



To private and local authority registered providers
By email

26 March 2020

Dear Chief Executive

I am writing to tell you about how the Regulator of Social Housing will flex its approach to regulation in response to the Coronavirus pandemic.

The virus has profoundly affected the whole of the country and we know that registered providers of social housing have been working hard in the communities they serve to protect their tenants whilst keeping their staff safe. We welcome the intensive efforts of providers to support their tenants and recognise that this has involved some very difficult choices for organisations and their staff.

In this context we have decided that it is appropriate to change some of the ways we regulate during the pandemic. **This is intended both to support providers in focussing on front line operations and to identify where there may be challenges that the sector or individual providers need regulatory support to meet.**

The changes that we are making

Relieving the regulatory burden

We have previously announced that we would pause In-Depth Assessments and I can confirm that the pause will continue for the foreseeable future, until we have a better understanding of the impact of Coronavirus.

In order to relieve the regulatory burden further we are also extending the submission deadline for the Statistical Data Return (SDR) and Local Authority Data Return (LADR) until 31 October.

We are also delaying the requirement for the submission for the Forecast Financial Return (FFR) where this applies until later in the year. As long-term financial forecasts are difficult to make given the current uncertainty, we will keep the situation under review and update providers when it is appropriate to ask for an FFR; we do not currently believe that this will be before the autumn.

To understand the risks arising to tenant safety and from the economic impact of Coronavirus, we will survey providers on how they are delivering emergency and urgent repairs and compliance with health and safety requirements and on maintaining care and support services. We will also ask some providers who face higher financial risks to share more of their own financial information. Where we consider it necessary, we will also seek these returns from specific providers with fewer than 1,000 homes.

Please refer to the RSH website for our interim correspondence arrangements during the current period of social isolation due to Covid-19. If you need to contact us by post, you should do so via the Leeds address: Regulator of Social Housing, 1st Floor, Lateral, 8 City Walk, Leeds LS11 9AT.

However, please note that post may not reach us in a timely manner or at all, and contact via email would be safer.



The revised approach*

In order to understand the risks that providers are facing at the moment, we are going to rely on two formal sources of information.

1. To help understand the operational risks that providers are facing in both the Local Authority and the Private Registered Provider sectors, we are proposing to introduce a regular survey of landlords to understand how they are coping with the impact of Coronavirus and we propose to issue the first of these surveys in the next two weeks. We intend this to be brief and not require detailed data collection.
2. We are going to continue with the Quarterly Survey on the financial position of Private Registered Providers (with over 1,000 homes) to understand the financial risks facing those organisations. The March (Q4) Quarterly Survey is due to be returned to us by 23 April, and we encourage prompt submission of this return. In order to help this process we are scaling back the March return to focus on key financial risks and will not be asking for the additional annual information.

We will also be continuing our process of engagement in a variety of ways with providers and remain keen to hear about how the virus is affecting businesses.

Where providers are struggling to meet the challenges presented by Coronavirus and there is a resulting threat to tenant safety or the provider's financial viability, they should contact us as soon as possible. The focus on operational risks should be on health and safety and emergency and urgent repairs.

Across the sector, the shared priority is to maintain tenant safety, including addressing emergency repairs and compliance with health and safety requirements. The impact of the outbreak, and the measures to contain it, may mean that there will be some incidence of statutory non-compliance and repairs backlogs. I want to assure you that we will take a proportionate regulatory approach and will take full account of the current context. We understand that in the current circumstances, providers are going to have to make difficult choices and trade-offs and often there will be no right answer.

Where providers believe tenant safety is threatened or viability is under strain, they should contact us immediately, and specifically we will expect providers to notify us when:

- either as a result of access issues, or a shortage of staff, you are unable to deliver a minimum service to your tenants. For example, if you are unable to complete emergency repairs or statutory health and safety requirements, and a material backlog of outstanding repairs and safety checks are building up;
- a shortage of staff means that safe levels of staffing cannot be maintained in care, supported or vulnerable people's accommodation; or
- danger to tenants is identified and cannot be rectified within reasonable timescales.

Next steps

We have already been looking at the financial information we hold and at an aggregate level the sector is well placed to address the financial challenges it faces, but once we have the March Quarterly Survey and the first of the surveys of operational risks, we will review which providers we need to engage with further and decide if we need any more regular information from them. In the meantime, we continue to review existing returns and will follow up with providers where necessary. Depending on the progress of Coronavirus and its impact on the sector we will also determine how regularly we need to receive the operational information. In the first instance this may need to be monthly, but as we have a better understanding of the issues we may be able to move to quarterly returns.

I will close by underlining again that we fully recognise the extraordinary circumstances you are all working in and the unprecedented pressures that brings. You have a critical role to play in maintaining the safety of your tenants and the communities you work in, and that role and contribution are hugely appreciated. We will do all we can to maintain an appropriate and proportionate approach to our regulation of the sector and our asks of you.

Our very best wishes go to your tenants and staff at these difficult times.

Kind regards



Fiona MacGregor
Chief Executive

* Where we refer to returns in this letter, those are to be read as references to the returns normally required from providers with over 1,000 homes, the more limited requirements for those with fewer than 1,000 homes (e.g. the reduced SDR) and those from local authorities (the LADR). We will contact providers with fewer than 1,000 homes which we specifically identify as needing to provide additional information or updates. The requirement to notify us where you are experiencing significant challenges in delivering key services as set out above applies to all providers.