

Overview of the regulatory environment for UK social housing providers

Regulatory requirements vary between the different countries of the UK, and often differ depending on whether or not you are a housing association or LA / ALMO.

England

In England, the Regulator for Social Housing (RSH) oversees the economic and consumer standards for housing associations, and consumer standards for Local Authorities and ALMOs. A new VFM standard which still places understanding and contextualising performance at its heart is expected to be released early in the new financial year. This will include final definitions of the new VFM metrics.

The Ministry for Housing, Communities and Local Government (MHCLG) remains the main regulator for councils in England, and collects data via the Local Authority Housing Statistics return (LAHS) as well as core lettings.

The social housing green paper currently under consultation is expected to focus on transparency and increasing the tenant voice. HouseMark membership will give you the tools to respond positively and quickly to these issues as they emerge.

Scotland

The Scottish Housing Regulator (SHR) regulates social housing landlords in Scotland (both local authorities and housing associations). Until now the focus of that regulation has been the indicators collected via the Annual Return on the Charter (ARC), which measure the outcomes and standards set out in the Scottish Social Housing Charter. A revised version of the Charter was implemented in April 2017 by the Scottish Government and following this a review of the regulatory framework is now underway. In 2012, the SHR committed to review the framework after five years.

SHR will continue to focus on safeguarding and promoting the interests of tenants, people who are homeless and other service users. It is proposing to introduce a requirement for social landlords to produce annual assurance statements and for RSLs to have an internal audit function and audit committees.

SHR is exploring how it could make more of its data accessible to tenants which could include information on landlords' financial health and costs. Rent affordability, value for money and cost control are also themes of the regulatory review. The new regulatory framework will be introduced in April 2019.

Wales

Welsh housing associations are regulated by the Welsh Government. Its regulatory framework seeks to ensure that landlords provide good quality homes and high quality and improving services to tenants and others who use their services. Welsh Ministers regulate by ensuring that each landlord is well governed, delivering high quality services and financial viability using a co-regulatory approach. This is predicated on providers being open and honest about risks, issues and challenges they face.

Housing provider regulation in Wales is underpinned by self-evaluation. Landlords must accurately evaluate their own performance against the ten delivery outcomes set out in the Regulatory Framework for Housing Associations Registered in Wales 2011. An Association's evaluation of its own effectiveness is the core evidence used in regulatory assessment.

In August 2017, the Public Accounts Committee (PAC) in Wales reported their findings in their Inquiry into the Regulatory Oversight of Housing Associations. This recommended that information about performance of housing associations needs to be both publicly available and easily accessible. A further recommendation was that the Welsh Government makes provision for the availability of clear and comparable datasets to assist tenants in determining and challenging the positions and policies of their housing associations. The report also recommends that mechanisms should be put in place for regular reporting and benchmarking of performance information to provide assurances on how well the sector is performing.

Local Authorities in Wales are audited by The Wales Audit Office (WAO). They do not currently have the same regulatory requirements as HA's in Wales. WAO's aim is to ensure that public money is being managed wisely and that public bodies in Wales understand how to improve outcomes. This is done by

- Auditing the financial accounts of LA's
- Reporting on how services are being delivered
- Assessing whether value for money is being achieved
- Checking how organisations are planning and delivering improvements

Northern Ireland

The Department for Communities is the regulatory authority for Registered Social Housing Providers (RSHPs) in Northern Ireland. It introduced new regulatory standards which have been effective since April 2017.

This risk-based approach is focused on providers identifying and managing risk where the emphasis is on outcomes rather than compliance. It recognises the primacy of Boards in managing their organisations and acknowledges their responsibility to Stakeholders, including tenants, to meet the standards. These standards are now governance, finance and consumer standards and a new rating system has been introduced with the regulator reviewing evidence supplied by the providers and awarding a regulatory rating.