

Report To:	CABINET
Date:	16 SEPTEMBER 2024
Heading:	SOCIAL HOUSING REGULATION UPDATE
Executive Lead Member:	CLLR A MEAKIN, EXECUTIVE LEAD MEMBER FOR SOCIAL HOUSING AND ASSETS
Ward/s:	ALL
Key Decision:	NO
Subject to Call-In:	NO

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, in line with the expectations of the Regulator of Social Housing.

Recommendation(s)

To note the implementation of the revised Consumer Standards.

To note progress against the appended action plan.

To note the Council's performance outturns for the 2023/24 Tenant Satisfaction Measures return.

To note the Council's position with existing regulatory requirements.

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 Cabinet Members on how the Council meets the requirements of the social housing regulatory regime for its council housing provision and complies with the expectations of the Regulator of Social Housing. To keep Cabinet Members informed of our progress towards meeting the statutory and regulatory requirements. To update Cabinet Members with details of regulatory developments, since the last update. 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 (the Act) is 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. Compliance with regulatory requirements includes full compliance with the Housing Ombudsman Services' (HOS) Complaint Handling Code/membership obligations.

Detailed Information

Background

In April 2024 the RSH implemented a new suite of Consumer Standards and commenced a routine inspection regime. Failure to comply with regulatory requirements could result in social landlords facing sanctions, including the serving of regulatory notices, public 'naming and shaming', unlimited fines and sanctions, which could include the removal of the social housing stock from their management.

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

Revised consumer standards

Following consultation with the sector, on 01 April 2024 a new suite of consumer standards were introduced by the RSH. The Council is now subject to the following consumer standards, along with the [Rent Standard](#) (economic standard):

- [Neighbourhood and Community Standard](#)
- [Safety and Quality Standard](#)
- [Tenancy Standard](#)
- [Transparency, Influence and Accountability \(including Tenant Satisfaction Measures\) Standard](#)

A supplementary [code of practice](#) was also published by the RSH to provide additional guidance and context to social housing landlords on how to interpret the standards. However, guidance remains minimal with landlords expected to interpret how best to comply, based on the organisation and tenant needs.

Assistant Directors operating housing services are currently undertaking a gap analysis against the consumer standards. Currently no complete gaps have been identified. However, there are some areas where works are required to bolster compliance full details will be presented to Cabinet by the end of October 2024.

Fees

On 08 May 2024 the RSH published the outcome of their consultation on [fees](#). The RSH concluded that fees would be applicable to all social housing landlords moving forward from 01 July 2024. The Council will be charged £4.97 per stock unit for Q2-Q4 2024/25, which is equivalent to £6.63 per property annually. The RSH have invoiced the Council accordingly. These costs are funded from the Housing Revenue Account.

Tenant Satisfaction Measures

Collection of the 2023/24 Tenant Satisfaction Measures (TSMs) has been completed, submitted to the RSH and the performance outcomes published on the Council's [website](#), in line with the deadlines set by the RSH and our regulatory obligation.

A small number of validation queries were raised, where additional information was requested by the RSH, which related to the following:

TSM Code	TSM Description	2023/24 result	Validation response
BS04	Proportion of homes for which all required legionella risk assessments have been carried out	93.4%	Proportion reported as having not been risk assessed relates to individual properties with standalone water supplies, which have been identified to have an element of stored water. Due to the identification of stored water, these properties, whilst still considered to be relatively low risk with the mitigation in place, have been identified as higher risk than properties with no stored water, during a desktop risk assessment. It has been determined that these properties will be subject to a physical inspection of the water systems by the Council's water safety contractor, to ensure no additional mitigation is required.
BS05	Proportion of homes for which all required communal passenger lift safety checks have been carried out	86.6%	Proportion of homes not reported as having lift safety checks carried out relate to Lift Operating and Lifting Equipment Regulation (LOLER) checks of two individual lifts. One failure related to the requirement for supplementary tests and with this being disputed between the lift insurers and the lift safety contractor, the Council instructed a third party contractor to undertake the supplementary tests, to minimise the delays for completion. One failure related to the lift shaft being found to have flooded on two occasions (second occasion following pumping out),

			which prevented the contractor from completing the check. The Council is investigating solutions to prevent the future flooding of the shaft/the permanent installation of a pump to ensure the lift shaft remains clear of flooding. Both checks have subsequently been completed but were outside of the required timescales.
N/A	What is your (maximum) target timescale for non-emergency repairs used to calculate RP02 (pt1)?	90 days	A small number of repairs are completed on a 90-day priority, these relate to non-urgent routine maintenance work or other specialist work, which includes: <ul style="list-style-type: none"> • Major joinery repairs • Complete replacement of garage doors • Replacement gates • Repointing works or rendering brickwork (small areas) • Chimney stack pointing • Washing line posts • Garden walls and fencing (small areas) • Concrete footpaths and drives (small areas)

Further analysis and publication are expected to take place by the RSH, later in the financial year.

The Council participated in a benchmarking exercise for the TSMs via Housemark, which showed similar performance against all participants/peer group to the mid-year benchmarking exercise previously reported to Cabinet. A summary of the breakdown of quartile positions is shown below. The results are positive, compared to our peer group and suggests that tenants are satisfied with the services we provide to them, with overall satisfaction levels being 88.3%. Some areas for improvement relate to:

- Lift and water safety checks – as referenced above
- Volumes of ASB cases and complaints – in the eyes of the RSH and the HOS these should be maximised to demonstrate open and transparent processes (the Council's performance in both areas were in quartile 1 and we should be aiming for quartile 4)
- Proportion of homes meeting the decent homes standard

Element	Number of measures against peer group		
	Quartile 4	Median	Quartile 1
Tenant Perception Measures	0	3	9
Landlord Reported Measures	2	4	9

The Council's full bespoke report can be found in appendix 1.

The 2024/25 TSM tenant perception survey will be conducted by an external contractor, Acuity, on behalf of the Council. Surveys will be conducted wholly by telephone, unless an alternative format is requested as an adjustment, and will take place during Q2-4, to attempt to account for seasonal variations in satisfaction.

General Performance

Appendix 2 shows general performance information, which replicates the report reviewed by the Tenant Gateway group on a bi-monthly basis. The performance indicators reported to the Tenant Gateway group have recently reviewed by them to ensure the indicators are relevant to their areas of interest.

Appendix 3 shows housing performance indicators under target, which is shared with the Council's Social Housing Regulation Board members monthly and is discussed in meetings.

Performance information continues to be 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. This was highlighted by the recent LGA Peer Review team as an example of good practice in sharing performance information.

Inspection Regime

The RSH has now implemented its inspection regime, which will see all social housing landlords routinely inspected every 4 years. RSH can also inspect at short notice, where they have identified concerns of a specific nature.

Good quality tenant and property data is key to demonstrating compliance with the consumer standards, along with evidence of good governance practices. All service areas are aware of this and are working to maximise data quality for their service areas.

Inspectors will speak to senior managers/officers, key Elected Members and tenant groups, as well as scrutinising key information/documents.

Inspection of the Council will seek assurance of compliance with the RSH's Consumer Standards, following which the Council will be given a 'C' rating of grade 1-4 (1 being fully compliant and 4 being serious failings). Several landlords have been inspected during Q1 2024/25, including some other local authorities, a breakdown of the outcomes, along with links to the full inspection reports are as follows:

Provider	Consumer Standards Grading	Grading Award Date	Publication Date	Engagement Process
Cobalt Housing Limited	C2	August 2024	14/08/2024	Inspection
Dacorum Borough Council	C2	August 2024	14/08/2024	Inspection
High Peak Borough Council	C2	August 2024	14/08/2024	Inspection
Melton Borough Council	C2	August 2024	14/08/2024	Inspection
North Devon Homes	C1	August 2024	14/08/2024	Inspection
North East Derbyshire District Council	C2	August 2024	14/08/2024	Inspection

Nottingham Community Housing Association Limited	C1	July 2024	24/07/2024	Inspection
Saffron Housing Trust Limited	C1	August 2024	14/08/2024	Inspection
Salix Homes Limited	C1	August 2024	14/08/2024	Inspection
Watford Community Housing Trust	C1	July 2024	24/07/2024	Inspection

Operational Risk

Housing Regulation Management Team review a set of risks monthly and compliance with the 'Big 6' safety areas.

Professional Standards

The outcome of the consultation on directions to the RSH from the MHCLG is awaited.

It remains anticipated that all officers involved in the provision of our social housing 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 need to hold a minimum level 4 housing qualification. The Executive Director(s) responsible for the provision of social housing functions will need to hold a minimum of a level 5 housing qualification.

It expected that the new standard will be implemented by 01 April 2025 and landlords will have two years to ensure that managers have obtained or be working towards obtaining their required professional qualification. HR are aware of the training need and are taking steps to move forward with filling qualification gaps.

Toolbox talks for officers and member drop-in sessions relating to the regulatory requirements, consumer standards and HOS' Complaint Handling Code, are still planned to take place this financial year.

Housing Ombudsman Service

Housing Ombudsman Service (HOS)

The HOS continues to be a key partner to the RSH around the regulation of social housing, reporting concerns to them where they identify potential systemic failings within landlords, through their complaint handling resolution investigations. In July 2024 the HOS and the RSH published their revised [Memorandum of Understanding](#), which explains how the two organisations will work together to complete their respective roles. The new memorandum is not believed to create any new implications for the Council.

On 01 April 2024 the HOS' new Complaint Handling Code was introduced. A key change to the Code was the removal of the ability to resolve complaints informally, which is likely to have resource implications for the Council. Compliance with the Code is now a statutory requirement for all social housing landlords. On 17 June 2024 Cabinet considered the Council's self-assessment against the code and their annual housing complaints performance and service improvement report. The publishing of both documents, along with their submission to the HOS are regulatory requirements. The documents have been published on the Council's website and were submitted to the HOS, within the required deadline of 28 June 2024.

During 2023/24 one complaint was referred to the HOS:

- Outcome - 3 x counts of maladministration relating to the handling of reports of ASB - £1,500 compensation awarded. An action plan is ongoing based on various recommendations by the HOS, a report to feedback outcome of actions to HOS due by 16 September 2024

2024/25 YTD one complaint has been referred to the HOS for investigation by a tenant, this remains under investigation.

Awaab's Law

The outcome of consultation on the proposals for Awaab's Law are yet to be published. It is known that this will set out the requirements for social housing landlords' handling of reports of damp and mould, but it remains unclear if this will also include the remaining HHSRS hazards.

The proposals set out within the consultation documents are likely to create significant resource implications for the Housing Operations team.

Decent Homes Standard

The Council is required to know its stock, at individual property level and refresh this data through survey at least every 5 years. During 2024/25 the Council engaged with an external provider to refresh the stock condition data. The only properties without an up-to-date stock condition survey are where the tenant has failed to engage with attempts to access the property. The Assets Team will continue to attempt to engage with these tenants to complete a stock condition survey. This data will be used to inform our major works programme.

The Council is in the process of procuring new major works contractor. The Council is looking to procure two contractors to provide contingency in the event of a contractor going into administration, as was experienced with J.Tomlinsons.

The Decent Homes Standard is currently under review and will require legislative changes to bring this forward, the impact of future changes is unknown until this review is complete.

Tenant Engagement

Involving tenants in the shaping of housing services and listening to their voice, along with evidencing this, is key to regulatory compliance. We are currently in the process of recruiting a full time Tenant Engagement Officer. Once the officer is appointed, tenancy engagement activities will be further developed.

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 documents have been recently approved by the Tenant Gateway group, including:

- Asset Strategy
- Neighbourhood Management Policy
- Tenants Handbook
- Vulnerable Tenants Policy

Gateway members also review the latest KPI and housing complaints performance information at each meeting. They have also assisted with the review of the housing service standards, to ensure these are aligned to areas of importance to tenants.

Tenant Scrutiny Panel:

10 tenants have expressed an interest in joining the Tenant Scrutiny Panel, following a recent recruitment campaign. The tenants have been invited to sign Terms of Reference and Codes of Conduct for the group, ahead of attending the first training/scoping session on 22 August 2024. TPAS (formerly the Tenant Participation Advisory Service) will be assisting with training Scrutiny Panel members and supporting them through their first investigation. The first investigation will focus on the condition of properties at letting stage.

Customer Opinion & Influencing Network (COIN)

Feedback through COIN continues to be low. A revamp/relaunch of this will take place in the future.

Elected Members Role

The 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 for social housing 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 has been developed and will be shared with Elected Members and senior officers to ensure that they 'know' our tenant base and to ensure that this is taken into account within decision making. A brief breakdown of the tenant make up is included within Appendix 6.

Next Steps

- Continue to embed the new Consumer Standards in to working practices
- 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.
- Review the outcome of the consultation on directions relating to the setting of a standard on professional standards/qualifications and respond to the consultation on the proposed Consumer Standard, when published by the RSH
- Continue to work alongside Learning & Development for continuous learning for staff and Councillors on key areas identified by gap analysis and professional qualification/standards
- Monitor the outcome of the consultation on Awaab's Law and implement the requirements
- Commence collection of the 2024/25 TSM tenant perception survey
- 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 Tenant Engagement Officer to assist with the provision and expansion 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
- Support Tenant Scrutiny Panel members with their initial investigation and agree a programme of scrutineering of social housing services, ensuring outcomes are reported internally and actioned
- Continue to develop service standards/policies around the quality of homes/neighbourhoods
- To continue to identify and complete key tasks within the high-level action plan, which can be found in appendix 7

Implications

Corporate Plan:

Compliance with the requirements of the RSH and HOS ensures that we continue to meet the corporate priority for Homes and Housing, specifically the objective of “Compliance with the Housing Regulator”.

Legal:

The legislative requirements set out in the Social Housing (Regulation) Act 2023 are detailed in the report. The report is essential to demonstrate to the Housing Inspectorate that Cabinet is actively monitoring compliance with the regulations. [RLD 16/08/2024]

Finance:

There are no direct financial implications arising from this report. [PH 15/08/2024].

Budget Area	Implication
General Fund – Revenue Budget	N/A
General Fund – Capital Programme	N/A
Housing Revenue Account – Revenue Budget	N/A
Housing Revenue Account – Capital Programme	N/A

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"> • Complaints and Compliments Policy to be amended in line with revised Complaint Handling Code, once published

	<ul style="list-style-type: none"> • Continue to involve tenants in preparation/sign off self-assessment against Complaint Handling Code • Continue to attempt to capture complaint satisfaction levels and learning from complaints • Continue to monitor and report on learning/best practice in sector to senior managers
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"> • Robust methods of control must be put in place. • Action plan overseen and signed off by SLT • Executive Lead Member and Cabinet briefed accordingly, and approvals sought as required.
Negative Inspection report (consequences as above)	<ul style="list-style-type: none"> • Ensure adequate resources are in place to document and ensure compliance • Prepare an 'Inspection Plan' and consider 'mock' inspection • Monitor sector for learning from other landlords, participating in pilot/initial routine inspections

Human Resources:

With the new consumer standards there is a requirement to ensure that employees have the qualifications and skills specified. In order to ensure we are compliant a skills gap analysis is undertaken and where there is an identified gap this will be addressed through Talent and Skills through a variety of training options with relevant support from the Service Manager. In terms of any vacancies these will be appointed to in line with the Recruitment and Selection Policy. [KB 19/08/24]

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 2023-24

Appendix 2 - Tenant Gateway Performance Report

Appendix 3 - Housing Performance Indicators Under Target Report

Appendix 4 - Summary Tenant Data Report

Appendix 5 - Social Housing White Paper Action Plan

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