

On the plus side

- It is possible to assess quality of front-line customer care through listening to call-centre recordings and interviewing staff (there is no need for the convoluted mystery shopping of old)
- You can assess the quality of estates management and voids through visits
- There are good records on safety to examine (on paper).

Areas of concern

- Under lockdown it was hard to inspect occupied homes
- Resident engagement with the process needs to be better (national publicity would help)
- It can be misleading to draw wider conclusions from small samples at large and complex landlords
- Overall satisfaction ratings may not reveal serious problems in some localities
- It is straightforward to make recommendations for improvement, but this must be tied to the resources available.

From this we do believe it is technically possible to bring in an inspection regime for the modern era. Yes, it will need tweaks to take account of the requirements of diverse groups of tenants. So, the RSH can add grades for service quality to the ones they already produce for governance and viability. But what happens next? What will change? Council witnesses at the Grenfell Inquiry bemoaned the lack of technical experts to advise them on safety. For real change we need the right resources and the right people to be on hand. It would be useful for this Inquiry to reflect on how to do this.

In particular it may be worth looking to strike the right balance between the carrot and the stick. The last Labour government allocated extra funding to councils with ALMOs that did well at inspection (ie, scored at least two stars out of a possible three). This proved to be a powerful incentive to change – *“local authorities achieving ‘funded ALMO’ status by 2009 included a number which had been among the least efficient and effective landlords in England only a few years earlier.”* (Professor Hal Pawson, UK Housing Review 2010/11)

On this basis there is no need for doom and gloom. We can develop an inspection regime that tackles poor performance. We’ve done it before, and we can do it again. Your Inquiry can help by building momentum.

### 3 Listen to what tenants are saying and act

This needs to work at two levels – at each landlord and nationally.

Let us look first of all at individual landlords. We ran a Tenants at the Heart Review for the Regulatory Board for Wales.

*“HQN was commissioned to conduct a survey and focus groups with residents, staff, board members and other stakeholders in social housing in Wales, to research resident engagement. The focus is on aspirations for tenant engagement now and in the future.*

*The survey received a very substantial response with 575 people taking part, divided into two groups: tenants and residents; and staff, board members and stakeholders (SBS).*

*The most popular response to the question: ‘What should resident involvement be aiming to achieve now and in the future?’ from both groups was ‘Listening to views: Giving you (residents) quick and easy ways to tell your landlord about what you want and need – for yourself, the neighbourhood and the community.’”*

These “quick and easy ways” must be in place at every landlord and the RSH should check up on this.

Turning to the national stage. We are writing this paper to you because ITV and social media have turned the spotlight on housing. The journalists and activists have done a good job. Inevitably, public interest will wane. Is there a better way to run the conversations?

The Cave Review suggested setting up a National Tenant Voice (NTV) and it was going to have a budget of £1.5m a year. But the Government never put it in place.

We would like this Inquiry to consider setting up a well-funded NTV to give constructive challenge to landlords instead of the guerrilla war on Twitter we see today.

Currently there is a live debate on rent levels. Many landlords concerned about the rising costs of materials due to Covid and Brexit as well as the bills for de-carbonisation and safety want to raise rents by the maximum permissible (ie, CPI at 3.1% plus 1%). Yet at the same time tenants face bigger bills for food and heating. It is a blow if rents go up also. There is no easy answer to this dilemma, but all too often tenants have no say at all. The NTV could bring a fairer balance between the views of landlords and tenants.

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