

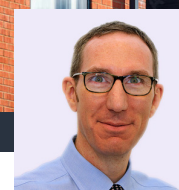
## Roundtable on Social Housing

with Fiona MacGregor, Chief Executive & Jonathan Walters, Deputy Chief Executive of the Regulator of Social Housing

Online via zoom



Fiona MacGregor



Jonathan Walters

### Introduction

The PLG's recent roundtable meeting with Fiona MacGregor and Jonathan Walters, Chief Executive and Deputy Chief Executive of the Regulator of Social Housing, provided a comprehensive overview of the current landscape and challenges within the social housing sector. The discussions highlighted the organisation's shift from a reactive to a proactive approach, emphasising increased inspections and compliance with housing standards. Financial pressures on housing providers exacerbated by high interest rates, inflation, and post-pandemic repair demands were a key focus, revealing a decline in operating margins and new housing supply ambitions. The dialogue also touched on the complexities faced by housing associations in balancing investment in existing homes with new supply, the necessity of collaboration with statutory services, and the evolving regulatory environment.



## Key Takeaways

- Housing providers are currently under substantial financial strain, similar to the stress experienced during the 2008 financial crisis. The sector is grappling with high interest rates, inflation, increased costs for repairs, and the need for extensive safety and environmental upgrades. These factors have collectively led to a decline in operating margins, which have fallen from pre-pandemic levels of 25-30% to 15-20%. Consequently, there has been a notable reduction in new housing supply ambitions by 20% in 2023, with a similar decline anticipated for 2024.
- The post-pandemic period has seen a significant rise in repair demands, largely due to increased awareness of housing issues like dampness and mould. Housing associations reported a 40% increase in repair requests, driven by comprehensive stock condition surveys and heightened tenant awareness. This surge in repair demands has substantial financial implications, requiring careful balancing of investment in existing homes with future housing supply to meet customer needs and maintain housing quality standards.
- The meeting underscored the importance of collaboration between housing providers and other statutory services, such as local authorities, the NHS, and the police. Housing associations face challenges in managing issues like antisocial behaviour due to strained relationships with these services, which have reduced support amidst their own financial pressures. The new regulatory standards emphasise that housing providers should work collaboratively with these agencies rather than taking sole responsibility for issues that extend beyond their expertise.
- Efforts to streamline regulatory processes and reduce the cumulative burden on housing providers are ongoing. Fiona MacGregor discussed her regular engagement with various regulatory bodies, including the Care Quality Commission (CQC), the Health and Safety Executive (HSE), and the Housing Ombudsman. These collaborations aim to address overlapping regulatory issues, ensure clear communication, and appropriately assign responsibilities based on expertise and jurisdiction. Effective coordination among regulators is essential to prevent exacerbating cost challenges and ensure a coherent regulatory environment for housing providers.

## Issues raised

- Assessing qualitative elements like tenant feedback and engagement remains challenging but is essential for comprehensive inspections. Developing clear methodologies for these assessments and ensuring transparency and clarity in communication during inspections is important for fair evaluations of housing providers.
- Maintaining stability in policy decisions, particularly regarding rent regulations, is crucial for the sector. Inconsistent policy decisions can unsettle investors and erode trust, making it essential to uphold commitments once they have been established. Ensuring long-term rent certainty is vital for future planning and investment in the housing sector.
- The increasing regulatory burden on housing providers, especially those operating across multiple sectors, needs serious addressing. Streamlining regulatory processes and improving coordination among various regulatory bodies can help reduce cumulative pressures and associated costs, preventing additional financial strain on providers.

We would like to thank the members of our Advisory Board for their contributions and continuing support.



To get involved, please contact [secretariat@plghousing.org](mailto:secretariat@plghousing.org)