

**SELF REGULATION
OPT IN .. OPT OUT**

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Overview

- Initiative to promote self-regulation & increase effectiveness of statutory enforcement
 1. ANUK approved accreditation
 2. 'Opt in – opt out'

THE VISION

Landlords belonging to an *approved* accreditation scheme can **opt out** of the statutory regulatory enforcement system and **opt in** to self-regulation

Presumptive rule = any necessary interventionist action is done within the accreditation scheme disciplinary regime

Principle already established

- S.233 Housing Act 2004 – Govt. can approve Codes of Practice
- National Code of Standards for Larger Student Developments
- Higher Educational Establishments can opt out of HMO licensing by joining ANUK or Universities UK Code of Standards .. THEY HAVE A CHOICE
- HEIs are automatically opted back into stat. enforcement regime if they fail to comply with the Code of Standards

ANUK approved accreditation schemes

- Accreditation as a credible alternative to stat. enforcement regime
- Four core principles:
 1. The Declaration
 2. Audit & Verification
 3. Continuing improvement
 4. Complaints system
- CLG .. approval .. endorsement

ANUK approved accreditation - the system

- Ownership – consortium –
- Committee of Management
- Voluntary application
- Self-assessment & verification process –
Audit Panel
- Complaints system – Tribunal

- Operation would be as for the National Code
of Standards for Student Developments – fee
would be payable

Opt in – opt out statutory backing

- Opt in- opt out – stat. backing - more robust system
- Legislative & Regulatory Reform Act 2006
Sec. 21 .. principles of regulatory action ..
 1. Transparent, accountable, **proportionate** and consistent
 2. Regulatory action should be targeted only at cases in which action is needed

Regulators' Compliance Code

- 'Opt in – opt out' satisfies the requirements of the Regulators' Code
- Regulators should .. positive & proactive approach to ensuring good standards .. helping understanding of regulatory requirements .. **responding proportionately to regulatory breaches**

Regulators' Compliance Code

- **Economic** .. intervention only when clear case for protection ... fair treatment of small businesses
- **Risk assessment** .. concentration of enforcement resources based on risk assessment ... past compliance records ... competence & willingness to comply ... *recognised external accreditation*

Regulators' Compliance Code

Advice & guidance

- compliance advice without triggering enforcement action
- provide training & charge for it

Inspections

- targeted on risk assessment basis
- small element of random inspections
- *concentrated inspection effort where high likelihood of non-compliance*
- encourage good practice

Regulators' Compliance Code

Compliance & enforcement actions

- deliberate or persistent breaches
- lighter touch for compliant landlords

Next stages

- ANUK working party
- Target time for intro. of ANUK approved accreditation .. early 2009
- Seek to secure CLG endorsement for (1) approval system (2) opt in – opt out
- In the interim ... no reason why local authorities cannot adopt opt in – opt out on the back of the Regulators' Compliance Code