

Review of Social Housing Regulation consultation

1 The Confederation of Co-operative Housing

- 1.1 **Our submission is an organisational response. The CCH can best be described as a trade organisation.**
- 1.2 With a membership of 180 co-operative and community-led housing organisations who own or manage some 60,000 homes, the Confederation of Co-operative Housing has represented the largest part of the co-operative and community-led housing sector in the UK since 1994.
- 1.3 Our membership includes:
- fully mutual and other housing co-operatives, most of them registered with the Homes and Communities Agency
 - organisations that provide services to housing co-operatives
 - mutual housing associations with active memberships consisting of tenants and in some cases employees
 - community land trusts and other community led housing organisations.
- 1.4 The CCH is one of the National Tenant Organisations, alongside TPAS, TAROE Trust and the NFTMO, and has led the development of the A Voice for Tenants Steering Group, currently exploring national representation of tenants with the MHCLG. We produced the DCLG funded “An Investment not a Cost” publication, working with the University of Birmingham, exploring the business benefits of tenant involvement. We have long been an organisation working to support tenant involvement and empowerment.
- 1.5 The CCH is a leading proponent of all forms of community-led housing. We have worked with Government on the development of the Community Housing Fund and with the Welsh Government since 2012 on their co-operative housing programme. Having worked with numerous co-operative and community-led housing initiatives, including many new start-up schemes, we are pioneering a training and accreditation programme for advisors to community-led housing developments.

- 1.6 The CCH also works with mutual housing associations, recently launching Mutuality and Accountability in the Housing Association Sector exploring values and mutuality in housing associations.
- 1.7 Our views on regulation are more broadly set out in our and AV4T's response to *New Deal for Social Housing*. We make a series of points below in response to the questions asked in the review.

2 Question one – current statutory objectives, monitoring and enforcement powers

- 2.1 It is not currently perceived by tenants or landlords that an objective of regulation is to protect and empower tenants. If this is an objective, the regulator has failed to achieve it.
- 2.2 In particular, most Registered Provider landlords do not fully comply with the Involvement & Empowerment Standard. The part of the standard referred to in *New Deal for Social Housing* – that landlords should consult with their tenants once every three years – is barely complied with by any Registered Provider landlords.
- 2.3 It is proposed that all Registered Providers should have their compliance with the Involvement and Empowerment Standard assessed on a regular basis with a view to stimulating best practice. Given the lack of skills, knowledge and experience in this area within the regulator, the way that this assessment should be done should be agreed with tenant orientated organisations who understand involvement and empowerment.
- 2.4 Regulation of consumer standards and economic standards should not be separated. Some landlords will only comply with the Involvement and Empowerment Standard if it is known that their Governance ratings will be reduced as a result of a poor rating with regards Involvement and Empowerment.
- 2.5 Registered Provider co-operatives and small housing associations are barely regulated at all by the regulator. Despite small associations now paying a fee for regulation, no regulatory service is received by them.
- 2.6 Similarly, whilst local authority and housing association landlords are meant to have oversight of tenant management organisations managing their homes, this generally does not happen.

- 2.7 The CCH is proposing the establishment of specific regulation for community-led housing organisations and other relevant small Registered Providers (performing a similar function to the Agency for Co-operative Housing in Canada). This should be paid for out of the fees paid by relevant Registered Providers and an equivalent levy on tenant management organisations. It should be set up in conjunction with the CCH, NFTMO and other relevant organisations.
- 2.8 With funding from the former TSA, the CCH produced guidance on governance and management for community-led housing organisations. It should be used as the basis for regulating the community-led housing sector.

3 Question two – regulated self-assurance

- 3.1 In theory the principle of regulated self-assurance is good, but it has led to a position where too many Registered Provider landlords do not comply with the Involvement & Empowerment Standard. In an ideal world tenants would be empowered to play a fundamental co-regulatory assurance role. In most landlords – this just does not happen, and it will take a seismic cultural shift to make it happen.
- 3.2 Therefore, we are proposing that compliance with the Involvement and Empowerment Standard should be assessed in all Registered Providers.

4 Questions three – economic regulations

- 4.1 Regulation of Registered Provider co-operatives, small housing associations and tenant management organisations is ineffective. We are proposing a different system to be developed with the CCH and NFTMO.
- 4.2 That local authority governance is not regulated led to standards of procurement and oversight at Kensington and Chelsea was ineffective.

5 Question four – economic regulations in an evolving sector

- 5.1 The size of some housing associations means that there is additional need to ensure that they adopt and maintain values and practices that closely accord with what their tenants want. Particular attention should be focused on how to ensure full, detailed and

rigorous compliance amongst such organisations with the Involvement and Empowerment Standard.

- 5.2 It should be a regulatory requirement that all tenants of all housing association Registered Providers be offered the opportunity that their associations can *mutualise* – ie. become associations where tenants (and potentially others) can become shareholding members and as a result have some powers over the association.

6 Question five – a coherent regulatory framework

- 6.1 The consultation paper refers to tenants who are satisfied with the services they receive. Some tenants are satisfied. However – it is important to understand that several million tenants are voiceless, do not understand their rights, do not know that there are Government reviews of social housing and regulation. Our perception is that those that have come forward to express discontent¹ are but the tip of a very large iceberg.

For further information on this submission, please contact Nic Bliss (CCH Head of Policy): nic@cch.coop 07947 019287

¹ AV4T have carried out a survey on national representation of tenants. 831 responses have been received – 773 from tenants. Many respondents have specifically stated that their landlord does not listen to them or have expressed discontent in other ways.