

BABERGH and MID SUFFOLK DISTRICT COUNCIL

TO: Overview and Scrutiny Committee	REPORT NUMBER: JOS/23/48
FROM: Director for Housing	DATE OF MEETING: 13/05/2024
OFFICER: David White – Housing Transformation Manager	

BMSDC Readiness for Social Housing Regulations and Introduction of tenant governance structure

1. PURPOSE OF REPORT

- 1.1 To provide the committee with information they require to ensure they are aware of our responsibilities as a landlord for compliance with the new Consumer Standards of the Regulator for Social Housing and the potential consequences of non-compliance.
- 1.2 To make the committee aware of the role they will play in housing's governance structure, enabling our tenants to be more meaningfully engaged in our decision making about issues that affect them.
- 1.3 To reassure the committee of our plans as an organisation to ensure we are meeting the requirements and therefore are compliant with the new Consumer Standards of the Regulator of Social Housing.

2. OPTIONS CONSIDERED

- 2.1 In terms of 1.2 various options were considered through consultation with our current tenant board and both cabinets and the new governance arrangements for housing have been designed around this consultation and taking best practice from other local authorities who are exemplar providers as judged by TPAS who are the sector's tenant engagement experts.

3. RECOMMENDATIONS

- 3.1 That the committee familiarise themselves with the information provided about the new Consumer Standards and new regulatory framework for local authorities.
- 3.2 To review and make any recommendations in relation to the proposed governance structure which looks to provide our tenants with a greater influence in our scrutiny activity about their housing service.
- 3.3 To make any recommendations for our outlined approach to ensuring we are meeting the requirements of the Regulator for social housing and that we are 'inspection ready'.

REASON FOR RECOMMENDATIONS

So that the committee can fulfil their function effectively in relation to the requirements on local authorities imposed by the Regulator for Social Housing.

To help us to be compliant with the Transparency, Influence & Accountability Standard, by ensuring that our tenants can meaningfully influence our decision making.

To be aware of how we as a landlord are going to ensure we are compliant with the standards.

4. KEY INFORMATION

The New Standards and Regulatory Powers

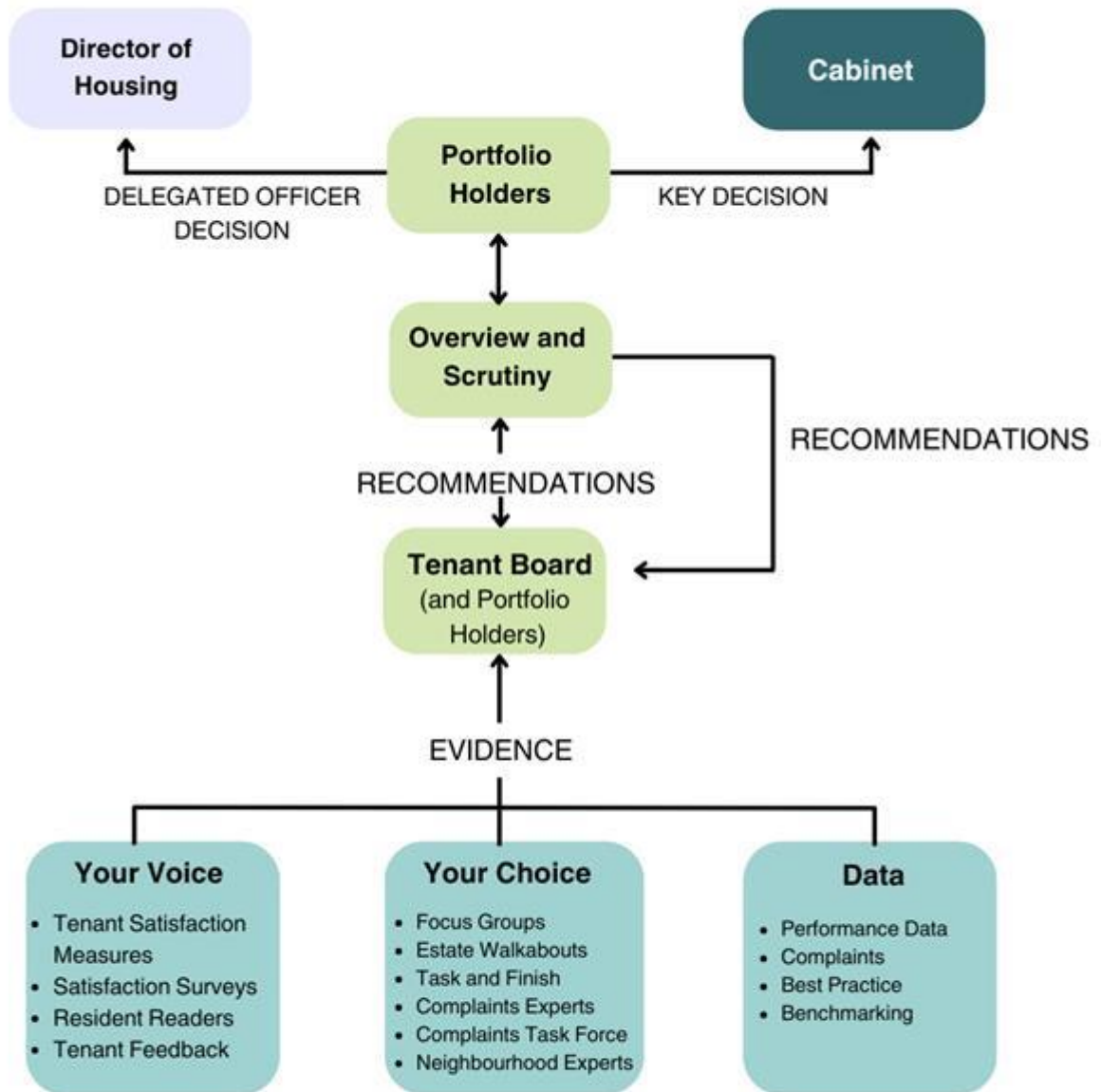
- 4.1 On the 29th February 2024 the New Consumer Standards were published by the Regulator for Social Housing following the conclusion of their consultation.
- 4.2 As of 1st April 2024 they, along with the new powers, are now law, as part of the Housing and Regeneration Act 2008, as amended by the Social Housing Regulation Act 2023, that registered providers of social housing, including local authorities, will now need to evidence how they are complying with the required outcomes and specific expectations for each standard so that the regulator can be sure we are delivering homes that are decent, safe and well maintained and tenants receive quality landlord services and are treated with fairness and respect.
- 4.3 The two main aims of the changes are to improve the quality and safety of social housing and give tenants of social housing an increased voice to influence decisions taken by their landlord.
- 4.4 In a recent review by the Regulator showed that of the 13 registered providers that had breached the consumer standards in 2022/23, 10 of them were local authorities. This suggests that this is an area which disproportionately affects local authorities and our tenants and shows that this is something we need to focus on.
- 4.5 The new standards are:
 - 4.5.1 **The Safety and Quality Standard** - which requires landlords to provide safe and good quality homes and landlord services to tenants.
 - 4.5.2 **The Transparency, Influence and Accountability Standard** - which requires landlords to be open with tenants and treat them with fairness and respect so that tenants can access services, raise complaints, when necessary, influence decision making and hold their landlord to account. This standard incorporates Tenant Satisfaction Measure requirements and ensuring that tenants understand their rights.
 - 4.5.3 **The Neighbourhood and Community Standard** - which 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.

- 4.5.4 **The Tenancy Standard** – which requires registered providers to allocate and let their homes in a fair and transparent way, supports tenants to maintain their tenancy, offer tenancies and terms of occupation that meet applicable statutory and legal requirements and support tenants to mutually exchange their homes.
- 4.6 Accompanying the standards, requirements and expectations is a code of practice which will help landlords understand more about what is expected of them to evidence to the regulator compliance and can be found as **Appendix A** of this report.
- 4.7 Alongside the new standards, the Regulator has also been given extended and new powers to enable them to effectively regulate the sector and provide better outcomes for tenants. These include, in summary, powers to issue unlimited fines for non-compliance, powers to inspect landlords pro-actively instead of reactively, to carry out inspections of our properties, require improvement plans for their approval from us when things go wrong, carry out emergency repairs and charge us and to issue enforcement notices.
- 4.8 Following an inspection by the regulator, at least once every 4 years, a grading will be given to each provider between C1 & C4 - with C1 meaning that we are delivering the standard's outcomes as required and C4 being that there are serious failings in how we are delivering the standard outcomes. Any grading below a C1 will come with recommendations or orders requiring us to make improvements.

The new tenant governance arrangements

- 4.9 Under the Transparency, Influence and Accountability standard we are required to evidence how our tenants can meaningfully influence our decision making in relation to their homes and services we provide to them.
- 4.10 The governance of local authorities differs from that of housing association providers with all the different interests and functions competing, so ensuring proper lines of accountability and assurance for compliance with the consumer standards, all the way to cabinet is a must.
- 4.11 Whilst tenant engagement is not a new concept for us, the Regulators focus on us being able to evidence that the views of our tenants is influencing our decisions is why we are proposing the following amendments to our tenant governance structure.
- 4.12 Following some research with some exemplar stock holding local authorities who have been accredited by TPAS for doing this well, we have proposed the following amendments to our current tenant scrutiny structure.
- 4.13 The changes will strengthen our current tenant governance arrangements by including our portfolio holders for housing and property in the current tenant board membership, enable the tenant board to direct housing specific scrutiny activities based on the performance data and other information they are already provided and ensure that the overview and scrutiny panel and cabinet have oversight of the activities and outcomes, can make their own recommendations and monitor any proposed changes to service delivery arising those recommendations.

4.14 Below is a diagram of how tenant led scrutiny activity will work:



4.15 This can also be found within the new Tenant Board terms of reference which is included as **Appendix B** to this report.

- 4.16 The scrutiny activities will vary depending on the topic identified and could be done through a variety of methods. Scrutiny panels will be recruited to carry out the scrutiny activity by the Tenant Board with support from the Tenant Engagement Co-ordinators. The groups will usually include tenants who have experience of the service being scrutinised.
- 4.17 The scrutiny panels will work with necessary staff who will collate a list of recommendations to improve the service.
- 4.18 The Tenant Board will present any recommendations from scrutiny projects to the Overview and Scrutiny Committee biannually. The Overview and Scrutiny Committee can then add recommendations alongside the Tenant Board and both groups will monitor the implementation of these recommendations.
- 4.19 Any decisions from the scrutiny activity that require Cabinet approval will be taken to a Cabinet briefing by the Portfolio Holders. An update of the Tenant Boards activities will be provided to Cabinet Biannually. Cabinet members will also be briefed ahead of any reports going to the Overview and Scrutiny Committee by the Portfolio Holders.

Getting us Inspection Ready

- 4.20 To provide you with assurance that work is already underway to ensure that we are aware of the new standards requirements we have outlined below actions we are taking or propose to take to evidence our compliance with the consumer standards.
 - 4.20.1 A gap analysis and evidence gathering has commenced against the new standard's specific requirements.
 - 4.20.2 The housing management team, including the Director for Housing, will be meeting monthly to review our progress against the evidence requirements, what gaps are outstanding and identifying leads for the various requirements.
 - 4.20.3 We will also be looking to carry out an independent consumer standards health check to provide us with an understanding of our position and what work is outstanding to ensure we can evidence our compliance to the Regulator, our tenants, members and the wider organisation.

5. LINKS TO OUR PLAN FOR BABERGH and MID SUFFOLK PLAN

- 5.1 **Priorities:** Empowering and enabling more active citizenship, ensuring we engage with all our communities, Engaging, empowering and enabling communities to find local solutions to local issues.
- 5.2 **Our Approach:** Delivering good quality core council services, providing high quality council services that are easy to access when needed and that can be relied on, providing open and honest leadership, continuing to listen to you and work in partnership with you.

6. FINANCIAL IMPLICATIONS

- 6.1 There are no financial implications in relation to this report, however, failure to evidence our compliance with the regulations could result in increased costs for the organisation.

7. LEGAL IMPLICATIONS

7.1 It is a legal requirement that all registered providers of social housing with a stock of over 1000 a compliant with the consumer standards.

8. RISK MANAGEMENT

8.1 Key risks are set out below:

Key Risk Description	Likelihood 1-4	Impact 1-4	Key Mitigation Measures	Risk Register and Reference*
A lack of tenant scrutiny causes a Regulatory Breach	1	2	1. Launch of Tenant Engagement Strategy 2. Set up Tenant Board scrutiny function	ORR_HT_001
Information required by the regulator for compliance cannot be obtained on request, is of poor quality or lacks integrity.	2	2	HMT are going to be meeting monthly to review the standards and build on evidence and information required to demonstrate our compliance.	ORR_HT_004

**Name of risk register where risk is currently documented and being actively managed and it's reference number*

9. CONSULTATIONS

9.1 Both cabinets have been consulted about the changes to the governance structure.

9.2 Our current tenant board have also been consulted about the changes to the governance structure.

10. EQUALITY ANALYSIS

10.1 Not required for this report, although the standards do require us to consider the needs of our tenants and evidence how we have taken those into consideration in our decision making and ensure that we are delivering equitable outcomes for our tenants.

11. ENVIRONMENTAL IMPLICATIONS

There are no environmental considerations to this report.

12. APPENDICES

Title	Location
(a) The Regulator for Social Housing Consumer Standards Code of Practice	Attached
(b) New Tenant Board Terms of Reference	Attached
(c) The Regulator for Social Housing Consumer Standards	Attached

13. BACKGROUND DOCUMENTS

- 13.1 Chartered Institute of Housing – Presentation and link to webinar [Conversation with the Regulator – learning from the local authority inspection pilots \(cih.org\)](#) on Learning from Local Authority Inspection Pilots – Attached.

14. REPORT AUTHORS

David White – Housing Transformation Manager.