

Housing and Communities Overview and Scrutiny Panel - 22 January 2025

Social Housing Regulation Act (2023) Progress Report

Purpose	For review
Classification	Public
Executive Summary	<p>The SHRA (2023) and its regulations came into force for all stock-owning registered landlords including local authorities in April 2024, and the Regulator of Social Housing (RSH) has been inspecting landlords from this date against their compliance with the consumer standards.</p> <p>In effect, all councils including New Forest District Council (NFDC) need to be able to demonstrate evidence of compliance against all the consumer standards in place at the time of inspection; or upon request if the regulator seeks to investigate reported compliance failures outside of the timetable of inspection.</p> <p>The aim of this report and linked presentation is to provide the panel with insight into the changes and progress the housing landlord function has made in response to the SHRA (2023), identify our progress and actions to date, summarise our strengths and weaknesses against the consumer standards, and identify the next steps towards achieving full compliance against the standards.</p> <p>The report also formalises the Council's vision to achieve a compliant rating (C1/2) from the Regulator of Social Housing, and to provide assurance that the correct steps on our improvement journey are being taken.</p>
Recommendation(s)	<p>That the Housing and Communities Overview and Scrutiny Panel:</p> <ol style="list-style-type: none">1. Consider the Housing Department's compliance with the Social Housing Regulation

	<p>Act 2023 and progress in improving services for tenants.</p> <p>2. Approve and make any further recommendations to the Portfolio Holder for Housing and Homelessness regarding improving our preparedness for inspection.</p> <p>3. Approve a recommendation to put preparedness for regulatory inspection on the Corporate Risk Register.</p>
Reasons for recommendation(s)	<p>Overall accountability for landlord compliance rests with the elected members of the council as a whole, rather than solely with the housing department's landlord function, or with the responsible Cabinet or Portfolio holder.</p> <p>This report is subsequently presented to the Panel for scrutiny, accountability, and transparency as part of the governance arrangements. This forms part of the corporate risk approach as regularly judgements that identify serious failings (C3/4) may entail unlimited fines, regulatory intervention in operational matters concerning health and safety, as well as risking wider reputational damage to the Council.</p>
Ward(s)	All
Portfolio Holder(s)	Councillor Steve Davies
Strategic Director(s)	Richard Knott – Housing and Communities
Officer Contact	<p>Paul Thomas Assistant Director - Housing 02380 285725 paul.thomas@nfdc.gov.uk</p>

Introduction and background

1. The Social Housing Regulation Act (SHRA 2023) was introduced by government following high profile failures in the social housing sector, namely the Grenfell Tower Fire Disaster in June 2017. This led to fundamental changes in housing regulation with the SHRA

2023 being enacted in July 2023. The Act aims to improve the condition of social housing and increase resident safety. It also places greater emphasis on the rights of tenants, and for their voices to be heard, the absence of which was seen as a major failing in the lead-up to the Grenfell disaster and in other previous cases of fire, deaths, and serious incidents in social housing.

2. Landlord's not responding to previous complaints and requests for service was also seen as factor in the death of Awaab Ishak (Child aged 2 years) in December 2020, which resulted in Awaab's Law (2024). This has further added to the regulatory regime for damp and mould compliance for all social landlords.
3. The social housing regulations came into force for all stock-owning local authorities in April 2024. The stated aim is to drive long term improvements in the social housing sector, and judgements are made on the landlords' abilities to demonstrate compliance with four consumer standards:
 1. Safety & Quality
 2. Neighbourhood & Community standard
 3. Tenancy
 4. Transparency, Influence & Accountability
4. There is an additional consumer standard of Competence and Conduct that relates to the qualifications and behaviours of senior staff. This standard has not fully been taken-up by the housing sector to date, though NFDC has entered a contract with the Chartered Institute of Housing to ensure that all its senior staff are qualified to CIH Level 4 & 5 as per the requirements, and two Service Managers have commenced training from September 2024 as part of a rolling programme of professionalisation in the housing department.
5. The consumer standards apply to all social landlords registered with the Regulator for Social Housing (RSH). Local authorities including NFDC are responsible for all homes under their ownership, whatever the organisational structures such as an Arm's Length Management Company (ALMO) or if they have an outsourced service or repairs contractor for example.
6. Under the new regulatory regime, a landlord's compliance is assessed by the RSH across all the four consumer standards. This will be via a programmed inspection at least once every four years, though there is not a published timetable for when individual landlords will be inspected as the RSH is following a risk-based approach.

7. A reactive inspection may be triggered by events such as a negative Housing Ombudsman's report, or a self-referral by the council itself regarding health and safety matters.
8. In all cases, there will be a rating issued, from C1 to C4, defined as follows:
 - C1 = delivering the outcomes of the standards
 - C2 = some weaknesses and improvement are needed
 - C3 = serious failings and significant improvement is needed
 - C4 = very serious failings and fundamental changes are needed
9. C1 and C2 are classified as compliant gradings, though it should be recognised that even a C1 grading will require on-going work towards a programme of continual improvement in housing services. The consequences of C3 and C4 judgements may entail unlimited fines by the regulator e.g. a housing association has recently received a £900K fine for non-compliance with legionella testing in one older persons' scheme.
10. In the case of wider failings in statutory compliance the RSH also has the powers to intervene directly in operational matters concerning health and safety, with the added risk of wider reputational damage to the council or any other registered provider.
11. To date, early interventions and inspections have often been triggered by negative reports by the Housing Ombudsman or landlords self-referring indicating that a risk-based approach to inspections is being followed by the RSH at this time, albeit with a stated intention to balance out the inspection timetable with other landlords who are not seen as requiring intervention. In short, NFDC cannot be sure when the RSH will inspect the service, only that it will be sometime within the four year programme that commenced in April 2024.
12. As part of the evidence base, for compliance, all social landlords have also been required to submit Tenant Satisfaction Measures (TSMs) to the RSH, which have then been published with the regulator emphasising that it is not a league table, but rather an indicator of progress and tenant satisfaction providing a focus for identifying gaps in compliance and/or underperformance which should inform service improvement plans.
13. NFDC has followed the standard methodology for producing this data and is currently in the upper quartile (top 25% of all landlords) with tenants rating our services highly. TSMs consist of a mixture of

management information and tenant perception measures (e.g. 98% of NFDC homes currently meet the decent homes standard).

Current Preparedness for Inspection and Assurance.

14. The Council has taken proactive steps to prepare for the new regularly regime through approving a Corporate plan 2024 to 2028 that has been informed by housing need and has specific expected outcomes for council homes and tenants "baked in". For example, it states as one of its aims is to: "*Work with our housing tenants to understand their needs and provide high quality service standards in line with the government's new Social Housing Charter and regulatory regime*" clearly stating the Council's ambition to achieve a compliant grading and better services for tenants.
15. A more specific measure stated in the Corporate plan is to "*Improve the energy efficiency of over 3,200 council houses by 2030*". This is out of a stock profile of around 5200 homes, and it is worth noting that coherent spending plans to deliver the decarbonisation of our housing stock are incorporated into the Housing Revenue Account over this time period to deliver this objective, with significant investments in the housing stock already having been made.
16. There are a range of other strategic related housing objectives included in the Corporate plan including ambitious targets for "affordable housing" delivery including developing new council homes. However, as the regulatory focus is on existing council homes and tenants, the Panel can be assured that the percentage score for overall tenant satisfaction with the Council as a landlord determined in the Tenant Satisfaction Measures (TSMs) is a key performance measure as stated in the Corporate plan.
17. This ensures our landlord services performance is reported and scrutinised at all governance levels through Portfolio Holder Briefings, Executive Management Team, this Panel, Cabinet, full Council, and the regulator on submission of the TSMs as required.
18. As part of the evidence base, landlords have also been required to submit Tenant Satisfaction Measures (TSMs) to the regulator, which have published by the regulator with the emphasis that it is not a league table but rather an indicator of progress and tenant satisfaction providing a focus for identifying gaps in compliance and/or underperformance which should help inform service improvement plans.
19. NFDC has followed the standard methodology for producing this data and is in the upper quartile (top 25% of all landlords) with

tenants rating our services highly. TSMs consist of a mixture of management information and tenant perception measures (e.g. 98% of NFDC homes currently meet the decent homes standard).

20. At the same time, whilst our safety and quality compliance performance of around 98% for gas and other measures puts us in the lower quartile for these indicators, it should be noted that landlords both councils and housing associations have used different data-gathering methods and have different working practices including capping gas supplies at first non-access point etc. The RSH is also challenging landlords that are reporting 100% compliance in these indicators as they are reported on a snap-shot basis, and certain assumptions must be being made by those landlords.
21. This does not mean we should be complacent about safety and compliance measures at around the 98% mark, but rather that TSM results should not be viewed in isolation but can provide the basis for identifying gaps in compliance and/or underperformance which should help to inform our service improvement plans. The on-going focus on health and safety measures is a must do in the regulatory context.
22. The housing department has been addressing potential regulatory risks through various service improvement plans informed by a number of mini-service reviews and team restructures that have been taking place over the last few years, often prior to the inspection regime and consumer standards being published. The Housing Department has effectively been on an improvement journey for the last six years.
23. There has been a particular focus on the Safety & Quality standard with a capital investment programme being established alongside a lead service manager and team to deliver major projects that focus on statutory compliance. This has included fire safety works and risk assessments alongside a decent homes programme, with 98 per cent of our homes now meeting the decent homes standard. We have done a 100 percent stock survey and have insight into the homes that do not meet the decent homes standard including for reasons such as non-standard construction, and tenants refusing kitchen & bathroom works etc. This is a good basis to work from.
24. We have established a Consumer Standards Board, employed a Policy Officer, and have been conducting a self-assessment and gap analysis against all four consumer standards. This entails about a hundred separate outcome measures overall and we are rigorously detailing our evidence of compliance with all the required outcomes.

25. The Policy Officer has held discussions with service managers and officers and reviewed available performance data. The outcome of these discussions guided the identification of highest risks or service gaps from a regulatory perspective. Initial areas to review were agreed with senior management and the Portfolio Holder as part of the on-going dialogue, leading to an initial focus on improving tenant engagement outcomes and insight. We have commissioned two tenant insight consultancies, the first one is gathering the TSM data to drive service improvement, and the second is gathering data about households and updating our tenant information including vulnerabilities to update our systems and service responsiveness.

Self Assessment and Action Plan.

26. The RSH expectations of social landlords can be summarised as follows: -

- Landlords maintain tenants' homes so that they are safe and of decent standard.
- Landlords provide a quality housing and repairs service.
- The relationship between tenants and landlords is underpinned by shared expectations of fairness and respect and a shared understanding of respective rights and responsibilities.
- Where things go wrong, complaints are handled effectively, and things are put right.
- Landlords demonstrate that they understand the diverse needs of the communities that they serve, and that their services reflect that.
- Tenants understand, use, and have confidence in the recourse that they have to get problems resolved.
- Stakeholders have confidence that landlords' commitment to their tenants is underpinned by effective consumer regulation.

27. The Council recognises the importance of self-assessing against all the consumer standards to demonstrate to the RSH our commitment and pro-active approach to addressing any identified issues and achieving compliance as well as demonstrating transparency and NFDCs adherence to the spirit of co-regulation.

28. The self-assessment being undertaken is effectively collating evidence and informing the following specific key areas of improvement against the consumer standards in the following aspects:

- Data – collating and analysing data to demonstrate compliance with the standards. Testing accessibility and accuracy. To give assurance on data integrity and to inform service planning.
- Governance - reviewing what structures are in place to ensure effective oversight, challenge and support for the Portfolio Holder, staff leadership, and team.
- Service quality - performance measured and assessed and establishing more effective service mechanisms for doing so.
- Tenant engagement - the Tenants Involvement Group (TIG) is in place to provide assurance on the accuracy of data and the implementation of key policies such as the proposed new Anti-Social Behaviour Policy as presented to this panel. The next stage is determining how representative are those involved of the wider tenant population, and recording what meaningful service changes or impacts of current tenant engagement approaches have been.
- Learning - from tenant complaints, other mistakes or oversights, and any Ombudsman cases, making the necessary changes to policy, procedures, and processes e.g. vulnerable adults' policy, tailoring of services, and accounting for protected characteristics in repairs and estate management procedures.
- Contract management – ensuring the contractors, advisors and agents working on behalf of the council are working on appropriate terms (including third party management of homes and buildings). Focus on assessing skills, experience, track record and/or qualifications.
- Equality and diversity - demonstrating compliance with the Public Sector Equality Duty (NB, not within the Consumer Standards)
- Assurance - external validations to assess the performance of the housing service, and the integrity of the data that underlies it. Internal and external audits of services and the recent LGA Corporate Peer Review (report awaited) are all included in the collection of evidence list to provide assurance of compliance to elected members and the RSH.

- Cultural change - to ensure all employees and elected members at NFDC understand the importance of regulation. Engaging them in shaping and delivering our improvement plans and landlord services.
29. This is a work in progress and delivery of the action plan will remain on-going, it has involved compiling the evidence base including compliance data, quality assurance checks, including independent audits of housing functions, governance arrangements, and tenant insight as outlined.
30. It is also expected that the council co-regulates with the RSH through our own self-assessment against the standards, knowing our strengths and weaknesses and having robust plans in place to address any gaps in services identified against the regulations and consumer standards.
31. For example, NFDC had a contractor issue in regard to legionella testing in April 2024 in their last month of contract resulting in a lower compliance score for the year. This information was shared with the RSH and was questioned by the regulator, which classified it as a self-referral, however we were able to recover performance quickly with a new contractor in place and this satisfied the regulator with no further intervention required.
32. The Housing Ombudsman Service has also strengthened their investigative approach, and response to landlord failings. Landlords have been notified of the increase in expected standards in a series of special reports from the Housing Ombudsman, who have published landlord complaints where evidence of maladministration has been found, or a significant number of faults are evidenced.

In particular:

- The Ombudsman Spotlight on Knowledge and Information Management (KIM)
 - Complaints about repairs
 - The Ombudsman Spotlight on Attitudes, respect, and rights.
33. Through these reports the Ombudsman has recommended that landlords provide a clear statement of the Council's approach to handling complaints and the way it intends to work with residents and relevant, organisations to remedy and make improvements.
34. A Corporate Complaints Team has been created to fulfil the additional regulatory requirements of both the Housing Ombudsman and Local Government and Social Care Ombudsman, with new staff

response and case management processes being actioned to ensure the Council's governance and operational response to complaints mirrors the policy and data requirements of the new housing regulatory regime.

35. Any policy changes resulting from both Ombudsman's recommendations will be incorporated into the consumer standards action plan and policy reviews.

Corporate plan priorities

36. Priority 2: Empowering our residents to live healthy, connected and fulfilling lives. The Corporate Plan 2024-28 states that delivery of this priority will be supported by the delivery of a new Anti-social behaviour strategy.
37. Priority 3: Meeting Housing Needs – particularly in relation to the number of council homes achieving Energy Performance Certification band C and percentage scores for the 5 safety and compliance management Tenant Satisfaction Measures (TSMs).

Consultation undertaken.

38. Consultation has been a strong focus throughout the preparation process, with the housing department effective engagement with officers, tenants, senior management, and Members as well as collaborating with colleagues across Hampshire and further away through networks of councils preparing for inspection or having been through one, to share learning and insight on service improvement.
39. Draft policies including the Anti-Social Behaviour Policy for example have been shared with TIG and consultation responses have so far supported the draft proposals. Formal strategy consultation on the developing Landlord Strategy for example is proposed in due course.

Financial and resource implications

40. Any expenditure required by the proposed action plan will be met from existing budgets within the Housing Revenue Account (HRA) and have already been factored-in the draft 30 Year Business Plan. New policies and systems of work required in the shorter-term at a service level are on-going to improve service delivery and outcomes. Once the service plan is fully adopted the Policies will be updated in line with any changes required and the budget will be continuously reviewed.
41. Failure to raise standards, meet the regulatory requirements of the consumer standards and respond appropriately to complaints could

lead to fines and compensation levied by the Housing Ombudsman or the Local Government and Social Care Ombudsman.

Legal implications

42. The Regulator of Social Housing launched its new regulatory framework on the 1st of April 2024 which outlines our requirements as a social housing provider including compliance with its consumer standards.

Risk assessment.

43. This report gives assurance that NFDC currently provides a good overall service to its tenants as evidenced by the TSMs and the risk profile is acceptable and well managed. It is nonetheless considered prudent to add lack of preparedness for inspection to the corporate risk register due to the unknown timescales for inspection to maintain Corporate oversight on this business critical issue.

Environmental / Climate and nature implications

44. Whilst the report has no direct implications, the work of NFDC will include improving the energy efficiency of our local housing stock, providing better services on our estates, including open spaces, and the positive contribution to neighbourhoods. This may present further opportunities to contribute to the Council's neighbourhood and climate objectives in the longer term.

Equalities implications

45. The Consumer Standards, particularly the Transparency, Influence and Accountability standard are likely to have a positive impact on NFDC tenants as there is a requirement for landlords to "understand the diverse needs" of tenants, including those arising from protected characteristics, language barriers, and additional support needs' and assess whether all tenants have fair access to, and equitable outcomes of, housing and landlord services. Additionally, the standard requires that landlords must ensure their services are accessible.

Crime and disorder implications

46. It is anticipated there will be potential indirect and direct positive impacts on the Council's tenants and neighbourhoods. The interventions proposed through our improvement to tackling Anti-Social Behaviour as part of the consumer standards is likely to lead to an initial increase in the number of cases prosecuted in the courts, or by the Police, whilst long term interventions proposed should lead to a long-term reduction in crime and disorder.

Data protection / Information governance / ICT implications

47. The collection, retention and deletion of Tenant data is governed by GDPR and associated guidance. All data will be collected and maintained in line with the required legislation. The Policies are required in the shorter-term at a service level to improve service delivery and outcomes. Once the service plan is fully adopted the Policies will be updated in line with any changes required and will be continuously reviewed

New Forest National Park / Cranborne Chase National Landscape implications

48. The approach of ensuring the Housing Service is fully complaint with the consumer standards including for housing neighbourhoods as well as homes may involve increased and better partnership working with the National Park Authority where the Council's housing stock is also located and managed by the housing landlord.

Conclusion

49. NFDC is delivering a good service to its residents as evidenced by the TSMs and has made significant progress toward meeting the requirements of the Social Regulation Act (2023) and the consumer standards. There is a significant programme of work taking place and many system changes are planned to include CRM, policy and practice improvements that are to be implemented over the next twelve months. However, the reality is it can't all be done at the same time within the resources available. The Housing Department is nonetheless confident in its direction of travel and prioritisation of work plans to maintain and improve its compliance with the consumer standards and offer a better service to its tenants.

50. The delivery of the consumer standards mitigates longer term legal and financial risk to the Council. The self-assessment and activities already being undertaken to prepare for the inspection mitigate against the possibility of the Council being unprepared for regulatory inspection and not achieving a compliant grade.

51. The gap-analysis and subsequent action plan will be completed and approved in full by June 2025, and form a longer-term framework of service delivery and partnering with local agencies and support aligning our goals and resources with the corporate plan objectives.

Appendices:

Appendix 1 – Consumer Standards Board, Terms of Reference

Appendix 2 – Consumer Standards Self-Assessment current position

Appendix 3 - 2025 interim TSM perception survey results / 2024 comparison.

Appendix 4 – TSM Compliance Dashboard. November 2024

Background Papers:

Consumer Standards Code of Practice (2024)

New Forest District Council Consumer Standards Board Terms of Reference

Introduction / Background

2017 – Following the Grenfell fire tragedy the Government committed to changes to social housing consumer standard regulation and instigated major social housing reform.

2018 – Green Paper: A new deal for social housing, introduced two major strands, Technological (e.g. Building safety) and Social and Community (e.g. relationships between landlords and their residents).

2020 - Government published the social housing white paper. Seven key statements (Written from a tenant's perspective) that every social housing resident should be able to expect are still the go to for aims of the Act.

1. To be safe in your home
2. To know how your landlord is performing.
3. To have your complaints dealt with promptly and fairly.
4. To be treated with respect, backed by a strong consumer regulator for tenants.
5. To have your voice heard by your landlord.
6. To have a good quality home and neighbourhood to live in
7. To be supported to take your first step to ownership.

Social Housing (Regulation) Act 2023. Finalised a return to consumer regulation (introducing the consumer standards) and inspection, including the regulators' role in working with other bodies (i.e. Housing Ombudsman and Building Safety Regulator).

The four consumer standards (so far).

- The Safety and Quality Standard
- The Transparency, Influence and Accountability Standard
- The Neighbourhood and Community Standard
- The Tenancy Standard.
 - (The Competency and Conduct Standard)

Scope of Board

What will the board achieve / objectives?

To be compliant with the consumer standards and delivering a great landlord service.

To have all documentation and evidence in place when the Regulator of Social Housing inspectors visit NFDC.

How will this be achieved / Tasks?

Listening to tenants

Learning from complaints

Self-assess against HQN toolkits.
Assigning remedial actions.
Monitor progress.

Timeline / Milestones

- 22nd January 2025 - Housing & Communities Overview and Scrutiny Panel (14th January report deadline).

Roles and responsibilities / frequency of meeting

- Key responsibilities for Consumer Standards

The Safety and Quality Standard – Sophie Tuffin. Ritchie Thomson. Clive Turner. (Paul Thomas. Chris Pope. Kirsty Farmer.)

The Transparency, Influence and Accountability Standard – Kirsty Farmer. Dave Brown. (All in Housing. Paul Thomas. Chris Pope.)

The Neighbourhood and Community Standard – Kirsty Farmer. Chris Pike. (Sophie Tuffin. Paul Thomas. Nikki Swift. Brian Byrne.)

The Tenancy Standard – Kirsty Farmer. Chris Pope. (Nicola Message. Saq Yasin.)

The Competency and Conduct Standard – Paul Thomas. Jane Follett.

- Roles on the Board

Portfolio Holder - Housing and Homelessness - Cllr Steve Davies

Tenant representatives

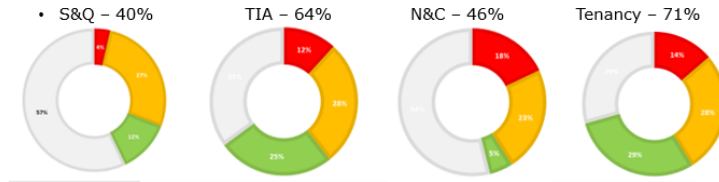
Housing Performance Team

- Monthly meetings

Consumer Standards Self-Assessment current position

Self-Assessment Update

- 7 gap analysis sessions taken place
- RAG rating complete



Appendix 3

2025 interim TSM perception survey results / 2024 comparison



Measure	2023/24	2024/25 (interim)	↑↓↔
Overall satisfaction	81%	84%	↑ 3%
Overall repairs	82.8%	79%	↓ 3.8%
Time taken repairs	82.8%	81%	↓ 1.8%
Well maintained home	82.1%	75%	↓ 7.1%
Safe home	84.7%	85%	↔
Listens and acts	67.8%	69%	↑ 1.3%
Keeps you informed	78.9%	78%	↔
Fair and with respect	82.2%	86%	↑ 3.8%
Approach to complaint	29.1%	31%	↑ 1.8%
Communal areas	68.6%	66%	↓ 2.6%
Neighbourhood	72.1%	73%	↔
ASB handling	62%	67%	↑ 5%



TSM Compliance Dashboard. November 2024

