



Regulatory Notice August 2019

Registered Provider

Bespoke Supportive Tenancies Limited (BeST) (4718)

Regulatory Finding

The regulator has concluded that:

- a) BeST has breached the regulator's Home standard; and
- b) As a consequence of this breach, there was the potential for serious detriment to BeST's tenants.

The regulator will continue to work with BeST as it seeks to remedy this breach, and will continue to consider what further action should be taken, including whether to exercise any of its powers.

The Case

BeST has a responsibility under the regulator's Home standard to meet all applicable statutory requirements which provide for the health and safety of tenants in their homes. The statutory requirements include the Health and Safety at Work Act 1974 which requires BeST to conduct its undertakings in such a way that third parties (including tenants) are not exposed to risks to their health and safety. It also includes specific legislation in relation to gas safety, fire, water and asbestos.

Through our ongoing regulatory engagement with BeST, the regulator has learned that a number of statutory checks and risk assessments are overdue across a

range of health and safety areas, including gas, fire, electric, asbestos and Legionella. Also, for a significant number of its properties, BeST has been unable to provide assurance that statutory checks have been carried out by the property owners, and it has also been unable to provide assurance that where risks have been identified, appropriate action has been taken. Therefore, BeST lacks assurance that the homes where its tenants live are safe.

The Regulator's Findings

The issues identified cover a wide range of areas relating to health and safety, including gas, electric, fire, Legionella and asbestos. We have seen evidence that some checks are overdue, and some where checks have not been carried out. We also saw evidence that BeST did not originally appear to properly understand whether it, or the property owner, was responsible for carrying out some of the checks; and a significant weakness in BeST's system which means it is unable to provide assurance that the delivery of actions arising from statutory checks has been completed. Taking into account the seriousness and breadth of the issues, the regulator has concluded that BeST has breached part 1.2 of the Home standard.

The risks arising to tenants from BeST's failure to carry out statutory health and safety checks is self-evident and we consider that BeST's tenants, including some vulnerable individuals, have been put at risk. Therefore the serious detriment test is met.

Section 198A of the Housing and Regeneration Act 2008 (as amended) states that the regulator's regulatory and enforcement powers may be used if a registered provider has failed to meet a consumer standard. In order to use regulatory or enforcement powers, as well as the failure to meet the standard, there should also be reasonable grounds to suspect that the failure has resulted in a serious detriment to the provider's tenants (or potential tenants) or that there is a significant risk that, if no action is taken by the regulator, the failure will result in a serious detriment to the provider's tenants (or potential tenants).

Following our engagement, BeST has taken steps to improve its statutory compliance position and has commissioned a number of statutory checks, as well as demonstrating an improved understanding of its responsibilities in relation to leased stock. It has appointed a contractor to undertake the outstanding checks and is developing a plan to set out how this will be delivered. The regulator has previously concluded that BeST is non-compliant with the Governance & Financial Viability standard, and we are engaging intensively with the provider.

We will work closely with BeST as it now also seeks to resolve the issues which led to the breach of the consumer standards, and will keep our strategy, including the use of intervention powers, under review.