
Registering West Berkshire Council as a Registered Provider – Supporting Information

1. Introduction/Background

- 1.1 Please see Part II report for further information.
- 1.2 It has been suggested by the HCA that the Council becomes a Registered Provider to facilitate purchase of additional property for the purposes of providing temporary accommodation to meet statutory homeless duties.

2. Supporting Information

- 2.1 The HCA maintains a statutory register of social housing providers (the register) which lists private (not-for-profit and for-profit) providers and local authority providers. Most not-for-profit providers are also known as housing associations. Providers on the register are known as Registered Providers (RP's).
- 2.2 RPs are subject to regulation by the HCA, the purpose of which 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
- 2.3 Regulation must be delivered in a way that minimises interference and is proportionate, consistent, transparent and accountable.
- 2.4 RPs are expected to meet seven Regulatory Standards, which fall under the headings of 'economic' or consumer'.
- 2.5 The Economic Standards cover the Governance and Financial Viability Standard, the Value for Money Standard and the Rent Standard. Economic standards apply to all registered providers *except for local authorities* because the regulator has no power to set economic standards for local authorities
- 2.6 The Consumer Standards cover the Tenant Involvement and Empowerment Standard, the Home Standard, the Tenancy Standard and the Neighbourhood and Community Standard. The purpose of Consumer Standards is to ensure delivery of quality social housing, provide tenants with an opportunity to be involved in the management of their housing and hold their landlords to account and to encourage RPs to contribute to the environmental, social and economic well-being of the areas in which the housing is situated.
- 2.7 The HCA takes a co-regulation approach. This means:

- (1) They regard Board Members and Councillors as responsible for ensuring that providers' businesses are managed effectively and that providers comply with all regulatory requirements
- (2) Providers must support tenants to shape and scrutinise service delivery and to hold Boards and Councillors to account
- (3) They operate as an assurance-based regulator, seeking assurance from providers as to compliance with the standards. In other words, the onus is on providers to demonstrate their compliance to the regulator. Where they lack the requisite assurance, this will be reflected in the judgements they reach.

2.8 Providers which own fewer than a thousand social housing units collectively account for less than 5% of the sector's total assets, turnover and debt and are subject to a lower level of regulatory engagement. West Berkshire Council, should it choose to become a RP, would fall into this category and would therefore be subject to light-touch regulation i.e. the regulator would only step in if they considered that there was actual or potential risk of serious detriment or harm to tenants.

2.9 Overall, therefore, it would appear that the risk to the Council of becoming a RP is relatively low. Becoming a RP is a status, rather than an entity. It would not require a management structure, have staffing implications or require a strategic approach, other than we would already have in place as a Housing Service.

2.10 There are a number of other issues that need to be taken into account:

- (1) Housing Revenue Account (HRA) – the Council does not have an HRA and does not wish to create one. Advice has been sought and properties held for the purposes of meeting statutory housing duties can be held as assets within the General Fund. It is therefore understood that becoming a RP would not require the Council to re-establish a HRA and that the stock could be retained within the General Fund. This is consistent with advice sought back in 2009 when options for the disposal of Taceham House were being considered.
- (2) Right to Buy – the Council is holding its stock for the purpose of meeting statutory housing duties and all accommodation is offered under Part VII of the Housing Act 1996 (as amended). This means they are offered as non-secure tenancies and licenses and therefore Right to Buy would not apply to these tenancies and licenses.
- (3) Rent reduction – the Government has introduced a 1% rent reduction each year until 2019/20 for RPs. The Council would need to adhere to this rent reduction when setting its rents.
- (4) Housing Ombudsman – there is a fee charged by the Housing Ombudsman to join the scheme. The HCA have confirmed that the Council would not need to join this scheme and would continue to be subject to the Local Government Ombudsman.

3. Options for Consideration

3.1 Please see Part II report for further information.

4. Conclusion

4.1 In conclusion, the risk to the Council of taking this step appears to be low-risk and it is therefore recommended that the Council applies to become a RP. Please see Part II report for further information

5. Consultation and Engagement

5.1 Advice has been sought from legal Services and Finance and other external agencies, as appropriate.

Background Papers:

N/A

NOTE: The section below does not need to be completed if your report will not progress beyond Corporate or Operations Board.

Subject to Call-In:

Yes: No:

If not subject to call-in please put a cross in the appropriate box by double-clicking on the box and selecting 'Checked':

The item is due to be referred to Council for final approval	<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council	<input checked="" type="checkbox"/>
Delays in implementation could compromise the Council's position	<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months	<input type="checkbox"/>
Item is Urgent Key Decision	<input checked="" type="checkbox"/>
Report is to note only	<input type="checkbox"/>

Wards affected:

This decision would apply to the whole district.

Please put a cross in the appropriate box(es) by double-clicking on the box and selecting 'Checked':

Strategic Aims and Priorities Supported:

The proposals will help achieve the following Council Strategy aim:

P&S – Protect and support those who need it

The proposals contained in this report will help to achieve the following Council Strategy priority(ies):

SLE1 – Enable the completion of more affordable housing

The proposals contained in this report will help to achieve the above Council Strategy aims and priorities by ensuring provision of good quality and appropriately managed temporary accommodation to meet statutory homeless duties.

Officer details:

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Appendix B

Equality Impact Assessment - Stage One

NOTE: Strategic Support is not able to accept your report without the following section being completed and an Equality Impact Assessment (EIA) being attached where required. For advice please visit <http://intranet/EqIA> or contact the Principal Policy Officer (Equality & Diversity) on Ext. 2441 or Team Leader/Solicitor - Corporate Team on Ext. 2626.

We need to ensure that our strategies, policies, functions and services, current and proposed have given due regard to equality and diversity.

Please complete the following questions to determine whether a Stage Two, Equality Impact Assessment is required.

Name of policy, strategy or function:	Registering West Berkshire Council as a Registered Provider
Version and release date of item (if applicable):	
Owner of item being assessed:	Mel Brain
Name of assessor:	Mel Brain
Date of assessment:	16/11/2016

Is this a:		Is this:	
Policy	<u>Yes/No</u>	New or proposed	<u>Yes/No</u>
Strategy	<u>Yes/No</u>	Already exists and is being reviewed	<u>Yes/No</u>
Function	<u>Yes/No</u>	Is changing	<u>Yes/No</u>
Service	<u>Yes/No</u>		

1. What are the main aims, objectives and intended outcomes of the policy, strategy function or service and who is likely to benefit from it?	
Aims:	To register west Berkshire Council as a Registered Provider.
Objectives:	To provide good quality, affordable temporary accommodation within the District to meet statutory homeless duties.
Outcomes:	Purchase of replacement/additional temporary accommodation
Benefits:	Homeless households are accommodated locally, B&B costs are reduced and the Council meets its statutory duties.

2. Note which groups may be affected by the policy, strategy, function or

<p>service. Consider how they may be affected, whether it is positively or negatively and what sources of information have been used to determine this.</p> <p>(Please demonstrate consideration of all strands – Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex and Sexual Orientation.)</p>		
Group Affected	What might be the effect?	Information to support this
Age	This policy should have no impact on this strand	
Disability	This policy should have no impact on this strand.	
Gender Reassignment	This policy should have no impact on this strand.	
Marriage and Civil Partnership	This policy should have no impact on this strand.	
Pregnancy and Maternity	This policy should have no impact on this strand.	
Race, Religion or Belief	This policy should have no impact on this strand.	
Sex and Sexual Orientation	This policy should have no impact on this strand.	
Further Comments relating to the item:		

3. Result	
Are there any aspects of the policy, strategy, function or service, including how it is delivered or accessed, that could contribute to inequality?	Yes/No
<p>Please provide an explanation for your answer:</p> <p>Registering as a Registered Provider is a status, not an entity. Additional regulation will ensure effective operation of Housing Services, but will have no direct impact on how services are delivered or accessed.</p>	
Will the policy, strategy, function or service have an adverse impact upon the lives of people, including employees and service users?	Yes/No
<p>Please provide an explanation for your answer:</p> <p>Registering as a Registered Provider is a status, not an entity. Additional regulation will ensure effective operation of Housing Services, but will have no direct impact on the lives of people, including employees or service users..</p>	

If your answers to question 2 have identified potential adverse impacts and you have answered 'yes' to either of the sections at question 3, or you are unsure about the impact, then you should carry out a Stage 2 Equality Impact Assessment.

If a Stage Two Equality Impact Assessment is required, before proceeding you should discuss the scope of the Assessment with service managers in your area. You will also need to refer to the Equality Impact Assessment guidance and Stage Two template.

4. Identify next steps as appropriate:	
Stage Two required	No
Owner of Stage Two assessment:	N/A
Timescale for Stage Two assessment:	N/A
Stage Two not required:	Yes

Name: Melanie Brain

Date: 16/11/2016

Please now forward this completed form to Rachel Craggs, the Principal Policy Officer (Equality and Diversity) for publication on the WBC website.