Southway Housing Trust

# Assurance Review of Consumer Standards - TSMs

July 2025

Final

# Executive Summary

## OVERALL ASSESSMENT


## ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Southway does not achieve a C1 rating at the next Regulatory Inspection.

## KEY STRATEGIC FINDINGS

**While key policies align with Consumer Standards, there is no overarching framework tying them together, limiting visibility and consistency across the Trust.**

**The Trust relies solely on external reporting by ARP Research without direct validation of raw survey responses, reducing assurance over data accuracy.**

**The 30/30/30 split in survey methods (face-to-face, telephone, and email) ensures representative feedback. Continued assessment of satisfaction variation across methods will enhance insight and fairness.**

## GOOD PRACTICE IDENTIFIED

**Surveys are independently run and fully aligned with regulatory requirements, with multiple methods of contact carried out during the surveys.**

**Consumer Standards risks are integrated into the corporate risk register, and self-assessments are tracked with clear actions and ownership.**

## SCOPE

This review considered Southway's approach to compliance with the Consumer Standards, the Trust's self-assessment against the standards and validation of a sample of the TSMs.

## ACTION POINTS

| Urgent | Important | Routine | Operational |
|---|---|---|---|
| 0 | 1 | 1 | 0 |

# Assurance - Key Findings and Management Action Plan (MAP)

| Rec. | Risk Area | Finding | Recommendation | Priority | Management Comments | Implementation Timetable (dd/mm/yy) | Responsible Officer (Job Title) |
|---|---|---|---|---|---|---|---|
| 2 | Directed | Currently, the Trust does not conduct validation checks on the data provided by ARP Research, aside from reviewing the trend analysis, as it did not have access to the raw data feeding into the overall report at the time of the audit. To provide greater confidence in the accuracy of the data, the Trust would benefit from carrying out spot checks by validating a sample of individual tenant responses to ensure they have been accurately logged and recorded. Additionally, it would be of benefit for ARP and performance team to have more interaction with one another so that data sharing and survey performance data was more readily shared. | The Trust have access to the raw data obtained by ARP and to conduct spot checks on data provided to give assurance on data accuracy. | 2 | *We will analyse and validate a sample of the raw data each time it is collected by ARP. We will begin this process when we have the Quarter 2 submission.* | *30/09/25* | *Data Insight Manager* |
| 1 | Directed | Discussions in the opening meeting confirmed that there is no overarching policy or framework in place for the Consumer Standards or Tenant Satisfaction Measures. It was stated that the Trust operates directly from the Consumer Standards themselves, with senior management responsible for ensuring adherence, it was confirmed that some policies, such as the Repairs Policy, would align with aspects of the standards, however it is not explicitly stated. While this reflects an understanding of the regulatory expectations, the absence of a central policy limits visibility and consistency across the Trust which presents a risk that operational policies, procedures, and assurance processes may not be delivered in practice. This may also reduce clarity for staff and tenants regarding how the Trust approaches ongoing compliance and improvement in tenant outcomes. | The Trust to develop and implement a Consumer Standards and Tenant Satisfaction Measures Policy. This policy to outline the organisation's commitment to meeting the four Consumer Standards, describe the governance and accountability arrangements in place, and explain how the Trust collects, monitors, and responds to Tenant Satisfaction Measures. | 3 | *We will develop an overarching Consumer Standards Policy for Board approval at their next meeting in September 2025.* | *23/09/25* | *AD-Corporate Services* |

PRIORITY GRADINGS

| | | |
|---|---|---|
| 1 | URGENT | Fundamental control issue on which action should be taken immediately. |
| 2 | IMPORTANT | Control issue on which action should be taken at the earliest opportunity. |
| 3 | ROUTINE | Control issue on which action should be taken. |

# Operational - Effectiveness Matter (OEM) Action Plan

| Ref | Risk Area | Finding | Suggested Action | Management Comments |
|---|---|---|---|---|
| No operational effectiveness matters identified. | | | | |

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

# Findings

**Directed Risk:**

**Failure to properly direct the service to ensure compliance with the requirements of the organisation.**

| Ref | Expected Key Risk Mitigation | | Effectiveness of arrangements | Cross Reference to MAP | Cross Reference to OEM |
|---|---|---|---|---|---|
| GF | **Governance Framework** | There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation. | Partially in place | 1, & 2 | - |
| RM | **Risk Mitigation** | The documented process aligns with the mitigating arrangements set out in the corporate risk register. | In place | - | - |
| C | **Compliance** | Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance. | In place | - | - |

## Other Findings

A number of operational policies are in place that support specific aspects of the Consumer Standards, such as building safety, damp and mould, repairs, complaints handling, anti-social behaviour, and tenancy support. However, these documents do not explicitly reference the Consumer Standards, and how they feed into and allow the Trust to comply with the standards. **(Recommendation 1 refers).**

The Trust commissions an external consultant, ARP Research, to conduct tenant satisfaction surveys annually via telephone. The survey is based on the tenant perception measures (TPMs) introduced by the Regulator of Social Housing, which support the Consumer Standards. Each question allows for a free-text response to capture contextual feedback from tenants if required. The Trusts external consultant ARP Research conducts the tenant satisfaction survey in line with the regulators standards and all 12 questions are phrased exactly as required. Once the surveys are completed, the Trust receives a summary report providing analysis of the results, including overall satisfaction scores and insights drawn from tenant comments.

Without access to the base survey data, it is challenging to determine whether the report contains multiple responses from the same property, particularly where multiple contact details are held on file. Recommendation two addresses this concern by supporting access to the underlying data, which the Trust can use to confirm that only one response has been recorded per address and that no duplicates are present.

The Trust has made progress in raising awareness of the Consumer Standards across its senior leadership and governance functions, including targeted training and committee briefings. Additionally, training has been delivered to a number of teams including the Asset Services, Property Services, Housing Management and the Hub teams.

## Other Findings

A Complaints Action Plan is maintained that provides tracking of improvements across administrative processes, reporting, and compliance with both audit recommendations and the Housing Ombudsman's Complaints Handling Code. Each action is assigned an accountable owner, includes a target completion date, and is supported by progress updates.

The Trust completes self-assessments, focusing particularly on stock condition, safety, and repairs. The most recent self-assessment, provided as evidence during the audit, highlighted 21 actions to address. These actions had been assigned to a responsible officer, included an update field on the tracker, and had a target implementation date. It is also noted that the recommendations made during the Trust's recent regulatory visit closely mirror the identified improvement actions, which validates the effectiveness of the self-assessment process.

The risk associated with non-compliance with the Consumer Standards has been identified within the organisation's corporate risk register. A defined risk concerning the outcome of future regulatory inspections references contributing factors such as tenant influence, use of tenant data, and performance against Tenant Satisfaction Measures (TSMs). Controls are identified, including the implementation of Consumer Regulation and TSM action plans, oversight by a dedicated project group, and regular reporting to the Policy and Performance Committee. Further planned actions, including post-inspection reviews and regulatory standards training for governance bodies, provide additional assurance that risks are being actively managed. These risks are reviewed on a quarterly basis and are presented to the assistant directors and the Audit and Risk Committee.

Testing was carried out to assess the accuracy of tenant satisfaction data reported in the Southway Housing Trust 2024–25 TSM Report against the raw data obtained from the Trusts external consultant shown in"1500 Southway TSM survey 2024–25 raw data Excel format.xlsx." The testing confirmed that the reported figures were accurate when confirmed against the raw data, confirming integrity of the final report submitted to the Regulator and supports its use as a reliable representation of tenant feedback for the reporting period.

It was identified that ARP conducted their survey in three different ways: face-to-face, telephone, and email, and achieved the targeted expectation for responses. Responses were, on average, evenly split between the three interview types, and it was noted that those interviewed face-to-face tended to report higher satisfaction results (anywhere between 5–15% higher across several questions and quarters). This was queried with the Trust to question if the potential influence of interview method had been considered. The Trust acknowledged the variation in results and advised that the survey approach includes a 30/30/30 method split for balance, with respondents selected at random. While this provides a reasonable degree of control, the Trust stated they do not consider the variation in results to be disproportionate. Whilst there is no concern from the Trust regarding this data it would be advisable to keep monitoring this metric over time.

**Delivery Risk:**

**Failure to deliver the service in an effective manner which meets the requirements of the organisation.**

| Ref | Expected Key Risk Mitigation | | Effectiveness of arrangements | Cross Reference to MAP | Cross Reference to OEM |
|---|---|---|---|---|---|
| PM | **Performance Monitoring** | There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner. | In place | - | - |
| S | **Sustainability** | The impact on the organisation's sustainability agenda has been considered. | Out of scope | - | - |
| R | **Resilience** | Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted. | In place | - | - |

## Other Findings

Consumer and tenant satisfaction data is submitted to the People & Places Committee on a quarterly basis. Evidence of the most recent committee meeting minutes was provided for the May 2025 meeting, which included a section on Consumer Standards (Section 8). The minutes evidenced that the committee is questioning the data, mostly around the expectations from the regulator and their interest in the Trust's tenant satisfaction measures. The committee acknowledged that it has adequate assurance that planned actions will enable the Trust to achieve compliance and acknowledged all data within the report.

The Trust provided the Regulator for Social Housing with the most recent performance report that was seen by the Board, the most recent report provided was the Q3 24-25, additionally they provided the ARP Research document and direct the regulator to their website which contains the TSMs perception data. Data compared between ARPs report and the Trust's website is accurate.

The Regulator of Social Housing conducted an inspection of Southway Housing Trust between March and May 2025 to assess compliance with the revised Consumer Standards. The inspection covered all four Consumer Standards, Transparency, Influence and Accountability; Safety and Quality; Neighbourhood and Community; and Tenancy, with specific focus on stock condition data, building safety, damp and mould, repairs, ASB, and how tenant feedback is used to shape services. At the time of the audit, a final grading had not yet been issued; however, the Trust had submitted all required documentation and was actively implementing the Consumer Standards Action Plan to address known areas for improvement. This includes increasing stock condition survey coverage, enhancing the repairs service, tailoring services to vulnerable tenants, and improving tenant involvement and scrutiny.

# EXPLANATORY INFORMATION

# Appendix A

## Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

## Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

## Effectiveness of Arrangements

3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

| | |
|---|---|
| **In place** | The control arrangements in place mitigate the risk from arising. |
| **Partially in place** | The control arrangements in place only partially mitigate the risk from arising. |
| **Not in place** | The control arrangements in place do not effectively mitigate the risk from arising. |

## Assurance Assessment

4. The definitions of the assurance assessments are:

| | |
|---|---|
| **Substantial Assurance** | There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved. |
| **Reasonable Assurance** | The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved. |
| **Limited Assurance** | The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved. |
| **No Assurance** | There is a fundamental breakdown or absence of core internal controls requiring immediate action. |

## Acknowledgement

5. We would like to thank staff for their co-operation and assistance during the course of our work.

## Release of Report

6. The table below sets out the history of this report:

| Stage | Issued | Response Received |
|---|---|---|
| **Audit Planning Memorandum:** | 13th March 2025 | 13th March 2025 |
| **Draft Report:** | 30th June 2025 | 8th July 2025 |
| **Final Report:** | 8th July 2025 | |