

	Audit & Standards Advisory Committee 16 June 2025
	Report from the Director of Housing Services
	Lead Member – Cabinet Member for Housing & Resident Services (Councillor Fleur Donnelly-Jackson)
Self-Referral to Regulator of Social Housing	

Wards Affected:	All
Key or Non-Key Decision:	Not Applicable
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
List of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Spencer Randolph - Director of Housing Service 020 8937 2546 Spencer.randolph@brent.gov.uk Gary Mitchell - Head of Service Housing Management Property 020 8937 2956 Gary.Mitchell@brent.gov.uk

1.0 Executive Summary

- 1.1. The purpose of the report is to notify the Audit & Standards Advisory Committee of the circumstance surrounding the necessity to self-refer to the Regulator of Social Housing for breaches in compliance with building safety, potentially breaching the Quality and Safety Standard.

2.0 Recommendation(s)

Audit & Standards Advisory Committee is asked:

- 2.1 To note the content of the report

2.2 To Note the Regulator of Social housing has issued a Regulatory Notice requiring the council to address the breaches in compliance with the required outcomes of the Quality and Safety Standard.

2.3 To note the appointment of specialists to assist with the recovery of the compliance breaches

3.0 Detail

3.1 Contribution to Borough Plan Priorities & Strategic Context

3.1.1 The work detailed in this report and that of the housing management service more generally supports the Council's wider borough plan to Move Brent Forward Together. In particular, the work presented with this report supports the borough plan priority to provide prosperity and stability in Brent through helping to deliver the desired outcome for safe, secure and decent housing across the borough.

3.2 Background

3.2.1 In April 2025 it was identified by the Strategic Compliance Manager that True Compliance, which is the compliance software utilised by the council, had been updated incorrectly.

3.2.2 Further investigations established that up to 12,500 fire actions had been wrongly updated to indicate that works had been completed, but were missing the required supporting evidence. In addition, the council was unable to reconcile performance data on asbestos management, water safety and detectors for smoke and carbon monoxide.

3.2.3 Upon realising the potential seriousness of the situation, advice was taken on appropriate corrective steps, from a building safety specialist that deals with the management and recovery of regulatory breaches.

3.2.4 In line with the requirements of the Social Housing (Regulations) Act 2023 around transparency, the advice was to self-refer to the Regulator of Social Housing.

3.2.5 Contact was made with the regulator, which subsequently led to a request for further performance information on building safety and stock decency.

3.2.6 The council was unable to provide a comprehensive response, due to the low level of confidence in the performance data held within True Compliance.

3.2.7 As part of the response, the council was asked to provide information on its stock condition data.

3.2.8 The council reported that it had stock data on 95% of its homes, however it does not hold recorded survey information on over 50%.

3.2.9 As a result of the aforementioned issues, on the 28th May 2025 the Regulator of Social Housing published its regulatory judgement, that being a grading of **C3**.

3.2.10 The Consumer Standards is the regulatory framework operated by the Regulator of Social Housing. Set out below is an explanation of the grading:

Grading	
C1	Fully compliant: landlords demonstrate good compliance and an appetite and ability to address failings effectively.
C2	Still compliant, but there may be some weaknesses or areas for improvement.
C3	Serious failings have been identified, and significant improvements are needed.
C4	Very serious failings, and fundamental changes are needed to address them

3.2.11 In response to the situation, the council has appointed advisors that specialise in building safety and assisting landlords in meeting the requirements and outcomes set out in the Social Housing (Regulations) Act 2023, in particular The Quality and Safety Standard.

3.2.12 The specialists started mid-May and are currently undertaking an initial assessment of the council's compliance arrangements, in preparation for an audit to confirm its true position on the 'Big 8' areas of compliance. These being:

1. Fire Safety
2. Gas Safety
3. Electrical Safety
4. Water Safety
5. Asbestos Management
6. Mechanical and Engineering (Lifts)
7. Damp and Mould
8. Smoke and Carbon Monoxide (CO) detectors

3.2.13 The audit will undertake the first part of three pieces of work that will be required to return the council to a position of compliance.

3.2.14 The second piece of work will be a Root Cause Analysis (RCA) of the working practices and arrangements that resulted in the breaches.

3.2.15 The third piece of work, which will commence shortly and run alongside the audit and the RCA, is a Compliance Recovery Programme. Each of these three pieces of work will qualify as the Performance Improvement Plan which the regulator requires to be put in place to ensure the safety and wellbeing of the council's social housing tenants.

3.2.15 The Regulator of Social Housing will meet with the Council and the Building Safety Specialists monthly to track progress and seek assurance of improvements.

4.0 Stakeholder and ward member consultation and engagement

4.1 In consultation with the regulator, we are taking a proactive approach with regards to our engagement in respect of how we are engaging with our tenants, members and the wider community. Communications have been issued regarding the self-referral and the subsequent judgement. A reactive Q&A has also been prepared for media enquiries. We will continue to monitor media coverage closely and keep residents informed as plans progress. The next major milestone will be the completion of the audit. Once that is finalised and we have a clearer understanding of the full scope of work required, we will provide residents with a further update

5.0 Financial Considerations

5.1 Like other local authorities, Brent are facing significant financial pressures and are continuously needing to look for efficiencies to address budget challenges. Some of the main challenges that could affect the long term viability of the HRA Business Plan along with rent levels are major works and repairs.

5.2 As the Council adds more stock to its portfolio and complexities of new additional requirements to building standards are increasing, such as fire safety works and decarbonisation, the cost of major works are rising. At the moment, there is insufficient government subsidy available to address these changes. The Asset Management Strategy and investment plans must be approached cautiously and allow for flexibility to scale back on schemes where required. Careful budget monitoring and financial planning are crucial. With a current 5.75% loan rate for the HRA, £1m in borrowing costs the HRA circa £28k per annum in interest costs.

5.3 The specialists that have been appointed to assist with the recovery of the compliance breaches, are currently undertaking an initial assessment of the situation with the intention of developing a recovery programme.

5.4 Upon completion of the initial assessment, a paper will be presented setting out the anticipated costs and financial implications. For comparative purposes, a registered provider with 21,000 homes that were in a similar situation, spent £2.3m on their recovery programme.

5.5 It should be noted that whilst operating under a regulatory notice, access to grant funding for housing developments may be reduced or ceased, until the council can evidence a position of compliance.

6.0 Legal Considerations

6.1 This report ensures compliance with the regulatory standards for housing, in particular ensuring we comply with the requirements of the Social Housing (Regulations) Act 2023 (the "Act").

- 6.2 The Act received royal assent on 20 July 2023. It makes provision for the regulation of social housing landlords, particularly with regard to issues such as safety, transparency, standards and conduct of staff and tenant engagement. The Act also strengthens the powers of the Housing Ombudsman and enables requirements to be set for social landlords to address hazards such as damp and mould within a fixed time period.
- 6.3 As a result of the amendments made by this Act, safety and transparency will become explicit parts of the objectives of the Regulator of Social Housing (“the Regulator”) and the Regulator will have greater powers in relation to the competency and conduct of staff and the provision of information. The Regulator will also be given strengthened economic powers to ensure they can effectively intervene when required to enable them to assess landlords failing to meet standards more routinely and proactively, as well as taking action in a wider range of circumstances. Changes are also made to the economic regulatory regime to ensure that providers of social housing are well governed and financially viable.
- The Act has three core objectives as follows:
 - To facilitate a new, proactive consumer regulation regime
 - To refine the existing economic regulatory regime
 - To strengthen the Regulator’s powers to enforce the consumer and economic regimes.
- 6.4 On 29 February the Regulator set out the revised consumer standards that apply to all registered housing providers from 1 April 2024. The new standards are:
- The Safety and Quality Standard
 - The Transparency, Influence and Accountability Standard
 - The Neighbourhood and Community Standard
 - The Tenancy Standard
- 6.5 The introduction of the revised consumer standards also included information on the Regulator’s Tenant Satisfaction Measures (TSM) referred to above, that all social housing landlords must report on. The TSMs will help the Council to see how well it is doing in areas such as keeping properties in good repair, maintaining building safety, and effectively handling tenant complaints. The Regulator required all landlords who own more than 1,000 homes to submit their first TSM data return by 30th June 2024 to enable the Regulator to publish the first year of data by autumn 2024.
- 6.6 As a social landlord the Council has a duty to provide a safe environment for those living in their homes. Failure to comply could result in negative outcomes ranging from customer dissatisfaction and criticism to a requirement to submit (to the Regulator) a Performance Improvement Plan, or to take particular remedial actions as set out in an enforcement notice. If necessary, the Regulator will be able to authorise an appropriate person to enter a social housing premises to take emergency remedial action, issue penalties such as

unlimited fines, or require the provider of social housing to pay compensation. A provider of social housing will commit an offence if they obstruct access or work required to undertake remedial action. A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 4 on the standard scale.

- 6.7 As per the report the council completed a self-referral that focused on the Safety and Quality Standard. The regulator notes that : “This is the first time we have issued a consumer grade in relation to this landlord. LB Brent has engaged positively with us since making its self-referral and has plans in place to understand the wider impact of its current position. Those actions include work to understand the root causes of the presenting issues, reviewing the completion of all closed fire safety remedial actions through a risk-based approach and working to develop a suitable action plan to resolve the issues. We will continue to engage with LB Brent as it seeks to address the issues that have led to this judgement. This includes evidencing that it is taking reasonable steps to mitigate risks to tenants as it creates and delivers its improvement plan. We are not proposing to use our enforcement powers at this stage but will keep this under review as LB Brent seeks to resolve these issues”.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 The public sector equality duty set out in Section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not share that protected characteristic. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

8.0 Climate Change and Environmental Considerations

- 8.1 Housing is a key stakeholder in delivering the Councils Climate Action strategy. The actions Housing is responsible for are as follows:
- Retrofit work to three tower blocks;
 - We will deliver further retrofitting projects via the Council’s Carbon offset fund;
 - We will develop and implement employer requirements for energy efficiency standards within all new Council housing;
 - We will explore and identify an opportunity for an exemplar net zero new build within the NCHP;
 - We will review developments within our NCHP pipeline to ensure that all aspects of sustainability are holistically addressed, with a special focus on the proposed development plans for St Raphael’s Estate;

9.0 Human Resources/Property Considerations (if appropriate)

- 9.1 At this time it is anticipated that additional resource will be required in the short to medium term, to assist with the recovery programme.

10.0 Communication Considerations

- 10.1 In consultation with the regulator, we are adopting a proactive approach concerning our engagement with tenants, elected members, and the wider community.
- 10.2 Communications have been disseminated regarding the self-referral and the subsequent judgement. Additionally, a responsive Q&A document has been prepared to address media inquiries. We will continue to closely monitor media coverage and keep residents informed as the plans advance.
- 10.3 The next significant milestone will be the completion of the audit. Upon its conclusion and once we have a comprehensive understanding of the full scope of work required, we will provide elected members and residents with a further update.

Report sign off:

Thomas Cattermole

Corporate Director of Residents and Housing Services