



THE SOCIAL
HOUSING
REGULATOR

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Dear Stakeholder

Changes to the regulatory framework for social housing – a consultation

The TSA has now launched its formal statutory consultation on a new regulatory framework covering all registered providers.

The Localism Act sets out the legislative framework for substantial changes to social housing regulation. From April 2012, the social housing regulator will be the Homes and Communities Agency which will exercise regulation functions through an independent Regulation Committee as specified in the Act. The legislation establishes a distinction between the economic and consumer regulation functions of the regulator. It will continue to set standards, and will continue to have a proactive economic regulation function, including a new standard in relation to value for money. However, the regulator will have a backstop role in relation to consumer regulation, and will act only where it considers there is risk of serious detriment or harm to tenants. Our consultation document sets out how we propose to revise the regulatory framework to give effect to these changes.

As one of our stakeholders, you should take this letter as confirmation of the commencement of our formal statutory consultation. The closing date for responses is 10 February 2012. Responses should be sent to the following email address StatutoryConsultation@tsa.gsi.gov.uk. Further details on how to respond are set out in the consultation documents. We encourage you to make your colleagues and other partners aware of this consultation, and the implications for them.

There are three documents that comprise the statutory consultation package. These are the statutory consultation on the revisions to the regulatory framework document and its two annexes: the Rent standard guidance; and Guidance notes on use of the regulator's powers. These documents are available on the TSA website by using this link: <http://www.tenantservicesauthority.org/consultation>.

Many of the changes being proposed are as a result of the Localism Act. In addition, the Housing and Regeneration Act 2008 allows the Secretary of State to direct the regulator to set standards in relation to tenant involvement and empowerment, rents and quality of accommodation. The Government has recently completed a consultation on changes to the



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directions it will give to the regulator and DCLG has published its summary of responses, which includes formal directions to the regulator in these 3 areas. They have been reflected in revised standards in our consultation document.

The Localism Act grants the Secretary of State new powers to issue directions to the regulator on the contents of standards on tenure and mutual exchange. At the time of issuing this consultation, we have not yet been formally directed in relation to these two areas. However, DCLG's consultation included its draft directions in these areas, and its summary of responses includes the indicative directions it intends to issue formally to the regulator once those Localism Act provisions are commenced. We have incorporated these indicative directions in revised standards in our consultation document.

We look forward to receiving your response and if you have any queries please do not hesitate to contact us.

Yours sincerely

Anthony Mayer
Chairman

Claer Lloyd-Jones
Chief Executive