

REPORT TITLE: SOCIAL HOUSING REGULATION

3 FEBRUARY 2025

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

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WARD(S): ALL WARDS

PURPOSE

At its meeting in February 2024 Cabinet Committee: Housing received a report on social housing regulation and the implementation of the Social Housing Regulation Act from April 2024. The committee agreed that a report should be brought back to the committee later in the year with an assessment of the housing service against the new consumer standards and what would be required to meet them. The service has conducted the assessment against the consumer standards and is implementing agreed strategies such as the tenants and resident engagement strategy to demonstrate compliance and drive-up service standards.

The purpose of this report is to appraise the committee of the self-assessment that has been undertaken including an independent assessment. The service has already begun work to address areas for improvement where there are gaps between previous requirements and the new consumer standards and produced an action plan. The service has self-referred to the Regulator of Social Housing (RSH) to work with them to ensure that the new regulatory standards are achieved as soon as possible through the delivery of the action plan.

Budgetary requirements to achieve the regulatory requirements have been built into the 2025/6 Housing revenue account (HRA) budget.

RECOMMENDATIONS:

That Cabinet Committee: Housing is asked,

1. To note the self-assessment that has been undertaken against the consumer standards.
2. To agree the action plan at Appendix A.

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

1.1 Tackling the Climate Emergency and Creating a Greener District

As part of the safety and quality consumer standard the regulator will assess the council's ability to achieve EPC C by 2030. The Council has established a programme that aims to achieve that requirement.

1.2 Homes for all

A fundamental part of the regulatory framework is the introduction of a revised set of consumer standards from April 2024 which set out the requirements that landlords must meet to deliver improvements to the quality of housing and management services for residents. The requirements were reported to cabinet committee housing in February 2024.

The service continues to implement agreed strategies to address the four regulatory standards.

1.3 Vibrant Local Economy

The Neighbourhood & Community standard sets out a requirement for local cooperation, requiring landlords to cooperate with relevant partners to promote social, environmental and economic wellbeing in the areas where they provide social housing.

1.4 Living Well

The consumer standards have a strong focus on accurate and up to date stock data and on who is living in the property. Plans are underway to prioritise work to gather up to date stock condition data and provide well informed decision making for our programmes of work, ensuring residents live in safe and good quality homes.

1.5 Your Services, Your Voice

Addressing the needs and expectations of residents and providing them with the opportunity to make their voice heard underpins the reviewed regulatory regime. The Housing Service utilises several different approaches to engage with residents

A newly formed consumer standard group will provide a mechanism to ensure we are listening to residents' voices through partnership working and promoting resident led activities, linked to the Tenant engagement strategy. 'Listening better' is one of the topics at one of the first Consumer group resident focus group meetings.

The Housing Ombudsman complaints handling code came into effect alongside the RSH consumer standards with a requirement for landlords to complete an annual assessment against the code. An improvement plan for our complaints, including learning and resident engagement, sets out how we will achieve this requirement.

- 1.6 The annual Tenant Satisfaction Measures survey is a regulatory requirement. This offers tenants an opportunity to provide feedback to the council on a number of perception based questions. A report setting out the results of the 2024 survey is included in report CAB3497(H).

2 FINANCIAL IMPLICATIONS

- 2.1 All social housing landlords will be inspected as part of the regulatory regime within the next three years and will be expected to cover the full cost of regulation including its expanded consumer standards remit and inspection regime. £45,000 has been budgeted to take account of our obligations within this regime in the 2025/26 HRA budget.
- 2.2 A self-assessment of the safety and quality consumer standard was carried out and identified gaps in what is expected in some areas of the new consumer standards
- 2.3 The recommendations set out in the improvement plan in Appendix A, highlight key areas which will require additional resource and budget to deliver. It is estimated that compliance work in 2024/25 will cost £935k, of which £685k is expected to be a revenue cost and £250k capital, to carry out fire safety and asbestos surveys and immediate remedial actions arising by 31 March 2025.
- 2.4 In addition to the initial costs in 2024/25, associated ongoing costs have been reviewed and built into the HRA business plan and proposed budget for 2025/26, to be considered and agreed at Cabinet in February 2025, of £400k per annum in the revenue budget; £150k per annum in capital programme for additional major works identified within annual survey work; and £6m in the capital programme between 2025/26 and 2027/28 for potential fire compartmentation remedial works.
- 2.5 A cost identified from our internal self-assessment undertaken is the requirement to carry out full stock condition surveys across all the HRA housing stock. Best practice sector advice is that cloning data or external inspection only are not an acceptable approach. This will require resource to deliver and funding for the immediate and longer needs. A stock condition survey will need to be commissioned to catch up on the condition of homes and then internal resources will be established within the costs of the establishment to undertake surveys on a rolling basis. A provision of £0.275m has been set aside as a one-off cost in the HRA business plan for 2025/26 although work to commission this has started.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The Social Housing Regulation Act 2023 received Royal Assent in July 2023 with most of the Act coming into effect on 1 April 2024 through amendments to the Housing and Regeneration Act 2008. The purpose of the 2023 Act is described as to “reform the regulatory regime to drive significant change in landlord behaviour”.
- 3.2 New enforcement powers came into effect alongside the new consumer regulatory regime- although most are amendments to existing powers, a new power brought in under the 2023 Act enables the RSH to require landlords to produce performance improvement plans. These may be required in the event of a failure to meet the safety and quality consumer standards, and it is expected that they will be used as an alternative to the imposition of fines and other penalties.
- 3.3 On 1 April 2024, the RSH published statutory guidance under s215 of the 2008 Act which makes it clear that all registered providers are expected to identify problems and take appropriate corrective action to resolve them. The guidance forms part of the updated statutory framework.
- 3.4 The self-assessment and self-reporting process and the proposed action plan and governance arrangements are intended to deliver changes and improvements to achieve the regulatory consumer standard without the need for enforcement action by the RSH.
- 3.5 All procurement activity associated with delivering the improvement plan will be carried out with the support of the Procurement Team and in accordance with Contract Procedure Rules and requirements of national procurement legislation.

4 WORKFORCE IMPLICATIONS

- 4.1 Initial work carried out to complete the self-assessment has been resourced from within existing staffing structures. Depending on the procurement input needed to deliver the improvement plan, there may be an implication on the procurement team in 2025/26
- 4.2 Service improvement work has been identified through self-assessment against the consumer standards. This includes a staff training review across the landlord services to inform a training plan, focusing on priorities linked to compliance, statutory and regulatory requirements.
- 4.3 There is significant work to do around data management to ensure we hold accurate and up to date records across all the HRA housing stock. Staffing resource to support the work has been identified and the costs budgeted for within the 2025/26 HRA Budget with plans in place to recruit to additional permanent and interim posts.

5 PROPERTY AND ASSET IMPLICATIONS

The council should undertake works to meet its statutory and regulatory requirements in relation to HRA assets. These requirements relate to those described as the 'big six' health and safety landlord obligations which are; fire, asbestos, water, electrical, gas and lift safety. Specific surveys and safety checks in relation to these should be clearly documented, evidenced and actioned with scrutiny through the relevant governance channels.

6 CONSULTATION AND COMMUNICATION

- 6.1 The newly formed TACT board received a briefing on the changes to regulation for social housing on the 21 October 2024 and will continue to receive regular briefings. They will consider the improvement plan at their meeting on the 27 January 2024. Advice from the TACT board will help inform the implementation of the improvement plan.
- 6.2 The newly formed Consumer Standard groups (CSG) with residents will be regularly briefed on the regulatory work we are doing to drive service improvements. They will provide us with resident led opportunities to understand further what is important to our residents when delivering change. Adopting a co-production approach, we will develop policies and processes ensuring tenant voice is embedded across Landlord services.
- 6.3 The Safety & Quality CSG met on 12 December and discussed the draft damp and mould policy and recharge policy. Discussion also took place on how best to consult more widely on the policies before presenting them to cabinet committee housing in July 2025. Subsequent CSG meetings will obviously consider the improvement plan, and it may be necessary to hold additional meetings of this group and others for that purpose.
- 6.4 Housing service colleagues will receive updates on regulatory work through a variety of communications. Colleague updates will be led by managers who know and understand the needs of their teams and the most appropriate methods of communicating these updates. Colleagues will be key to bring along the journey of service improvement.
- 6.5 A communication plan has been developed to ensure the timely management of messages to all relevant colleagues, residents and stakeholders.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 Although there are no specific environmental considerations stemming from the recommendations in this report any identified and carried out work to council homes to meet the safety and quality consumer standard will meet environmental policy and legislative requirements.

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 No data protection considerations.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
Financial Exposure The costs of the proposed action plan and contingency to address regulatory requirements will be additional cost to the Housing Revenue Account	Underspend in the 2024/5 HRA are being used to fund immediate compliance work Costs have been built into HRA 2025/6 budget and HRA business plan.	
Exposure to enforcement action by the Regulator. Following inspection by the social housing regulator there are a range of measures available to them depending on the outcome of their assessment	The action plan provides the council with a clear course of action to address regulatory requirements. These plans will need to be considered by the Social Housing Regulator and robust governance to ensure they are implemented.	Planned early engagement with the RSH work in a co-regulatory manner to ensure compliance is achieved
Innovation Innovation could be stifled in the light of achieving regulatory requirements	Several local authority registered providers have already been inspected by the regulator or made self-referrals and therefore the council can learn from peers who have already taken this action	Learning from other registered social housing providers as part of the improvement process
Reputation	Early engagement with Regulator of Social housing	Engagement with all key stakeholders to focus on
Achievement of outcome	Investment in training & skills needs across HRA	

Lack of adequate resources	sourcing where required external competent persons Adequate resources built into the HRA budget 2025/6 and onwards	
Loss of resource	Ensuring workload is appropriate for existing staff with support as needed alongside training & success planning.	Succession planning – looking at opportunities for bringing in trainees/apprenticeships

11 SUPPORTING INFORMATION:

11.1 In July and August 2024 an internal self-assessment against the consumer standards was carried out. A RAG rating and overview of the key findings from the internal self-assessment are outlined below.

Standard	RAG Status	Areas we do well	Areas of focus
Safety & Quality	Red	<ul style="list-style-type: none"> Customer service-TSM data Engagement with residents & staff as part of repairs redesign work Good estate management processes in place 	<ul style="list-style-type: none"> Compliance data, processes, structure, roles & systems to be reviewed as part of external health check to provide assurance ratings across all 6 areas (gas, electrical, lift safety, water, asbestos & fire) Stock condition data Improve repairs & maintenance performance
Transparency, Influence & Accountability	Orange	<ul style="list-style-type: none"> New resident engagement strategy in place Launch of new TACT Board & Consumer Standard Groups 	<ul style="list-style-type: none"> Complaints handling performance Review of landlord performance reporting, scrutiny & monitoring Work around equality & inclusivity for residents accessing the service
Neighbourhood & Community	Green	<ul style="list-style-type: none"> Working towards DAHA accreditation Partnership working with organisations to promote safe communities Communal area improvement projects 	<ul style="list-style-type: none"> Anti-social behaviour external service review in progress to identify areas of strength & improvement
Tenancy	Green	<ul style="list-style-type: none"> Fair allocation processes in place Good understanding of local housing need when considering allocating homes 	<ul style="list-style-type: none"> Capturing measures of satisfaction with allocations & lettings service
Competence & Conduct	Orange	<ul style="list-style-type: none"> Several colleagues have completed CIH qualification and ongoing personal development Appraisal's & 1:1's in place to consider training and development needs of staff 	<ul style="list-style-type: none"> Training & skills analysis being developed where gaps have been identified Need to develop resident & Board involvement in determining training needs of staff & being kept informed on approach to the training & development of staff Identify & recruit to roles where gaps have been identified

- 11.2 The officer internal assessment and independent assessment in relation to the safety and quality consumer standard have been used to inform the action plan at appendix A..
- 11.3 A meeting took place with the RSH on 15 January 2025. We will be working with the RSH to ensure progress against the action plan is made and that the plan is capable of meeting compliance within the consumer standards requirements. The self-assessment identified that although we have carried out compliance work there is not sufficient oversight in place and that we are not verifying third party work which is now best practice. To overcome this and to make sure that there are no gaps or assumptions made when it comes to safety, the work is going to be completely re-undertaken, and work has already begun. Fire door inspection work has been commissioned and will be completed by June 2025. Fire risk assessments will be renewed and are expected to be completed by July 2025, with any identified work carried out to include asbestos survey contractors procured, stock condition surveys are to be procured imminently, and staff appointed to begin the in-house rolling programme.

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 The option to do nothing is not recommended. This would not provide the best possible services to our customers and would lead to regulatory intervention. All social housing landlords will be inspected by the RSH within the next three years.
- 12.2 Develop an alternative improvement plan to the plan at Appendix A has been considered and rejected. The proposed action plan is based on industry leading advice commissioned from external experts and it would not be in the council's interest or resource to develop alternative plans.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

SOCIAL HOUSING REGULATION INSPECTION REGIME (CAB3450(H)) Reported to February 2024 Committee meeting

That a report be brought back later in the year with an assessment of the service including changes proposed to meet the regulatory standards.

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 A – Proposed action plan (Housing improvement action plan)