

Scrutiny Board

22 March 2022

Report title	Regulator of Social Housing Consumer Standards - Compliance Update 2022	
Cabinet member with lead responsibility	Councillor Bhupinder Gakhal City Assets and Housing	
Wards affected	All	
Accountable director	John Roseblade, Director of City Housing and Environment	
Originating service	Housing	
Accountable employee(s)	Karen Beasley	Interim Service Manager – Housing Strategy & Policy
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Report to be/has been considered by	City Housing and Environment Leadership Team	8 March 2022
	Strategic Executive Board	10 March 2022
	Cabinet Member Briefing	16 March 2022

Recommendation(s) for action or decision:

The Scrutiny Board is recommended to:

1. Consider the report and provide comment and feedback to the Council's Housing Strategy Landlord Services Team of the progress made against the Consumer Standards set by the Regulator of Social Housing

1.0 Purpose

- 1.1 The report is to provide an oversight of the monitoring arrangements of the management of the Council's housing stock carried out by the Managing Agents, Wolverhampton Homes and three Tenant Management Organisations, under the Management Agreements and to outline the steps being taken by the Landlord Services Team to ensure the Council is able to respond to increasing regulation and is prepared for inspection by the Regulator of Social Housing.

2.0 Background

- 2.1 The management of the majority of the Council's housing stock was transferred to its newly formed Arms Length Management Organisation (ALMO), Wolverhampton Homes (WH) in 2005 for the delivery of the Decent Homes programme. The rest of the stock is managed by Tenant Management Organisations (TMOs) were also formed; New Park Village in 1993, Bushbury Hill Estate Management Board in 1998 and Dovecotes in 2006. The management functions carried out by the Managing Agents is governed by the Management Agreements (Modular Management Agreements in the case of the TMOs) that exist between the Council and each Managing Agent. The next break clause in the management agreement between the Council and Wolverhampton Homes, who manage the majority of the Council's housing stock is in 2023 and the TMOs are reviewed annually.
- 2.2 The areas of management that are covered by the Management Agreements include: tenancy management, estate management, repairs, maintenance and concierge services, lettings and voids, collection of rents, leasehold and other charges, housing advice, Right to Buy, tenant participation and asset management. A number of other services are delivered by Wolverhampton Homes on behalf of the Council, under separate service level agreements. This includes Housing Options (Homelessness Services) and the Home Improvement Agency.
- 2.3 In November 2020, the Government published its White Paper, The Charter for Social Housing Residents. This document followed the release of the Social Housing Green Paper in 2018, which was developed in the wake of the Grenfell Tower tragedy, as the Government sought to set out the issues facing social housing tenants and the actions that could be taken to ensure they are safe, protected, listened to and able to influence how their homes are managed.

One of the most significant commitments within the White Paper is the strengthening of the Regulator of Social Housing, moving from a reactive service to a proactive consumer regulatory regime. The changes set out to deliver proactive oversight of Consumer Standards and will provide the Regulator with greater oversight of the performance of local authorities' landlord function. The Regulator will introduce mandatory periodic inspection of landlords with 4000+ homes, in relation to performance against the

Consumer Standards. This will include the City of Wolverhampton Council, which has close to 22,000 properties.

- 2.4 Whilst it has always been important for the Council's landlord service to ensure the homes we manage and tenants we serve are safe and receive a good quality service, it is important for the reasons mentioned in point 2.3 that there is sufficient assurance on the delivery of core services to tenants, especially where safety is a feature, commensurate with the risk to the local authority if something goes wrong for which it is held accountable. The responsibility for monitoring and ensuring this compliance has to be led by the landlord, i.e., the Council. It should also be noted that specifically Councillors are responsible for ensuring that the landlords services are managed effectively and comply with the regulatory requirements.
- 2.5 The Consumer Standards are set out in chapter five of The Regulatory Framework for Social Housing in England from April 2012 and the Housing Strategy team have always monitored performance against these Consumer Standards.

The four consumer standards set by the Regulator of Social Housing (RSH) are the:

- Home Standard
- Tenancy Standard
- Neighbourhood and Community Standard
- Tenant Involvement and Empowerment Standard

- 2.6 To improve and strengthen the Council's understanding of the housing managing agents' compliance with the Consumer Standards, the Housing Strategy Team commissioned Savills to undertake a review. The review began in February 2021 and concluded in May 2021. The review focussed mainly on those services delivered by Wolverhampton Homes (WH), being the primary deliverer of housing management services. Savills have provided advice and assurance on the Council's performance against the Consumer Standards and any potential breaches of standards which could be deemed as meeting the 'serious detriment' threshold.

The review broadly aimed to consider this key question, from the perspective of the regulator:

To what extent can CWC demonstrate that it has assurance that it complies with the RSH Consumer Standards in respect of Council-owned homes which are managed on its behalf by WH?

Savills concluded that;

For most areas CWC/WH has an adequate policy framework in place to ensure compliance against the RSH Consumer Standards, however, there are discrete areas that require material improvement primarily Repairs (part of the Home Standard) and Tenant Involvement and Empowerment.

3.0 Progress, options, discussion, etc.

- 3.1 The findings of the Savill's review have been incorporated into an action plan and WH have created a Consumer Standards Project Group which officers from the Council's Landlord Services Team are members.

The Consumer Standards Project Group have identified 37 separate workstreams, highlighted by the Savills review, that require improvements in order to be fully compliant with the consumer standards. WH Service managers have been assigned actions to achieve the required improvements and progress is being monitored by the project group.

- 3.2 The Council's Landlord Services team is an active member of Councils with ALMOs Group (CWAG) which is the representative body of housing stock owning local authorities whose stock is managed by ALMOs. CWAG have developed a "Ready for Regulation" checklist to assist local authorities in readiness for the implementation of the White Paper and regulatory changes. The Landlord Services team have utilised this resource to assess its processes for the oversight and governance of its Managing Agents to ensure it is sufficiently robust to provide the necessary assurance that it is compliant with the Consumer Standards.

This work has highlighted some opportunities for improvements to be made to the mechanisms that are in place for Landlord Services to observe the processes of the Managing Agents and to escalate internally where areas of concern are identified.

- 3.3 The Council's Internal Audit Team responsible for WH Audits will review compliance against the consumer standards and progress against the action plan during 2022-23.
- 3.4 The Council's Landlord Services team will respond to changes to regulation and incorporate a model of continuous review of its monitoring and governance to ensure the Council is and remains compliant with the Consumer Standards.

4.0 Questions for Scrutiny to consider

- 4.1 The Board are asked to consider the measures that have been taken and outlined in this report by the Housing Strategy Landlord Services Team to provide oversight of the housing management functions on its behalf by the Managing Agents to ensure it provides sufficient assurance of compliance with the requirements of the Regulator of Social Housing's Consumer Standards and the Social Housing White Paper.

4.2 The panel are also recommended to note the responsibilities of Councillors with regard to the Consumer Standards, in particular the requirements to:

- Maintain an oversight of the housing stock
- Understand the performance of the managing agents
- Understand the compliance and legislative requirements
- Receive annual reports on performance and compliance
- Quarterly monitoring to Cabinet

And to raise any concerns regarding performance or compliance with Housing Strategy.

4.3 A City of Wolverhampton Council Director will be required to be named as the person responsible for Building Safety

5.0 Financial implications

5.1 There are no direct financial implications associated with this report. Housing Management services are funded through existing Housing Revenue Account budgets. [JM/02032022/T]

6.0 Legal implications

6.1 The Regulator of Social Housing regulates registered providers of social housing to promote a viable, efficient and well governed social housing sector that is able to deliver homes that require a range of needs.

6.2 Failure to comply with the Regulator of Social Housing's Consumer Standards, which is governed by the Housing and Regeneration Act 2008 may lead to the Regulator taking intervention and enforcement action including penalties against the Council should it fail to meet the regulatory standards.

6.3 The Council must ensure that proper policies and procedures (including internal and external assurances) are in place to ensure that itself and Wolverhampton Homes are compliant with the Regulator's standards.

6.4 The Council must ensure that a full audit trail is in place that sufficiently demonstrates the Council's and Wolverhampton Homes commitment and compliance with the Regulator's standard.

6.5 Where the Council is handling and processing personal data it must ensure that both the Council and Wolverhampton Homes are compliant with the Data Protection Act 2018 and implementation of the General Data Protection Regulation 2018 [JA/04032022/D]

7.0 Equalities implications

7.1 This report has no direct equalities implications

8.1 Climate change and environmental implications

8.1 There are no direct climate change or environmental implications for this report, however, the delivery of estate and property-based programmes by the Housing Managing Agents will contribute to the improvement of living conditions and enhance the visual appearance of neighbourhoods. Improvements to the energy efficiency of Council owned housing stock will contribute to the Council's Climate Change Net Zero Agenda.

9.0 Health and Wellbeing Implications

9.1 There are no direct health and wellbeing implications for the report, however the Housing Managing Agents and the Council's Housing Strategy team account for and work to improve the health and wellbeing of the tenants whose homes they manage, as part of their day-to-day delivery of housing management services and their interactions with the Council services and other statutory organisations with whom they may work in partnership, make referrals to and sign post tenants to.

10.0 Human resources implications

10.1 This report has no direct human resources implications.

11.0 Corporate landlord implications

11.1 This report has no direct corporate landlord implications.

12.0 Covid Implications

12.1 There are no Covid implications arising from this report.

13.0 Schedule of background papers

13.1 The Charter for Social Housing Residents White Paper (2020)

13.2 Housing Strategy – Landlord Services Report (Our Council Scrutiny Panel 29 September 2021)

14.0 Appendices

Appendix 1 Consumer Standards Project Group Action Plan

Appendix 2 Consumer Standards Landlord Services Monitoring and Performance