

5 March 2024

Report of	Chief Operating Officer	Author	Geoff Beales
Title	Review of Colchester Borough Homes Performance		
Wards affected	All wards		

1. Executive Summary

- 1.1 The purpose of this report is to give Committee the background to the new regulatory regime for housing which commences on 1 April 2024 and an update on CBH's current performance. Performance targets contained within the Colchester Borough Homes Medium-Term Delivery Plan for 2024/25 are also provided to Members for any questions they may have regarding the performance requirements for the next financial year.

2. Recommended Decision

- 2.1 Committee is invited to note the performance targets for 2024/25 and make any comments or recommendations to the Portfolio Holder for Housing and Colchester Borough Homes (CBH) on performance management arrangements for 2024/25 and beyond. (see Appendix 2 – for performance targets 2024/25)
- 2.2 Committee is asked to agree the new reporting arrangements as set out in section 5 of the report.

3. Reason for Recommended Decision

- 3.1 CBH is a wholly owned arm's length company of the Council and delivers the majority of the Council's housing functions, in particular those connected with the Council's housing stock and delivery of homelessness and housing advice services. As such CBH has a key role to play in contributing to the achievement of the Council's Strategic objectives. As the Council's shareholder Committee it is appropriate for the Governance and Audit Committee to review the performance on a regular basis.
- 3.2 As we move into a new regulatory regime from April 2024 it is imperative that the Council seeks assurance on performance of its housing services. Where performance does not achieve the target reasons or mitigations are given for this to show that scrutiny has been undertaken and any risks are minimised and understood. The Council as Landlord is responsible for meeting the regulatory requirements.

4. Background Information

- 4.1 The Council signed a ten-year Management Agreement with CBH in August 2013. In November 2020 Cabinet agreed a five-year extension to the Management Agreement to August 2028.
- 4.2 The Management Agreement Schedules include a Liaison Protocol which sets out how the Council and CBH will make decisions and how the Council will monitor performance. This includes a quarterly Principal Liaison meeting to monitor strategic, operational, financial and performance matters, including agreeing annual targets and reviewing progress against these, monitoring progress against the Medium-Term Delivery Plan, and overseeing the direction and implementation of the Councils Housing Asset Management Strategy and the Housing Revenue Account Business Plan. The Liaison Protocol also sets out the informal liaison arrangements between the Chief Executives of the Council and CBH and between the Chief Executive of CBH and “the Council’s Representative”.
- 4.3 From April 2024 we will enter a new regulatory regime overseen by the Regulator of Social Housing (and sponsored by the Department for Levelling Up, Housing and Communities). The approach and objectives of the Regulator are set out in the Social Housing Regulation Act which became law in July 2023. The approach is new for Local Authorities.
- 4.4 The Regulator will ‘proactively’ monitor landlords’ compliance to a new set of Consumer Standards, which builds upon an existing set. The Regulator’s focus will be on organisational issues. The Housing Ombudsman will continue to manage individual complaints.
- 4.5 Landlords in essence need to show that their properties are decent, safe and compliant. This assessment should be made up of accurate data about the stock and about tenants. It is also a requirement that tenants views are taken into account, considered and listened to. Information on services and performance should be published and made available for tenants to scrutinise.
- 4.6 The new Consumer Standards are:
- Safety and quality
 - Tenancy
 - Transparency influence and accountability
 - Neighbourhood and community
- 4.7 The Regulator will use their new powers to hold Landlords to account through:
- Property inspections
 - Provider inspections
 - Information
 - Professionalism of housing staff
- 4.8 All landlords including this Council will be subject to an ‘inspection’. Inspections of Local Authorities will focus solely on consumer issues and the new Standards. Inspections will commence from 1 April 2024 and the Council can expect this to occur sometime over the next four years. The Council will receive six weeks’ notice that this will take place. They are likely to include the following:

- Request of relevant information
 - Observation of meetings
 - Meeting with key people, including lead Councillors and tenants
 - Assess a range of evidence to check standards are being met
 - Ask for more information if there are significant gaps
- 4.9 The Regulator can also direct Landlords to collect and publish information on their performance, including specifying what information is required, over what period it should be collected, how the information is collected, analysed and published, what is to be published and in what form.
- 4.10 An example of the above is a new suite of Tenant Satisfaction Measures (TSM's). These are made up of key performance data and satisfaction of tenants with the service they receive. These will be collected annually at the end of the financial year, collated by the Regulator and published in a table format. The Council completed its first annual satisfaction survey of tenants under the new regulation over the summer of 2023.
- 4.11 The Act also introduces powers for the Regulator to set competency and conduct standards for housing staff. It will be mandatory for some staff that work in housing and with tenants to have a relevant suitable qualification. A consultation on how this may work and the standard required was sent to providers in February 2024.
- 4.12 Between staff in CBH and the Council we have been preparing for the new regulatory regime over the last couple of years and we are ready for the challenges this brings across our organisations. We continue to assess ourselves against the new standards, ensure that the data we have is robust accurate and relevant.
- 4.13 Relevant reporting will continue to come to the Committee to give assurance that the regulatory requirements are met, the standards are being achieved and to ensure scrutiny around performance. To this end Committee is asked to consider and note the Medium-Term Delivery Plan performance (at Quarter 3) for Colchester Borough Homes for 2023/24 (Appendix 1) and the 2024/25 targets (Appendix 2) and make any further recommendations to the Portfolio Holder for Housing or Colchester Borough Homes in regard to these.

5. Current Position

- 5.1 Specifically with regard to regulatory changes that commence in April, the RSH will be looking at the assurance that Councillors are getting about the quality of homes, service performance and engagement with tenants. It is recommended that the following approach be adopted to enable the City Council to evidence this.
- Quarterly reporting by the CE of CBH as Strategic Housing Lead to this Committee on the quality of the Council's homes, service performance and engagement with tenants. It is suggested that in the first instance this reporting take place quarterly as this will provide the information for Councillors to challenge and gain assurance of compliance, through CBH's work, with the new RSH regulatory framework that commences in April.
 - Full Council will receive assurance on adherence to the new RSH regulatory regime through the minutes from and work of G&A Committee.
 - Reporting in this way will itself support the Council in being able to evidence adherence to the new regulatory framework as the RSH will be looking at the assurance that Councillors are getting.

- Enhanced reporting of CBH's performance to this Committee is consistent with the outcome of the HQN review completed in early 2023 and the subsequent work of the Oversight Group.
- The approach would provide greater visibility of social housing regulation in general and of CBH's performance.

5.2 In addition to the recommended approach set out in 5.1 the intention is for the following reporting to the Council's Cabinet:

- Quarterly social housing update reports from the CE of CBH as Strategic Housing Lead. This would raise awareness on topical and emerging housing related issues via a "state of the nation" report. This will inform CCC's current and future housing strategy and housing policies.
- Items requiring a decision by Cabinet will be incorporated into the quarterly updates, and
- Five housing KPI's will continue to appear on the Councils corporate dashboard.

5.3 The recommended approach to future reporting would hence mean that, through CBH, performance and regulatory assurance reporting to the Council is through this Committee with decisions and "state of the nation" reporting to Cabinet.

5.4 The CE of CBH will be responsible and accountable for regulatory assurance and ensuring quarterly assurance reports that align with expectations in the new regulatory framework are prepared and reported to the Council's Senior Leadership Board and this Committee. The CE of CBH is also the designated person in respect of the Council's Registered Provider compliance with its health and safety obligations towards tenants as required in the Social Housing Regulation Act 2023.

5.5 With regard to the TSM's referred to in 4.10, performance for 2023/24 is due to be reported for the first time to the Regulator in June 2024. It will then be possible to comprehensively report on CBH's performance compared to peers. Some comparable data is available, although this will change over time as more and more landlords complete and publish their TSM data. To provide an indication of current performance, the median overall service satisfaction for all England local authorities and ALMOs in December 2023 stood at 65.0% and this compares to 68.4% for CBH. It is worth noting that Housemark, the national social housing benchmarking organisation are reporting that fresh results for overall satisfaction are typically 7 to 8 percentage points lower than their previous results and that formal complaints across the sector nearly doubled between December 2021 and December 2022. Some of the TSM's are perception and not transactional surveys and hence include responses from residents who may not have experienced the service. For example, Housemark reported in November that 34% of social housing tenants nationally are satisfied with the handling of a complaint using the TSM perception survey. Whilst this is similar for CBH, for those using the service (transactional survey) the latest result for CBH is 80.4%. The full set of benchmarked TSM results will be reported following their collation by the RSH after the June 2024 submission as results will change over the coming months as more landlords submit their data. However, in advance of this a suite metrics with CBH's current performance as well as CBH's TSM's are provided at Appendix 3.

6. Recent CBH Highlights

6.1 Highlights include CBH's health and safety compliance performance at the end of December 2023 as indicated below:

Required gas safety checks carried out	100%
Passenger lifts safety checks carried out	100%
Asbestos management surveys carried out	100%
Fire risk assessments carried out	100%
Legionella risk assessments carried out	100%
Homes with a current (within 5 years) electrical safety check	99.83%

6.2 Additional non metric highlights for CBH in the last 3 months include:

- *Achieving TPAS accreditation*; this is a prestigious award that recognises housing providers who have demonstrated a high level of commitment to tenant engagement. To achieve accreditation CBH had to go through a rigorous assessment process, which included demonstrating its strong culture of involvement and its ability to drive business improvements for itself and its tenants.
- *Winning the Neighbourhood Transformation award at the Essex Housing Awards 2023*; The award recognises outstanding contributions to improving the quality of life in a neighbourhood. CBH won for its work to reduce Anti-Social Behaviour (ASB) and crime in Greenstead.
- *Being recognised for its long service under the Essex Police Community Safety Accreditation Scheme (CSAS)*; CBH were recently presented with a certificate and award. The CSAS gives CBH a range of powers usually only available to police, such as the authority to issue fixed penalty notices for certain offences.

7. Current CBH Challenges

7.1 *The volume of damp and mould cases*; the number of inspections raised increased by 96% from 234 to 458 between August 2022 and August 2023 and this trend is continuing. There is also emphasis now on the landlord taking greater responsibility for instances of damp and mould which combined with the increase in volume means that this is a much more resource intense area of CBH's activity.

7.2 *Repairs contractor performance*; the in house CBH team completed 89% of jobs on time in quarter 3 2023/24. This compares to only 70% for contractors and CBH is focussed on ensuring this continues to improve.

7.3 *Void (re-let) performance*; this improved from 42.1 days at the end of quarter 2 to 32.5 days in December. However, this is against a target of 28 days and CBH is continuing to challenge each stage of the re-let process to improve performance.

7.4 *Homelessness prevention and temporary accommodation*; Committee will be familiar with the intense pressure in this area of CBH's activity due to the significant increase in demand on the service and on temporary accommodation.

8. Equality, Diversity and Human Rights implications

8.1 The work undertaken in homes ensures that the services remain operational and efficient, tackling inequality in living standards and providing home improvements for the tenants. This is also true of the wider Housing Investment Programme works planned

through an Asset Management Strategy. The Equality Impact Assessment for the Council's Asset Management Strategy is [here](#).

- 8.2 Through the Housing Procurement Strategy within the Asset Management Strategy, staff ensure that all future procurement and purchasing documentation recognises, understands, and supports the Council and CBH policies regarding equal opportunities, diversity, and human rights.

9. Strategic Plan References

- 9.1 The services and projects delivered by the Council and CBH contribute directly to the following Strategic Plan 2023-2026 priority areas:

- **Respond to the climate emergency**
 - Reduce our carbon footprint.
 - Ensure Council homes benefit from increased energy efficiency.
- **Deliver Modern Services for a Modern City**
 - The Colchester Council family of organisations work together to a shared and ambitious vision for the future of our city.
 - Continue to invest in our homes to deliver quality social homes and services for tenants and leaseholders.
 - Put communities and their needs at the heart of our vision and support local areas as they help shape and deliver services which are most important to them.
 - Work closely with partners, charities and organisations to add value.
- **Improve health, well-being, and happiness**
 - Tackle the causes of inequality and support our most vulnerable people.
 - Work with residents and partners to address quality of life and issues of happiness.
- **Deliver homes for those most in need**
 - Increase the number and quality and types of affordable homes.
 - Meet our duty to prevent or assist those facing homelessness.

10. Consultation

- 10.1 Performance information and monitoring is developed in conjunction with CBH Board Members, Council Officers and the Portfolio Holder for Housing. As part of its development, it is also subject to scrutiny by tenant and leaseholder representatives.

11. Publicity Considerations

- 11.1 The Medium-Term Delivery Plan 2022-27 has been widely distributed which contains all the performance information for 2023/24 and targets for 2024/25. Performance information reflects the move to a set of new Tenant Satisfaction Measures and a regulatory regime.

12. Financial implications

- 12.1 The budget for the Housing Revenue Account is approved by Cabinet and Full Council each year. Individual contract awards for 2023/24 have been delegated by Cabinet to the Portfolio Holder for Housing. Sufficient budgetary provision has been made to fund work to ensure that homes remain decent safe and compliant.

13. Health, Wellbeing and Community Safety Implications

- 13.1 Improving and maintaining the Council's housing stock is thought to have broadly positive implications for communities across the Borough. Adhering to new Consumer Standards and ensuring properties are safe and compliant forms part of the new regulatory regime that will commence from April 2024.

14. Health and Safety Implications

- 14.1 It is a requirement of the quality element of the contract tender process that bidders demonstrate an excellent approach to the management of Health & Safety and understand the implication of both working in tenants' homes and conducting planned works in a safe manner.
- 14.2 Through the role of Contract Administrator Colchester Borough Homes will ensure Health and Safety and Construction, Design and Management Regulations and requirements are fully complied with throughout any programme of works in and around tenants homes.

15. Risk Management Implications

- 15.1 Failure to operate robust governance arrangements can potentially lead to poor management, performance, stewardship of public engagement and, ultimately, poor outcomes for citizens and service users. It increases the risk that the Councils and CBH's priorities will not be delivered. Reviewing the arrangements, governance and performance and identifying and addressing the key issues minimises these risks.

16. Environmental and Sustainability Implications

- 16.1 Ensuring properties remain desirable and in a safe condition has clear benefits for current and future tenants' health and wellbeing.
- 16.2 As part of the Housing Asset Management Strategy a Housing, Environmental and Sustainability Strategy has been produced. Using a specialist energy efficiency modelling database, we have looked at scenarios for delivering all our homes to EPC Band C by 2030. Funding has been secured from the Social Housing Decarbonisation Fund to ensure delivery of this target.

Appendices

- Appendix 1 - Medium Term Delivery Plan Q3 2023/24 Performance
- Appendix 2 – Medium Term Delivery Plan, Performance Indicators and targets 2024/25
- Appendix 3 – CBH Benchmarked Performance

Background Papers

[Social Housing Act](#)

[Consumer Standards](#)

[Tenant Satisfaction Measures](#)

[Competency and Conduct Standard Consultation](#)