

Regulatory Change in Housing (Scrutiny Committee Update)

Report Author:	Michelle Howard , Director for Housing and Communities (Deputy Chief Executive) Alison Bennett , Assistant Director (Housing Management)
Chief Officer Responsible:	Michelle Howard , Director for Housing and Communities (Deputy Chief Executive) mhoward@melton.gov.uk
Lead Member/Relevant Portfolio Holder	Leader of the Council & Portfolio Holder for Housing, Leisure & Landlord Services

Corporate Priority:	High Quality Homes and Landlord Services
Wards Affected:	All Wards
Date of consultation with Ward Member(s):	Not Applicable
Exempt Information:	No

1 Summary

- 1.1 The Social Housing (Regulation) Act 2023 is now in place, marking a significant change for the social housing sector and a move from a reactive to a proactive regulatory regime, overseen by the Regulator for Social Housing (RSH). The new core requirements are an updated set of consumer standards, for which compliance will be assessed through a four yearly inspection programme.
- 1.2 The Scrutiny Committee received an update on the Council's preparation for Regulatory Change in housing at its meeting in September 2023. The Committee agreed to review the progress on preparing for regulatory change at their meeting in April 2024. The Committee also agreed that this meeting would be hosted in a community location and managed in a way that enables Scrutiny Committee Members to hear directly from tenants.
- 1.3 This report provides an update on the continued work being undertaken to prepare Melton Borough Council for the introduction of the new regulatory regime and upcoming inspection. The report will be accompanied by a workshop session with council tenants, to consider the outcome of the recent Tenant Satisfaction Survey.

2 Recommendations

That Scrutiny Committee:

- 2.1 **Consider and comment on the work undertaken to prepare for the new housing regulation regime and proactive consumer regulation inspection and provide feedback to Cabinet on areas for further development or improvement.**
- 2.2 **Consider the outcome of the Tenant Satisfaction Survey 23/24 and provide feedback to Cabinet that reflects the views of tenants on how the council can continue to improve its role as a landlord and how tenant satisfaction could be improved in the future.**
- 2.3 **Note that an annual report from the Landlord Assurance Board will be provided for consideration by Scrutiny Committee, Cabinet and Council, the first of these being for the period 24/25.**

3 Reason for Recommendations

- 3.1 To ensure that the Scrutiny Committee have the opportunity to consider and comment on the Council's preparations for the implementation of the new Social Housing Regulation regime and progress since the last report in September 2023
- 3.2 To provide a meaningful opportunity for tenant views to be considered as part of the Council's Scrutiny arrangements reflected in feedback to the Cabinet.

4 Background

- 4.1 April 2024 marks a significant change for the housing sector with the introduction of a new social housing regulatory regime, including proactive consumer regulation and an inspection programme for all landlords with over 1,000 properties.
- 4.2 There is more information about this in the [Cabinet report](#) from January 2024 and the [Reshaping Consumer Regulation](#) publication from the Regulator for Social Housing.
- 4.3 The Scrutiny Committee received an initial position update on the Council's preparation for Regulatory Change in housing at its [meeting](#) in September 2023. The Committee agreed to review the progress on preparing for regulatory change at their meeting in April 2024. The Committee also agreed that this meeting would be hosted in a community location and managed in a way that enables Scrutiny Committee Members to hear directly from tenants.
- 4.4 This meeting is taking place at Phoenix House, rather than in the Council Headquarters. The Chair of the Committee has written directly to Council tenants, inviting them to take part in a workshop which will follow the committee's consideration of this report.
- 4.5 An update on the regulatory regime, the Council's preparations, upcoming inspection and the tenant satisfaction survey 23/24 is set out on the following pages.

5 Main Considerations

5.1 Housing Regulation and Consumer Standards

- 5.2 Following the Grenfell Tower disaster in 2017 and the tragic death of Awaab Ishak due to damp and mould in his home, the Government committed to changes to the consumer regulation of social housing to strengthen the accountability of landlords for providing safe homes, quality services and treating residents with respect. It carried out extensive

consultation across the social housing sector, including with tenants, and set out its proposals in Green and White Papers, which were followed by the new legislation.

- 5.3 Tenants, landlords and other stakeholders have welcomed the introduction of measures intended to raise standards, increase transparency and accountability, and engage tenants. Melton Borough Council welcomes the changes and has been actively preparing for them.
- 5.4 Consultation has taken place on various matters linked to the Social Housing (Regulation) Act 2023. The Council has considered each consultation and has responded directly to a number of these including the recent consultations on Awaab’s Law and proposals to professionalise the housing sector (competence and conduct).
- 5.5 The Social Housing (Regulation) Act 2023 makes important changes to the objectives, powers and role of the regulator for Social Housing:

Objectives	Our remit is set out in law in a series of economic and consumer objectives. The Act has added the following to our consumer objectives: <ul style="list-style-type: none"> - Safety - Transparency - Energy Efficiency
Powers	The Act has altered how we can apply some of our existing enforcement powers and gives us some new powers. This will mean we have appropriate tools to use if needed when things go wrong. Importantly, it has removed the 'serious detriment' test, which currently places a high threshold on our ability to use our powers when we find a breach of the consumer standards. Removing the test will mean we will be able to investigate and take action where there is evidence about potential landlord failures in the consumer standards in the same way that we currently do for our other standards
Standards	We already have the power to set consumer standards, but the Act extended our standard setting powers to ensure they are aligned with our revised fundamental objectives and reflect the work government has asked us to do. The ability to set standards that landlords must meet is fundamental to our regulation.
Working with other bodies	Our work with other regulators and bodies, such as the Housing Ombudsman and the Building Safety Regulator, will continue to be an important element of our enhanced consumer regulation role. The Act puts the Memorandum of Understanding we have with the Ombudsman, which sets out our respective roles and how we will work together, on a statutory footing.

- 5.6 Together, these changes have led to a stronger and more active regulation of a set of **consumer standards**: [Reshaping Consumer Regulation](#) which took effect on 1st April 2024. They were published on 29th February 2024. As a landlord, Melton Borough Council must comply with the consumer standards.
- 5.7 A helpful visual guide to regulatory changes in housing since the Grenfell Fire can be found at Appendix A. It has been included to provide the committee with an overview of the changes since 2017 and the key reasons for the changes we see today.

5.8 The new Consumer Regulations (against which social landlords will be assessed to determine their compliance) are:

Safety and Quality Standard (outcomes about the safety and quality of tenants' homes)
Transparency, Influence and Accountability Standard (outcomes about how landlords provide information, listen to tenants, and act on their views)
Neighbourhood and Community Standard (outcomes about how landlords work with other organisations to help ensure tenants live in safe neighbourhoods)
Tenancy Standard (outcomes about how landlords allocate and let homes and manage tenancies)

5.9 The new rules require social landlords to demonstrate key things including:

- Have an accurate record on the condition of every home, based on checks of properties, so landlords can understand any problems and take action.
- Set clear timelines for the completion of repairs, maintenance and planned improvements, communicating them clearly to tenants.
- Give tenants opportunities to influence and scrutinise their landlord's services such as through meetings with tenant groups.
- Provide tenants with information about their rights and how to make complaints.
- Publish new tenant satisfaction measures to make it clear how tenants feel their landlord is performing and hold them to account.

5.10 **Internal Audit: Preparing for Regulatory Change (Housing)**

5.11 As part of its 23/24 audit plan, the Council took a proactive approach to seeking a review of its preparations for regulatory change, providing an important evidence base in support of preparing effectively for the inspection regime. The audit has concluded, and positive assurance has been provided relating to the council's preparations:

Internal audit assurance opinion

Assurance	Level	RAG status
Control environment	Good	Green
Compliance	Good	Green
Organisational impact	Medium	Amber

5.12 There are four medium priority recommendations arising from the audit. Two of the actions have been completed, with the two remaining actions underway. An update is provided below (see 5.14) and the full audit report can be found at Appendix B. Progress against audit actions is monitored via an audit tracker, which is overseen by Internal Audit colleagues, SLT and the Council's Audit and Standards Committee.

5.13 It should be noted that whilst the audit was underway, the Council was notified by the Regulator for Social Housing that it would be in the first cohort of Council's to be inspected as part of the new consumer standards inspection regime. This has accelerated some of the timescales for completing actions and the updates in the table below are written with

reference to the inspection process. Further information about the inspection is covered later in the report.

5.14 The actions arising from the internal audit and current status are outlined below:

Recommendation	Status & Update (as of 15/04/24)
<p>Regulatory Roles</p> <p>Ensure the name and contact details of the health and safety lead are published to the council's website.</p> <p>Consider appointing deputies for the two statutory roles of health and safety lead and housing consumer standards.</p>	<p>Complete</p> <p>The role of the Health and Safety Deputy has been designated to the Housing Asset Manager and the Consumers Standards Deputy to the Tenancy Services Manager.</p> <p>Names and contact details of the Leads and Deputies have been published on the Feedback, Compliments and Complaints page of the Council's Website. They can also be accessed on the new Tenant's Corner webpages. To ensure effective tracking of any such concerns raised, this will be managed via the complaints inbox and logged formally.</p> <p>Note: the lead roles had been designated in July 2022, as part the approval of the HRA Business Plan.</p>
<p>HRA (Housing) Service Plan</p> <p>Develop a service plan for the housing service that outlines the objectives, priorities and actions for the upcoming year.</p>	<p>In Progress</p> <p>A service plan was being developed at the time of the audit and this work continues. A diagnostic of the new consumer standards is underway and is feeding into its development. A draft of the plan is to be considered by the Senior Leadership team and Portfolio Holder by the end of June 2024. It will remain in draft until the outcome of the regulatory inspection is known, to allow for recommendations arising from the inspection to be incorporated as required.</p>
<p>Consumer Standards</p> <p>Following a self-assessment of the final consumer standards, an action plan should be documented and agreed to demonstrate a clear and structured approach to resolving any identified concerns and improving compliance.</p>	<p>In Progress</p> <p>The Regulator for Social Housing published revised version of the Housing Consumer Standards on 29 February 2024, and a new self-assessment diagnostic against these standards is now being completed.</p>

<p>(It was noted that a diagnostic of the previous consumer standards had been undertaken, but that it had not been possible to carry out a review against the revised standards at the time of the audit).</p>	<p>The Housing Leadership Team have been working methodically through the revised standards as part of a number of diagnostic review sessions, in order to self-assess the council's compliance or areas for development or improvement.</p> <p>There are 92 "Specific Expectations" with the new Standards, grouped under 20 "Objectives" under the four higher level Standard categories. As at 15 April 2024, initial work has been completed to consider the Safety and Quality Standard, and no non complaint areas have been identified so far. The remaining three standards covering Transparency Influence and Accountability, Neighbourhood and Community, and Tenancy will be completed by May 2024.</p> <p>This has been slightly delayed as resources have been redirected to prepare for the forthcoming housing inspection. Following completion of the review against all four standards, an action plan will be established to ensure comprehensive compliance is achieved. This will be reported to SLT, Members, and the Your Choice tenants group.</p>
<p>Inspection Project Team</p> <p>In light of the upcoming inspection, it is recommended the Council forms an inspection project team that will ensure effective preparation, co-ordination and execution of the inspection process.</p> <p>Clearly define and agree roles and responsibilities for each team member, outlining specific tasks related to the document preparation, site visit, stakeholder communication and issue resolution.</p>	<p>Complete</p> <p>An inspection plan is in place. This is an internal document and is being updated on a weekly basis. It sets out:</p> <ul style="list-style-type: none"> • Key roles and responsibilities during the inspection process • Evidence management and submission arrangements • Inspection oversight • Timelines / milestones • Logistics for on-site visit and associated meetings (tenants, stakeholders) • Arrangements for observation of key meetings • Communication (tenants, staff, councillors)

	<p>There are weekly regulatory preparation meetings in place, attended by the Housing Leadership Team, Chief Executive, Corporate Policy and Communications Manager and other colleagues as required.</p>
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- 5.15 The outcome of the internal audit report will be formally reported to the next meeting of the Audit and Standards Committee. Due to the timing of the inspection and conclusion of the audit, a verbal update was provided to the committee at its March 2024 meeting.
- 5.16 Updates on regulatory changes in the housing sector have been provided to elected members predominantly via the fortnightly members' bulletins. All members' bulletins are saved to the Members' Sharepoint site. Updates have also been provided through Cabinet briefings and in a formal report to the cabinet in January 2024.
- 5.17 **Proactive Consumer Regulation: Inspection Regime**
- 5.18 Key to the Regulatory Regime is ensuring that tenants live in decent and safe homes, and that they have the opportunity to shape the services they receive. This is in line with commitments made through the Social Housing Regulation Act 2023.
- 5.19 Over the next four years, all large local authority landlords (with over 1000 homes) will be inspected by the Regulator for Social Housing, who will be seeking assurance that Local Authorities are compliant with the revised Consumer Standards.
- 5.20 As is the case with the introduction of any new inspection regime, someone has to be first and we were recently notified that Melton Borough Council has been selected for inspection in the first cohort of regulatory inspections from April 2024.
- 5.21 Melton Borough Council is one of six local authority landlords to be subject to the first inspections. It has been confirmed that our selection has not been driven by any particular regulatory concern, but rather to enable a sufficient geographic spread, and mix in terms of stock size and profile.
- 5.22 Officers and the Portfolio Holder for Housing, Leisure and Landlord Services had an initial introductory meeting with the Regulatory Team on 11th March 2024 to discuss the process and new regulatory regime, and the Council remains in active dialogue with the Regulatory team about the upcoming inspection.
- 5.23 Information was circulated to elected members by email and follow up information has been included within members' Bulletins. An initial briefing was provided to housing staff on 13th March, and a follow up is scheduled for 25th April at the next planned Housing Team Away Day (team development day).
- 5.24 Further to the submission to the Regulator of initial context information to support the inspection preparation, an inspection scope has been received against which officers are collating documents and sources of evidence / assurance. A review of this information will be carried out by the Regulatory Team, ahead of further engagement and an on-site visit during May 2024.

- 5.25 The Regulatory Team were provided with details of upcoming meetings, to enable them to observe or participate should they wish to do so. The Regulatory Team recently observed the first meeting of the Landlord Assurance Board (11th April 2024).
- 5.26 As part of the inspection process, the Regulatory Team will be seeking evidence of compliance with the consumer standards, and credible plans for work in progress, all of which are important and relevant.
- 5.27 The Regulator will publish a Regulatory judgement in the summer for Quarter One inspections. The assessment grades range from C1 through to C4, with C1 and 2 representing compliance with the Consumer Standards and C3 and 4 representing non-compliance. The description for each the regulatory judgment is set out in more detail below:

Consumer	
Grade	Description
C1	Our judgement is that overall, the landlord is delivering the consumer standards outcomes. The landlord has shown that it identifies when issues occur and puts plans in place to remedy them and help prevent them happening again.
C2	Our judgement is that there are some weaknesses in how the provider is delivering against the consumer standards outcomes and improvement is needed
C3	Our judgement is that there are serious failings in how the provider is delivering against the consumer standards outcomes and significant improvement is needed.
C4	Our judgement is that there are very serious failings in how the provider is delivering against the consumer standards outcomes. The provider must make fundamental changes so that improved outcomes are delivered.

- 5.28 Actions or areas for improvement arising from the inspection will be incorporated into the Housing Service Plan, reported to members and communicated to tenants and the Regulator as required.
- 5.29 As one of the first Local Authority inspections, there is likely to be public and sector interest in the Council's inspection, and the Council has already received contact from other Councils to find out about the process so far. As such, the Council has a positive opportunity to support sector learning and development.
- 5.30 Following the inspection, there will also be annual engagement meetings with the Regulator, and they retain the right to investigate any concerns in the normal way.

5.31 **Launch of the Landlord Assurance Board**

5.32 Effective governance, assurance and oversight are essential to deliver high quality council homes and landlord services. Whilst the Council has well established mechanisms to monitor performance, risk and compliance, it is important to draw together the various strands of the landlord service that collectively demonstrate how the Council operates and performs as a landlord so that these can be considered together, enabling collective awareness of this key agenda, whilst also supporting continuous improvement.

5.33 In January 2024, the Cabinet considered a report a on Regulatory Change in housing. As part of that report, Cabinet approved the establishment of a Landlord Assurance Board. It is considered that the Landlord Assurance Board marks a key 'next step' in the council's housing journey and has been developed to support a confident and accountable response to the new Consumer Regulations.

5.34 The Landlord Assurance Board provides an opportunity for collective ownership of one of the Council's most significant areas of responsibility. Whilst it does not replace any of the Council's existing structures, scrutiny or decision-making arrangements, it provides a single focus for political and professional leaders to consider housing matters in one place and ensure there is a focus and grip on housing, regulatory responsibilities, and tenant voice.

5.35 The Terms of Reference for the Board can be found [here](#) and are included at Appendix C. The first meeting took place on 11th April 2024. Meetings will take place on a quarterly basis and will be managed as hybrid meetings, enabling participants to attend in person or remotely as required.

5.36 The Landlord Assurance Board has been developed to ensure collective awareness and visibility relating to regulatory assurance, financial resilience, risk management, performance and compliance on all matters relating to being an effective landlord and will receive timely and relevant information and updates including:

- Performance, risk and compliance and progress updates on any improvements or remedial actions required.
- Performance and benchmarking information, to support continuous improvement.
- Complaints management and monitoring, including annual self-assessment, trends and insights and continuous improvement.
- Tenant voice, ensuring this is embedded and being reflected in the decisions and service improvements that are made, including learning from tenant satisfaction measures.
- Effective planning and delivery of the requirements of the Social Housing Regulation Act and any other associated legal and regulatory requirements.
- Delivery of commitments and strategic action plans relating to the Council's Landlord service, including Asset Management Plan, HRA Business Plan and Affordable Housing Development Plan.
- HRA budget and Capital Programme spending, delivery of agreed programmes/projects, ensuring budget spending is within acceptable parameters and that the HRA remains financially resilient.

5.37 It is proposed that the Landlord Assurance Board will provide an annual report for consideration by Scrutiny Committee, Cabinet and Council. This will also form part of the

Council's overall governance and assurance arrangements, forming part of the Annual Governance Statement.

- 5.38 The Chair of the Scrutiny Committee is a member of the Landlord Assurance Board. Membership of the Board is shown below:

Chair: Portfolio Holder for Housing & Landlord Services / Leader of the Council
Vice Chair: Chief Executive
Portfolio Holder for Governance, Environment and Regulatory Services / Deputy Leader of the Council (note, also member responsible for complaints)
Leader of the Opposition, or a nominated representative
A nominated member of any other political group or non-aligned member
Chair of the Scrutiny Committee
Director for Housing & Communities / Deputy Chief Executive [Note: Designated officer for Landlord H&S]
Director for Corporate Services / s151 Officer
Assistant Director, Housing Management [Note: Designated officer for Consumer Standards]
Assistant Director, Governance and Democracy (Monitoring Officer)
Up to three Nominated Tenant Representatives
External critical friend / housing peer (officer)

- 5.39 Other attendees will be in attendance, dependent on the agenda items being considered. This includes (but is not limited to), Housing Asset Manager, Tenancy Services Manager, HRA Accountant, Corporate Policy and Performance Officer, Regulatory Assurance Lead and relevant external stakeholders including the Regulator for Social Housing.
- 5.40 Tenant board representation and tenant voice is a critical part of having an effective Landlord Assurance Board and is planned as a next step for the board. At its first meeting, the board considered a role profile for prospective tenant board members, recruitment and support, training and development. The role profile is currently being updated in response to feedback from the Board to provide reassurance that tenant board members can be involved in an incremental way, if they do not feel confident to join the full board meetings straight away. Consideration is being given to the number of tenant representatives and the ways in which they are involved, if there is interest beyond the three allocated places on the board.
- 5.41 When the role profile has been finalised, expressions of interest from tenants will be requested. The Housing Leadership Team will review expressions of interest against role profile and will arrange follow up discussions with interested tenants. Expressions of interest and recommendations from the Housing Leadership Team will then be considered by Tenant Group representatives (Your Choice) to agree upon nominated representatives

for the Assurance Board. The Housing Leadership Team will also work with the nominated representatives to establish the best way to establish a tenant link between the board and the Your Choice group. Tenants who are part of the current Your Choice group can become Landlord Assurance Board members, but as the role profile shows, would need to be mindful of the time commitments and possibility of a conflict of interest arising occasionally.

- 5.42 The opportunity to be a nominated tenant representative will be promoted to all tenants, including via email, the council's website ([tenants' corner](#)), posters in communal buildings, and to the next edition of the tenants newsletter. See also: [Tenant engagement and your voice – Melton Borough Council](#). It is proposed that the recruitment process will take place over a six-week period, with the aim to have tenant representation in a way that suits the nominated tenants, at the next meeting of the Landlord Assurance Board. It is proposed that tenant representatives have the opportunity to meet the chair, vice chair and Housing Leadership Team prior to the next meeting of the Landlord Assurance Board.
- 5.43 Whilst there is no remuneration for this role (other than payment of reasonable expenses) it is proposed that the Council funds an appropriate package of training and support and sets aside an annual budget of up to £3000 to support this. The Council is a member of the Tenant Participation Advisory Service (TPAS). TPAS have also been commissioned to undertake a review of the Council's tenant engagement arrangements and will be well placed to provide the council with guidance and support on training and development for tenant board members.
- 5.44 **Tenant Satisfaction Survey 23/24**
- 5.45 As part of the new regulatory requirements, landlords must collect and report on a range of Tenant Satisfaction Measures (TSM). TSM's must be published every year in a way that tenants can easily access and understand. It is also important that the findings and insights from TSM's drive organisational reflection and continuous improvement. There are two elements to the TSM's – performance, and tenant satisfaction and perception. The performance measures have been incorporated into the council's performance monitoring framework. The section below focusses on the tenant satisfaction survey.
- 5.46 Melton Borough Council last undertook a tenant satisfaction survey in 21/22, with the results used to inform the development of the long term HRA Business Plan, supported by follow focus group discussions with tenants on their priorities and choices for investment. See: [Cabinet Report, July 2022](#). This had been intended as a baseline position, and the introduction of the Tenant Satisfaction has since replaced the methodology used in the previous survey.
- 5.47 Melton Borough Council (MBC) initiated its TSM survey in 2023 and commissioned Housemark to carry out this work. This was considered important to enable the council to use their expertise in this area to submit a compliant and independently led set of responses to the regulator, whilst also being able to access benchmarking information and ongoing support. Housemark is a nationally recognised housing service cost and performance benchmarking service and consultancy provider. There are prescribed questions, to enable the Council's results can be compared with other social landlords, who must also complete the survey if they have more than 1000 properties. The opportunity 'free text' was also built into the Melton Borough Council survey to enable further analysis of tenant feedback.

- 5.48 The Council selected Housemark to carry out the TSM surveys for the following reasons:
- They had previously developed the voluntary STAR framework for perception surveys in the absence of regulation. Not only was this framework influential in the development of the TSMs but it also gave them expertise in conducting perception surveys.
 - They worked closely with the Regulator for Social Housing (RSH) and helped inform the development of the TSM framework. Therefore, they are crystal clear on regulatory requirements and guarantee compliance.
 - They also provide our benchmarking and analytics capabilities so we could see where we would be fitting against other organisations of a similar type.
- 5.49 The surveys were completed by the end of December 2023. The headlines from the report are shown below, and the full report can be found at Appendix D. The headline updates were also included in a report to the [Cabinet](#) in January 2024.
- 5.50 A total of 495 completed surveys collected during November and December 2023. This report presents the high-level findings based on those responses in line with the regulatory Tenant Satisfaction Measures (TSMs) guidance. The following key points can be noted:
- **Overall satisfaction (TP01):** This measure is often used as the main headline measure of service performance. In the survey, Melton Borough Council achieved a score of **63.4%**.
 - **Highest scoring TSMs:** The top-scoring Tenant Satisfaction Measures were identified as:
 - **TP05: 78.7%** - Proportion of respondents who report that they are satisfied that their home is safe
 - **TP10: 73.8%** - Proportion of respondents who report that they are satisfied that communal areas are clean and well maintained.
 - **TP08: 72.7%** - Proportion of respondents who report that they are satisfied about being kept informed about things that matter to them.
 - **Lowest scoring TSMs / high dissatisfaction: TP09: 27.7%** - Proportion of residents who report they are satisfied with the approach to complaint handling.
- 5.51 Based on the results, the top three service areas driving satisfaction are ‘Satisfaction that the home is well maintained’ (TP04); ‘Satisfaction that the landlord listens to tenant views and acts upon them’ (TP06); and ‘Agreement that the landlord treats tenants fairly and with respect’ (TP08). Investing time and energy in these areas of service will help drive overall satisfaction for the majority of residents.
- 5.52 Different levels of satisfaction were reported depending on how the survey was conducted (telephone / post / email) with greater levels of overall satisfaction amongst those who gave their views via the telephone survey (379 individuals / 67.8%). The TSM report also considers overall satisfaction based on gender, age, ethnicity, tenure and by council ward area. The experiences of different groups, protected characteristics and across the different areas of the borough are all important considerations for the council and as a landlord. For example:
- The data suggests a higher level of satisfaction in rural areas.
 - Overall satisfaction levels for the younger population of tenants 18-44 is showing at nearly 20% under our overall satisfaction level, we need to understand through further

analysis what is causing this differential so that we can look at how we address these concerns for our tenants.

- 5.53 It should be note that the data is still being analysed and further work on this will be undertaken. Housemark have been asked to provide further information where possible on protected characteristics, to help build insights to inform future service improvements, for example, the experience of anti-social behaviour by gender or different age groups.
- 5.54 The TSM report includes a median sector comparison as a guide. It should be noted that the 'median' position is not yet finalised. The Council was proactive in undertaking its Tenant Satisfaction Survey and the median is based on the landlords that had used Housemark and had their results available at the same time. The sector position on TSM's will not be known until data is submitted to the Regulator (submission due by 30th June 2024).
- 5.55 As noted above, the Council included space for tenants to provide comments on the TSM survey. These have split into positive and negative sentiments and are show in the appended report.
- 5.56 From the conclusion from Housemark and from our review of the data and comments received, is it suggested that whilst there are elements which will be encouraging (e.g. higher scores received for Melton Borough Council providing a home that is safe, and communal areas being clean and well maintained, treats me fairly and with respect), there is room for improvement – better understanding those areas was considered an important next step.
- 5.57 It is also important to reflect on the lower levels of satisfaction on complaints and ASB. The Council has already made improvements in terms of complaints and ASB, which it is hoped will lead to improved satisfaction and customer experience, which we hope will be reflected in the next survey.
- 5.58 On the complaints handling response: The Council had recently implemented a review of the complaints in line with the ombudsman's complaints handling code which changed the way we dealt and responded to complaints. A review of complaints insights is currently being considered, to support wider service improvements.
- 5.59 The Scrutiny Committee considered a [report on complaints](#) at its meeting in March 2024. The committee feedback to Cabinet can be found [here](#) and was considered by the Cabinet on 17th April 2024.
- 5.60 On the Anti-Social Behaviour response: The Council has now introduced a new policy for this area of service, and is providing training for staff, a clearer procedure, new case management system and have developed a set of standardised letters and forms for this service. The Council is committed to supporting tenants to feel confident and empowered to report ASB and to ensuring a person focussed response in every case.
- 5.61 The Scrutiny Committee has a specific remit "to fulfil all the functions of the Council's designated Crime and Disorder Committee under the Police and Justice Act 2006" and receives an annual update on crime and disorder. The Committee may wish to consider a further focus on Anti-Social Behaviour as part of its upcoming work plan development session.
- 5.62 Following discussions with Housing Leadership Team in February 2024 about the initial TSM survey results and 'free text' response from tenants, it was agreed that it was important to gather more insight around the following areas and that with the support of

Housemark will could set up some focus group or one to one discussions and follow up work around the following 3 TSM findings:

Measure	Melton 2023/24 TSM Score	TSM 23/24 Median	Diff vs. Median
TP04: Proportion of respondents who report that they are satisfied that Melton Borough Council provides a home that is well maintained	67.4% (479)	72.2%	-4.8%
TP06: Proportion of respondents who report that they are satisfied with Melton Borough Council listening to their views and acting upon them	53.7% (449)	61.0%	-7.3%
TP07: Proportion of respondents who report that they are satisfied with Melton Borough Council keeping them informed about things that matter to them	62.1% (454)	71.4%	-9.3%

- 5.63 With TP04 this was aimed to better understand tenant views on keeping tenants homes well maintained (council and contractors). It was also noted that there were a number of comments in the report around satisfaction linked to the repairs service. Better understanding this will enable us to shape the future of the Asset Management Plan (for example, in response to areas of tenant priority, in the way that targets to replace metal windows was a tenant led priorities as part of the HRA business plan). Holding contractors to account is also an important part of this.
- 5.64 With TP06 & TP07 the Council will also benefit from sector expertise from a review of tenant engagement arrangements that has been commissioned with the Tenant Advisory Participation Service. This review will support the council to reflect and then implement next steps to build upon opportunities to ensure tenants feel and are able to contribute to meaningful ways to shape services and to be kept informed. The Council is also considering its future staffing structure and how it best focusses dedicated capacity on both regulatory assurance and tenant engagement.
- 5.65 In the follow up work to better understand the lower scoring TSMs, Housemark encountered some challenges in establishing focus groups but have progressed with tenant discussions where possible. The Housing Leadership Team also considered it relevant to compare and contrast tenant perceptions with staff perceptions. The same TSM survey (mirror survey) was therefore undertaken by staff who deliver the service to obtain an understanding and insight into from both groups to see if we can learn from them and implement learning or changes.
- 5.66 The full TSM report, context and further work undertaken to better understand the results and opportunities for improvement will form the focus of the planned workshop session as part of this the scrutiny committee meeting.
- 5.67 TSM results will be published to the Council's website in the summer. Officers will work with tenants and members to incorporate any changes or improvements as part of the

housing service plan. The Council will operate openly and transparently, sharing information and insights with tenants, members and staff so that there is an understanding of how the Council is using the TSM findings to support its continuous improvement.

5.68 TSM surveys will be undertaken every year. Officers are currently working with procurement colleagues to secure a provider of the tenant satisfaction surveys for the next 3-5 years. Consideration is also being given to more frequent TSM related survey activity (quarterly, rather than annually), for example, the option for “tracker” surveys is being added into the specification, to provide additional in year insight to the direction of travel of tenants views.

5.69 **TSM Workshop: Involving Council Tenants**

5.70 At its meeting in September 2023, the Scrutiny Committee considered a report on the Council’s preparation for regulatory change and requested a follow up report in six months’ time. The committee also agreed that this meeting would be hosted in a community location and managed in a way that enables Scrutiny Committee Members to hear directly from tenants.

5.71 This meeting is taking place at Phoenix House, rather than in the Council Headquarters. The Chair of the Committee has written directly to Council tenants, inviting them to take part in a workshop which will follow the committee’s consideration of this report. A copy the letter can be found at Appendix E.

5.72 In writing to tenants, the chair has expressed that “when the committee considered a report on housing regulatory change in September 2023, Councillors decided that they would like to receive a progress update in April 2024, particularly to understand the outcome of the tenant station survey that was underway at the time, and that they would like to meet directly with tenants as part of the that session...as a committee we’d like to better understand the findings and views of tenants on how the council can continue to improve its role as a landlord, and how tenants satisfaction could be improved in the future”.

5.73 The proposed plan for the workshop session is set out below:

- Presentation of the TSM report findings and key messages.
- Overview of the follow up work undertaken, and outcomes.
- Opportunity for tenants to ask questions.
- Small group discussions between scrutiny committee members, tenants and council officers to discuss the TSM outcomes in more detail and to seek views on improvements.

5.74 In his letter, the chair of the Committee has made a commitment to tenants that their views will form part of the Committee’s feedback to the Cabinet. Tenants have been asked to express an interest in attending the session, so that their attendance and input can be facilitated.

6 Options Considered

6.1 None. This is a planned follow up session to give the Scrutiny Committee the opportunity to review and comment on the council’s preparations for regulatory change, and to involve tenants.

7 Consultation

- 7.1 The scrutiny committee workshop with tenants provides an important opportunity for the committee to hear the views of tenants. In his letter, the chair of the Committee has made a commitment to tenants that their views will form part of the Committee's feedback to the Cabinet.

8 Next Steps – Implementation and Communication

- 8.1 The chair of the Committee has made a commitment to tenants that their views on the Tenant Satisfaction Survey results and opportunities for continuous improvement will form part of the Committee's feedback to the Cabinet.
- 8.2 Officers will finalise and launch the recruitment to the role of Tenant Board Member for the Landlord Assurance Board.
- 8.3 The Council is currently being inspected by the Regulator for Social Housing as part of the Quarter 1 inspection cohort. The outcome of the inspection will be shared formally with staff, tenants and members when the regulatory judgement has been finalised.
- 8.4 The Council will need to maintain its focus on housing and on continuous improvement. This is established once again as a corporate priority within the Council's new [Corporate Plan 2024 to 2036](#).

9 Financial Implications

- 9.1 The Council will need to fund the additional costs in line with the requirements of the Social Housing (Regulation) Act 2023, for example – regulation and inspection fees, tenants satisfaction measure reporting, staff training and qualifications, changes to decent homes criteria. The council's budget setting process has taken account of the information known at this stage.
- 9.2 Finance and housing colleagues continue to work closely to manage and monitor budgets, capital programme spend and income generation.
- 9.3 The Council is investing in additional resources to support its regulatory preparations. Procurement of the Tenant Satisfaction survey for the next 3-5 years will enable the council to seek value for money alongside high quality.

Financial Implications reviewed by: Director for Corporate Services

10 Legal and Governance Implications

- 10.1 The Council must comply with and demonstrate compliance with the requirements of the Social Housing (Regulation) Act 2023 and should have clear and credible plans to implement the new regulations that apply under it.. It is key to note that the 2023 Act introduces a regulatory framework to assess compliance with a range of existing legal requirements, along with new requirements introduced by the Act. Accordingly, compliance with the 2023 Act also requires continued commitment to meeting those pre-existing obligations. To ensure this, risks, gaps or areas of concern should be brought to the attention of the Senior Leadership Team, Councillors and if applicable at any stage, the Regulator for Social Housing to ensure resources are effectively targeted.
- 10.2 The arrangements set out above ensure that there are robust mechanisms to identify and focus on areas requiring continued development and improvement.
- 10.3 There are additional ways in which the Council can achieve and demonstrate good governance and oversight of Housing Regulation. These include:

- Inclusion in the Council's Annual Governance Statement 2023/24 as a core focus.
- Inclusion in the Internal Audit Programme, with appropriately planned audits being undertaken, or scheduled, and reported to the Audit Committee.
- Regular monitoring of performance and risk via Senior Leadership Team and Cabinet.
- Scrutiny and Cabinet Reports on Preparing for Regulatory Change (Housing) and on key regulatory areas, performance and risk.
- Reporting to SLT on Regulatory Readiness assessment and recommendations for improvement or action.
- Proactive updates to Scrutiny Committee on Damp and Mould response.
- Proactive implementation of revised tenant engagement arrangements and follow up review.
- Portfolio Holder meetings, specific portfolio for Housing, Leisure and Landlord Services.
- Implementation of the Landlord Assurance Board.

Legal Implications reviewed by: Monitoring Officer.

11 Equality Implications

- 11.1 Under the equality duty (set out in the Equality Act 2010), public authorities must have 'due regard' to the need to eliminate unlawful discrimination and consider the potential impact decisions and actions on each of the protected characteristics.
- 11.2 Developing a deeper understanding of the experiences and needs of all tenants, including those with protected characteristics forms an important consideration in the context of the consumer standards. All tenants must be treated with fairness and respect, and diverse needs of tenants should be understood, and services adapted accordingly.
- 11.3 Equality Impact Assessments are undertaken for service and policy changes and can be found [here](#). There is a clear 'check and challenge' process in place to support the development and sign off of EIA's.
- 11.4 The report provides information on the TSM survey and the overall satisfaction levels based on gender, age, ethnicity, tenure and by council ward area. The experiences of different groups, protected characteristics and across the different areas of the borough are all important considerations for the council and as a landlord. Further work has been requested from Housemark to better understand different views and experiences against each of the Tenant Satisfaction measures.
- 11.5 Full Council receives an [annual update](#) on the Council's work on equalities, diversity and inclusion (ED&I). The annual report 23/24 also includes a planned review of the ED&I action plan, covering the next four year period (2024-2028). It will be considered by Council at their meeting on 18th April 2024.
- 11.6 TSM: Different levels of tenant satisfaction were reported depending on how the survey was conducted (telephone / post / email) with greater levels of overall satisfaction who gave their views via the telephone survey (379 individuals / 67.8%). The TSM report also considers overall satisfaction based on gender, age, ethnicity, tenure and by council ward area. The experiences of different groups, protected characteristics and across the different areas of the borough are all important considerations for the council and as a landlord. For example:

- The data suggests a higher level of satisfaction in rural areas.
- Overall satisfaction levels for the younger population of tenants 18-44 is showing at nearly 20% under our overall satisfaction level, we need to understand through further analysis what is causing this differential so that we can look at how we address these concerns for our tenants.

11.7 As part of our preparations for the new Housing Regulation arrangements, we have identified that the information we hold about our tenants and their households could be improved. Having this detailed and housing specific information will enable us to be able to look at how we communicate with tenants to ensure we are sharing information with them in the most appropriate ways, and to make service offers that are tailored to suit groups of tenants' specific needs. As a result of this we have launched a project to examine comprehensively what data we hold, and where it is held. From this we can identify any gaps in this data and establish how we are going to hold this information so that it is held safely and can be kept up to date as peoples circumstances change. It is proposed that at the next meeting of the Landlord Assurance Board, there is focus on this project to shape its development.

12 Data Protection Implications (Mandatory)

A Data Protection Impact Assessments (DPIA) has not been completed since the proposals in this report do not give rise to risks/issues to the rights and freedoms of natural persons.

13 Community Safety Implications

- 13.1 Local authorities have a duty under Section 17 of the Crime & Disorder Act 1998 to pay due regard to the likely effect of its functions on crime and disorder and is required to do all that it reasonably can to prevent crime and disorder in its area, enhance public reassurance and confidence in the services that are in place to improve community environment and its safety.
- 13.2 The new consumer standards include specific requirements around anti-social behaviour, and this also forms part of the tenant satisfaction survey.
- 13.3 The Scrutiny Committee has a specific remit "to fulfil all the functions of the Council's designated Crime and Disorder Committee under the Police and Justice Act 2006" and receives an annual update on crime and disorder. The Committee may wish to consider a further focus on Anti-Social Behaviour as part of its upcoming work plan development session.

14 Environmental and Climate Change Implications

14.1 None arising directly from this report.

15 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	The Council cannot demonstrate a commitment to, and active preparation for the new regulatory regime	Very Low	Critical	Low
2	The Council does not respond proactively or effectively to the outcome of the Tenant	Very Low	Critical	Low

	Satisfaction Survey to understand tenant views and make changes to improve tenants experience and satisfaction			
3	The Council does not respond proactively or effectively to the outcome of the inspection process.	Very Low	Catastrophic	Medium

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant				
	3 Low				
	2 Very Low			1, 2	3
	1 Almost impossible				

Risk No	Mitigation
1	The Council cannot demonstrate a commitment to, and active preparation for the new regulatory regime: Preparation has been underway for some time, and an internal audit has reviewed these preparations. The Council has embraced regulatory change and embedded this as part of its ongoing housing improvement journey. The Council can show transformational progress in its housing services since 2019.
2	The Council does not respond proactively or effectively to the outcome of the Tenant Satisfaction Survey to understand tenant views and make changes to improve tenants experience and satisfaction: The Council has been proactive in carrying out its TSM survey in partnership with a sector leading and independent organisation. The results have been considered and follow up commissioned to better understand the feedback. Proactive work including the TPAS review, further work requested from Housemark on Protected Characteristics and the planned scrutiny workshop are all examples of the council taking this seriously. A housing service plan is in development and will incorporate actions arising from the TSM survey feedback.
3	The Council does not respond proactively or effectively to the outcome of the inspection process: The Council has welcomed and embraced the inspection process as part of the new regulatory regime. The outcome of the inspection matters to us as a council and to our tenants. Any actions or areas for improvement will be reported openly and honestly and incorporated into the

	housing service plan. As one of the first local authority landlords to be inspected, the Council hopes to be able to share its learning and experience to support sector development and improvement across the country.
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16 Background Papers

16.1 [Scrutiny Committee Report, Preparing for Regulatory Change: September 2023](#)

16.2 [Scrutiny Committee Feedback to Cabinet, October 2023](#)

16.3 Cabinet report: [Housing Regulation Update](#), January 2024

16.4 [Reshaping Consumer Regulation](#), February 2024

17 Appendices

17.1 Appendix A: Visual Guide to Regulatory Changes in Social Housing since Grenfell

17.2 Appendix B: Internal Audit, Preparing for Regulatory Change

17.3 Appendix C: Terms of Reference, Landlord Assurance Board

17.4 Appendix D: Melton Borough Council, Tenant Satisfaction Survey Report 23/24

17.5 Appendix E Letter from Scrutiny Committee Chair to Council Tenants, April 2024