

Heather Wheeler MP
Parliamentary Under Secretary of State for
Housing and Homelessness

Ministry of Housing, Communities and Local
Government
2 Marsham Street
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Date:

Dear Heather,

GLA response to MHCLG consultation on strengthening consumer redress in the housing market

I very much welcome the opportunity to respond to the consultation on strengthening consumer redress in the housing market.

Housing is the Mayor of London's top priority and securing a fairer deal for the many Londoners who are currently unable to access effective redress is a key theme of the Mayor's recently published draft London Housing Strategy. In particular, the Mayor welcomes the focus in this consultation on helping leaseholders, private renters, social housing residents and the buyers of new homes to access better and more consistent support.

I note the links between the current consultation and the welcome recent announcement of proposals to introduce a mandatory code of practice and independent regulator for letting and managing agents, as well as the clarification that work is underway with the Ministry of Justice to consider the case for a new Housing Court. Enforcement is key if improved access to redress is to be meaningful. Any new redress process must have the capacity to refer non-compliant organisations and individuals to a reformed, effective enforcement process. A fundamental reform of redress, regulation and enforcement is sorely needed to ensure that all housing tenures in London are fit for the 21st century, and the success of any one of these work strands depends on the success of the others. The Mayor strongly urges Government to develop all three of these initiatives in tandem to ensure a clear and strategic approach, and is keen to work with Government in their development to ensure the best possible outcomes for Londoners.

The GLA's detailed response to the consultation questions is attached as annex 1. My overall view is that the proposed option of a single ombudsman or redress scheme for people living in all housing tenures is the correct approach. This should be an overarching scheme which routes housing consumers into distinct pathways to redress for each housing tenure. The scheme should offer consistent service standards across all tenures, and be predicated on distinct, tenure-specific, legally enforceable codes of practice. Redress should cover all aspects of the process of seeking accommodation as well as problems housing consumers encounter once they have secured a home. The new approach should also include provision of dispute resolution and adjudication services.

A system such as this would be of enormous benefit to housing consumers, dramatically simplifying existing processes and plugging current gaps in redress provisions, for instance for tenants of private landlords who do not use an agent to manage their property and purchasers of new build homes.

To be most effective, the Government should commission an independent evaluation of the existing forms of redress, both in housing and other sectors, to determine what structures and processes deliver the best results for consumers. In addition, Government must commit sufficient resource to the housing redress process. A simple collection of existing schemes would not be the best way to deliver a consistent service, but any new, streamlined body that is set up should make best use of existing expertise from the different schemes – ensuring that this is not lost in the new processes - while improving on existing approaches where required

As you will know the Mayor is working hard to improve transparency, enforcement and access to redress for consumers across the housing sector. His work in this area includes:

- launching a new Rogue Landlord and Letting Agent Checker in December 2017 to allow renters to make a more informed choice about who to rent from;
- Creating a new 'report a rogue landlord or agent' tool to allow renters to more easily report bad practice in the private rented sector;
- setting up the first ever pan-London Private Rented Sector Partnership with all London boroughs to improve and coordinate enforcement to help consumers enforce their rights;
- supporting long-term reform of leasehold and a shift towards fairer tenures;
- working with partners to improve the quality of advice and support available to London's leaseholders about their rights and obligations;
- establishing a sub-group of the Homes for Londoners Board to look at construction quality issues, including options for improving the customer experience; and
- calling for the introduction of a Commissioner for Social Housing Residents - an individual independent of Government with a statutory remit to act as a watchdog for those living in social housing

I would welcome a conversation with you and your officials about what can be done to improve housing redress, regulation and enforcement. If you wish to discuss the GLA's response further in the meantime your team are welcome to contact Rhona Brown our Private Rented Sector Programme Manager, or Ellen Storrar our Housing Policy Manager in the GLA Housing and Land

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James Murray

Deputy Mayor for Housing and Residential Development