

Housing Scrutiny Commission

Monday 9 March 2020

7.00 pm

Ground Floor Meeting Room G02A - 160 Tooley Street, London
SE1 2QH

Supplemental Agenda No.1

List of Contents

Item No.	Title	Page No.
5.	Council's Response to District Heating Failures	
	To note the officer report on district heating outages in the borough, and in particular relating to Aylesbury Estate as part of the scrutiny review of district heating, item 5 of the main agenda.	1 - 9
6.	The Council's Relationship with Housing Associations in the Borough	
	To note the officer report on the council's relationship with housing associations as part of the scrutiny review, item 6 of the main agenda.	10 - 17

Contact

Everton Roberts on 020 7525 7221 or email: everton.roberts@southwark.gov.uk
Webpage: www.southwark.gov.uk

Date: 5 March 2020

Item No. 5.	Classification: Open	Date: 9 March 2020	Meeting Name: Housing Scrutiny Commission
Report title:		District heating outages	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Kieron Williams - Cabinet Member for Housing Management and Modernisation	

RECOMMENDATION

1. The Housing Scrutiny Commission is asked to note the contents of this report.

BACKGROUND INFORMATION

2. Southwark Council owns and operates 120 district heating systems, consisting of 220 boiler houses and plant rooms, which provide the heat and/or hot water to circa 17,000 homes.
3. Many of these still consist of original plant and distribution pipework, and while investment has been undertaken it has been on a piecemeal basis, i.e. boilers/plant when required or when fails and can't be repaired, runs (of varying length) of underground distribution pipework. A complete system renewal has rarely been undertaken, meaning that above ground and indwelling pipework is still largely original.
4. Over the last five years the district heating investment budget has been set at £5m per year, and this has mainly targeted the replacement of unreliable boilers and plant, along with the replacement of deteriorated underground mains, i.e. Aylesbury, Acorn and North Peckham estates. This still remains the case going forward until 2021/22.
5. A 2016 case study into costs of modernising the boroughs district heating concluded that in most cases the current district heating systems should be retained and modernised. There is an estimated £350m capital investment required.

KEY ISSUES FOR CONSIDERATION

Performance

6. In terms of the performance of these systems, the average availability across all systems in the borough for the 2019 calendar year was at 97.6%.
7. The table below shows the top ten worst performing systems in terms of the individual systems actual availability during the 2019 calendar year. Some of our biggest and historically problematical systems are in this list.

System	Contractor	No. properties	% Availability
D'Eynsford	S&B	131	93.0%
Aylesbury	OCO	2,400	94.2%
North Peckham/Gloucester Grove	S&B	739	94.5%
Wyndham	OCO	1,220	94.9%
Lettsom	S&B	478	95.8%
Acorn	S&B	266	96.1%
Newington	OCO	429	96.2%
Brimmington	S&B	672	96.2%
Setchell	OCO	293	97.1%
Brandon 1	OCO	555	97.2%

8. The remaining systems availability ranges from 98.1 – 100%, with 74 systems between 99 and 100%.
9. 100% service availability is reduced by what we term outages. These are events that impact on the level of service provided and can be caused by leaks on distribution pipework, mechanical failure of plant, gas leaks, power spikes (which cause safety equipment to operate and shut down systems), planned preventative maintenance (PPM), and external influences, i.e. outages from other service providers such as UKPN, SGN or Thames Water.
10. The availability percentages in the table above include planned outages, which, unless urgent, are usually planned two weeks in advance. Residents are notified of these by letter, text and webpage updates. Planned outages are mainly done to allow for certain maintenance tasks that have to be undertaken when plant is shut down or cooler, for particular repairs to be undertaken, i.e. replacing pipe bursts/leaks, and sometimes to allow our building repair contractor, SBS, to replace stopcocks so baths, wc's and wash hand basins can be replaced.

Investment

11. Within the Housing Revenue Account (HRA) there is capital allocation for the maintenance of our homes. Part of this is currently known as QHIP.
12. The main capital QHIP programme is limited to approximately £70m pa which can be funded from revenue streams, so that borrowing can be used for new build and special schemes like Ledbury. £5m (7.14%) pa of this money is already allocated to the highest priority district heating

investment requirements but this is not enough to make the material improvements required.

13. In addition to the £5m per annum as part of QHIP, £3m was also allocated in 2019/20 and ongoing years to 2022/23 to support works arising out of the day to day responsive repair and maintenance of the district heating systems, i.e. replacement distribution pipework where failed, major boiler/plant repairs, for example at Lettsom above, and smaller capital repairs/replacements.
14. As the district heating strategy evolves, £5m per year over the next five years has also been made available for extension of SELCHP, and £7m available for the heat pump work starting next year.
15. Both of the strategies in paragraph 12 will decrease demand on existing boilers and assist the council with the zero carbon target.
16. The council is also investigating new funding streams as part of the works to develop the district heating strategy, as well as ensuring it continues to invest the money we do have in the best way possible.
17. The Council's engineering team has already prioritised the district heating major works programme, which addresses the known long term issues and the poorest performing systems. Please see table below:

System	% Availability	
D'Eynsford	93.0%	<p>We currently have issues with the main gas supply to this site. There are two 2930 Kw winter boilers and one 780 Kw summer boiler. Unfortunately because of the limited capacity mains gas supply, we are only able to run one winter boiler and the summer boiler together at the same time. We can hold service with this arrangement as there is enough output however it does mean that we have to cycle the duty of the two winter boilers manually. The solution to this problem would be to install a second gas stream on the supply side. This would have to be done by the National Grid via the supplier.</p> <p>Note that the summer boiler was replaced approx. 8 years ago, and a new burner and gas booster was fitted to boiler 2 (one of the winter boilers) in 2017. Partial re-tube works have also been done to both winter boilers in the last two years.</p>

Aylesbury	94.2%	Underground mains replaced 2014, Boilers/plant refurbished 2019. Currently considering options for future across life of estate
North Peckham/Gloucester Grove	94.5%	Underground mains replaced 2016/17, now planning to replace worst rising mains in 2020/21.
Wyndham	94.9%	Refurbished boilers 2019, phase 1 replacement of underground mains now and phase 2 in 2021/22.
Lettsom	95.8%	All three boilers have had major structural repair work in 2019 including new tubes and patch repairs to their respective furnace and shells. We have also fitted two of the three boilers with new burners (two new burners) and renewed all three gas boosters. A new pressurization unit was installed in 2018.
Acorn	96.1%	New energy centre installed 2018, underground mains replaced 2019/20.
Newington	96.2%	Planning to replace secondary mains 2021/22
Brimmington	96.2%	Underground mains replacement commenced
Setchell	97.1%	Planning to replace underground mains in 2021/22
Brandon 1	97.2%	All 9 plant rooms refurbished 2019/20, planning to replace rising mains at all towers in 2021/22

AYLESBURY ESTATE

18. The Aylesbury estate district heating system is the councils biggest, originally serving circa 2400 dwellings when the estate was first built. The numbers served by the system are in gradual decline as the estate is undergoing phased decant and is being regenerated. The number of dwellings currently served is at circa 720.
19. While Regeneration programmes have slipped, the district heating system plant and above ground distribution pipework has remained largely original, though most of the underground distribution pipework was replaced in 2014, and the boilers refurbished in 2019.

Major outage – January 2020

20. 3 of 4 boilers failed with bulges or splits in boilers – mostly caused by fresh water entering the system (as a result of leaks across the system) which damages the boilers.

21. Two of the three (no's 3 and 4) had recently been shut down following statutory insurance inspections, who then insisted on inspection of boiler no. 1 on 18/1/20 when the bulges were found and boiler could not be reinstated. Boiler no. 2 was already under a major repair. In order to facilitate inspection on 18/1/20, the system/boiler was switched off at midnight on 17/1/20.
22. Instructions were issued on 17/1/20 to move to a temporary boiler set up across the estate, but because gas was removed some years ago, at least from the taller blocks, the boilers needed to be oil fueled.
23. Original temporary boiler set up is set out below:
- Taplow A – 3 x 600 kw units
 - Wendover B – 2 x 600 kw units
 - Wendover C – 2 x 600 kw units
 - Wendover D – 1 x 2 megawatt unit (also serving Ravenstone X via the existing mains)
 - Latimer E – 1 x 1.2 megawatt unit and another 600 kw unit to boost the return temperatures (now changed to 1 no. 2 MW unit)
 - Missenden F – 1 x 1.3 megawatt unit
 - Missenden G – 2 x 600 kw units
 - Gayhurst H – 1 x 2 megawatt unit.
 - School – 1 x 1.3 megawatt unit

Total containerised boilers – 15 live plus 2 spare.

24. There were 2 spare 600 kw boilers which have since been added to Wendover B and C to ensure consistent service.
25. The work to purchase, install, power and commission these temporary boilers and fuel storage was largely completed in 3 days from Friday 17th January to Sunday 19th January, but there has been the need to make adjustments and undertake balancing since.
26. While not providing 100% availability, as even new temporary boilers can break down, it is considered that the service has largely improved across the estate, though we continue to monitor this and act as necessary to improve.

Options going forward

27. A full technical assessment is underway which will explore all options around the satisfactory provision of heat and hot water to residents for the remaining life of the estate.
28. For the production of a fully costed technical options appraisal, the following key bullet points need to be taken into account, and where necessary incorporated:
- All electric solution – looking at increasing the electrical capacity both within the blocks and across the wider infrastructure;
 - Provision of electric showers (as part of above);
 - Previous investment in the heat network;
 - Providing the most reliable and least disruptive service possible;
 - Risk and mitigation;
 - Stock condition data;

- Structural analysis (due end of February);
 - Fire safety data;
 - General repairs data;
 - Block by block;
 - Regeneration timelines.
29. While some of this work has been done or is underway, there is still much to do, particularly around the electrical capacity and associated costs, and the comparisons of options against the regeneration timelines on a block by block basis.
30. We expect to have a detailed options appraisal ready for discussion by the end of March 2020.
31. Other issues are also being explored and/or progressed, but outside this piece of technical work. These are:
- Review of the existing compensation criteria for tenants and leaseholders
 - Investigation in to having pre paid electric card/ top up facility available in the AHO to be issued to residents during outages (for additional energy use)
 - Review accumulative compensation possibilities for when outages occur on numerous occasions
 - Better reporting and signing off of repairs, including signing off by resident(s) when they are satisfied works are complete
 - Agreement on strategy for information flow, including to residents
 - Commencement of Estate/Regeneration Forum meetings

Independent review

32. The Housing and Modernisation department has also sought an independent review of this outage.
33. The Chief Executive of the City of London Corporation kindly agreed to provide that independent review through its City Surveyors department. This is being led by Peter Collinson, the Operations Group Director.
34. The Terms of Reference for this independent review are set out in Appendix 1.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix 1	Aylesbury Estate Boilers Major Outage Independent Review - Terms of Reference

AUDIT TRAIL

Lead Member	Councillor Kieron Williams, Cabinet Member for Housing Management and Modernisation	
Lead Officer	Michael Scorer, Strategic Director of Housing and Modernisation	
Report Author	Tony Hunter, Head of Engineering, Housing and Modernisation	
Version	Final	
Dated	5 March 2020	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Democracy	No	No
Strategic Director of Finance and Governance	No	No
Cabinet Member	Yes	-
Date final report sent to Scrutiny Team		5 March 2020

AYLESBURY ESTATE BOILERS MAJOR OUTAGE INDEPENDENT REVIEW

TERMS OF REFERENCE

Context

Residents are the ones directly affected by the operation and any problems arising within the operation of the council's district heating systems. The Aylesbury Estate heat network is the largest in Southwark's housing stock.

A warm home and a reliable supply of hot water is a basic domestic need. The effective management of the council's district heating assets is, therefore, of critical importance to our residents' lives. The council works hard to achieve the highest possible levels of reliability, efficiency, cost effectiveness and compliance.

Purpose

The main purpose of this review is to look at the circumstances around the emergency shutdown of the Aylesbury heat network on 16th January 2020, look at how it was arrived at and determine if anything could or should have been done differently and whether there are any lessons to learn and apply going forward. This should also recognise 'good practice' and identify how the Southwark Council response compares to peers and other service providers such as UKPN / SGN etc.

The review will provide feedback, consultation and recommendations on the processes relating to the current operating system and in particular to the recent heating outage. Areas the review could include:

- Previous major repairs and investment;
- Day to day repair and maintenance, including Planned Preventative Maintenance (PPM);
- Statutory insurance inspection regime and requirements (Pressure Systems Safety Regulations 2000);
- Could the shutdown have been avoided and could it have been handled better?
- Speed of response and implementation of alternative provision of service;
- Monitoring and care of vulnerable residents;
- Communications (residents, staff and members);
- Effective policies and management arrangements covering all aspects of the heat network system operation.
- What lessons should we learn and are there any recommendations for the future?
- Any comments on the Aylesbury estate heating system;
- Thoughts about the future options for heating the estate (and hot water provision).

Key staff to liaise with may include (but are not limited to):

Michael Scorer – Strategic Director of Housing & Modernisation

David Hodgson – Director of Asset Management

Tony Hunter – Head of Engineering

Paul Gathercole – Contract Manager (Gas & Water)

Adam Kitchener – Compliance Manager (Gas & Water)

John Marengi – Senior Mechanical Engineer (District Heating)

Gavin Duncumb – Commercial Manager

Paul Langford – Director of Resident Services

Abi Oguntokun – Area Manager (Resident Interaction and Support)

Jacqueline Beecham – Resident Services Manager

Richard Selley – Director of Customer Experience

Maggie Lydon – Call Centre Manager (Call Centre / Web Updates)

Item No. 6.	Classification: Open	Date: 9 March 2020	Meeting Name: Housing Scrutiny Commission
Report title:		The council's relationship with housing associations	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Kieron Williams - Cabinet Member for Housing Management and Modernisation	

RECOMMENDATION

1. The Housing Scrutiny Commission is asked to note the contents of this report.

BACKGROUND INFORMATION

2. There are about 17,000 housing association properties in Southwark, compared to about 37,000 council rented properties. There are close to 60 housing associations that have stock in Southwark but many of these have very small stocks. There are 18 with stock over 100 units as per the table below. There are also about 3,000 shared ownership properties across the borough. In 2019 Peabody Trust was the largest housing association with a stock of 3,036 low cost rental units. Many of these housing associations have significant stock in other boroughs so we are not the only local authority trying to influence and communicate with these housing associations.
3. The council works closely with housing associations as it has many similar aims and objectives, and responsibilities. The council does not manage or regulate housing associations but there are a number of ways the council can influence housing associations in the borough. There are a variety of formal powers the council can use, but in most cases the influence is through the council's working relationships with housing associations.

Housing associations with over 100 units of low cost rental accommodation) in 2019, from the Statistical Data Return (SDR)	Total low cost rental accommodation (owned)	Rank	Shared ownership (less than 100% ownership)
Peabody Trust	3,036	1	489
London & Quadrant Housing Trust	2,288	2	495
Hyde Housing Association Limited	1,729	3	461
Hexagon Housing Association Limited	1,428	4	87
Optivo	1,425	5	363
Wandle Housing Association Limited	1,175	6	235
Clarion Housing Association Limited	1,047	7	135
Notting Hill Genesis	1,035	8	4
Southern Housing Group Limited	636	9	164
The Guinness Partnership Limited	618	10	
Metropolitan Housing Trust Limited	533	11	115
The Riverside Group Limited	335	12	
Habinteg Housing Association Limited	178	13	

Lambeth & Southwark Housing Association Limited	158	14	
Paragon Asra Housing Limited	157	15	34
Housing For Women	120	16	
Sanctuary Housing Association	120	17	1
New World Housing Association Limited	114	18	

KEY ISSUES FOR CONSIDERATION

Section 1 – Joint strategic work with housing associations

Working together to develop a joint strategic vision

4. The council works closely with housing associations in developing and agreeing the strategic vision for housing in Southwark.
5. The Housing Strategy to 2043 (agreed in 2015) was developed in partnership with housing associations that play a key role in the delivery of all four of the overriding principles of the Housing Strategy. They have also been firmly involved in developing the Southwark Housing Strategy 2020. In June 2019 the council held a stakeholder event which was attended by a large number of housing associations along with staff from the GLA, the Ministry of Housing and Local Government and voluntary agencies. Following this event we have refreshed the principles and updated the actions for how we will deliver the housing strategy together. This is currently being consulted on via the council's consultation hub at: <https://consultations.southwark.gov.uk/housing-community-services-department-community-engagement-team/shs20/>
6. The New Southwark Plan is the new borough-wide planning and regeneration strategy up to 2033. The council submitted the NSP to the Secretary of State on 16 January 2020. Housing associations have been involved in the developing the plan and shaping the vision. Housing associations are also consulted on other planning policies and supplementary planning documents.

Working together on regeneration schemes

7. The council is working on some major regeneration projects in the borough such as at Old Kent Road, Canada Water, Aylesbury and Peckham and Nunhead. The council is working closely with housing associations and house builders in long term partnerships to both shape the vision for the area but also deliver the new homes. In key regeneration partnerships, a housing association is the development partner. The Council has a formal development agreement with that partner and has regular strategic meetings.
8. The Council is also involving housing associations as key stakeholders in the development of Social Regeneration Charters such as in Walworth where L&Q and Notting Hill Genesis have an increasing amount of homes.

Working together on new development

9. The council works closely with housing associations to increase the supply of affordable housing in Southwark. The Housing Regeneration and Delivery Team and the planning division works together with housing associations on their pre applications, and planning applications to maximise affordable housing and

achieve policy compliant schemes, making best use of the various funding opportunities. The CIL/S106 team provide advice and assistance to housing associations who are applying for CIL relief to help further increase the provision of social housing.

10. The council monitors the completion of new housing association development in the borough, and keeps a record of development activity in the borough. The council holds two development lists of all housing associations in the borough. The first details associations with a significant development and housing management role in Southwark. They have an established relationship with the council in terms of nomination agreements and a local management presence. There is also a second list which details registered providers with smaller stock holdings in Southwark and/or providing specialist housing.
11. The following is the current schedule of development by each housing association between 2019/20 to 2024/25 based on current plans. This regularly changes as new schemes are added or as phasing of schemes change. This shows that Notting Hill Genesis will play have significantly more social rented stock in the borough in future years.

Provider	Social Rent	Affordable Rent	Intermediate	Grand Total
Notting Hill Genesis	579	162	616	1,357
L&Q	35	209	191	435
A2 Dominion	287		125	412
Peabody	160	6	131	297
Optivo	38	90	53	181
Hexagon	9		69	78
Pocket			57	57
United St Saviours	57			57
Viridian	8		6	14
City of London	13			13
Guinness	8		4	12
Affinity Sutton	8		2	10
Grand Total	1,202	467	1,254	2,923

12. Housing associations should take account of the Borough Tenancy Strategy in deciding whether to offer fixed term tenancies or lifetime tenancies. In summary, this strongly recommends the use of lifetime tenancies, but where there are specific issues, that a fixed term tenancy could be used, in line with guidance to maximise security of tenure as far as possible.

Option to engage with housing associations

13. The council has a number of formal structures it can use to engage with housing associations. These include:
 - SOUHAG (Southwark Housing Association Group) Development Group - This discusses issues around increasing the supply of affordable housing
 - SOUHAG Management Group - This discusses more day to day housing management issues such as fire safety, tackling anti social behaviour etc. The council is currently reviewing how often this group meets and the best way to discuss and communicate issues with housing associations.

- SOUHAG Communities Group - This is a newly emerging SOUHAG to look at how housing associations and the council can work better together around improving the health and wellbeing of residents. The SOUHAG Communities subgroup will bring together key partners including representatives from the council, housing associations, and NHS Southwark CCG. Engagement with the ten key housing associations operating in the borough identified their health and wellbeing priorities in Southwark as follows:

1. Training, employment, education, and skills
2. Financial inclusion
3. Tackling isolation and loneliness
4. Engaging young people
5. Tackling low-level mental health issues

14. The council also regularly meets with housing associations outside of these formal structures.
15. Resident Services organises meetings between key managers in the council and directors of the largest housing associations to provide an opportunity to discuss overall key priorities and issues.
16. The council also sets up wider meetings to discuss specific issues as required. This can provide an opportunity to meet with a particular set of staff with the organisation. A key example of this was an event held in January 2020 to discuss issues and challenges related to fire safety, and to share best practise. This event was attended by most housing associations in the borough, London Councils and the London Fire Brigade. This meeting resulted in housing associations being invited to join the London Councils Fire Safety Group, and agreement for a joint response led by London Councils to some of the key issues in the Grenfell Stage One Recommendations. The group will meet again to discuss the Stage Two Recommendations when these are published.
17. The council also works with London housing associations through London Councils and their relationship with the G15 (a grouping of large London housing associations). This can provide an excellent opportunity to allow both the council and housing associations to speak together on particular areas of concern. A good example of this is the joint work by the G15 and London Councils into housing supply issues and the need for further funding for affordable housing in London. The report will be published towards the end of March and will provide an excellent lobbying tool to get more funding for London.

Housing Association Boards

18. Some council staff may sit on housing association boards in a personal capacity in their own time. Staff members are required to declare this interest, as all interests that could be seen as creating a possible conflict of interest should be disclosed. Sitting on a board can provide an opportunity for staff to gain a better understanding of issues in the housing association sector and to share expertise.

Section 2 - Working together to resolve issues with individual properties or schemes

19. There are occasions where the council needs to work with housing associations to address specific issues with properties or blocks as they arise. The council can assist as follows:

Building control issues

20. Building control can provide assistance where a development has been found to not meet building regulations.

Planning issues

21. The Planning Enforcement team can use legal powers to ensure that buildings have been built as agreed. An enforcement notice could be issued if a building was found to not contain the required numbers or specific types of affordable housing, or possible breaches of planning control. An enforcement officer will offer advice and guidance about how to resolve a breach informally, avoiding formal action, and will look to have early discussions with housing associations if any problems arise.
22. To assist with increasing the supply of affordable housing, under the New Southwark Plan, developments that creates 10 or more homes must provide the maximum viable amount of social rented and intermediate homes. The minimum amount should be 35%. This should be provided on site where possible, and offsite in exceptional circumstances. Where social and intermediate housing cannot be provided on site or off site a cash payment towards the delivery of new council homes will be required. Developers are also required to pay a community infrastructure levy (CIL) to contribute towards improving community infrastructure.
23. The CIL/S106 team act in a regulatory role monitoring the provision and retention of affordable housing as set out in the legal agreement (S106). Recently the council took court action against a developer (at the Jam Factory site) who sold off social housing within a development. The Planning division is currently working on developing a digital tool to monitor affordable housing provision secured via S106 Agreements to ensure that this is implemented in perpetuity. This work has involved working with Housing Associations to understand the housing stock within the borough. More information on this project can be found here: <https://www.southwark.gov.uk/innovate/collabrative-project/affordable-housing-monitoring>

Property condition issues

24. On 20 March 2019 a new law came into force to make sure that all rented houses and flats are 'fit for human habitation', which means that they are safe, healthy and free from things that could cause serious harm. If rented houses and flats are not 'fit for human habitation', tenants can take their landlords to court. In addition, the Housing Enforcement team have powers under the Housing Act 2004 to require landlords, including housing associations, to carry out works to properties where hazards exist (as specified by the Housing Health and Safety Rating System). There are also a number of miscellaneous provisions that allow

the team to require landlords to take action to remedy statutory nuisance or issues that are considered to be prejudicial to health. In the case of housing association properties, residents will usually be referred to their housing associations formal complaints process. Where enforcement officers are concerned about a particular issue they will speak to the housing association informally. They will take enforcement action where someone is in immediate danger or if the housing association has not responded to repeated requests for action. Housing Associations are exempt from any mandatory, additional or selective licensing provisions under Part 2 and part 3 of the Housing Act 2004.

Nominations

25. The council has nomination rights to housing association properties. Where the Council has provided funding or land or some other subsidy, the council will receive 100% of nominations on such properties for the first 2 years of the scheme from the date of the first tenancy. Otherwise where housing has been delivered as a result of a Section 106 development or provided with other public funding housing associations will offer nomination rights to the council of 50% of one bed units and 75% of two bed+ units. In 2018/19 there were 265 council nominations to housing association properties. Occasionally there may be issues where a household who has applied for a housing association property will be turned down based on affordability issues. The council discusses issues such as this broadly with housing associations at SOUHAG and also intervenes in individual cases as required.

Section 3 – Areas covered by the Regulator of Social Housing and the Housing Ombudsman

Regulation

26. The council does not have a direct role in the regulation of housing associations but the local authority could refer an issue to the regulator to investigate if it had a particular concern.
27. The Regulator of Social Housing regulates registered providers of social housing (including local authorities) to promote a viable, efficient and well-governed social housing sector able to deliver homes that meet a range of needs. All local authorities are regulated, including those whose stock is managed by an Arm's Length Management Organisation (ALMO) or a Tenant Management Organisation (TMO).
28. The objectives of the Regulator of Social Housing are set out in the Housing and Regeneration Act 2008. In summary, their role is to:
- protect social housing assets
 - ensure providers are financially viable and properly governed
 - maintain confidence of lenders to invest into the sector
 - encourage and support supply of social housing
 - ensure tenants are protected and have opportunities to be involved in the management of their housing
 - ensure value for money in service delivery
29. The regulatory standards for social housing in England are at the core of the regulatory framework requirements. Each standard sets out required outcomes

and specific expectations of registered providers. Where relevant, they reflect the Secretary of State's directions on specific regulatory standards.

30. They proactively regulate the 3 standards which are classified as 'economic'. These are:
 - the Governance and Financial Viability Standard
 - the Value for Money Standard
 - the Rent Standard
31. The remaining 4 standards are classified as 'consumer'. These are:
 - the Tenant Involvement and Empowerment Standard
 - the Home Standard
 - the Tenancy Standard
 - the Neighbourhood and Community Standard
32. For consumer standards their role is reactive in response to referrals or other information received. Their role is limited to intervening where failure to meet the standards has caused or could have caused serious harm to tenants.
33. In the guidance on the regulator's approach to intervention, enforcement and use of powers it states the regulator recognises that local authorities in whose areas a registered provider operates may have various levels of interest in the provider's affairs. Where a local authority is a secured creditor its position is the same as other secured creditors. In other situations, the regulator does not have a legal duty to consult or inform local authorities, but the regulator will endeavour to keep local authorities informed as appropriate to the particular circumstances of each case.
34. From 1 October 2018, the Regulator of Social Housing was made a stand-alone 'non departmental public body' of government. It was previously part of the Homes and Communities Agency (HCA) which administers grants to social housing providers. Initially this resulted in a more light touch approach to regulation with focus on the economic standards, but these consumer standards have gained more attention since the tragic Grenfell Tower fire.

Complaints

35. If a housing association tenant wants to complain about their landlord, they need to initially contact their landlord. If this fails to resolve the issue the resident can try to escalate the complaint through a designated person. This could be an MP, councillor or a tenant panel. The designated person can try to help resolve the issue. If they don't succeed they can refer this to the housing Ombudsman. If the designated person does not agree to pursue the case the resident has to wait eight weeks before the complaint goes to the Housing Ombudsman. The government have consulted on removing this "democratic filter" in the social housing green paper.
36. There may be cases where a housing association resident will want to complain about services provided by the council. The council's complaint process is detailed on the Southwark Council website.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Lead Member	Councillor Kieron Williams, Cabinet Member for Housing Management and Modernisation	
Lead Officer	Michael Scorer, Strategic Director of Housing and Modernisation	
Report Author	Robert Weallans, Housing Strategy Manager, Housing and Modernisation	
Version	Final	
Dated	5 March 2020	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
	Officer Title	Comments Sought
	Director of Law and Democracy	No
	Strategic Director of Finance and Governance	No
	Cabinet Member	Yes
	Date final report sent to Scrutiny Team	5 March 2020

HOUSING SCRUTINY COMMISSION**MUNICIPAL YEAR 2019-20****AGENDA DISTRIBUTION LIST (OPEN)****NOTE:** Original held by Scrutiny Team; all amendments/queries to Fitzroy Williams Tel: 020 7525 7102

Name	No of copies	Name	No of copies
Co-Opted Members			
Ina Negoita (Homeowners' Council)	1	Aine Gallagher - Head of Cabinet Office and Public Affairs	1
David Eyles (Homeowners' Council Reserve)	1		
Cris Claridge (Tenants' Council)	1		
Member		Fitzroy Williams, Scrutiny Team SPARES	10
		External	
		Caroline Vicent	1
Electronic Copy			
Members			
Councillor Gavin Edwards			
Councillor Hamish McCallum			
Councillor Jack Buck			
Councillor Dora Dixon-Fyle MBE			
Councillor Jon Hartley			
Councillor Nick Johnson			
Councillor Bill Williams			
Reserves Members			
Councillor Anood Al-Samerai			
Councillor Helen Dennis			
Councillor Paul Fleming			
Councillor Darren Merrill			
Councillor Victoria Olisa			
Councillor Charlie Smith			
		Total: 14	
		Dated: February 2020	