

Blog

The Housing Quality Network

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Opinion: Going full circle

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In 2010, the then Housing Minister, Grant Shapps, famously called the Tenant Services Authority (TSA) “toast”, as the newly elected coalition government set about a “bonfire of quangos”.

Unlike ministerial colleagues in the education and health departments (in particular), Shapps and his boss Eric Pickles were particularly keen on abolishing agencies that regulated the services overseen by their department (DCLG). Ofsted and the CQC were valued parts of the government armoury in education, and health and social care – but regulation was anathema to those running the DCLG.

Shapps actually wanted all formal housing regulation abolished but the funders of housing associations (the banks and other finance institutions) fought hard to retain a regulatory regime that oversaw financial viability and governance. After all, if you ran a finance house you would be foolish in the extreme not to have the state carry out at least some checks on the bodies that you funded.

Also, Shapps believed that local authorities could exercise some sort of oversight of housing associations operating in their areas. Pickles took a different stance. He put his faith in an army of ‘armchair auditors’ ensuring that social housing providers would deliver services to a high standard. Both objectives failed, though; first on the back of savage cuts in local government expenditure; and second on the lack of performance information available to third parties (largely because of government cuts).

Duly, the TSA and the Audit Commission (which carried out housing inspections) were abolished. What regulation that remained was transferred to the Homes and Communities Agency (HCA). Consumer regulation was given a minor role in the new set up, and the hurdles erected to limit effective consumer regulation were high. ‘Serious detriment’ had to be identified before any regulatory action could be taken by the HCA, and a ‘democratic filter’ was introduced to in effect stymie the efforts of tenants seeking to complain about their social housing landlords.

Post-Grenfell all that has changed. The White Paper – *The charter for social housing residents* – really does take us back to 2010. In many ways the proposals actually strengthen the regime that existed a decade ago. Of course, there is welcome focus on health and safety, and strengthening the ties between the Housing Ombudsman and the regulator must be a good thing. Also, as the former Head of Housing at the Audit Commission, I especially

welcome the return of service inspections in the social housing sector. It is instructive to recall that the 'i' word was used just once in the Green Paper of two years ago (and then, bizarrely, in relation to the assessment of the financial performance of housing associations). Now the word 'inspection' features 24 times in the White Paper.

A major step forward is seeing all regulation of social housing placed under the auspices of one body – the Regulator of Social Housing. This finally realises one of the key ambitions of the seminal review of social housing regulation by Professor Martin Cave in 2007. But maybe the government should go further. The current proposals do not cover the regulation of local authority strategic housing services such as homelessness or meeting housing needs. And if we are seeking a true level playing field, perhaps the large providers of private rented housing should be subject to regulation by the RSH?

Give it another ten years...