



AGENDA ITEM: 11

CABINET: 15 JUNE 2010

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
1 JULY 2010**

Report of: Executive Manager Housing and Property Maintenance Services

Relevant Portfolio Holder: Councillor Mrs V Hopley

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**SUBJECT: THE REGULATORY FRAMEWORK FOR SOCIAL HOUSING IN
ENGLAND FROM APRIL 2010**

RVL/BC/2.922cab
3 June 2010

Borough wide interest

1.0 PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to advise Members that the Regulatory Framework became effective, subject to the necessary Statutory Instrument being made by Government, on 1 April 2010.
- 1.2 To agree the process of agreeing the standards and any local offers with tenants.
- 1.3 Finally, to agree the monitoring arrangements that it wishes to put in place.

2.0 RECOMMENDATIONS TO CABINET

- 2.1 That the Executive Manager Housing and Property Maintenance Services be given delegated authority to commence discussions with tenants to agree how the Council will deliver its regulatory requirement.
- 2.2 That following this, a further report be brought back to agree the standards and any local offers, together with the governance arrangements.
- 2.3 That this report be referred to the Executive Overview and Scrutiny Committee and any comments be considered as part of the further report referred to in 2.2 above.

- 2.4 That the call in procedure is not appropriate for this item as the report is being submitted to the next meeting of the Executive Overview and Scrutiny Committee on 1 July 2010.

RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

- 2.5 That the report be noted and any comments be considered as part of the further report referred to in 2.2 above.
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3.0 BACKGROUND

- 3.1 The concept of social housing regulation was introduced by the Housing and Regeneration Act 2008.
- 3.2 The Government established the Tenant Services Authority (TSA) to be the domain regulator.
- 3.3 Regulation of Local Authorities and Arms Length Management Organisations (ALMOs) came into operation from 1 April 2010.
- 3.4 The TSA has carried out informal consultation into the way that it should regulate. In response to this a workshop was arranged for Tenants, Councillors and staff on 2 September 2009. The workshop informed the views that were sent to the TSA on 4 September 2009 (Appendix A) as part of the response to the discussion paper.
- 3.5 Following this, the TSA published a formal Consultation Paper that was considered by Cabinet, Executive Overview and Scrutiny Committee and the Tenant and Resident Forum in January and February 2010 (Appendix B).
- 3.6 After consideration the Council sent its response on 5 February 2010 (Appendix C).

4.0 CURRENT POSITION

- 4.1 Following consultation the TSA issued the Regulatory Framework for Social Housing in England in March 2010 that came into effect from 1 April 2010 for Local Authorities and ALMOs.
- 4.2 The TSA want to ensure that regulation brings:
- (i) A fair deal for tenants
 - (ii) Protection for taxpayers and other funders of social housing
 - (iii) by a modern and effective regulator
- 4.3 There are 6 Standards introduced by the TSA, these are:
1. **Tenant Involvement and Empowerment**, which covers:

- (a) Customer Service, choice and complaints
 - (b) Involvement and Empowerment
 - (c) Understanding and responding to diverse needs of tenants
2. **Home**, which covers:
 - (a) quality of accommodation
 - (b) repairs and maintenance
 3. **Tenancy**, which covers:
 - (a) allocations
 - (b) rents
 - (c) tenure
 4. **Neighbourhood and Community**, which covers:
 - (a) neighbourhood management
 - (b) rents
 - (c) anti-social behaviour
 5. **Value for Money**
 6. **Governance and Financial Viability** – this standard, or part of this standard, does not apply to Local Authorities, which covers:
 - (a) Governance
 - (b) Financial viability

4.4 The 6 Standards are underpinned by 10 principles. These are:

1. 'Co-regulation' is the TSA's approach – where they expect robust self-regulation by Boards and Councillors who govern the delivery of housing services, incorporating effective involvement, subject to a "backbone" of regulation by the TSA.
2. We must meet the 6 Standards. The TSA are primarily concerned about outcomes for tenants, not detailed processes.
3. We must engage meaningfully with our tenants and offer them opportunities to agree how services are delivered against the TSA Standards, which can be tailored to reflect local priorities.
4. Every tenant matters. The TSA expects us to understand and respond to the particular needs of our tenants and to demonstrate how we have taken into account the needs of tenants across the 7 equality strands which consist of race, disability, sexual orientation, age, gender, religion or belief and gender identity. Plus taking into account the support needs of tenants.
5. Good governance is a universal principle and is essential to the quality of service delivery, financial robustness and value for money.

6. Transparency, effective tenant scrutiny, and an element of independent validation are central to the co-regulatory framework. The Council must set out our service standards and report our performance to our tenants.
7. The TSA encourage effective forms of Independent validation, audit and benchmarking of performance to encourage us to improve continually and free the best from unnecessary red tape.
8. The TSA, for service delivery standards, will focus their resources and target on a risk based way and target the providers with the most challenging performance issues.
9. The TSA support the principle of sector-led improvement.
10. The TSA intend to expand the range of providers that own and manage social housing.

5.0 ISSUES

- 5.1 The regulation criteria will require a significant amount of resources to be used to put the framework in place.
- 5.2 Work has already started to look at the Standards and to identify current levels of service delivery.
- 5.3 By October 2010 we must agree our approach to developing the Standards and any local offers and to have these agreed and in place by April 2011.
- 5.4 By October of each year (starting 2011) an Annual Report must be published looking at the performance in the previous financial year.
- 5.5 Good practice will be published in May 2010 where we can compare current practice with the best in class.
- 5.6 Equality Impact Assessment guidance will be released by the TSA in Spring 2010.
- 5.7 Providers with the greatest risk of failing TSA Standards will be published in June 2010.
- 5.8 I am therefore seeking a delegation by Cabinet to explore detailed discussions with tenants on how these matters can be taken forward to enable agreement to take place.
- 5.9 I intend to then report back to Cabinet on the agreement and the governance arrangements that will need to be put into place to ensure compliance.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 6.1 Discussions have already taken place with tenants to indicate that in agreeing the Standards and our local offers, the Council will need to ensure that these are sustainable, otherwise it could lead to costly audits and inspections if these are not achievable. It is important that we agree standards that are acceptable and deliver quality services within the financial framework that exists.
- 6.2 The Community Strategy looks to improve the quality of housing for local people and therefore this work is broadly in line with this.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 7.1 The budget for 2010/11 includes £25k to support the work necessary in delivering this agenda.
- 7.2 Care needs to be taken that aspirational standards are not agreed without appreciating the additional costs associated with this so that the package of Standards and local offers are sustainable.

8.0 RISK ASSESSMENT

- 8.1 The focus of staff and tenants needs to be directed towards this initiative. There is much to do and time constraints could be a major impediment to delivering this on time.

9.0 CONCLUSION

- 9.1 The best way forward appears to be to delegate the negotiation with tenants to the Executive Manager Housing and Property Maintenance Services so that discussion can take place at the earliest opportunity and, that when agreement can be reached, the matter is taken back for Cabinet to consider.
- 9.2 If Members agree this approach I will arrange regular briefings for the Housing Portfolio Holder to ensure that agreement can be generally acceptable and sustainable.

Background Documents

There are no background documents (as defined in Section 100D (5) of the Local Government Act 1972) to this report

Equality Impact Assessment

There is no benefit in undertaking an Equality Impact Assessment at this stage. However, each standard and local offer will need to be considered with regard to Equality Impact Assessment and these undertaken where necessary.

Appendices

Appendix A - Letter dated 4 September 2009 to TSA

Appendix B - Report to Cabinet 19 January 2010 and Executive Overview & Scrutiny
Committee 4 February 2010

Appendix C - Letter dated 5 February 2010 to TSA