

<b>Report To:</b>	<b>CABINET</b>
<b>Date:</b>	<b>29 JANUARY 2024</b>
<b>Heading:</b>	<b>SOCIAL HOUSING REGULATION UPDATE</b>
<b>Executive Lead Member:</b>	<b>CLLR A MEAKIN, EXECUTIVE LEAD MEMBER FOR COUNCIL AND SOCIAL HOUSING</b>
<b>Ward/s:</b>	<b>ALL</b>
<b>Key Decision:</b>	<b>NO</b>
<b>Subject to Call-In:</b>	<b>YES</b>

## **Purpose of Report**

To provide an update to Cabinet on the current position regarding social housing consumer regulation and to provide assurance of the direction of travel for regulatory compliance, following the Social Housing (Regulation) Act receiving royal assent.

## **Recommendation(s)**

**To note the implementation of the Social Housing (Regulation) Act.**

**To note progress against the appended action plan.**

**To note the Council's current position with the collection of the Tenant Satisfaction Measures, which is the Council's first social housing regulatory task.**

**To note overall responsibility for compliance with the Council's social housing regulatory requirements.**

**For Cabinet to review the enclosed/appended information and determine if they have sufficient assurance that the performance of social housing functions is compliant with the requirements of the Regulator of Social Housing.**

## **Reasons for Recommendation(s)**

To update elected Members on how Ashfield District Council meets the social housing regulatory regime for its council housing provision and complies with the expectations of the Regulator of Social Housing. To keep elected Members informed of our progress towards meeting the statutory and regulatory requirements. To update elected Members with the progress of the development of the Social Housing (Regulation) Act. To promote that Cabinet is ultimately responsible for ensuring regulatory compliance of the Council's social housing activities, in the eyes of the regulator.

## **Alternative Options Considered**

No alternative – the Social Housing (Regulation) Act 2023 is now active legislation which dictates how council housing will be regulated by the Regulator of Social Housing (RSH). To not adhere to the Regulations may carry both unlimited sanctions (including the removal of the housing stock), fines, health and safety risks to tenants/residents and significant reputational damage for the Council.

## **Detailed Information**

### **Background**

The Social Housing White Paper was published by the (then) Ministry of Housing, Communities and Local Government (MHCLG) on 17th November 2020. It is the follow up to the Social Housing Green Paper that was published in August 2018, both of which are part of the Government's response to the Grenfell Tower tragedy and the Hackitt Review of building and fire safety.

The White Paper set out 7 core commitments that social housing residents should be able to expect from their landlord:

1. To be safe in your home
2. To know how your landlord is performing
3. To have complaints dealt with promptly and fairly
4. To be treated with respect – backed by improved consumer standards and regulation
5. To have your voice heard by your landlord
6. To have a good quality home and neighbourhood to live in
7. To be supported to take your first step to home ownership

On 20 July 2023 the Social Housing (Regulation) Act 2023 (the Act) received Royal Assent, bringing new statutory powers to the RSH and the Housing Ombudsman Service (HOS). The regulator continues to monitor compliance against their regulatory standards, through a co-regulatory approach, with landlords expected to self-refer potential breaches to RSH. Regulatory compliance will also be monitored through an inspection regime. Failure to comply with regulatory requirements could result in sanctions against the Council, including serving of regulatory notices, public 'naming and shaming', unlimited fines and sanctions, which could include the removal of the social housing stock from the management of the Council.

Ultimate responsibility for compliance with the Council's regulatory requirements lies with Cabinet, in the eyes of RSH and HOS. Cabinet should ensure that they are satisfied that they are suitably informed on the position regarding the social housing service provision and the information they receive provides sufficient confidence of regulatory compliance.

## Regulatory Consultations

Following the introduction of new powers through the Act, a number of consultations and reviews have been undertaken, to develop the requirements placed on social landlords.

### Consultations

- [Revised Consumer Standards](#) – RSH have consulted on proposed revised consumer standards, further standards are likely to be introduced in the future - ended 17/10/2023
- [Fees](#) – RSH have consulted on the introduction of fees, to become self-funding. RSH have proposed charging all social landlords (including the Council) £7-£8 per property per year, which would equate to circa £46k - £53k additional expenditure to the Council - ended 31/10/2023
- [Directions to RSH](#) – DLUHC have consulted on the directions to RSH on the information landlords should provide to tenants on rights, making complaints and regulatory requirements – ended 22/11/2023
- [Joint Complaint Handling Code](#) – HOS and the Local Government & Social Care Ombudsman have consulted on their joint complaint handling code – ended 23/11/2023

### Ongoing Reviews

- Revised decent homes standards/HHSRS – awaiting further progress/legislation
- Professional standards/qualifications – awaiting further discussion within sector and draft consumer standard

## Tenant Satisfaction Measures

Collection and reporting on the Tenant Satisfaction Measures (TSMs) continues to be a regulatory requirement, from the 2023/24 financial year.

The Council has undertaken a TSM perception survey during Summer 2023, which was predominantly by phone and face to face with some residents within sheltered courts. The results have been reviewed, but are currently being fully analysed, following the recent publication of final submission guidance from RSH.

Results for the tenant perception survey and the landlord reported measures will need to be reported to RSH and published to tenants by 28 June 2024.

In October 2023, as part of the Council's benchmarking membership with Housemark, we participated in an anonymised mid-year TSM benchmarking exercise (landlord reported and tenant perception measures) with a number of other Housemark members.

Appendix 1 shows the bespoke report from the benchmarking exercise, which details the Council's position against all participants and participants within their peer group for the first 6 months of the financial year.

The benchmarking results are largely positive, but there are some areas for improvement including the number of ASB cases opened per 1,000 properties. ASB cases reported year to date are currently being reviewed to determine what action has been taken as a landlord, to rationalise the cases reported internally and to the regulator where they fall within the remit of other agencies e.g. the Police.

All landlord reported measures are to be added to Pentana for monitoring, in the near future (some are already monitored).

## **General Performance**

Appendix 2 shows general performance information, which replicates the report reviewed by the Tenant Gateway group on a bi-monthly basis, with the most recent performance information.

Appendix 3 shows housing performance indicators under target, which is shared with the Executive Director – Operations and housing assistant directors and is discussed in monthly meetings.

Appendix 4 shows the 2022-23 annual performance benchmarking feedback from Housemark, showing the Council's housing function performance against the sector/peer group of similar landlords. The report shows generally positive performance and good value for money in the majority of areas of the service.

Performance information is available for all tenants to view, via the Council's [website](#), with the report linking directly to Pentana and updating on a monthly basis, to provide 'real time' performance information.

## **Inspection Regime**

RSH now has powers to commence an inspection regime. Routine inspections will take place at least once every 4 years, from April 2024. RSH can inspect with as little as 48 hours' notice to the Council, which can include inspecting specific properties where potential issues have been raised. However, it is likely greater notice will be provided for routine compliance inspections, along with a request for documentation/data in advance.

Inspectors will speak to senior managers/officers, Members and tenant groups, as well as scrutinising key information/documents. Data is key to a successful inspection; work continues to move towards maximising system generated data for one version of the truth and requires significant resources.

A gap analysis is taking place on the information currently available about RSH inspections and an action plan will follow. RSH has signalled that routine inspections will focus on speaking to tenants and strategic officers of departments providing services to tenants (i.e. less focus on Members). They will also be looking at how tenant information and property data informs decision making and test the robustness of this data.

The key test being whether those who make decisions about services to tenant can articulate knowledge of who the tenants and properties are whilst making those decisions, and what assurances do they rely on that service outcomes are attuned to tenant need and regulatory compliance.

Tenant data and property profiling reporting is being drafted and will be widely shared across managers, involved tenants and elected Members, to inform decision making. The report will be refreshed every six months. A project group is currently working on improving tenant data and commencing a tenancy audit process to regularly review tenant data.

## **Risk**

### Social Housing Sector Risk Profile

On 14 November 2023 RSH published their Sector Risk Profile 2023 Report, the full document can be found [here](#).

The risk report is primarily aimed at boards of housing associations and councillors to be aware of the potential risks, which could impact on their organisation's ability to meet the requirements of the economic and consumer standards. The regulator makes it clear that boards and Members hold the responsibility for being assured that the organisation is compliant with their requirements through existing governance processes and to seek further assurance/information, where they are not confident.

The report breaks sector risks down as follows:

#### Strategic Risks

- Macroeconomic and financial environment
- Delivering against expectations (including the TSM and publishing of financial information)
- Diversification
- Access to labour and skills
- Counterparty risk

#### Operational Risks – existing stock and service delivery

- Delivering services to tenants
- Existing stock quality
- Health and safety
- Costs and inflation
- Rent setting (consultation on rent setting for 2025/26 onwards to take place)
- Rental income and arrears
- Data and cyber security
- Data integrity
- Supported housing

#### Operational Risks – development

- Low cost homeownership and market sales
- Construction process risks

#### Finance and Treasury Management

- Existing debt
- New debt
- Alternative funding models
- Pensions
- Fraud

### Operational Risks

Housing Regulation Management Team review a set of risks monthly and compliance with the 'Big 6' safety areas. The latest risk review report can be found in appendix 5 and compliance report in appendix 6.

New risks are currently being developed to add Damp & Mould and Decent Homes Standard.

## Professional Standards

We continue to await guidance from RSH on this area.

However, it is anticipated that all officers involved in the provision of our social housing, even those based outside of the Operations Directorate will be expected to abide by the Chartered Institute of Housing's Professional Standards. Managers/Assistant Directors and potentially team leaders involved in the provision of social housing services will hold a minimum level 4 housing qualification. The Executive Director(s) responsible for the provision of social housing functions will hold a minimum of a level 5 housing qualification.

Toolbox talks for officers and member drop-in sessions relating to the regulatory requirements, consumer standards and HOS' Complaint Handling Code, will be held in Q4/early in 2024/25.

## Housing Ombudsman Service/Complaints

### Housing Ombudsman Service (HOS)

HOS continues to be a key partner to the Regulator around the regulation of social housing, reporting concerns to the Regulator where they identify potential systemic failings within landlords, through their complaint handling resolution investigations.

The Council is currently compliant with the HOS' Complaint Handling Code, which since the implementation of the Social Housing (Regulation) Act, has become statutory. HOS have recently consulted with stakeholders on a combined complaint handling code with the Local Government and Social Care Ombudsman, which is expected to be implemented on 01 April 2024, further information on the consultation can be found [here](#).

Complaints are a high-profile subject for the social housing sector with HOS continuing to take an active role in holding landlords to account for service failure. HOS continues to actively publicise their judgements and continue to exercise their powers to undertake 'special investigations' into specific landlords, where there are concerns about potential systemic or endemic failings.

DLUHC have extended their "Make Things Right" campaign, which promotes and prompts social housing tenants making complaints to their landlord, where they feel they are experiencing poor service.

The increased awareness of the complaints process continues to see complaint volumes higher than historical trends, which is in line with sector trends.

During 2022/23 three complaints were referred to HOS for investigation by tenants, the outcomes are broken down, as follows:

- 2 – No Service Failure identified on behalf of the Council
- 1 – Service Failure by the Council and £200 compensation

During 2023/24 no complaints have been referred to HOS, by tenants/leaseholders to date.

## Complaints

Appendix 7 is the latest report made to the Tenant Gateway group on housing complaints performance for Q1 & Q2 2023/24. A similar report is presented to CLT and the Housing Regulation Management Team, but includes specific information regarding the complainants details.

## **Damp and Mould**

Damp and mould continues to be a key focus for the Housing Operations Team, as well as RSH and HOS, following the inquest findings following the death of Awaab Ishak. Our understanding is that the prevalence of damp and mould in our housing stock remains low, however, this will continue to be closely monitored.

A damp and mould specialist surveyor has been recruited, to ensure appropriate action and specialist advice is given to tenants experiencing damp and mould issues. Training has also been provided to frontline visiting officers to recognise the signs of damp and mould. A damp and mould policy has also been implemented to ensure a consistent approach, which was approved by Cabinet. A review of our approach to damp and mould has also been undertaken by the Select Committee.

We will continue to review our processes and procedures, including applying learning from the actions of other landlords, to ensure that damp and mould issues are dealt with as swiftly and comprehensively as possible and using any data on trends to inform the major works programme.

Damp and mould response times are expected to be included in the new Decent Homes Standard. However, it is anticipated that parliamentary delays to progressing the revised Decent Homes Standard will mean that guidance on damp and mould will be published in advance of the new Standard.

## **Tenant Engagement**

Involving tenants in the shaping of housing services and listening to their voice, along with evidencing this, is key to regulatory compliance and is an area of weakness for the Council.

We have recently recruited a full time Tenant Engagement Officer, however, the post holder has secured alternative employment within the Authority and the vacant role is currently being advertised. A gap analysis has been produced and an action plan is being developed to improve engagement rates.

The Housing Annual Report has been sent to all tenants, which included the promotion of the current tenant engagement activities. Response rates have been extremely low, so work to actively contact tenants to promote opportunities to become engaged have been undertaken.

## Tenants Gateway:

Current Members – 8 (5x Sutton, 2x Hucknall, 1x Kirkby)

Current Vacancies – 8 (1x Sutton, 2x Hucknall, 3x Kirkby, 2x Rural)

A number of policies have been recently approved by the Tenant Gateway group, including:

- Damp and Mould Policy
- Decant Policy

- Recharge Policy

Gateway members also review the latest KPI and housing complaints performance information at each meeting.

#### Tenant Scrutiny Panel:

Recruitment materials have been finalised and we have commenced meeting with interested tenants. Scrutiny Panel will need a minimum of 5 and maximum of 9 members to operate, with Members unable to sit on Tenant's Gateway. We have approached TPAS (formerly the Tenant Participation Advisor Service) and have instructed them to provide training to Scrutiny Panel Members and to support them through their first investigation once a full complement of panel members has been recruited. A session has been arranged for the Executive Lead Member for Social Housing and Assets, Executive Director – Operations and Assistant Directors delivering social housing functions to meet with potential panel members on 01 February 2024 to provide an overview of the service.

#### Customer Opinion & Influencing Network (COIN)

COIN has been in operation since early 2021, uptake/interest has been low and little feedback is received from tenants through this method. We are working to increase promotion of this and create a network of tenants who can be called upon for feedback on services/publications etc.

Once membership to existing tenant engagement activities has increased, additional opportunities to engage with tenants will be explored.

#### Consultation on existing engagement activities

A competition for tenants to feedback on current tenant engagement activities was published in the annual report. Only one response was received from a tenant who is currently participating with tenant engagement activities.

#### **Elected Members Role**

RSH stipulates that tenants should be at the heart of decision making for their housing service (and during inspection this input in decision making will need to be evidenced). Moving forward key reports which go to Cabinet or Full Council that involve changes to the delivery of services to tenants (as tenants) will need to include the views of tenants in relation to those changes. Elected Members will be expected to consider these views and articulate their consideration of them when reaching a final decision. A tenant profile report is also being implemented and will be included within future updates, to assist Cabinet with making informed choices about decisions that impact on tenants.

#### **Next Steps**

- Ensure that new Consumer Standards are embedded in to working practices and compliance is documented, to ensure that evidence is available in the event of an inspection.
- Analyse the 2023/24 TSM survey results in line with the final guidance, once released from RSH. Report 2023/24 Tenant Satisfaction Measures to RSH and tenants, then annually thereafter.



- Continue to report regularly to senior managers and Cabinet on recommendations, where required, including associated risk of achieving target and compliance, including benchmarking performance of services (both quantity and quality) against peers.
- Continue to work alongside Learning & Development for continuous learning for staff and Councillors on key areas identified by gap analysis and professional qualification standards, once confirmed.
- Continue to develop Capita OpenHousing/other housing IT systems and data inputting procedures to improve the accuracy, extraction, manipulation of statistical information and publication/reporting of performance information.
- Recruit a replacement Tenant Engagement Officer resource to assist with the provision of tenant engagement activities to increase and diversify the base of tenants actively engaging with the Council, including consulting with Tenants/Tenant Groups and capturing tenant views for democratic reports which change or affect services to tenants.
- Recruit and train members to the Tenant Scrutiny Panel, and commence a programme of scrutineering of social housing services.
- Continue to develop service standards/policies around the quality of homes/neighbourhoods.
- Update the Complaints and Compliments Policy to ensure compliance with the Complaint Handling Code.

## **Implications**

### **Corporate Plan:**

- Maintain as a minimum the decent homes standard in all homes owned by the Council
- Ensuring that the necessary compliance is in place to meet the new standards regulations coming into force for the Council's housing stock
- Further enhancing active tenant engagement and the ability for tenants to help shape and improve the housing services that we offer
- Ensuring customer data is up to date and we have a robust understanding of vulnerable tenants and hard to reach groups
- Delivering a modern, digital service to improve accessibility and service response
- Ensure compliance with the Consumer Standards
- Ensuring the green agenda is at the centre of our decision making, leading by example, and working together across the organisation to reduce carbon impacts from our own assets
- Maximising available grants and successfully delivering externally funded projects, decarbonising social and private sector housing, and our own assets as much as possible
- Working with partners to tackle and reduce levels of crime and ASB
- Improving the customer journey and experience across all service areas for all of the services we deliver, information provision and our engagement with the customer
- Improving our understanding and perception of customers to improve the customer experience
- We will ensure a customer-first approach to all our residents
- Improving our performance, data and insight approaches to inform and shape our ambitions and celebrate success

## Legal:

There are no significant legal issues specifically in relation to this report. Current and proposed legislation/guidance is detailed in the report. Legal advice and assistance will be provided in relation to the impacts of new legislation and regulations at the appropriate time, including any consequential Constitutional issues or amendments. The delegation of Proper Officers in respect of Social Housing Regulation was approved at the Council AGM on 25 May 2023 in readiness. [RLD 02/01/2024]

## Finance:

There are no direct financial implications arising from this report. The report makes reference to additional resources and these were included in the HRA budget for 2023/24 to implement the additional requirements arising from these Regulations. Inflation to these costs and income have been reflected in the HRA budgets to be set for 2024/25 and beyond. [PH 09/01/2024].

Budget Area	Implication
General Fund – Revenue Budget	Not applicable
General Fund – Capital Programme	Not applicable
Housing Revenue Account – Revenue Budget	Not applicable
Housing Revenue Account – Capital Programme	Not applicable

## Risk:

Risk	Mitigation
Failure to comply with the requirements set out in the Housing Ombudsman Service's Complaint Handling Code	<ul style="list-style-type: none"><li>• Complaints and Compliments Policy to be amended in line with revised Complaint Handling Code, once published</li><li>• Continue to involve tenants in preparation/sign off self-assessment against Complaint Handling Code</li><li>• Continue to attempt to capture complaint satisfaction levels and learning from complaints</li><li>• Continue to monitor and report on learning/best practice in sector to senior managers</li></ul>
Failure to adhere to regulatory requirements could lead to unlimited fines, compliance notices, direct intervention and/or significant reputational damage to the Council	<ul style="list-style-type: none"><li>• Robust methods of control must be put in place.</li><li>• Action plan overseen and signed off by SLT</li><li>• Executive Lead Member and Cabinet briefed accordingly and approvals sought as required.</li></ul>
Negative Inspection report (consequences as above)	<ul style="list-style-type: none"><li>• Ensure adequate resources are in place to document and ensure compliance</li></ul>

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|  | <ul style="list-style-type: none"><li>• Prepare an ‘Inspection Plan’ and consider ‘mock’ inspection.</li><li>• Monitor sector for learning from other landlords, participating in pilot/initial routine inspections</li></ul> |
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## **Human Resources:**

As detailed in the report the Act will require some on-going upskilling of employees, which has been identified in the previous report. At this stage there is no other direct HR implications contained within the report. [KB – 8/1/24]

## **Environmental/Sustainability**

No environmental implications at this point

## **Equalities:**

No equalities implications at this point

## **Other Implications:**

None

## **Reason(s) for Urgency**

Not Applicable

## **Reason(s) for Exemption**

Not Applicable

## **Background Papers**

Appendix 1 – Housemark TSM benchmarking report – position end Q2 2023-24

Appendix 2 – Tenant Gateway Performance Report

Appendix 3 – Housing Performance Indicators Under Target Report

Appendix 4 - 2022-23 annual performance benchmarking feedback

Appendix 5 – Housing Regulation Management Team Risk Report – December 2023

Appendix 6 – ‘Big 6’ health and safety compliance report – December 2023

Appendix 7 - Housing complaints performance report – Q1 & Q2 2023/24

Appendix 8 – Social Housing White Paper Action Plan

## **Report Author and Contact Officer**

Peter Curry

Consumer Standards Lead Officer

[peter.curry@ashfield.gov.uk](mailto:peter.curry@ashfield.gov.uk)

01623 608903

**Sponsoring Executive Director**

Paul Parkinson  
Executive Director Operations  
[paul.parkinson@ashfield.gov.uk](mailto:paul.parkinson@ashfield.gov.uk)  
01623 608891