

Committee/Meeting: Cabinet	Date: 11 September 2013	Classification: Unrestricted	Report No: CAB 29/134
Report of: Cllr Sirajul Islam, Scrutiny Lead for Resources. Corporate Director: Aman Dalvi Originating officer(s) Louise Russell, Service Head, Strategy & Equality Shibbir Ahmed, Strategy, Corporate Strategy & Performance		Title: Co-regulation and accountability of Registered Housing Providers (RP's) Wards Affected: All	

Lead Member	Cllr Rabina Khan
Community Plan Theme	A Great Place to Live
Strategic Priority	1.1: Provide good quality affordable housing 1.2: Maintain and improve the quality of housing 1.6: Develop stronger communities

1. **SUMMARY**

- 1.1 This report contains the findings and recommendations of a scrutiny review on co-regulation and accountability of Registered Housing Providers (RPs) which has been agreed by the Overview and Scrutiny Committee. The report also includes a proposed action plan for responding to those recommendations.

2. **DECISIONS REQUIRED**

The Mayor in Cabinet is recommended to:-

- 2.1 Note the review report (Appendix 1) and agree the action plan (Appendix 2) in response to the recommendations.

3. **REASONS FOR THE DECISIONS**

- 3.1 Housing co-regulation was chosen as a priority issue for the Overview and Scrutiny Committee in 2012-13 given the significant regulatory changes in this area and the high proportion of social housing in the borough. Housing is a priority for the Mayor and it was felt strongly that a scrutiny review could make a valuable contribution to the work on this agenda.

4. ALTERNATIVE OPTIONS

- 4.1 To take no action. This is not recommended as the proposed recommendations are strategic, measurable and attainable. A timetable for delivering the recommendations has also been agreed by officers at the most senior levels of the organisation. The action plan is outlined in appendix 2.
- 4.2 To agree some, but not all recommendations.

5. BACKGROUND

- 5.1 The key aim of the review was to:
- Understand how RPs are currently held to account and performance managed.
 - Assess how well developed arrangements for co-regulation and new tenant scrutiny arrangements are in the borough.
 - Explore the requirement in Localism Act for a local 'democratic filter' to resolve tenant complaints and options for implementing this for council managed housing stock as well as stock managed by Register Providers in the borough.

6. BODY OF REPORT

- 6.1 The report of the Scrutiny Working Group and the action plan for implementing the recommendations are contained in Appendices 1 and 2.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 7.1 This report describes the findings and recommendations of the Scrutiny Working Group on the new housing co-regulation framework.
- 7.2 There are no specific financial implications emanating from this report, but in the event that the Council agrees further action in response to this report's recommendations then officers will be obliged to seek the appropriate financial approval before further financial commitments are made - in conjunction with Tower Hamlets Homes and other Registered Social Landlord (RSL) partners.

8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)

- 8.1 The Council is required by section 9F of the Local Government Act 2000 to have an Overview and Scrutiny Committee and to have executive arrangements that ensure the committee has specified powers. Consistent with this obligation, Article 6 of the Council's Constitution provides that the Overview and Scrutiny Committee may consider any matter affecting the area or its inhabitants and may make reports and recommendations to the Full Council or the Executive in connection with the discharge of any functions. It is consistent with the Constitution and the statutory framework for the Executive to provide a response.
- 8.2 The Tower Hamlets Community Plan contains the Council's sustainable community strategy within the meaning of section 4 of the Local Government Act 2000. The Partnership seeks to tackle inequality and promote inclusion under the theme of

One Tower Hamlets. It also makes affordable housing and housing quality priorities under the theme of A Great Place to Live. A number of the recommendations arising from the review are for the Council to work with its registered provider partners to promote management standards and co-regulation. Provided that the limits of the Council's powers are respected, the recommendations are capable of being carried out within the Council's statutory functions.

- 8.3 Section 51 and Schedule 2 of the Housing Act 1996 prescribe a framework for the handling of housing complaints from the social rented sector. Amendments made by the Localism Act 2011 took effect from 1 April 2013, shifting responsibility for local authority housing complaints to the Housing Ombudsman (registered provider complaints had already been going to the Housing Ombudsman).
- 8.4 Tenants and other individuals may have complaints against social landlords investigated by a housing ombudsman pursuant to a scheme approved by the Secretary of State. Under an approved housing complaints scheme, it is the duty of the relevant housing ombudsman to investigate any complaint duly made and not withdrawn. The housing ombudsman must determine a complaint by reference to what the ombudsman considers fair in all the circumstances of the case.
- 8.5 A complaint against a social landlord will not generally be "duly made" to a housing ombudsman under an approved scheme unless it is referred on to the ombudsman in writing by a designated person. This requirement has been referred to as the "democratic filter". A designated person who can refer a housing complaint to the housing ombudsman is –
- a member of the House of Commons,
 - a member of the local housing authority for the area, or
 - a designated tenant panel.
- 8.6 A designated tenant panel is a group of tenants which is recognized by a social landlord for the purpose of referring complaints against the social landlord. The social landlord is required to keep its housing ombudsman informed of any tenant panels which it recognizes. The Council may work to support the establishment of one or more tenant panels to deal with complaints against the Council as landlord.
- 8.7 When considering its response to the recommendations of the Overview and Scrutiny Committee, the Executive must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't.

9. ONE TOWER HAMLETS CONSIDERATIONS

- 9.1 Co-regulatory principles and localism underpin the regulatory approach with tenants at the heart of the decision making processes.

- 9.2 The new frameworks seeks to capture the need to be as inclusive as possible by providing the opportunity for all tenants to play a role in ensuring that RPs manage to the highest possible standard in Tower Hamlets.
- 9.3 More than a quarter of all affordable housing stock in the borough is managed by Registered Providers (RPs) hence they are absolutely key to the successful implementation of the Council's housing strategy.
- 9.4 This report aims to highlight the close partnership that is needed between the Council and RP's and puts forward a set of recommendations to ensure the success of the co-regulatory approach; the protection of consumer standards; and the drive for continuous service improvement.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 10.1 There are no direct environmental sustainability implications arising from this report or its recommendations.

11. RISK MANAGEMENT IMPLICATIONS

- 11.1 There are no direct risk management implications arising from this report or its recommendations.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 12.1 There are no direct crime and disorder reduction implications arising from this report or its recommendations.

13. EFFICIENCY STATEMENT

- 13.1 There are no direct efficiency implications arising from this report or its recommendations.

14. APPENDICES

Appendix 1: Co-regulation and accountability of Registered Housing Providers (RPs)– Report of the scrutiny review group

Appendix 2: Scrutiny Review action plan

Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

List of "Background Papers" used in the preparation of this report

Brief description of "background papers"	Name and telephone number of holder and address where open to inspection.
None	N/A