

News Update – July 2018

This update includes the following topics:

- Tenant Engagement Update
- Prospectus – Additional HRA Borrowing Programme
- Rethinking Social Housing Report - CIH
- NFA / ARCH Welfare Reform Survey Update
- Right to Buy – is it time for a rethink?
- CWAG Website - new in the library

Tenant Engagement Update

With tenant engagement now very much on the policy agenda, and likely to feature in the forthcoming Green Paper, the July CWAG General Meeting sought to address the issue from a councils with ALMOs perspective.

In her presentation, Jenny Osbourne, Chief Executive of TPAS discussed the different levels of engagement. From involvement, including tenants' panels and estate walkabouts; to wider engagement which brings tenants into the decision making cycle at an early enough stage to have a real impact; through to empowerment with real decision making responsibilities and the ability to hold landlords to account.

To be effective the engagement strategy should link up with other strategies and resources. There should be a clear connection with wider ALMO organisational strategies and through into council strategies. This should also be underpinned by recognition that involving tenants makes a positive contribution, influencing outcome for the better.

The rent cut of 2015 had a devastating impact on tenant engagement activities as many landlords, in the quest for savings, cut the funding available. Grenfell has now fundamentally changed the conversation around engagement.

Alok Sharma was the first Government Minister to actively engage directly with tenants. In so doing, he heard their concerns around a number of issues, in particular, Universal Credit, affordability, access to social housing, stigma associated with living in social housing.

The Social Housing Green Paper is likely to pick up on a number of the concerns voiced by tenants around complaints handling and tenants voice; as well as measures to improve the supply of social housing and address issues around stigma.

Tenants are beginning to understand that they can expect more of their landlord and what a good standard looks like. The growth of digital media means that no individual or organisation can control the narrative. The landscape is changing and landlords need to engage across a range of media.

There are many different methods of getting people involved and organisations need to change in line with the way society as a whole is changing and evolving.

There are particular challenges facing councils with ALMOs; overall responsibility for tenant engagement rests with the council as landlord but as in most cases this function has been devolved

to the ALMO. Councils need to have effective measures in place to gain assurance that ALMOs and others carrying out the devolved function are doing so effectively.

[TPAS Presentation](#)

Case Study – Tenancy Audit

Colchester Borough Homes has completed a tenancy audit exercise over its entire stock of 5500 properties over a three year period.

The exercise involved making contact with tenants who wouldn't normally have had any direct contact with the landlord enabling better signposting into services and providing 'soft intelligence' useful in planning future services.

As a vehicle for promoting tenant engagement, the tenancy audit enabled the ALMO to gather key digital contacts information facilitating engagement across the stock.

Other benefits included identifying unauthorised alterations as well as essential remedial works to properties. In addition, the overall level of rent arrears went down and a number of fraudulent tenancies were identified.

[Further details](#)

LGA / TPAS Tenant Empowerment and Engagement Project

This project aims to identify and share examples of good practice in tenant engagement across the local authority and ALMO sectors. The project will help inform the Sector's response to the Social Housing Green Paper and is an opportunity to set out positive practice and influence the direction of policy.

A number of roundtable events are planned around the country and local authorities and ALMOs were asked to support these events. There are also two online surveys – one for housing staff and one for tenants.

[Further details](#)

CWAG Tenant Engagement Survey

A survey of CWAG members was carried out in June 2018 covering key issues and themes and approaches to tenant engagement.

The survey indicates that the tenant engagement function is in most cases fully delegated to the ALMO; this includes responsibility for the resident engagement and involvement strategy. Only one authority indicated that the engagement function is shared although a number did highlight direct involvement of council officers on some key issues.

Methods of engagement are diverse with the most popular being tenant led scrutiny panels, feedback questionnaires and scrutiny panels.

Options around digital engagement are also being widely explored and piloted with features such as instant feedback surveys, snapshot polls and issue specific apps to report repairs and fly tipping.

In terms of methodologies for gaining assurance on the quality of the tenant engagement, the responses reflected a number of different approaches, the most popular being use of the STAR

survey alongside regular monitoring and reviews. Some benchmarking of satisfaction levels is undertaken but this is not universal and some authorities don't have direct access to Housemark data.

Tenant complaints are generally an ALMO responsibility although some councils deal with appeals or specific cases where the complainant requests this.

Ensuring compliance with the Consumer Standard was in most cases dealt with as part of the regular client side monitoring of the ALMO. However, there were also examples of the ALMO assessing and reporting on compliance.

In the aftermath of the Grenfell Fire, councils and ALMOs have been intensively involved in providing additional information and reassurance to tenants, although this has not necessarily required new approaches in terms of engagement.

The survey response rate was 50% of CWAG members.

[Survey Analysis Detail](#)

Prospectus – Additional Housing Revenue Account Borrowing Programme

The long anticipated Prospectus setting out the bidding arrangements for £1billion additional HRA borrowing, announced in last year's Autumn Budget, has now been published. Bids for 'a new generation of council housing' are invited with a return date of 7th September 2018.

The £1 billion additional borrowing headroom will be made available over three financial years commencing from 2019/20. The additional borrowing will be split on a 50/50 basis between London and the rest of the country.

Eligibility to bid is restricted to a list of 162 local authorities defined as areas experiencing high affordability pressures which is defined in the prospectus as local authority areas where there is a £50 per week difference between the average social rent and private rent.

There is some additional flexibility to use the additional borrowing alongside unspent RTB receipts or grant funding from Homes England. Bids will be assessed on the basis of value for money and deliverability with priority given to projects in areas where affordability pressures are most severe.

[Download Prospectus document](#)

New Build Network Meeting – 18th July 2018

A joint ARCH / CWAG /NFA New Build Network meeting has been arranged to discuss bidding arrangements with senior officers from MHCLG and Homes England.

[Further details of the event and booking arrangements](#)

Carrying the Debt – Measuring the impact of Universal Credit on tenants and landlords – survey results 2018

This joint NFA / ARCH report highlights the increasing burden of debt that Universal Credit is causing for tenants and landlords, and calls for Government to slow down the roll-out and fix the outstanding problems. There are strong concerns about the length of time it is taking tenants to get control of their finances after the initial transfer to UC, and the impact of this on council HRAs.

This report 'tracks the impact of the UC roll-out on landlords and tenants. Although the Government has introduced improvements, including removing the 7-day waiting period, the research shows that the arrears situation has not changed significantly.

Key Findings:

- Average arrears for UC households (£520) were one and a half times higher than arrears in general (£328). Nearly three quarters of UC households were in arrears (74%) compared with 26% of all households.
- The situation has not changed significantly since 2017 and many of the same problems remain.
- For tracked organisations there has been a total increase in debt of 12% up to £43.6 million; 25% of this debt is from UC households even though they only make up 4% of total households.
- The length of time it can take for tenants to clear the arrears built up in the transition to UC with the knock-on effects for both the tenants and landlord is an ongoing concern.

Key Asks:

- to move to payment monthly in advance rather than arrears to recognise the fact that claimants often do not have a safety net to get them through the first month;
- to slow down the speed of UC roll-out until the procedural issues with the existing system have been resolved
- to create a transitional funding pot for landlords to enable them to effectively manage the rollout of UC and provide support to vulnerable tenants
- to implement a wide-reaching advertising campaign to educate the general public about UC
- to make changes to the rules around ending and making new claims for people in seasonal employment, zero hours contracts or similar.

[Download report](#)

Right to Buy – is it time for a rethink?

With a Government consultation on additional flexibilities around the use of Right to Buy receipts awaited, analysis by Savills, commissioned by the LGA has found that without reform two thirds of councils will have no chance of replacing homes sold off under RTB on a one-for-one basis by 2023. Steve Partridge has summarised the key issues and arguments for change in his [blog](#).

CWAG Website - New in the Library

[Carrying the debt – measuring the impact of Universal Credit on Tenants and landlords – survey results 2018 – ARCH / NFA](#)

[Minutes – CWAG General Meeting – 6th July 2018](#)

[CWAG Tenant Engagement Survey – June 2018](#)

[Tenancy Audits – Karen Loweman – Colchester Borough Homes - presentation for CWAG General Meeting 6th July 2018](#)

[Tenant engagement after Grenfell – Jenny Osbourne – TPAS - presentation for CWAG General Meeting 6th July 2018](#)