

# Consumer standards consultation

Reshaping consumer regulation

**Decision Statement** 

February 2024



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#### 1. Introduction

- 1.1 The Regulator of Social Housing published a consultation on a revised set of consumer standards on 25 July 2023. The consultation ran for twelve weeks and closed on 17 October 2023.
- 1.2 This Decision Statement provides a summary of the key areas of feedback. It also sets out our decision on the final set of consumer standards and accompanying documents. This includes the consumer standards Code of Practice. All consultation responses have been carefully and conscientiously considered in reaching our decisions.
- 1.3 The revised consumer standards will come into effect on 1 April 2024.

#### 2. Executive summary

- 2.1 The Social Housing (Regulation) Act 2023 became law on 25 July 2023, providing the regulator with the additional powers needed to deliver an enhanced consumer regulation role. In preparation for this role, on 26 July 2023 we launched our consultation on the consumer standards. The consumer standards are a key part of our new regulatory framework. They set the outcomes (required outcomes and specific expectations) that landlords must deliver so that homes are decent, safe and well-maintained and tenants receive quality landlord services and are treated with fairness and respect.
- 2.2 As part of our proposals, we also consulted on the introduction of a consumer standard Code of Practice to help tenants and landlords understand how the outcomes of the consumer standards might be delivered.
- 2.3 We received 1,125 responses to the consultation on the consumer standards. Overall, these represent a positive response. A significant majority of respondents agreed that each of the proposed consumer standards sets the right expectations of landlords, with the proportion agreeing ranging from 85% to 89% across the four standards. 86% of respondents agreed that the Code of Practice meets its aim. In response to the consultation feedback, we have made a number of minor changes to the consumer standards to improve their clarity and consistency. We have also amended the Code of Practice to help amplify the outcomes we expect landlords to deliver.
- 2.4 The revised consumer standards and Code of Practice will take effect on 1 April 2024 alongside the commencement of our new approach to consumer regulation. This approach will see us undertake regulatory inspections of large landlords; both private registered providers and local authority registered providers.

#### 3. Overview

- 3.1 Section 193 of the Housing and Regeneration Act 2008 (the HRA), as amended by the Social Housing (Regulation) Act 2023 (the 2023 Act), provides the regulator with powers to set standards relating to consumer matters that registered providers must meet.
- 3.2 The regulator introduced four of the current suite of five consumer standards in 2012: the Home Standard, the Neighbourhood and Community Standard, the Tenancy Standard and the Tenant Involvement and Empowerment Standard. The latter was amended in 2017 and we more recently introduced the Tenant Satisfaction Measures Standard in 2022.
- 3.3 The Social Housing White Paper, 'The charter for social housing residents' set out changes to our consumer regulation role to strengthen the accountability of landlords for maintaining good quality homes and services, prioritising safety, treating residents with respect and being transparent organisations. The 2023 Act enables these commitments by introducing important changes to our objectives and powers. These changes have helped to inform our new approach to regulation and bring a significant shift in how consumer issues will be regulated from April 2024.
- 3.4 The consumer standards have a crucial role in setting the outcomes that landlords must deliver as part of our new regulatory regime. Through our regulation we will seek evidence from landlords, which along with other intelligence, will allow us to come to a view about the level of assurance we have about whether landlords are delivering the outcomes of our standards.
- 3.5 We ran a consultation on a revised set of consumer standards between 25 July 2023 and 17 October 2023, where we proposed a set of four consumer standards. These standards set out the outcomes landlords would be required to deliver from 1 April 2024. These included:
  - Safety and Quality Standard which requires landlords to provide safe and good quality homes and landlord services to tenants.
  - Transparency, Influence and Accountability Standard which requires landlords
    to be open with tenants and treat them with fairness and respect so that tenants can
    access services, raise complaints when necessary, influence decision making and
    hold their landlord to account. This standard incorporates Tenant Satisfaction
    Measure requirements.

<sup>&</sup>lt;sup>1</sup> The charter for social housing residents: social housing white paper - GOV.UK (www.gov.uk)

- Neighbourhood and Community Standard which requires landlords to engage with other relevant parties so that tenants can live in safe and well-maintained neighbourhoods and feel safe in their homes.
- **Tenancy Standard** which sets requirements for the fair allocation and letting of homes and for how those tenancies are managed and ended by landlords.
- 3.6 The 2023 Act introduced a new power to publish a code of practice on the consumer standards. We published a draft Code of Practice as part of our consultation. Its purpose is to help tenants and landlords understand what is expected under the revised consumer standards and how landlords might deliver its outcomes.
- 3.7 The consumer standards include areas where we are directed by government. The revised consumer standards that were the subject of this consultation included directions on tenure and the quality of accommodation (the Decent Homes Standard) that have applied since 1 April 2012<sup>2</sup>. They also include more recent government directions on tenant involvement and mutual exchange<sup>3</sup> that were issued to us in June 2023.
- 3.8 The consultation comprised nine questions in total. It covered each of the revised consumer standards, as well as specific questions asking respondents to consider if we had accurately reflected the content of government's June 2023 directions to us in the standards. We also sought views on the draft Code of Practice as well as on an accompanying draft Regulatory Impact Assessment and draft Equality Impact Assessment of the proposals. We have carefully and conscientiously considered all the responses we received in making the decisions outlined in this statement.
- 3.9 Following the launch of the consumer standards consultation, government issued a consultation on a further draft direction to be issued to us. The consultation on the 'Provision of information to tenants: Direction to the Social Housing Regulator on tenant rights and complaints' ran from 27 September until 22 November 2023. Following analysis of the responses, government issued its consultation response and final direction to us on 19 January 2024. This direction requires us to introduce a standard relating to the provision of information to tenants about their rights and how they can complain about their landlord. The power to set a standard in relation to information and transparency is set out section 194C of the HRA. These requirements will be included in the Transparency, Influence and Accountability Standard from 1 April 2024. We will not be consulting separately on this change, because government disapplied the requirement for us to consult on our standard in relation to this direction. More

<sup>&</sup>lt;sup>2</sup> Final direction to the social housing regulator 2012

<sup>&</sup>lt;sup>3</sup> Revised directions on tenant involvement and mutual exchange

<sup>&</sup>lt;sup>4</sup> Consultation on directions to the Social Housing Regulator on tenant rights and complaints

- information on these requirements can be found in section 6 on the Transparency, Influence and Accountability Standard.
- 3.10 Annex 3 sets out the final suite of consumer standards and Annex 4 the final Code of Practice that will apply to all registered providers and come into effect on 1 April 2024.

#### 4. Summary of responses received

- 4.1 We received 1,125 responses to the consultation; 977 through the online survey and 148 in writing, predominantly by email.
- 4.2 We published an accessible 'easy read' summary<sup>5</sup> of the consultation document to help ensure a wide range of people were able to participate in the consultation. This included the consultation questions in an 'easy read' format. We received 26 responses to the 'easy read' consultation questions (included within the 'in writing' responses).
- 4.3 The following table breaks down the 1,125 responses received to the consultation by respondent type:

	Count	%
A social housing tenant in rental accommodation	656	58
A shared owner in social housing	25	2
Other individual	63	6
A private registered provider	185	16
A local authority provider	98	9
A stakeholder organisation	51	5
Other organisation	47	4
Total responses	1,125	100

- 4.4 Some registered providers and stakeholder organisations sought tenants' views on the proposals and included tenant feedback within their response.
- 4.5 This Decision Statement includes the overall numerical response to each consultation question. A more detailed summary of the numerical analysis is provided in Annex 1. Percentages have been rounded to the nearest whole number and refer to the percentage of those who answered each question (rather than the total number of respondents to the consultation). Some responses were in narrative form and not all responses answered the specific questions asked, therefore the numerical analysis only includes those where the response can be attributed to a question asked.

<sup>&</sup>lt;sup>5</sup> Standards for social housing tenants – Easy read

- 4.6 For each consultation question, respondents were given the option to provide comments to explain their response. Due to the volume of consultation responses this Decision Statement is not intended to summarise all comments received but it does provide a summary of the areas of feedback respondents gave. It addresses the key themes that emerged and amendments we have subsequently made in finalising the consumer standards and Code of Practice, having carefully and conscientiously considered all responses to the consultation.
- 4.7 Individual respondents to the consultation that gave their permission to be named are listed at Annex 2, along with the names of organisations that responded.

#### 5. Question 1: Safety and Quality Standard

#### **Summary of proposals**

5.1 We proposed replacing the existing Home Standard with the Safety and Quality Standard, bringing together requirements relating to the physical condition of homes. This included introducing requirements for landlords to understand the condition of all homes and making use of that data in the provision of safe, quality homes. It also included a greater emphasis on communicating with tenants in delivering an effective, efficient and timely repairs, maintenance and planned improvements service. Proposals required that landlords are clear on their health and safety responsibilities, including for communal areas and ensure that they meet these obligations. We also proposed a requirement for landlords to consider the safety of tenants in the design and delivery of landlord services. Proposals expected landlords to assist tenants in accessing housing adaptations services and to cooperate so that adaptations can be delivered for those that need them. The Safety and Quality Standard will continue to require landlords to meet the Decent Homes Standard.

#### **Consultation question 1 on the Safety and Quality Standard**

Overall, do you agree that the proposed Safety and Quality Standard sets the right expectations of landlords?

Please state if you agree or disagree.

Please provide comments if you wish to explain your response.

#### Overview of response

	Responses	Agree		Disa	gree
	Count	Count	%	Count	%
Question 1	1,063	931	88	132	12

5.2 Of the 1,063 responses received to question 1, 88% (931 respondents) agreed that the proposed Safety and Quality Standard sets the right expectations of landlords. 85% of social housing tenants agreed (644 respondents) and 95% of all registered providers respondents agreed (271 respondents). There was a similar level of agreement from stakeholder organisations as 94% of this respondent type agreed (34 respondents).

### Issues raised by the response to consultation question 1, and the regulator's response

- 5.3 There was strong support across tenants, landlords and other stakeholders for the proposals requiring landlords to assess and understand the quality of the homes they are responsible for. A small number of respondents, particularly landlords, queried the scope of what a physical assessment should entail, with some respondents calling for more prescription whilst others welcomed an outcome focused approach. Within some of these responses there were some calls for greater clarity on the frequency of assessments needed to keep this understanding up to date. There were also concerns raised around challenges with respect to resources, capacity and access to homes. Having considered the consultation responses, we have updated the Code of Practice with examples of the types of data and information landlords might use to keep their understanding of stock condition up to date and how they might address issues around access to homes.
- 5.4 The greater prominence given to matters of health and safety was broadly welcomed. As part of this, some respondents flagged the different arrangements that can sometimes be in place for the management of buildings, meaning that the registered provider may not always have the principal responsibility for repairing buildings where their tenants live. We understand that arrangements can sometimes be complex and in recognising this we have updated the Code of Practice to make clear that where a third party has legal responsibility for tenants' homes and communal areas, landlords still have a responsibility to their tenants by holding relevant parties to account for ensuring health and safety obligations are met.
- 5.5 A small number of respondents expressed support for the move away from a right first time repairs requirement, mainly due to its inconsistent interpretation and application. There were however a few responses that suggested this should remain within the standards as it can be helpful in driving performance around the quality of a repair and minimising disruption to tenants. Alongside this, a small number of respondents asked for greater specificity in how we describe expectations in the delivery of repairs, maintenance and planned improvements with some respondents suggesting that we prescribe timescales for repairs to increase standardisation across the sector.
- 5.6 Having taken into account consultation responses we remain of the view that requiring an effective, efficient and timely repairs, maintenance and planned improvements service sets the right requirements of landlords. We consider that it will drive the desired outcomes of quality and timely repairs and maintenance, whilst providing flexibility to better account for more complex repairs and meet the diverse needs of tenants which we have now expanded further on in the Code of Practice.
- 5.7 The final Safety and Quality Standard is included at Annex 3a.

# 6. Questions 2 and 3: Transparency, Influence and Accountability Standard

#### **Summary of proposals**

- 6.1 We proposed replacing the Tenant Involvement and Empowerment Standard with the Transparency, Influence and Accountability Standard. With transparency now included within our consumer regulation objective, revisions to the standard support a shift by landlords to a culture of greater accountability and openness with tenants. This starts with a proposed requirement for landlords to treat tenants with fairness and respect which applies to how landlords deliver all the outcomes of the standards.
- 6.2 Proposals also included a strengthening of requirements in relation to landlords understanding the diverse needs of their tenants, taking action to deliver fair access to, and equitable outcomes of, housing and landlord services. We proposed requirements for landlords to work with tenants to understand where they can make improvements to their services, and we bolstered requirements on how landlords must consult when a change to tenants' landlord, or significant changes to management arrangements, is being considered. We also proposed that landlords provide information about their services, the standards tenants can expect, and the progress they are making when delivering services to tenants as well as a range of information on their performance. As part of this we proposed incorporating the current Tenant Satisfaction Measures Standard within the Transparency, Influence and Accountability Standard. Proposals also included requirements for landlords' handling of complaints to be fair, effective and prompt as well as for landlords to refer any problems they experience in complying with the standards to the regulator.
- 6.3 The Transparency, Influence and Accountability Standard includes requirements on tenant engagement that were set out in a direction on tenant involvement<sup>6</sup> (tenant involvement direction) that was consulted on by government and then issued to the regulator in June 2023. We sought views on whether we have accurately reflected these requirements as part of the consumer standards consultation.

Consultation question 2 on the Transparency, Influence and Accountability Standard

Overall, do you agree that the proposed Transparency, Influence and Accountability Standard sets the right expectations of landlords?

<sup>&</sup>lt;sup>6</sup> Revised directions on tenant involvement and mutual exchange

Please state if you agree or disagree.

Please provide comments if you wish to explain your response.

#### Overview of response

	Responses	Agree		Disa	gree
	Count	Count	%	Count	%
Question 2	1,069	943	88	126	12

1,069 respondents answered question 2, with a significant majority of them (88%: 943 respondents) agreeing that the Transparency, Influence and Accountability Standard sets the right requirements of landlords. 12% (126 respondents) disagreed. Of the 642 social housing tenants in rental accommodation that responded to this question 88% (563 respondents) agreed and 12% disagreed (79 respondents). The proportion of landlord respondents that agreed was higher: 96% of large private registered providers (131 of 137 respondents), 99% of large local authority registered providers (84 of 85 respondents) and 100% of small local authority registered providers (11 respondents). However this proportion was slightly lower for small private registered providers with 83% (34 of 41 respondents) agreeing.

### Consultation question 3 on the Transparency, Influence and Accountability Standard

Do you agree that the proposed Transparency, Influence and Accountability Standard accurately reflects the government's <u>'Tenant involvement direction</u>' to the regulator?

Please state if you agree or disagree.

Please provide comments if you wish to explain your responses.

#### Overview of response

	Responses	Agree		Disa	gree
	Count	Count	%	Count	%
Question 3	1,015	899	89	116	11

6.5 1,015 respondents answered question 3. Overall, a significant majority of respondents (89%: 899 respondents) agreed that the proposed Transparency, Influence and Accountability Standard accurately reflects the government's tenant involvement direction to the regulator and 11% (116 respondents) disagreed.

### Issues raised by the response to consultation questions 2 and 3, and the regulator's response

- 6.6 Overall, we received a positive response to our proposal that our existing expectation that landlords 'must treat all tenants with fairness and respect' should become a required outcome that cuts across how all the outcomes of the standards are delivered.
- 6.7 We received some general feedback from a small number of respondents about where the standards should reference prospective tenants. In response to this feedback, we considered this throughout the standards and as a result have expanded the requirement on fairness and respect to include 'prospective tenants' where relevant. Fairness and respect speak to the culture we expect of landlords and should be a central pillar to how they deliver all landlord services. This amendment helps to make clear that landlords should treat prospective tenants with fairness and respect where they interact with landlord services.
- 6.8 We have also amended the diverse needs required outcome, so it explicitly references prospective tenants. This change is intended to make it clear that landlords should also consider the diverse needs of prospective tenants when delivering landlord services that prospective tenants may interact with, such as allocations and lettings. The wording of the required outcome (and associated specific expectation) has also been slightly amended to put the emphasis more clearly on landlords taking action to ensure both their housing, and landlord services, deliver fair and equitable outcomes for tenants. This required outcome remains central to the delivery of all requirements across the standards and, to achieve this, landlord services must be accessible to tenants and prospective tenants, taking into account their diverse needs, as is reflected in the specific expectations.
- There was broad agreement with strengthened requirements in relation to understanding tenants' diverse needs. We did however receive a number of comments, particularly from landlords, on General Data Protection Regulations (GDPR) compliance and tenants' right to privacy, as well as challenges around being proportionate in what is being collected and from whom within the household and keeping this up to date. Having considered responses we have updated the Code of Practice to make clear that in collecting personal data about tenants, landlords should ensure they are compliant with relevant legislation (including GDPR) and the Information Commissioner's Office guidance, and respect tenant privacy. That is, and has always been, the responsibility of each individual landlord, but we also expect those landlords to find lawful and

- appropriate ways in which to comply with our standards. We continue to expect landlords to collect data related to their tenant base, but we more clearly acknowledge that this can be supplemented with more general data and information.
- 6.10 The majority of respondents agreed that the Transparency, Influence and Accountability Standard accurately reflects the government's tenant involvement direction to the regulator, which is captured within 'Engagement with tenants' requirements. A very small number of respondents, including stakeholder organisations, suggested that in addition to these requirements, landlords should be required to communicate to tenants how they have taken tenants' views into account in their decision making about how landlord services are delivered. We have considered these comments and consider that it is appropriate to extend the required outcome on tenant engagement so that it sets a broad expectation for landlords to provide feedback to tenants so that they can understand where tenant views have influenced landlords' decisions and better hold them to account on how tenant views are being considered.

### Directions to the Regulator of Social Housing: provision of information about tenant rights and complaints

- 6.11 Section 197 of the HRA, as amended by the 2023 Act, gives the Secretary of State the power to direct the regulator to set standards for registered providers in matters relating to the provision of information to their tenants of social housing concerning the accommodation, facilities or services provided in connection with social housing. This includes information concerning:
  - (i) their tenants' rights in connection with those things, and
  - (ii) how to make complaints against registered providers.
- 6.12 Government issued the regulator with a 'direction relating to the provision of information about tenants' rights and complaints' on 19 January 2024 having consulted on it in the Autumn of 2023. We must comply with the direction by setting a standard in accordance with section 194C of the HRA which reflects what the directions require of landlords. Government disapplied the requirement for us to consult on the standard we are setting in response to this direction. We have therefore included these requirements within the Transparency, Influence and Accountability Standard alongside requirements on 'Information about landlord services', remaining as close as possible to the wording of the direction.
- 6.13 Under these requirements, landlords will be expected to provide tenants with accessible information about their legal rights as a tenant and the regulatory requirements landlords must meet in connection to tenants' homes, facilities and landlord services provided in connection with those homes. They will also need to provide information on

how tenants can make a complaint about their landlord and the landlord's policy and process for handling complaints.

6.14 The final Transparency, Influence and Accountability Standard is included at Annex 3b.

#### 7. Question 4: Neighbourhood and Community Standard

#### **Summary of proposals**

7.1 Proposals in the revised Neighbourhood and Community Standard included a focus on landlords contributing to the 'upkeep and safety of shared spaces' as well as for them to continue to play a role in promoting social, environmental and economic wellbeing in the areas where they provide social housing. Proposals included an expectation for landlords to deter and tackle anti-social behaviour and have an approach for deterring and tackling hate incidents, with an expectation that landlords work with local authorities, the police and other agencies in doing so. The Neighbourhood and Community Standard also proposed introducing new requirements in relation to domestic abuse, with proposals for landlords to work co-operatively with other agencies tackling domestic abuse as well as requiring landlords to have a policy on how they respond to cases of domestic abuse.

#### Consultation question 4 on the Neighbourhood and Community Standard

Overall, do you agree that the proposed Neighbourhood and Community Standard sets the right expectations of landlords?

Please state if you agree or disagree.

Please provide comments if you wish to explain your response.

#### **Overview of response**

	Responses	Agree		Disa	gree
	Count	Count	%	Count	%
Question 4	1,052	893	85	159	15

- 7.2 There were 1,052 responses to question 4 of the consultation with 85% (893 respondents) agreeing that the Neighbourhood and Community Standard sets the right expectations of landlords.15% (159 respondents) disagreed.
- 7.3 A similar proportion of social housing tenants in rental accommodation (86%; 551 of 640 respondents), large private registered providers (87%: 115 of 132 respondents) and large local authority registered providers (85%; 70 of 82 respondents) agreed that the standard sets the right expectations of landlords. The proportion of small private

registered providers in agreement was lower, at 75% (30 respondents), but all small local authority registered providers (100%; 12 respondents) that responded agreed. Of the 32 stakeholder organisations that responded to this question, 84% (27 respondents) agreed and of the 39 other organisations 90% (35 respondents) agreed.

### Issues raised by the response to consultation question 4, and the regulator's response

- 7.4 Requirements relating to the maintenance of shared spaces received the most comments of all areas covered by the consultation. Whilst tenants were broadly supportive of the proposal that landlords should be 'working co-operatively with tenants, other landlords and relevant organisations to contribute to the upkeep and safety of shared spaces associated with their homes', there were concerns from some landlords as well as some stakeholder organisations about the extent to which landlords would be expected to and be able to do this for areas they are not responsible for.
- 7.5 We have considered all the feedback we received on this set of requirements and understand the concerns that have been expressed. The proposed requirements did not intend to create new obligations for landlords in respect of areas they are not responsible for. The aim was to emphasise an ongoing role for landlords to liaise with responsible parties to help resolve issues arising from the upkeep and safety of areas closely associated with the homes they are responsible for, which are impacting on their tenants. We have amended this required outcome so that it more clearly reflects this aim, focusing on the safety of tenants in these areas. We expect landlords to take into account the safety of their tenants when considering any actions they might take and have reflected this in the name of the requirement and the examples provided in the Code of Practice.
- 7.6 Local cooperation proposals require landlords to 'co-operate with relevant partners to promote social, environmental and economic wellbeing in the areas where they provide social housing'. Some respondents, mostly private registered providers and stakeholder organisations, questioned whether this outcome is deliverable, whilst some local authority registered providers expressed their support for it. Examples of where the requirement could be problematic that were provided by respondents included landlords with homes dispersed across a local authority or a number of local authority areas, or where contributing could lead to other parties not delivering their responsibilities as they become too reliant on landlords becoming a safety net to provide a range of support services. We have reviewed the requirements in light of this feedback and are satisfied that the expectations we proposed reflect what could reasonably be expected of a landlord in promoting social, environmental and economic wellbeing, with landlords being able to determine the extent of their role based on a number of relevant factors. We have not amended this requirement.

- 7.7 Our consultation proposals recognised the importance of landlords having a tailored approach to deterring and tackling hate incidents, alongside the actions they take to deter and tackle anti-social behaviour. The proposed Code of Practice recognised that this extends to the ease of reporting, keeping tenants informed, taking appropriate action and supporting affected tenants. We have made this clearer by explicitly referencing hate incidents in relation to these requirements within the Neighbourhood and Community Standard itself, as well as in the title of these requirements which we have changed from 'Safer Neighbourhoods' to 'Anti-social Behaviour and Hate Incidents'.
- 7.8 The proposed standards introduced requirements in relation to domestic abuse to consumer regulation for the first time. This has largely been welcomed. A small number of the responses suggested in addition to the requirement to have a policy on domestic abuse, we could be clearer on what we expect landlords to deliver. We have considered the comments we have received and have expanded on the specific expectation and Code of Practice so landlords are clearer on some of the steps they can take to deliver the required outcome to 'work co-operatively with other agencies tackling domestic abuse and enable tenants to access appropriate support and advice'.
- 7.9 The final Neighbourhood and Community Standard is included at Annex 3c.

#### 8. Questions 5 and 6: Tenancy Standard

#### **Summary of proposals**

- 8.1 The proposed Tenancy Standard sets requirements that relate to a tenant's journey throughout their tenancy with a landlord, with updated requirements relating to the allocation of homes that are designated, designed, or adapted to meet specific needs, tackling tenancy fraud, supporting tenants to sustain their tenancies and the offering of advice and assistance when tenants are required to move.
- 8.2 The Tenancy Standard includes tenure and mutual exchange requirements that are directed by government. The proposed consumer standards retain the tenure requirements from the existing 2012 direction and so we did not specifically seek views on these requirements. Government issued us with a new direction on mutual exchange<sup>7</sup> in June 2023. These requirements were applied to the proposed standards, and we sought views on whether we accurately reflected these in the standard. In addition, we proposed a requirement for landlords to offer information about how mutual exchange may affect rent, service charges, and tenure.

#### Consultation question 5 on the Tenancy Standard

### Overall, do you agree that the proposed Tenancy Standard sets the right expectations of landlords?

Please state if you agree or disagree.

Please provide comments if you wish to explain your response.

#### Overview of response

	Responses	Agree		Disa	gree
	Count	Count	%	Count	%
Question 5	1,055	938	89	117	11

8.3 Of the 1,055 responses to question 5, 89% (938 respondents) of respondents agreed that the proposed Tenancy Standard sets the right expectations of landlords and 11% (117 respondents) disagreed. Agreement across nearly all respondent groups was at

<sup>&</sup>lt;sup>7</sup> Revised directions on tenant involvement and mutual exchange

85% and above apart from shared owners where 74% (17 of 23 respondents) agreed and other individuals where 75% (41 of 55 respondents) agreed.

#### **Consultation question 6 on the Tenancy Standard**

Do you agree that the proposed Tenancy Standard accurately reflects the government's <u>'mutual exchange direction'</u> to the regulator?

Please state if you agree or disagree.

Please provide comments if you wish to explain your responses.

#### Overview of response

	Responses	Agree		Disa	gree
	Count	Count	%	Count	%
Question 6	999	892	89	107	11

8.4 999 respondents answered question 6. Overall, a significant majority of respondents (89%: 892 respondents) agreed that the proposed Tenancy Standard accurately reflects the government's 'mutual exchange direction' to the regulator and 11% (107 respondents) disagreed.

### Issues raised by the response to consultation question 5 and 6, and the regulator's response

- 8.5 The main issues raised in response to our proposals on the Tenancy Standard, although small in number, were on landlords' abilities to deliver requirements to address under occupation and overcrowding and to allocate housing that is designed or adapted to meet specific needs in line with its intended purpose. This concern was mainly driven by the availability of different property types for let. Having considered the comments received we are of the view that these requirements are deliverable for landlords. Our proposed standards were clear that landlords should 'seek' to allocate housing that is designed or adapted to meet specific needs appropriately. We will use this same language so that landlords are expected to 'seek' to address under occupation and overcrowding.
- 8.6 There were a smaller number of respondents that did not agree with the removal of the requirement to 'minimise the time that properties are empty between each letting', viewing it as an important driver for the re-letting of homes. We have re-examined this proposal in light of the feedback we received. We consider the flexibility that is gained by removing this requirement (allowing landlords to take the time where appropriate to

- let the home at the right quality and to tenants with specific needs) is balanced by the intrinsic driver to minimise rental loss even if this requirement is removed.
- 8.7 Respondents generally agreed that the Tenancy Standard accurately reflects the government's 'mutual exchange direction' however we did receive a number of comments in relation to the limitations of mutual exchange. These requirements are a matter for government policy and were subject to a government consultation in the spring of 2023. We remain subject to the direction issued by government, and therefore will not be amending the content of these requirements.
- 8.8 The final Tenancy Standard is included at Annex 3d.

#### 9. Question 7: Code of Practice

#### **Summary of proposals**

9.1 The 2023 Act provided the regulator with a new power to publish a code of practice on the consumer standards. In making use of this power, we consulted on a draft Code of Practice as part of our proposals. The Code of Practice is intended to help landlords understand how they can deliver the standards' outcomes, with us expanding on and providing examples for those areas where we think clarification will be most helpful. We are clear that the Code of Practice does not cover every requirement in the standards, nor should it limit landlords in the ways they deliver the standards' outcomes.

#### Consultation question 7 on the Code of Practice

The proposed Code of Practice is designed to help landlords understand how they can meet the requirements of the standards. Do you agree that the proposed Code of Practice meets this aim?

Please state if you agree or disagree.

Please provide comments if you wish to explain your response.

#### **Overview of response**

	Responses	Agree		Disa	gree
	Count	Count	%	Count	%
Question 7	1,010	871	86	139	14

- 9.2 1,010 respondents answered question 7 on the Code of Practice. Of these, 86% (871 respondents) agreed that the Code of Practice meets the aim of helping landlords to understand how they can meet the requirements of the standards. 14% (139 respondents) disagreed.
- 9.3 The proportion of those in support was greater for social housing tenants (88%: 532 of 606 respondents), large private registered providers (90%: 119 of 133 respondents), large local authority registered providers (92%: 73 of 79 respondents) and small local authority registered providers (92%: 11 of 12 respondents). It was however somewhat lower for small private registered providers (73%: 30 of 41 respondents), shared owners (77%: 17 of 22 respondents) and stakeholder organisations (79%: 23 of 29 respondents).

### Issues raised by the response to consultation question 7, and the regulator's response

- 9.4 There were some conflicting concerns raised by a small number of respondents about the status of the Code of Practice. Some respondents suggested it should be enforceable whereas others felt it should be labelled as guidance to avoid some landlords feeling compelled to comply with the examples given. We have produced the Code of Practice in line with the scope afforded by the HRA. Its purpose is to amplify requirements within the standards, with the regulator able to have regard to it when considering whether the standards have been met. We are therefore not changing the status of the Code of Practice.
- 9.5 A small number of responses also suggested that the Code of Practice should be subject to regular review. As the role of the Code of Practice is to amplify requirements in the standards, we will review the Code of Practice from time to time to ensure it remains fit for purpose. If we decide changes are needed then we will consult on revisions to the Code of Practice as is required by the HRA.
- 9.6 A small number of respondents asked for a greater level of detail throughout the Code of Practice. We have made a number of minor drafting changes to improve clarity and consistency, however we have not introduced additional prescription into the Code of Practice. We set outcome-based standards so that landlords, across what is a very diverse sector, are able to deliver the outcomes we expect in the most appropriate way for their tenants and their business.
- 9.7 The final Code of Practice is set out at Annex 4.

#### 10. Question 8: Regulatory Impact Assessment

10.1 The draft Regulatory Impact Assessment was undertaken to help understand the costs, benefits and risks of introducing a revised set of consumer standards and a code of practice. The Regulatory Impact Assessment was based on monetising transitional costs to registered providers, which includes familiarisation costs with the standards and Code of Practice, disseminating this information and reviewing and adjusting organisational systems, policies, processes and data. Monetised transitional costs were estimated at £1.0 million for the sector assumed within a year of the consumer standards and Code of Practice being published.

#### **Consultation question 8 on the Regulatory Impact Assessment**

### Do you agree with our conclusions in the draft Regulatory Impact Assessment?

Please state if you agree or disagree.

Please provide comments if you wish to explain your response.

#### **Overview of response**

	Responses	Agree		Disa	gree
	Count	Count	%	Count	%
Question 8	980	810	83	170	17

10.2 980 respondents answered question 8 of the consultation with 83% (810 respondents) agreeing with the conclusions of the Regulatory Impact Assessment. 17% (170 respondents) disagreed. The proportion of respondents agreeing was notably lower for small registered providers (66%: 25 of 38 respondents), stakeholder organisations (64%: 18 of 28 respondents) and other individuals (64%: 33 of 52 respondents).

### Issues raised by the response to consultation question 8, and the regulator's response

10.3 There were a small number of respondents that considered the transitional costs had been underestimated. Regulatory Policy Committee<sup>8</sup> guidance was followed to estimate transitional costs and on reviewing the responses there was insufficient evidence provided to support a more detailed re-evaluation of this approach. However we have

<sup>&</sup>lt;sup>8</sup> The Regulatory Policy Committee is the independent regulatory scrutiny body for the UK Government.

- been able to update some of the figures used in line with recent publications, for example salary figures taken from the Annual Survey of Hours and Earnings (ASHE).
- 10.4 Additionally, there were some concerns that the Regulatory Impact Assessment does not reflect the additional ongoing investment required to implement the new standards. We did not monetise ongoing costs because what will be new activity for some landlords on the introduction of the consumer standards will already be delivered by others as business as usual activity. Feedback as part of the consultation highlights some of this variation across the sector. We consider this approach remains appropriate.
- 10.5 The final Regulatory Impact Assessment is set out at Annex 5.

#### 11. Question 9: Equality Impact Assessment

11.1 The draft Equality Impact Assessment looked at what effects introducing the consumer standards might have on groups that are protected by equality laws. In undertaking the Equality Impact Assessment, we strengthened or amended our proposals to address potential negative equality impacts or took the opportunity to create a potential positive equality impact. Because of this approach, the draft Equality Impact Assessment that was published for consultation did not identify any negative equality impacts of the proposed standards at that point in time.

#### **Consultation question 9 on the Equality Impact Assessment**

### Do you agree with our conclusions in the draft Equality Impact Assessment?

Please state if you agree or disagree.

Please provide comments if you wish to explain your response.

#### **Overview of response**

	Responses	Ag	Agree		gree
	Count	Count	%	Count	%
Question 9	980	877	89	103	11

11.2 980 respondents answered question 9 of the consultation. 89% (877 respondents) agreed with the conclusions of the draft Equality Impact Assessment. 11% of those responding (103 respondents) disagreed.

### Issues raised by the response to consultation question 9, and the regulator's response

11.3 A significant majority of respondents agreed with the conclusions of the Equality Impact Assessment. No prevailing themes emerged on reviewing the comments in response to question 9. However a small number of responses did identify some gaps in the Equality Impact Assessment that would benefit from further exploration now and over time as more data and information becomes available. We have amended the Equality Impact Assessment in this regard. This includes:

- Further breaking down some of the findings in relation to distinct ethnicities to demonstrate disparities in the housing experienced.
- Being clearer on how different disabilities have been considered in the analysis.
- Reviewing available evidence in relation to the Gypsy, Roma, and Traveller communities, and where there are gaps in this information acknowledging that within the Equality Impact Assessment.
- 11.4 As we have revised the consumer standards in response to consultation responses, we have considered the equality impact of these changes, which are reflected in the revised Equality Impact Assessment set out at Annex 6.

## 12. The regulator's response to the consultation: final position

- 12.1 After considering consultation responses we have finalised the consumer standards and consumer standards Code of Practice (2024). With effect from 1 April 2024, we will introduce the following:
- 12.2 The consumer standards [Annex 3]:
  - Safety and Quality Standard [as set out at Annex 3a]
  - Transparency, Influence and Accountability Standard [as set out at Annex 3b]
  - Neighbourhood and Community Standard [as set out at Annex 3c]
  - Tenancy Standard [as set out at Annex 3d]; and
- 12.3 The Consumer Standards Code of Practice [as set out at Annex 4].

#### How the consumer standards will apply

- 12.4 The rules on how the consumer standards will apply remain consistent with how they currently apply.
- 12.5 All registered providers must deliver the required outcomes and specific expectations in the consumer standards. This includes all local authority registered providers, profitmaking private registered providers, and non-profit private registered providers.
- 12.6 The consumer standards apply to the social housing they provide and the tenants living in those homes. These are homes that meet the definition of social housing in section 68 of the HRA, usually that:
  - a) they are low cost rental accommodation (defined by section 69) or;
  - b) low cost home ownership accommodation (defined by section 70), or both.
- 12.7 It is for registered providers to understand, having taken professional advice if they need it, which of their homes are social housing according to this definition.
- 12.8 The Tenancy Standard will not apply to social housing where:
  - a) those homes are let on intermediate rent terms; or
  - b) it is low-cost home ownership and has not yet been staircased to 100% ownership.

- 12.9 Some homes and other properties may be social housing by virtue of the transitional provisions in section 77 of the HRA. The full suite of consumer standards will not apply to these properties unless they also meet the definition of social housing set out at 12.6.
- 12.10 Where homes cease to be social housing as set out at sections 73-76 of the HRA, the consumer standards will no longer apply. This includes low-cost home ownership accommodation which is fully owned by the occupier, including shared ownership homes that have been staircased to 100%.
- 12.11 Where the consumer standards require registered providers to meet statutory requirements, it is for registered providers to understand if they apply differently or more narrowly to different property types than what is set out above, for example health and safety legislation.

#### 13. Annexes to the Decision Statement

- 13.1 The annexes below and the Decision Instrument are available on the RSH consultation webpage.<sup>9</sup>
  - Annex 1: Numerical analysis of responses to the consumer standards consultation
  - Annex 2: List of respondents to the consumer standards consultation
  - Annex 3: The consumer standards
    - Safety and Quality Standard [Annex 3a]
    - Transparency, Influence and Accountability Standard [Annex 3b]
    - Neighbourhood and Community Standard [Annex 3c]
    - Tenancy Standard [Annex 3d]
  - Annex 4: Consumer standards Code of Practice
  - Annex 5: Consumer standards Regulatory Impact Assessment
  - Annex 6: Consumer standards Equality Impact Assessment

<sup>&</sup>lt;sup>9</sup> Consultation on the consumer standards - GOV.UK (www.gov.uk)



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The Regulator of Social Housing regulates registered providers of social housing to promote a viable, efficient and well-governed social housing sector able to deliver and maintain homes of appropriate quality that meet a range of needs.