

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – TUESDAY, 17 JUNE 2025



Title of Report	AWAAB'S LAW – OPERATIONAL AND FINANCIAL IMPLICATIONS	
Presented by	Cllr Andrew Woodman Housing, Property and Customer Services Portfolio Holder	
Background Papers	None	Public Report: Yes
Financial Implications	<p>The additional staffing costs are £100k per annum. The costs over five years, totalling £0.5m will be met from the 2024/25 underspend on the Housing Revenue Account.</p> <p>The Council's Constitution states that supplementary estimates exceeding £0.250m require Council approval.</p>	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	<p>The Social Housing (Regulation) Act 2023 introduced Awaab's Law to ensure that there are obligations on social housing landlords to ensure rental properties are free from damp and mould, along with other hazardous conditions. Whilst the regulations to bring these provisions into effect have not yet been laid before Parliament, the Government has made it clear that intends to bring the first phase of obligations into force in October 2025. It will then become a legal obligation to comply with the relevant provisions.</p>	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	These are set out in the body of the report.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	<p>Council in March set the budget for 2025/6. Since then, the enactment of Awaab's Law has been made and has resulted in a new budget pressure. This report sets out the provisions for this which is over £250,000 and therefore this report seeks Council's decision to create a new reserve as set out in the report.</p>	
Recommendations	<p>THAT COUNCIL APPROVES:</p> <ol style="list-style-type: none"> 1. THE FUNDING OF £0.5M FROM THE HOUSING REVENUE ACCOUNT (HRA)2024/25 UNDERSPEND AS A SUPPLEMENTARY ESTIMATE TO MEET THE COSTS OVER FIVE YEARS 2. THE CREATION OF AN EARMARKED RESERVE OF £0.5M 	

1.0 BACKGROUND

- 1.1 The Introduction of 'Awaab's Law' (see Section 2.0 below) will affect how the Council carries out its housing functions in future years. As a result, it has been necessary to review the posts within the Housing Service to ensure that the Council is appropriately resourced to address the legislative changes. The changes that are required result in an additional cost to the Council over the medium term.
- 1.2 This report, therefore, seeks approval of a supplementary estimate and the creation of an earmarked reserve to fund the additional staffing resource requirement resulting from the introduction of this new legislation.

2.0 AWAAB'S LAW & SOCIAL HOUSING ACT 2023

- 2.1 Following a number of cases regarding mould and damp in social housing, successive governments have sought to bring about a significantly improved process for addressing such cases. This was enshrined in the Social Housing (Regulation) Act 2023. Earlier this year the secondary legislation to enable the Act came into force. This stipulates that from October 2025, the duties around the investigation of and to address dangerous damp and mould within a set amount of time, as well as repair all emergency hazards within 24 hours. Landlords who fail to comply face legal and financial penalties.
- 2.2 The responsibilities placed on the Council are onerous – the main ones being:
 - 14 days to commence an investigation after receiving a report of a hazard.
 - Two days following an inspection to produce a report outlining the investigation, identified hazards, proposed remedial works, and estimated completion times.
 - Seven days to take action to rectify a hazard.24 hours to address emergency hazards that pose an immediate risk to health or safety.
- 2.3 As can be seen from the above, these are significant changes that require additional resources to deliver them. The Council has already started its journey to compliance with the Act including the new Damp Mould and Condensation Policy which was adopted by Cabinet earlier this year.
- 2.4 In summary, the changes proposed to address the requirements of the legislation are the creation of an additional work team of responsive repairs operatives to form a standalone taskforce of ten staff. This will comprise two new posts, and additional administrative/customer contact role and a surveyor. It will also involve the transfer of reporting lines of eight existing skilled trade operative posts all of which are currently vacant. There are no proposed changes to job descriptions, responsibilities with any existing members of staff affected by this, only line management changes. The existing post holders affected are already working in these dedicated work streams. There would be no disturbance to their day-to-day responsibilities or remits and the only changes would be who they report to as their line managers.
- 2.5 Based on the information available of future workload this is considered sufficient to address the likely demands coming forward over the short to medium term. This will continue to be monitored against adherence to the timeframes work needs to comply with as set out in the new legislation and may require change if these are not being met. On the known case load at this time, it is anticipated that this level of resource is sufficient for a steady state, but will be reviewed as part of the normal management and operation of the service going forward.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The current structure of the Housing Repair teams has been reviewed. A combination of reallocating some existing positions and creating several new ones is required. While it is the responsibility of the Head of Paid Service to implement this, to ensure appropriate staffing arrangements are in place to meet the new legislative obligations, the significant cost implications of establishing a new dedicated team to address this work, need to be reported to the Council. Additional funding of £0.5m is required to support the revised structure, therefore, Council is required to approve this supplementary estimate.
- 3.2 The two additional posts outlined in paragraph 2.4 will cost £100k per year over the medium term financial plan period up to 2029/30. In 2024/25, the Housing Revenue Account recorded an underspend of £1.7 million (subject to final confirmation of the outturn). It is proposed that £0.5 million from this underspend be allocated to an earmarked reserve to cover these costs over the next five years. During this period, the Council will review its budget as part of its annual budget-setting process. Where savings within the Housing Revenue Account (HRA) budget can be identified to support the ongoing £100k per year cost from the base budget, this will be agreed at the appropriate time. Any remaining balance in the earmarked reserve at that point may be repurposed.
- 3.3 The above will be subject to consultation with staff and trade unions in line with the Council's normal human resources processes relating to implementing such changes.

Policies and other considerations, as appropriate	
Council Priorities:	<ul style="list-style-type: none">- Communities and housing- A well-run council
Policy Considerations:	Damp Mould and Consultation Policy 2025
Safeguarding:	NA at this level but is addressed through the normal process of work within the department.
Equalities/Diversity:	NA at this level but is addressed through the normal process of work within the Housing Service.
Customer Impact:	Compliance with the Social Housing Act 2023 and the improved Damp and Mould works timelines as set out in the report.
Economic and Social Impact:	NA at this level but is addressed through the normal process of work within the Housing Service.
Environment, Climate Change and zero carbon:	NA at this level but is addressed through the normal process of work within the Housing Service.
Consultation/Community Engagement:	Government consultation on the introduction of the legislation. Council consultation as part of developing the Damp, Mould and Consultation Policy which was adopted earlier in 2025.
Risks:	Without this level of resource, it may not be possible for the Council to comply with the statutory requirements as set out in the report.
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