



7 April 2022

Dear Chief Executive

Regulatory context for government announcement on draft legislative clauses

The Government has recently published some of the [draft clauses](#) that it is expecting to include in legislation to implement the Social Housing White Paper. I am writing to underline the importance of the [forthcoming changes](#) and to share some of the regulatory context around them. I would be grateful if you could share this letter with your Boards or councillors.

The world has changed significantly since there was last major legislation on social housing. We welcome the opportunity that legislation will present to update the current statute and to make some important changes.

Across the country the pandemic has underlined the importance of home for everyone. This has particular resonance for our sector as collectively, social housing providers are the custodians of 4.4 million homes up and down the country. Having a safe, secure, and decent home improves lives and is the foundation for better outcomes in education, employment and healthcare. Social housing is about ensuring access to a good home.

Over recent years, there has, rightly, been a significantly increased focus on building safety. And when we talk with tenants, they tell us that getting repairs services right and fixing problems that tenants identify is also of fundamental importance to them. The day-to-day services you provide are the core of the landlord function and getting that right requires a real understanding of how things are working for your tenants, taking into account their diverse needs.

There have been recent examples which have rightly drawn attention to some tenants having been let down by their landlords. In these cases, individual tenants or groups of tenants have been waiting too long for issues they raise to be resolved, and as a result people have been living in poor quality homes. It is vitally important that your tenants know how to report repairs, have a range of ways to access your services, and that they have confidence that when they do so, you will take appropriate and effective action. Without that confidence, people are more likely to feel the need to circumvent existing systems, which can be inefficient for everyone involved.

It is the job of landlords to get this right.

Proactive consumer regulation is part of the solution. It will help drive up standards and tackle poor performance. We set out our initial thinking about how we will put in place changes to consumer regulation in our publication [Reshaping consumer regulation: our principles and approach](#) and we welcome the publication of draft clauses now.

The address for service of any
legal documents on RSH is:
Level 1A, City Tower, Piccadilly Plaza,
Manchester M1 4BT



Where change is needed, it requires a culture change within the relevant registered providers. The quality and safety of the homes you provide, your ability to maintain them, and the quality of your services to tenants are vitally important. Where these are not as they should be, you should act now; before we proactively assess whether you meet the new consumer standards. Leadership and good governance from Boards, councillors and management teams are the key to getting this right. Boards and councillors should be challenging management teams now about whether homes and services need improving and whether tenants are able to bring problems to their attention effectively.

Understanding whether [standards](#) are being met needs to be informed by effective communication and engagement with tenants. Boards, councillors and management teams should be considering what insight they might be missing and find ways of filling information gaps.

We recognise that the current economic realities increase the challenge and complexity of the situation, and that responding appropriately will not always be straightforward. But registered providers need to adapt to the world as it is now. This means improving the quality of your service where necessary and being clear, particularly with tenants, about your priorities and any trade-offs you need to make.

In addition to changes outside the sector, the types of organisations that provide social housing have also changed and we have seen new business models for social housing enter the market. This has included a growth in for-profit providers, both in terms of numbers of registered providers and the number of homes they provide, as well as rapid growth of lease-based models of supported housing.

We set the same consumer standards for all providers, and that will remain the case when we introduce revised consumer standards following legislation. We expect all registered providers to comply with the standards, including the economic standards for private registered providers, and to be able to provide assurance that they do so, regardless of their business model – providers cannot contract out their responsibility for meeting the standards.

However, we need to have the right tools in place to continue to maintain confidence in a changing sector. New forms of provider mean that our powers need updating to continue to regulate effectively. This is why, alongside the draft clauses on consumer regulation, the Government has also published draft provisions relating to economic regulation. These draft provisions are intended to refine the existing economic regulation framework, so that we are able to continue to play our part in ensuring social housing providers are well governed and financially viable. This in turn, will better protect tenants and public money, as well as helping to enable new supply.

I look forward to the upcoming introduction of legislation, and to working with you, and with tenants and other stakeholders, to shape the future proactive consumer regulation framework over the coming months.

Yours sincerely



Fiona MacGregor
Chief Executive, Regulator of Social Housing