

REPORT TITLE: SOCIAL HOUSING REGULATION INSPECTION REGIME

5 FEBRUARY 2024

REPORT OF CABINET MEMBER: Cllr. Chris Westwood, Cabinet Member for Housing

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WARD(S): ALL

PURPOSE

This report summarises forthcoming changes to the regulatory regime of the Regulator of Social Housing (RSH) following the introduction of the Social Housing Regulation Act 2023.

RECOMMENDATIONS:

That the report be noted.

IMPLICATIONS:1 COUNCIL PLAN OUTCOMETackling the Climate Emergency and Creating a Greener District

1.1 None.

Homes for all

1.2 A fundamental part of the regulatory framework will be the introduction of a revised set of consumer standards that will set the requirements that landlords must meet to deliver improvements to the quality of housing and management services for residents.

1.3 The Tenant Satisfaction Measures Standard requires landlords to collect and process information specified by the regulator relating to their performance against 22 tenant satisfaction measures (TSMs) including satisfaction that the home is well maintained and safe.

Vibrant Local Economy

1.4 The introduction of the housing regulatory regime ensures that social housing landlords aspire to meet new customer standards resulting in good housing conditions, thriving local neighbourhoods and vibrant local economies.

Living Well

1.5 The TSMs include a measure on whether residents feel the council makes a positive contribution to the neighbourhood. This is the first time this issue has been tested and provides an opportunity to see how the council compares with other housing providers.

Your Services, Your Voice

1.6 Addressing the needs and expectations of residents and providing them with the opportunity to make their voice heard underpins the reviewed regulatory regime.

2 FINANCIAL IMPLICATIONS

2.1 Social housing landlords will be inspected as part of the regulatory regime and will be expected to cover the full cost of regulation including its expanded consumer standards remit and inspection regime circa £40,000.

2.2 Self-assessment against the new consumer standards is a priority for the Housing service as a means of identifying necessary improvements. Associated financial implications when identified will be incorporated within a future HRA Business Plan.

3 LEGAL AND PROCUREMENT IMPLICATIONS

3.1 None at present.

4 WORKFORCE IMPLICATIONS

4.1 The work and self-assessment process of the new social housing regulatory standards is expected to be achieved within existing staffing resources. The project work will be regularly reviewed to ensure the required staffing capacity remains in place.

5 PROPERTY AND ASSET IMPLICATIONS

5.1 The 2023 tenant satisfaction survey identified that repairs and maintenance of the home is a driver to overall tenant satisfaction. The new regulatory framework and set of consumer standards is a driver for all social housing landlords to provide high quality, well maintained and safe homes.

6 CONSULTATION AND COMMUNICATION

6.1 TACT have been regularly briefed on the emerging regulatory changes since the publication of the social housing white paper in November 2020. Members of TACT also promoted the 2023 Tenant Satisfaction Survey, encouraging tenants to participate.

7 ENVIRONMENTAL CONSIDERATIONS

7.1 The environmental impact of the new regulatory regime and consumer standards will be realised through the remit of regulation and the inspection regime that all social housing providers build and maintain high quality homes.

8 PUBLIC SECTOR EQUALITY DUTY

8.1 Service improvements arising from self-assessment of the Housing service against the new regulatory standards will be subject to equality impact assessment once identified.

9 DATA PROTECTION IMPACT ASSESSMENT

9.1 None.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
Financial Exposure Potential for RSH fines for non-compliance	Planned and appropriately resourced self-assessment and improvement programme in place	

Potential costs of implementing improvement plans	Timely response to performance improvement plans	
Exposure to challenge		
Innovation		
Reputation Failure to submit TSM data and/or to meet prescribed standards. Adverse inspection outcome	Planned and appropriately resourced self-assessment and improvement programme in place.	
Achievement of outcome	N/A	
Property	N/A	
Community Support	N/A	
Timescales	N/A	
Project capacity	N/A	
Other	N/A	

11 SUPPORTING INFORMATION:

Background

- 11.1 The principal aim of the Charter for Social Housing Residents: Social Housing White Paper (November 2020) was to deliver on the Government’s commitment to the Grenfell community that “*never again would the voices of residents go unheard*” and on its 2019 manifesto pledge to empower residents, strengthen regulation and improve the quality of social housing.
- 11.2 More recent events, including the death of Awaab Ishak¹ and the regular findings of severe maladministration by the Housing Ombudsman have reinforced the need for an overhaul of the regulation of social housing and this set the context for the Social Housing Regulation Act which received Royal Assent in July 2023. Many of the provisions are not yet in force and are subject to further regulations made by the Secretary of State. However, it is anticipated that most aspects of the Act will take effect on 1 April 2024 when the proposed new consumer standards come in.
- 11.3 The Act itself describes its purpose as being to “*reform the regulatory regime to drive significant change in landlord behaviour*”. It is widely regarded as the most important piece of legislation for social landlords in recent years and one

¹ [Government to deliver Awaab’s Law - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/government-to-deliver-awaab-s-law)

which will fundamentally alter the landscape for social housing and the expectation on social landlords.

Tenant Satisfaction Measures (TSMs)

- 11.4 The Tenant Satisfaction Measures Standard (April 2023)² requires all social landlords with more than 1,000 homes to report on TSMs. The first TSM reporting year is April 2023 – March 2024 and data must be submitted by 30 June 2024.
- 11.5 There are 22 TSMs. 10 relate to management information which landlords will complete themselves, and there are a further 12 tenant perception TSMs which are based on questions that landlords must ask tenants. They include repairs, complaints handling and safety. A summary of the TSMs will be found at **Appendix 1**.
- 11.6 The TSMs are a key component of the RSH's new toolkit and will, along with a range of other regulatory data and the inspection programme, be used to scrutinise landlords' performance. They will also be used to provide reliable information to tenants so they can hold their landlord to account. On publication of its data return guidance in December 2023, the RSH noted that *"the TSMs are one part of our stronger regulation, which will include new consumer standards and inspections from April. We will be ready, and landlords need to make sure they are too."*
- 11.7 TSM data has been collected across the Housing service during the current financial year and in some instances for far longer. It has been relatively straightforward to adapt previous performance measures to reflect the TSMs and the data will be available for submission to the RSH in time for the June deadline.
- 11.8 Members will recall that the first tenant satisfaction survey conducted under the new TSM format was undertaken in 2023 and the results were reported to this committee in November 2023 (CAB3429(H)). The 12-tenant perception TSMs were collected through the survey, the purpose of which was to allow residents to have a say about their homes, the services they receive and how these could be improved in the future.

Reshaping consumer regulation

- 11.9 Consultation by the RSH on the revised regulatory consumer standards ran from July to October 2023.³ Final, and yet to be unpublished standards are expected to become effective from April 2024. There are four draft standards which build on the existing consumer standards, and they have been revised to reflect the expanded remit of the RSH. They set out the expectations and outcomes that all social landlords will be expected to achieve:

² [TSM Standard \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

³ [Consultation on the consumer standards - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

- The Safety and Quality Standard – requires landlords to provide safe and good quality homes and landlord services to tenants.
- The Transparency, Influence and Accountability Standard – requires landlords to be open with tenants and treat them with fairness and respect so that they can access services, raise complaints, when necessary, influence decision making and hold their landlord to account.
- The Neighbourhood and Community Standard – requires landlords to engage with other relevant parties so that tenants can live in safe and well-maintained neighbourhoods and feel safe in their homes.
- The Tenancy Standard – sets requirements for the fair allocation and letting of homes and for how those tenancies are managed and ended by landlords.

11.10 The proposed requirements, which will be accompanied by a Code of Practice to help social landlords understand how they might achieve compliance, will help to deliver the RSH's consumer regulation objective which is to:

- Support the provision of social housing and is well-managed, safe, energy efficient and of appropriate quality.
- Ensure that social landlords act in a transparent manner in relation to their tenants of social housing.
- Ensure that actual or potential tenants of social housing have an appropriate degree of choice and protection.
- Ensure that tenants of social housing have the opportunity to be involved in its management and to hold their landlords to account.
- Encourage social landlords to contribute to the environmental, social and economic wellbeing of the areas in which the housing is situated.

Revised enforcement and regulatory powers

11.11 On 7 November 2023, the RSH published a further consultation paper on its proposed enforcement powers as amended under the Social Housing Regulation Act 2023.⁴ This updates the enforcement powers that were last published in 2019 and the consultation exercise ended on 16 January. A decision statement from the RSH will set out its decision on the final form of the statutory guidance in March 2024 with publication alongside the new consumer regulatory regime in April 2024.

11.12 Although most powers are amendments to existing ones, a new power brought in under the 2023 act enables the RSH to require landlords to produce performance improvement plans (PIPs). These may be required in

⁴ [Consultation on Statutory Guidance under section 215 of the Housing and Regeneration Act 2008 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/consultation-on-statutory-guidance-under-section-215-of-the-housing-and-regeneration-act-2008)

the event of a failure to meet the consumer standards, and it is expected that they may be used relatively frequently as an alternative to the imposition of fines and other penalties.

- 11.13 There is also a power that will enable the RSH to arrange for the inspection of a social landlord.⁵ Landlords will be subject to regular “Ofsted style” inspections in accordance with the RSH inspection plan and, in the circumstances set out in that plan, may also be subject to non-routine inspections.

Preparing for inspection

- 11.14 It is anticipated that the Housing Service will be subject to inspection within the next four years and getting “regulator ready” is a priority. The cycle of inspections will be risk-based with regulatory engagement targeted according to the risk of standards not being met. For this reason, there is some confidence that the service will not be subject to early inspection.
- 11.15 Social landlords will receive six weeks’ notice of an inspection and will be expected to cover the full cost of regulation including its expanded consumer standards remit and inspection regime circa £40,000.
- 11.16 Self-assessment against the new consumer standards will inform the existing business planning process to ensure that the required time and resources are made available to address any identified shortcomings. Self-assessment will be ongoing from April 2024, and it will engage staff, residents, councillors, and other key stakeholders. Amongst other issues, the process will explore:
- Is all our data accurate?
 - Have we surveyed all our homes and communal areas? If not, when?
 - Are our homes safe? What tests have we run?
 - Are we tailoring services around our residents? Are residents’ voices heard loud and clear?
 - Does our service delivery take account of diversity and vulnerability?
 - Can we explain why satisfaction varies amongst residents?
 - Are we learning from complaints?
 - Do we have a plausible improvement plan?
 - Do we have the funding to pay for improvements?

12 OTHER OPTIONS CONSIDERED AND REJECTED

⁵ [Draft guidance note 2: Sections 201-203A – Inspections \(regulatory power\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/draft-guidance-note-2-sections-201-203a-inspections-regulatory-power)

12.1 None, compliance with the regulatory regime is mandatory.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB3429(H): *Tenant Satisfaction Survey (TSS) Results*
Cabinet Committee: Housing, 14 November 2023

Presentation: *Social Housing White Paper – The Charter for Social Housing Residents*
Economy and Housing Policy Committee (formerly Business and Housing Policy Committee), 28 February 2023

Other Background Documents:-

None.

APPENDICES:

Appendix 1- Summary of Tenant Satisfaction Measures

Appendix 1

Summary of Tenant Satisfaction Measures

Code	Issue
TSMs collected from tenant perception surveys	
TP01	Overall satisfaction
TP02	Satisfaction with repairs
TP03	Satisfaction with time taken to complete most recent repair
TP04	Satisfaction that the home is well maintained
TP05	Satisfaction that the home is safe
TP06	Satisfaction that the landlord listens to views and acts upon them
TP07	Satisfaction that the landlord keeps tenants informed about things that matter to them
TP08	Agreement that landlord treats tenants fairly and with respect
TP09	Satisfaction with the landlord's approach to handling complaints
TP10	Satisfaction that the landlord keeps communal areas clean and well maintained
TP11	Satisfaction that the landlord makes a positive contribution to neighbourhoods
TP12	Satisfaction with the landlord's approach to handling anti-social behaviour
TSMs generated from management information	
CH01	Complaints relative to the size of the landlord
CH02	Complaints responded to within Complaint Handling Code timescales
NM01	Anti-social behaviour cases relative to the size of the landlord
RP01	Homes that do not meet the Decent Homes Standard
RP02	Repairs completed within target timescale
BS01	Gas safety checks
BS02	Fire safety checks
BS03	Asbestos safety checks
BS04	Water safety checks
BS05	Lift safety checks