



Committee Report

PURPOSE: Final Decision Report

KEY OR NON-KEY DECISION: Non-key decision

COMMITTEE: Homes and Housing Delivery Committee

DATE: 20 September 2024

TITLE: Housing & Consumer Standards Programme and Compliance Update

Ward(s): Citywide

Officer presenting the report: Fiona Lester and Richard James **Job title:** Director of Housing & Landlord Services and Housing & Consumer Standards Programme Lead

Committee Chair: Cllr Barry Parsons

Executive Director lead: John Smith: Executive Director for Growth & Regeneration

Proposal origin: BCC Staff

Purpose of Report:

1. To note and comment on the Housing & Consumer Standards Programme (H&CSP) improvement plan summary.
2. To note and comment on the business as usual (BAU) and H&CSP landlord compliance performance updates.
3. To seek approval for the proposed enhanced strategic reporting suite covering the council's social landlord function.
4. To note and comment on the update on landlord compliance and building safety related corporate risks.
5. To note for information the summary H&CSP governance map
6. To seek approval for the learning and development proposal for the Homes & Housing Delivery Committee (H&HDC).

Evidence Base / Options to consider:

1. H&CSP Improvement Plan Update Summary

- 1.1. In May 2024, the Council implemented the H&CSP and a dedicated programme board that oversees the delivery of the programme objectives. This includes the delivery of actions within the programme's improvement plan. An initial improvement plan was shared with the Regulator of Social Housing (RSH) as part of the self-referral submitted in April 2024. On the 9 July 2024, the RSH published a Regulatory Judgement that confirmed a Consumer Standards Grading of C3 and

highlighted serious failings in how the Council deliver against the Safety & Quality Standard (see a link to the Regulatory Judgement under the 'background documents' section).

- 1.2. A revised improvement plan that addresses the issues set out in the Regulatory Judgement has been approved by the H&CSP Board and shared with the RSH. Progress against the improvement plan is shared with the H&CSP Board and RSH monthly. An update summary will also be brought to each H&HDC for noting and comment.
- 1.3. The update summary is included in appendix Ai. It provides an update on progress with the current phase and overall programme actions. It also identifies key work areas at risk of delay and summarises general progress against each programme workstream and phase. A summary at the top of the improvement plan update gives an outline of the five workstreams and what activities are covered in each workstream. Workstream 1 covers the issues identified in the Regulatory Judgement.
- 1.4. There are currently 101 tasks included in the programme although this is likely to increase slightly as additional improvement activities are identified. Tasks represent activities required to meet the RSH's Consumer Standards. The type of task depends on the workstream and improvement required. There is a summary of what is included in each workstream at the top of appendix Ai. Tasks can include carrying out inspection and remedial work backlogs to developing a new policy. Two areas that will shortly have tasks added to the improvement plan are:
 - A review and strengthening of the governance and control environment for regulatory returns on the social landlord
 - The upcoming sector wide mandatory training and qualifications for social housing senior managers and social housing executives.
- 1.5. The phase one management summary states that, generally good progress is being made with the delivery of the phase one (April 24 to Sept 24) tasks. Table 03 of the summary in appendix Ai shows that to date 78% of tasks are either 'complete' (53%) or 'On Track / Not Yet Started' (25%). There are 22% of tasks identified as 'Overdue / At Risk of Delay'. The current RAG (Red, Amber, Green) rating is currently stated as 'Green' and is based on a standard BCC methodology related to the status of individual tasks.
- 1.6. Table 02 of the summary in appendix Ai shows that 77 out of the current 101 total programme tasks are due by the end of March 25. Table 02 also shows that to date, 85% of the programme tasks are either 'complete' (17%) or 'On Track / Not yet started' (68%). There are 15% of tasks identified as 'Overdue / Risk of delay'. The overall programme has been allocated an 'Amber' status due to challenges with the key dependency IT Implementation programme. There are also a number of key areas that are at risk of delay as outlined in table 01 (see item 1.7). Over the last quarter, there has been a significant focus on the urgent health and safety related tasks in phase one of the programme resulting in not as much focus on some less critical later phase tasks. There will be a higher focus on phase two (Oct to Dec 2024) and three (Jan to March 2025) tasks from October 24 once further progress has been made with accelerating delivery of the currently active tasks.
- 1.7. Table 02 of the summary in appendix Ai shows that the majority of tasks are under workstream one and relate to the Safety & Quality Standard. A large proportion of these tasks are due in phases one

& two of the programme. There are also a number of key tasks included in phase one which are workstream five cross cutting activities.

1.8. Table 01 of the summary in appendix Ai identifies; damp & mould, Electrical safety, fire safety and Housing, Health & Safety Rating System remedials (HHSRS - a government prescribed way of identifying and categorising housing risks) as activity areas that are most at risk of delay. The table summarises the risk and gives a summary of the key mitigation measures.

2. Update on Current Performance Against Landlord Compliance Activities

2.1. Appendix Aii summarises performance against the business as usual (BAU) and H&CSP specific landlord compliance related activities. This performance information is in addition to the existing corporate performance reporting. The performance report is an enhancement from what has been previously provided. It should be noted that improving the quality and breadth of information provided through performance reports is a 'work in progress'. Significant further development is required to the reporting format, data and systems to provide the level of information required to ensure the Committee is fully informed of the social landlord's performance against key performance metrics. Improving the performance information provided is a key part of the programme's improvement plan and item 3 outlines the enhanced social landlord related strategic measures that are being developed. These will be provided to the committee from the start of the 2025/26 financial year.

2.2. The tables in the first half of appendix Aii outlines the current BAU performance position at the end of Q1 2024/25 (up to end of June 2024). The narrative outlines what the performance situation is, reasons for the current performance and what is / will be done to improvement performance if it's under the target.

2.3. The bar charts and tables in second half of appendix Aii summarises performance against the non-compliance / backlog areas included in the self-referral to the RSH in April 2024 and their Regulatory Judgment. The bars in blue highlight the self-referral position and the bars in orange outline the current performance position. In some areas ongoing data analysis into BCC's compliance position has meant that larger backlogs have been identified than was known at the time of the self-referral. These are identified with a grey bar. The tables also give further dialog on; the performance, reasons for the current performance and plan to improve performance.

3. Proposed Strategic Performance Suite for the Social Landlord Function

3.1. As outlined in section two, an area of weakness for the Council is the lack of an adequate strategic performance information covering the social landlord function. There are currently only a small number of Corporate Business Plan performance metrics that relate to the areas covered by the Consumer Standards. This doesn't include any corporate performance metrics covering landlord statutory compliance activities.

3.2. A proposal was considered and approved by the H&CSP Board on 3 July and the Corporate Leadership Board (CLB) on 23 July 2024, to significantly increase the strategic metrics. There are 47 metrics proposed in the new performance suite. The proposed suite of performance metrics approved in principle by the H&CSP board and CLB is included in appendix Aiii. The performance metrics table identifies the measures by area. The 47 metrics proposed include two existing BCC

Corporate Business Plan metrics (shown in bold in the table), 25 Tenant Satisfaction Measures (RSH statutory reporting metrics) and 20 not currently collated or reported.

3.3. The H&CSP has agreed that the priority is to improve the landlord compliance related performance reporting. It should be noted that this is the area that will provide the most challenges regarding data accuracy and systems to support the generation of the performance figures. The H&CSP agreed that the performance pack will be developed and implemented over the next 6 months and fully implemented for the start of the 2025/26 financial year. This timeline is included within the improvement plan shared with the RSH.

3.4. In the 19 July H&HDC meeting, The Committee was asked to *“give consideration to the frequency and type of assurance it requires to enable it to perform its general governance and oversight responsibilities; including the oversight of delivery against the Housing and Consumer Standards Programme”*. The Committee confirmed that they would like to receive updates on progress with the improvement plan tasks and general performance information at each meeting. It is proposed that an improvement plan update summary (see section one) will be brought to each Committee along with performance information on key programme related compliance backlog activities (see section 2). It is proposed that business as usual performance metrics will be published quarterly.

4. Update on Landlord Compliance and Building Safety Related Strategic Risks

4.1. BCC’s corporate risk report is taken to the Strategy and Resources Committee for consideration. There are currently two corporate risks that feature in the risk report. These are:

- CRR52 – Failure to manage and evidence compliance with the Building Safety Act 2022 Obligations... (Q1 2024/25 risk level of 21 – High level risk)
- CRR60 – Failure of the HRA stock to meet landlord obligation, the decent homes standard and consumer standards... (Q1 2024/25 risk level of 28 – Critical / Significant level risk)

4.2. Both CRR52 and CRR60 risks have been updated for the Q2 2024/25 position and are currently progressing through the Council’s governance pathway prior to consideration by the Strategy and Resources Committee. The progress with the H&CSP will impact on the risk mitigation actions although both risks are likely to remain at a ‘high’ or ‘critical’ risk level while the delivery of the H&CSP’s health and safety related actions continue to gain momentum.

4.3. In addition to the landlord compliance risks outlined in item 4.1, the Council is closely monitoring the impact on other emerging risks associated with financial pressures on the HRA’s in-year 2024/25 budget and future years budget and business plan. These risks are in the process of being developed.

5. H&CSP Governance Map

5.1. The table below summarises the reporting pathway to the H&CSP Board and then the H&HDC.

Governance Map for Reporting to and from Programme Board and H&HDC

KEY: **Highlighted groups** and **activity** which is not primarily focused on business as usual (BAU) for which the Programme Board needs to receive and provide updates on the Improvement Plan and progress towards regulatory compliance.

| GROUP | Project Board 1 (Work Stream 1& 5) Project Board 2 (WS 2, 3, 4, & 5) | HSLT (Housing Services Leadership Team) | EDM - Growth & Regen (Executive Director Meeting) | Housing and Consumer Programme Board | CLB (Corporate Leadership Board) | PCCB (Policy Committee Chairs Briefing) | H&HSC (Homes and Housing Delivery Committee) |
|-----------|---|--|---|---|---|--|--|
| Frequency | Fortnightly | Weekly | Weekly | Monthly | Weekly | Weekly | Every 2 months |
| Purpose | Review and update on progress against the HCS Improvement Plan | BAU performance management and other team activity. Review project team updates for programme board | Departmental meeting in which Housing is one element. John provides programme board update as required | Oversight of regulatory engagement, progress on improvement plan and issues arising from this programme | Executive lead of the council. John reports on Programme Board Update on <u>a monthly basis</u> | Housing lead and deputy chair receive briefings and updates on housing related <u>activity</u> Regulatory briefing prior to HHSC | BAU Housing performance / KPIs / TSMs Oversight of all housing activity Oversight of programme board delivery |
| Chair | Des Vincent – Project Board 1 Richard James – Project Board 2 | Fiona Lester | John Smith | John Smith | Paul Martin | Councillor Parsons | Councillor Parsons |
| Support | Laura | Richard | Fiona & Richard | Richard | Fiona & Richard | Fiona | Fiona & Richard |

6. Learning and Development proposal for the Homes & Housing Delivery Committee

6.1. As mentioned in the H&HDC July 2024 update report, consideration is being given to awareness training for key officer groups and Cllrs on the H&HDC. The training is designed to:

- Provide an overview of the social housing sector
- Outline the regulatory environment
- Outline the responsibilities of key officer and Cllr Groups
- Give an external view on BCC's H&CSP

6.2. For the H&HDC, it is proposed to employ Savills to carry out the awareness training. Savills undertook the external Consumer Standards Review and the Landlord Compliancy Data Analysis and are currently acting as a 'Critical Friend' on the H&CSP Board. It is proposed to hold an initial half day session with the H&HDC that will cover:

- Housing external scan of the sector including key risks
- Role of H&HDC and sector wide best practice for LA's regarding governance and oversight
- Understanding Consumer Standards and links to governance
- The role of a reporting & assurance framework
- Role of the RSH and their approach to regulation & regulatory grading
- Review of the Committee Terms of Reference and consideration on whether amendments are required to reflect the required role of the Committee
- The improvement plan and how progress is monitored and evaluated

6.3. The Committee is asked to consider, comment and approve the proposed awareness training proposal.

Officer Recommendations:

That the Committee for Homes & Housing Delivery

1. Note the Housing & Consumer Standards Programme (H&CSP) Improvement Plan summary.
2. Note the business as usual (BAU) and H&CSP Landlord Compliance performance updates.
3. Approves the proposed enhanced strategic reporting suite covering the council's social landlord function.
4. Notes the update on landlord compliance and building safety related corporate risks.
5. Notes the summary H&CSP governance map
6. Approves the Learning and Development proposal for the Homes & Housing Delivery Committee.

Corporate Strategy alignment:

1. Homes and Communities:
Management of council homes is pivotal in providing residents with safe warm, secure and affordable accommodation

City Benefits:

1. Fourteen percent of housing in Bristol is owned and managed by BCC, the quality of the homes and services provided by BCC impacts directly on a significant number of households, as well as contributing to delivery of objectives in the Council's Corporate and Housing strategies.
2. The Housing & Consumer Standards Programme will ensure that the; safety, quality, comfort and sustainability of the fourteen percent of housing owned and managed by Bristol is improved. Also, that the residents voice is heard and services are provided to meet the diverse needs of residents.
3. Significant investment in BCC's homes was agreed in the 2024/25 budget. The investment is focused on improving the safety and quality of homes, making them more energy efficient and building more high-quality homes to meet the increasing demand for social housing within Bristol.

Consultation Details:

1. The external reviews included engagement with a range of colleagues from across BCC.
2. There has been proactive communication on the self-referral to the RSH, RSH's Regulatory Judgement and the H&CSP with BCC tenants and leaseholders, BCC colleagues, Cllrs and other external stakeholders. Further engagement events with tenants are taking place in September.
3. A detailed Communications Strategy was approved by the H&CSP Board on 28 August 2024. The strategy includes the implementation of a dedicated communications resources who will work closely with existing teams and lead on the coordination of external and internal communications. The key Coordination role will be in place from the start of September 2024.

Background Documents:

- 20 July H&HDC Housing Compliance Update report ([10.1 Report - Hsg Cons Stds Prog compliance update.pdf](https://www.bristol.gov.uk/10.1-Report-Hsg-Cons-Stds-Prog-compliance-update.pdf) ([bristol.gov.uk](https://www.bristol.gov.uk)))
- RSH's 9 July 2024 Regulatory Judgement (<https://www.gov.uk/government/publications/bristol-city-council/bristol-city-council-00hb-regulatory-judgement-9-july-2024>)

- RSH guidance on New Regulatory Framework ([Reshaping Consumer Regulation – Our New Approach](#))
- Implication of new legislation on High Risk buildings ([Guidance on the criteria for being a higher-risk building - GOV.UK \(www.gov.uk\)](#))
- Housing Ombudsman information on the new Complaint Handling Code ([The Complaint Handling Code | Housing Ombudsman Service \(housing-ombudsman.org.uk\)](#))

| | | | |
|--|-----|--|----------------------------------|
| Revenue Cost | N/A | Source of Revenue Funding | Housing Investment Plan Approved |
| Capital Cost | N/A | Source of Capital Funding | N/A |
| One off cost <input type="checkbox"/> Ongoing cost <input checked="" type="checkbox"/> | | Saving Proposal <input type="checkbox"/> If yes - existing or new saving? Choose an item. OR Income generation proposal <input type="checkbox"/> | |

Professional comments section:

1. **Finance Advice:** During the 2024/25 years budget setting we made allowances for anticipated additional costs for increased safety works. It is likely that actual costs will be higher than our allocation in some areas although this hasn't been fully determined. To date, there is a current estimated overspend in year of c.£2.4m for additional spend related to the repairs backlog which includes the completion of remedial works related to safety inspection. We are continuing to undertake our detailed data review which will last until the end of the year. This could result in the identification of additional works that may increase the current budget pressure. There is also an anticipated £1.8m overspend on Waking Watch costs due to delays in the installation of new fire alarm systems because of the time it is taking to gain approval from the new Building Safety Regulator for these works.

We are reviewing a number of cost mitigation options that could be utilised to enable us to accommodate the anticipated health & safety and repair backlog works overspend.

Finance Business Partner: Martin Johnson, Interim Finance Manager Housing and Landlord Services, 3 September 2024

2. **Legal Advice:** The report sets out an update on the plan for mandatory compliance with the Social Regulator's Judgement and will enable the Committee to assess compliance with the recommendations in the Judgement as well as statutory duties that were set out in the previous report (referenced in this report as a background document).

Legal Team Leader: Nancy Rollason, Head of Legal Services, 9th September 2024.

3. **Implications on IT:** The Housing & Consumer Standards Programme will involve enhancements to the collection and management of data and use of IT systems. Optimising the use of the new NEC system and other corporate systems will be critical in the improvements required to data management and reporting. The technology and data teams will have a key role to play in the delivery of data and system related improvement objectives.

IT Team Leader: Polly Thompson, Head of Digital Strategy and Transformation 10 September 2024

4. **HR Advice:** To address immediate and long-term improvement actions, HR are supporting the service to

recruit additional temporary and permanent staffing resource to expedite the work.

The Director: Workforce and Change and the HR Business Partner for Growth and Regeneration are on the board and HR will provide ongoing dedicated support to the programme.

HR Partner: Celia Williams, HR Business Partner 10 September 2024

APPENDICES

Appendix A – Further essential background / detail on the proposal YES

- Appendix Ai - H&CSP Improvement Plan Update Summary (Aug 2024)
- Appendix Aii - Compliance Performance Report (Aug 2024)
- Appendix Aiii - Strategic Performance Reporting Pack Proposal

Appendix B – Equality Impact Assessment (EqIA) NO

Note – The H&CSP was included in the July 2024 update

Appendix C – Environmental Impact Assessment (Environmental Impact Assessment) NO

Note – Propose to utilise the 2024/25 EIA as the activities that will impact an EIA remain the same although will be re-prioritised.

Appendix D – Decision Risk Assessment NO

Appendix E – Exempt Information NO

Appendix F – Details of consultation carried out - internal and external NO

Appendix G – Options appraisal matrix NO

Appendix H – Business case / financial analysis NO