

RSH publishes first regulatory judgements under the new consumer standards

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REGULATIONS



The Regulator of Social Housing (RSH) has published its first set of consumer gradings for social landlords, as part of the new regulatory regime which got underway in April.

Bristol City Council, Guildford Borough Council, Octavia Housing and Sheffield City Council have each been given a C3 grading by the RSH.

According to the Regulator, a C3 grade means there are *“serious failings in the landlord delivering the outcomes of the consumer standards, which the landlord’s current arrangements are not strong enough to put right. This will be significantly impacting on service outcomes for tenants and/or accountability to tenants”*.

Following the publication of the downgrade, the RSH says it expects the landlord to develop a plan that will “drive significant change” and to share that with tenants.

Here, we break down each regulatory judgement to help members understand how the RSH reached its decision.

RSH regulatory judgements

Publication date: 9 July 2024

Note: All flow from self-referrals and regulatory engagement. None arise from inspection under new regulatory regime.

Guildford Borough Council – C3

Electrical safety:

- Guildford BC has around 1,700 homes without a current electrical condition report
- Approximately 1,000 homes have unsatisfactory certificates
- Over 100 communal blocks lack evidence of a current electrical condition report
- A data cleansing exercise is needed to confirm completed electrical safety remedial actions.

Asbestos re-inspection:

- Guildford BC lacked a consistent process for re-inspecting asbestos in communal areas
- More than 100 re-inspection surveys were overdue.

Fire safety:

- Guildford BC has over 1,300 medium and low-risk fire remedial actions without evidence of completion
- A validation exercise is underway to confirm the status.

Transparency, Influence, and Accountability Standard:

- Guildford BC failed to collect and report annual performance data using defined measures (TSMs) for the 2023/24 reporting year.

Bristol City Council (Bristol CC) – C3

Electrical safety:

- Over 50% of Bristol CC's domestic properties lack evidence of a current electrical safety certificate
- The level of risk from outstanding electrical remedial actions is uncertain
- Bristol CC is working to establish the risk profile for these actions.

Smoke and carbon monoxide alarms:

- For more than 85% of its homes, Bristol CC has not demonstrated compliance with relevant regulations regarding alarms.

Asbestos safety:

- Bristol CC lacks valid communal asbestos surveys for all its blocks
- There is no consistent reinspection process for communal areas.

Fire safety:

- Bristol CC has around 3,000 outstanding fire remedial actions
- Low confidence exists in data management related to fire safety
- Limited information is provided on fire safety risk mitigation during ongoing remedial actions.

Condition understanding:

- Bristol CC lacks up-to-date survey data on the majority of its homes
- Over 80% of surveys were conducted more than five years ago.

Octavia Housing – C3/G3/V3

Fire safety:

- Octavia experienced a serious fire incident at one of its properties in January 2024
- The London Fire Brigade issued Notifications of Fire Safety Deficiencies for 13 of Octavia's buildings since May 2023
- Over 1,200 overdue fire safety remedial actions (high or medium priority) remain unresolved.

Other health and safety requirements:

- Octavia lacks sufficient assurance that it meets various health and safety requirements
- Records related to health and safety inspections are incomplete and inaccurate
- Compliance with legally required or recommended timescales is uncertain
- Smoke and carbon monoxide detectors may not be installed as legally required.

Sheffield City Council (Sheffield CC) – C3

Repairs and maintenance:

- Sheffield CC experienced increased demand and waiting times for repairs
- Over 14,000 work-in-progress repairs were outstanding in January 2024 (reduced to around 10,000 by April 2024)
- Service standards for emergency and non-emergency repairs were not met
- Planned repairs often exceeded agreed timescales and routine repairs were overdue
- The average completion time for planned repairs significantly exceeded the standard.

Systems and oversight:

- Sheffield CC lacked sufficient assurance regarding effective systems and controls for repairs
- Evidence suggested inadequate action to address deteriorating repairs performance.

Home condition understanding:

- The Safety and Quality Standard requires accurate, up-to-date understanding of home conditions
- Assurance is lacking that Sheffield CC's homes meet the requirements of the Decent Homes Standard
- Evidence indicates an inaccurate record of home conditions.

Also included in this batch of regulatory judgements is Cambridge City Council, which failed to meet the regulator's Rent Standard after overcharging 3,600 tenants.

Please note: RSH does not give gradings in relation to the rent standard

Cambridge City Council (Cambridge CC)

Rent reduction failure:

- Cambridge CC failed to apply the 1% rent reduction required by the act between 2016/17 and 2019/20 for approximately 300 affordable rent properties
- The estimated scale of required refunds is around £1m, pending detailed case-by-case analysis.

Rent policy error:

- Since 2004, Cambridge CC's rent policy erroneously de-pooled service charges for gas and lift maintenance from rents
- This resulted in overcharging tenants since April 2004
- About 3,600 tenants (approximately half of all Cambridge CC's tenants) were financially impacted
- The total overcharge due to this error is around £3.2m.

Compliance and transparency:

- Serious failings were identified in how Cambridge CC delivered outcomes related to the Rent Standard
- Assurance of previous compliance with the act is lacking.

Commenting on the first batch of Consumer Standard-related downgrades, Kate Dodsworth, Chief of Regulatory Engagement at RSH, said: *"Landlords must provide safe and Decent Homes for tenants, have an effective complaints process, and put things right when there are problems. (These) judgements show that each of these landlords have issues which they need to address promptly."*

All landlords need to make sure they deliver the outcomes in our standards and inform us when there are material issues. Our new approach to regulation, which started in April, gives us new tools to scrutinise landlords' performance and, where there are issues, drive them to deliver long-term improvements for the benefit of tenants."



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