



Consultation on an amendment to the Tenant Involvement and Empowerment Standard

CONSULTATION RESPONSE

March 2017

ABSTRACT

TAROE Trust is a charity formed in 2013 out of the former national tenant representative organisation, Tenants and Resident Organisations of England (TAROE). It has been established to further charitable objects which can be summarised as follows:

- The relief of financial hardship by providing free advice and assistance on housing issues to persons who would otherwise be unable to obtain it.
- To promote social inclusion for the public benefit among people who are excluded from society or part of society by:
 - Providing advice and assistance and building capacity on housing matters
 - Working to promote the needs of people who are socially excluded and to raise awareness of those needs among housing providers, service agencies and the general public
 - Researching links between housing and social exclusion and publishing the useful results thereof
- To develop capacity and skills among members of socially and economically disadvantaged communities which evidence deprivation in such ways that they are better able to identify, and help meet, their needs in housing related matters in particular and to participate more fully in society.

EXECUTIVE SUMMARY / GENERAL COMMENTS

Overall, the key issues recommended by TAROE Trust may be summarised as follows:

- TAROE Trust is concerned that the de-regulation of Registered Providers and a reduction in the HCA's consent powers, could lead to a corresponding reduction in protections and service standards for tenants. Amendments and strengthening of the Tenant Involvement and Empowerment Standard (TIE) are therefore welcomed.
- Whilst there has been a general shift towards increased use of terminology such as "providers" and "customers", often with positive results, the fundamental landlord/tenant relationship remains the core relationship and it is important that the responsibilities and protections afforded to both parties and enshrined in law are not

overlooked or eroded as part of this more general shift in terminology. Use of 'landlord' and 'tenant' should be maintained where this specifically relates to the legal relationship between these parties.

- TAROE Trust has previously been critical of the general shift towards a primary focus on economic standards, and the move towards backstop regulation only of the consumer standards in instances of serious detriment. This threshold is too low, and tenants' recourse to the regulator when things go wrong are therefore restricted. This consultation exercise therefore provides a useful opportunity to remind Landlords that consumer related standards continue in force from 6 April 2017.
- Access to the Housing Ombudsman Service (HOS) remains another route to seeking recourse and resolution of problems arising. This is often confusing to tenants, aggravated by the 8 week period between exhausting a landlord's internal resolution procedures and being able to take a complaint to the HOS. Recent announcements to improve relations between the HCA and HOS are therefore welcomed.
- Landlords should be required to consult with tenants before a change of landlord takes place. This includes where constitutional changes will result in a change of landlord such as in the case of a merger. The only exception to this might be where a crisis situation arises and action is required to remedy weaknesses that could otherwise result in greater reductions and/or risks being posed to tenants, security of tenure, and the quality of services they receive. It is likely that other regulatory breaches will have occurred should any such situations arise. However, the movement of landlords into increasingly risky commercial ventures raises the prospect of such landlord failures arising and such activities should not place the security of existing tenants at risk.
- Other than the crisis situation outlined above, the changes proposed to the TIE Standard, albeit minor in nature, are helpful and welcome both in terms of content and the wider reminder to Landlords of the need to continue to comply with the consumer regulation standards from 6th April 2017 onwards.

SUBSTANTIVE RESPONSE

1. Do you agree with the clarification which restricts the consultation only to 'affected tenants'?

1.1. The proposed amended wording for Section 2.2.3 of the TIE Standard is welcomed.

1.2. TAROE Trust would like to highlight that "affected" tenants from proposals may however include those tenants that will not directly experience a change in their

landlord or their particular management arrangements. There could be instances where, for example, tenants will remain with their existing landlord but significant proposals result from large scale disposals that reduce the overall resilience of the landlord, impacting on service quality or leading to increased risk exposures. Where such risks exist, TAROE Trust believes that it is appropriate for tenants not receiving a change in their landlord to still have a voice and the ability to influence decision making.

2. Do you agree with the inclusion of the requirement that the consultation should be 'fair, timely, appropriate and effective'?

2.1. The proposed additional wording in the standard is supported and welcomed.

3. Do you agree with the replacement of 'proposing to change their landlord' with 'proposing a change in landlord for one or more of their tenants'?

3.1. The proposed additional wording in the standard is supported and welcomed for the reasons set out in the consultation document.

4. Do you agree with the inclusion within the Standard that providers should set out 'clearly and in an appropriate amount of detail and shall set out any actual or potential advantages and disadvantages (including costs) to tenants over the short, medium and long term'?

4.1. The increased clarity that the suggested amended wording would bring is welcomed. TAROE Trust would hope that the intentions to clearly set out actual or potential risks and benefits would have always been something that Landlords ought to have done. Consequently, the proposed amendments should not confer any additional burdens on landlords.

5. Do you agree with the inclusion of a requirement that 'Registered providers must be able to demonstrate to affected tenants how they have taken the outcome of the consultation into account when reaching a decision'?

5.1. In order for consultation to be meaningful, Landlords must close the loop on any consultation exercise. This is particularly the case where changes to the Landlord are proposed, or in instances where significant changes in the management

arrangements are being considered. The additional clarity of the proposed amended wording of the TIE Standard is therefore welcomed.

6. Do you have any comments on our business engagement assessment including in relation to equality and diversity?

6.1. No further comments. It is acknowledged that only limited amendments to the standard are being proposed.

CONTACT INFORMATION

Any further queries relating to this response should be addressed to:

Darren Hartley
Chief Executive

TAROE Trust
Room A217, The Heath Business and Technical Park, Runcorn, Cheshire, WA7 4QX

E: Darren@taroetrust.org

M: 07764188340