

## **“We need a new regulation regime with an extra consumer star rating”**



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Eamon McGoldrick, Managing Director of the NFA

“Regulation has been part of the social housing picture ever since the advent of Lloyd George’s ‘homes fit for heroes’ a century ago. In the days of elected local authority lay auditors, regulation was all about honest and wise use of public money. Ultimately, as auditing regimes came and went, it was about ‘value for money’.

The focus of regulation across the social housing sector is settling, as it should, on our residents. What makes a community cohesive and a pleasant place to live is best understood by the people who live there. Prescriptions imposed by outsiders without consultation rarely work. And – hopefully – we now all accept that everyone has a right to decent housing, whether they own or rent, and residents are best placed to know whether landlords are up to scratch and if ‘improvements’ are real.

There is nothing new here for the ALMO movement. From the very start, our residents have been our focus. When the ALMO concept was first mooted as a way of putting much needed investment into social housing without removing public ownership or accountability, one of its key foundations was tenants’ greater involvement in how their homes and neighbourhoods were managed.

Today, ALMO tenants are guaranteed an important voice at a senior level. In all sorts of other ways, our members consistently work alongside their customers. They ask their tenants what kind of new homes should be built and they open employment and training schemes to them as part of business plans. They support inclusion projects that target marginalised groups and offer practical help through financial advice services and energy-saving initiatives.

So it follows that National Federation of ALMOs (NFA) members have been unafraid to face up to the issue of tenant voice during the past 18 months of wide-ranging discussion on regulation. We have always been on the side of our tenants.

And until the Audit Commission’s demise in 2012, that commitment was reflected in their scores for sound service performance, management and financial planning. ALMOs consistently achieved high inspection ratings

Submissions on the government’s Review of Social Housing Regulation are now in and we are calling for stronger, wider, tenant-focused regulation. Not because it’s going to be relatively easy for ALMOs to bolt this on to what they already do, but because the ALMO experience shows that it works.

The coalition government of 2010 scrapped the audit commission and for local authorities said that poor or failing services would be better dealt with via local elections. Well, that has been a complete failure.

The owner of Grenfell Tower, Kensington and Chelsea Council, has just suffered the worst period in it's 54-year history and yet at this years local elections, it lost just one seat and the Conservatives still have a majority of 23. Similarly, I can't imagine how bad things would have to be for Labour to lose control of Newham Council with it's 60 seat majority and no opposition!

We need to get back to cross domain regulation that really works for all parties. Viability and governance are already part of the inspection regime, but we're asking for an extra consumer standards-style star rating because first-hand experience tells us this will have real meaning for our tenants – our customers – who want to know whether we:

- Keep properties safe and in good repair

- Effectively handle complaints

- Treat our customers with respect

- Manage neighbourhoods responsibly, including tackling antisocial behaviour

The reality is that our customers rarely have the luxury of housing choice. So it makes sense to have one regulation regime for the entire social housing sector. This would be fair, and a consumer standards rating would clearly show how landlords were performing on complaints, repairs or consultation.

As the regulation discussion rumbles on, the NFA is working with Councils with ALMOs Group (CWAG) – our counterpart representing ALMOs' parent councils – to gather hard evidence from effective ALMO-council partnerships about what works. But we know that the broad principle driving the whole sector is that we must get this right. We must not put in place a regime that can be 'gamed' or might drive the wrong kind of behaviour.

To achieve that, the NFA will continue to work with both our members and other social housing sector stakeholders."