



Homes &
Communities
Agency

The Social Housing Regulator

HCA REGULATORY NOTICE

Registered Provider

Circle Anglia Limited (LH4046) (CA)

Regulatory finding

- a) CA has failed to meet the Home Standard; and
- b) As a consequence of this breach there was the potential for serious detriment to CA's tenants.
- c) The regulator is considering what further action should be taken, including whether to exercise any of its powers.

The case

Over the past few months the regulator has received a number of referrals from tenants and others about CA's repairs service. In particular, in December 2014, the regulator was advised of concerns about CA's repairs performance over the last year in one London Borough and informed that the local authority had served a significant and unusually high number of statutory notices on CA which related to serious issues of disrepair. The regulator was informed that the local authority no longer had confidence in CA's ability to keep its promises to carry out works effectively. Legal action had been threatened, and in one case had been initiated.

Further information revealed as a consequence of the regulator's inquiries demonstrated that there were chronic and long standing difficulties in the delivery of the repairs service to tenants in the London area covering 13,000 homes (Circle 33 and Old Ford Housing Association). In relation to Circle 33's 8,000 homes over a period of three months, CA report that less than 20% of urgent and emergency repairs were completed on time and elsewhere less than 50%.

Referrals received by the regulator provided extensive evidence that for over a year tenants, including vulnerable tenants, had experienced significant difficulties in getting essential repairs done, either on time or at all.

The regulator's findings

The regulator considered the case as a potential breach of the Home Standard, and specifically the regulatory requirement to meet all applicable statutory requirements that provide for the health and safety of the occupants in their homes and the requirement to have a cost effective repairs service that responds to the needs of tenants.

The failures in this service have affected large numbers of tenants for long periods of time. CA's performance data indicates levels of service which breach regulatory standards. The statutory notices and referrals provide further evidence of longstanding failure. The Home Standard requires a cost effective service which responds to the needs of tenants and we have concluded that CA has not met these requirements.

The regulator's consideration of the harm to tenants takes account of both the level of harm and also the number of tenants it affects and could affect. Thus one instance of serious harm to one tenant (for example, serious injury) and many instances of lesser harm to a larger number of tenants could both indicate serious harm. In this case, the regulator has concluded that the risk of serious harm is evident because a large number of tenants, including vulnerable tenants, have been, and continue to be, affected by the failure to complete emergency and urgent repairs on time. Emergency and urgent repairs by their nature may have serious consequences if not addressed and thus the potential for serious harm.

There is further evidence of failure to comply with statutory obligations for the health and safety of tenants sufficient to conclude that the standard has been breached. The fact that several statutory notices have been served, some outstanding for long periods of time, the severity of the conditions identified and the vulnerability of the tenants affected has again led the regulator to conclude that the harm was serious.

Taking all these matters into account, the regulator has concluded that there has been a breach of the Home Standard which has or may cause a serious detriment to tenants.

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 and the regulator thinks that there are 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).

CA has developed and is implementing a recovery plan, including additional data collection and analysis, and is considering what further action they need to take to remedy the service failures. The regulator is considering any implications in respect of CA's compliance with the governance elements of the Governance and Viability standard and will monitor CA's recovery plan. The regulator will consider in the light of performance against the recovery plan what, if any, further action to take in relation to the breach of the Home Standard.

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