

**Report to:** **Housing Review Board**

**Date of Meeting:** 23 January 2020

**Public Document:** Yes

**Exemption:** None

**Review date for release** None



**Subject:** **Consumer Regulation Review 2018-2019**

**Purpose of report:** To undertake a self-assessment of current service delivery against the Social Housing Regulators Home standard. This report is the first of a series of reports that will focus on each of the Regulators Consumer Standards in order to ensure the housing service is meeting all regulatory conditions. The Home Standard sets out minimal requirements for what must be achieved to ensure tenants remain safe in their homes and specifically incorporates all compliance legislation across a range of areas including fire safety, gas safety, electrical safety, lifts and legionella.

**Recommendation:** To note the contents of the self-assessment document as set out as [Appendix 1](#).  
To allow a budget of approximately £20,000 to fund an external consultant to undertake a health check/audit of all areas of statutory compliance.  
The Property and Asset Manager to consider options for accumulating the final two years of electrical inspections (due to finish 2021/2022) into the coming year 2020/2021 in order to finish the programme one year early.

**Reason for recommendation:** To ensure the housing service is meeting all regulatory requirements as set out within the Regulator of Social Housing's Home Standard. The Housing Review Board are responsible for ensuring compliance of the Social Housing Regulators Standards in the absence of any current pro-active mandatory performance monitoring from the Regulator.

**Officer:** Amy Gilbert-Jeans, Housing Service Lead

**Financial implications:** There are no specific financial implications at this stage.

**Legal implications:** The Regulator reiterates that compliance with the Consumer Standards can only take place where there is effective governance and risk management arrangements in place. It is stated that where the Regulator has found that there has been a failure to comply with a Consumer Standard and the serious detriment test has been met there has been a corresponding governance failure.

To ensure good governance, LAs need to ensure that they are assessing their compliance with the Consumer Standards and that they understand

what assurance they have that risks are being identified, managed and monitored - with escalation mechanisms where appropriate.

The Regulator will also take into account communication with the Regulator and early transparency is essential. As the Regulator clearly puts it “our reactive approach does not lessen the obligation on registered providers to comply and communicate with us in a timely manner in relation to a potential breach [of the Consumer Regulations].” The Regulator notes that referrals and information about potential breaches of the Consumer Standards come from a range of different sources including tenants, statutory referrals or information obtained during the course of economic regulation work - and from LAs themselves.

**Equalities impact:** Medium Impact

Ensuring compliance with the Regulators Consumer standards ensures the decency and safety of our tenant’s homes which impacts on all of our vulnerable groups.

**Climate change:** Low Impact

Comments

**Risk:** High Risk

There are high risks associated with not meeting the Regulator’s Standards with the Regulator having powers under the Localism Act 2011. This has meant that since April 2012, the Regulators role is to investigate only when there are reasonable grounds to suspect there is actual or serious detriment to tenants as a result of a failure to meet one or more of the consumer standards. Powers can be used if there is evidence that a consumer standard has been breached and, as a result, there are reasonable grounds to suspect that;

- The failure has resulted in a serious detriment to tenants; or
- There is a significant risk that, if no action is taken by the regulator, the failure will result in a serious detriment to the providers tenants.

The legislation specifies that the Regulator must exercise its functions in a way that minimises interference and is proportionate, consistent, transparent and accountable.

**Links to background information:** • [Link to Paper on September Agenda \( AGENDA ITEM 16\)](#)

**Link to Council Plan:** Outstanding Homes and Communities

## 1 Introduction

- 1.1 At the September (2019) meeting of the Housing Review Board the *Consumer Regulation Review Paper 2018-2019* [Appendix 1](#) was presented. Board Members were encouraged to read the document in detail in order to understand better the role of the Regulator of Social Housing.

- 1.2 The review paper set out a summary of the Regulators consumer regulation work for the year 2018/2019. It explains the role and mandate of the Regulator, the approach taken to consumer regulation and how they apply the serious detriment tests as well as key themes and lessons arising from cases they have dealt with during the year.
- 1.3 The report is designed to ensure transparency in the work undertaken by the Regulator and details are given on the six regulatory notices that were issued by the Regulator due to providers failing to meet a consumer standard that had risked or caused serious detriment to tenants. The report also includes a number of anonymised case studies where breaches were not found however the cases highlight what factors are considered when the Regulator makes decisions and therefore provides us with a valuable insight into areas of our service delivery that need to be closely considered. Members will note the arising themes for the period 2018/2019 that are centred around health and safety compliance and as part of our self-assessment set out in **Appendix 2** we have focused on these areas.
- 1.4 As set out in the Legislation, the Regulator has both an economic objective and a consumer regulation objective. As a local Authority, only the consumer regulation applies. The consumer regulation objective is intended to:
- Support the provision of well-managed and appropriate quality housing
  - Ensure tenants are given an appropriate degree of choice and protection
  - Ensure tenants have the opportunity to be involved in the management of their homes and to hold landlords to account
  - Encourage registered providers to contribute to the well-being of the areas in which their homes are situated.
- 1.5 To achieve the objective, the Regulator sets consumer standards. There are four consumer standards:
- Home
  - Neighbourhood and Community
  - Tenancy
  - Tenant Involvement and Empowerment

This report has only reviewed our position in relation to the Home Standard and the Statutory Requirements that provide for the health and safety of tenants homes.

## 2. The Review

- 2.1 **Appendix 2** sets out a document that links to each area of Statutory Requirement, detailing the current position, the evidence base and also a series of actions to support work that is ongoing.
- 2.2 As referenced in the report, the importance of accurate data capturing is critical and our Open Housing Systems team continue to prioritise this in relation to ensuring our systems are as efficient as possible. The majority of areas of compliance are benefiting from dashboard reporting that enables us to have instant visibility of performance, work is still underway to improve this in some areas and this has been highlighted in the Action Plan where appropriate.
- 2.3 Members will note encouraging progress is being made although Electrical Safety should be highlighted as an area of concern due to limited progress prior to 2017/2018 of an electrical inspection programme that covered all of the stock. With just two years now left of

the five year programme, there is the option to complete everything left within a shorter period of time and options for this route forward should now be considered.

- 2.4 Considerable work has been undertaken in relation to Fire Safety across the stock, Members will be aware of an increase in resources in order to drive this work and as set out in the report, this work is ongoing. Members will note the revised Fire Policy that is also being presented today for approval.

### **3. Conclusion**

- 3.1 The self-assessment exercise set out as **Appendix 2** has provided a good level of reassurance, however it is now proposed that we commission an external specialist to test and review these critical areas of compliance in order to provide us with further reassurance that our policies and systems are fit for purpose.
- 3.2 We intend to undertake further self-assessments for each of the Regulators Consumer Standards and these will form separate reports that will be presented to the Housing Review Board over the coming months.
- 3.3 It is our intention to ensure the Board is continually kept up to date with work of the Regulator of Social Housing and good practice would suggest some external specialist training options are considered that can form part of mandatory training requirements for Board Members in order to inform a better understanding of the legislation we are governed by.