

Agenda Item	6.
Report No	PEO 28/17

HIGHLAND COUNCIL

Committee: People Committee

Date: 19 October 2017

Report Title: Improving Tenant Participation and Engagement

Report By: Director of Community Services

1. Purpose/Executive Summary

- 1.1 This report provides an update on a range of actions being undertaken to improve tenant participation in Highland. The report also seeks approval for two tenant representatives to sit as advisors on the People Committee and attend the People Committee Policy Development Group and contribute to discussion on Housing-related issues.

2. Recommendations

- 2.1 Members are invited to:
- i. note the recent progress in improving tenant participation in Highland and the recognition of this by the Scottish Housing Regulator;
 - ii. note the legislative requirements concerning the management of the Housing Revenue Account; and
 - iii. agree that two tenant representatives, nominated by tenants themselves, should be invited to attend the People Committee as advisors and the People Committee Policy Development Group in relation to housing items.

3. Background

- 3.1 The Scottish Social Housing Charter sets out the current legal and regulatory requirements for housing services. The revised Charter was approved by resolution of the Scottish Parliament on 8 February 2017 and compliance with the Charter is monitored by the Scottish Housing Regulator.
- 3.2 One of the fundamental Charter principles is that social landlords need to involve tenants and other customers in the design and delivery of housing services.

4. Scottish Housing Regulator and Recent Improvements

- 4.1 Following the publication of the Local Scrutiny Plan (LSP) in May 2017, the Scottish Housing Regulator advised that they would engage with the Council in relation to a range of performance indicators where the Council was in the bottom quartile of all social landlords. One of these key indicators was Tenant Satisfaction.

Some of the recent improvements in our approach to tenant participation are detailed below.

4.2 Opportunities to participate

- 4.2.1 The Council appointed to the new post of Principal Tenant and Customer Engagement Officer in July 2017. The main duties and responsibilities of the post is to help the Council further enhance and deliver its Tenant and Customer Engagement strategic framework; promote innovative tenant and customer engagement opportunities throughout the Highlands; and provide knowledge, information and training to staff and tenants to influence positive change.

- 4.2.2 Over the next 6 months, the Principal Tenant and Customer Engagement Officer will be reviewing:

- the structure of the Tenant Participation Team to develop a model that best suits the needs of Highland Council tenants;
- tenant and customer involvement activities, assessing impact and value for money;
- innovative methods of engaging with tenants and other customers via social media technology and digital solutions;
- how the Council analyses and reports back to tenants/customers regarding the outcome of all satisfaction surveys/any actions taken;
- how the Council promotes tenant involvement across Council services and the benefits of tenant and customer engagement in shaping and influencing housing services;
- how the Council promotes opportunities for involvement across Council consultation and community based events/initiatives; and
- identifying, developing and expanding new links via existing networks to engage with minority groups, including young people, older people, LGBT groups, ethnic minorities, disabled people and other under-represented groups.

- 4.2.3 The Principal Tenant and Customer Engagement Officer has been working closely with Housing Service staff in order to embed a culture of tenant and customer engagement in housing and community service provision.

4.3 Satisfaction with neighbourhoods

- 4.3.1 Low satisfaction with the condition of our housing estates was recognised in the Housing Capital Programme Plan 2016-2021 which was approved by the Community Services Committee in August 2015. This identified that, while the Council was successful in reaching the Scottish Housing Quality Standard, the vast majority of investment had been targeted at internal individual elements within houses and not in the condition of our estates.
- 4.3.2 The Capital Plan instigated an increased budget allocation for external fabric works and 'ring-fenced' 5% of annual spend in each area of Highland for environmental improvements. In addition to this investment of over £600,000 for 2017-18, an extra £750,000 from the Housing Revenue Account has been available across Highland to specifically target investment in estates.
- 4.3.3 We want to make sure that estate inspections are carried out in a more co-ordinated way and that information is shared which will help decisions to be made on how budgets should be spent. We are aiming to introduce a more structured approach to housing estate walkabouts including tenant representation, members of Tenants and Residents groups, elected Members and staff. Arrangements may vary across Highland and we will have further discussion with Members locally.
- 4.4 Strategic tenant working groups
- 4.4.1 To increase tenant empowerment, officers have supported tenant representatives to set up two strategic tenant groups: the Finance and Participation Group and the Communications Working Group. These have the specific objective of helping drive organisational accountability and excellence, thus promoting a system of tenant-focused regulation.
- 4.4.2 The purpose of the Finance and Participation Group is to consolidate information on the role of the Housing Revenue Account (HRA) within the Council: how it operates, who the resources contained within it are meant to benefit, and what outcomes can be expected from those resources.
- 4.4.3 The Communications Working Group is presently working with the Housing Service to provide up to date and tenant friendly information through various communication channels.
- 4.4.4 These Groups are supported by officers who have recently taken part in 'Stepping Up to Scrutiny', a training programme delivered on behalf of the Scottish Government by the Chartered Institute of Housing (CIH) and Housemark.
- 4.4.5 The Council provided an update to the Scottish Housing Regulator in relation to these matters in August 2017 and the Regulator wrote back on 12 September 2017 confirming: "Our assessment of the information provided has given us assurance that good progress has been made in all the areas highlighted in the LSP. We can see good practice being implemented and improved performance in a number of the areas."

5. Housing Revenue Account (HRA)

- 5.1 The Scottish Government's "Guidance on the Operation of Local Authority Housing Revenue Accounts in Scotland" is available at <http://www.gov.scot/Publications/2014/03/1837/0> . This clearly sets out the principle that the HRA must be used for the benefit of new and future housing tenants

and is protected by legislation.

- 5.2 Value for money is understandably a principal concern for tenant representatives and this is reflected in their desire to establish a Finance and Participation Group. The group has produced a briefing paper on Housing Revenue Account guidance and has specifically requested that this be available to Council Members. Members are asked to note the guidance paper signed by the Tenant Finance and Participation Group which is attached at **Appendix 1**.

6. Tenant Representation

- 6.1 Discussion with tenants has highlighted enthusiasm for tenants to be more involved with the decision-making processes of the Council. Inviting tenants to nominate their representatives to attend the People Committee and for Housing-related issues at the associated Policy Development Group would help bring a wider perspective to the discussion and closer working to deliver good quality housing services.

7. Feedback on consultation with tenants

- 7.1 Tenant representatives from the strategic tenant groups have unanimously agreed that tenant representation at the People Committee and the People Policy Development Group is a welcome step forward in engaging with tenants and putting them closer to decision-making processes in the Council.

8. Implications

- 8.1 Resource: There are no resource implications arising from this report.
- 8.2 Legal: There are no legal implications arising from this report.
- 8.3 Community (Equality, Poverty and Rural): The proposals set out in this report aim to strengthen community involvement in housing services in an effort to ensure that the tenant voice is heard in regard to decisions which affect them.
- 8.4 Climate Change / Carbon Clever: There are no climate change implications arising from this report.
- 8.5 Risk: There are no risk implications arising from this report.
- 8.6 Gaelic: There are no Gaelic implications arising from this report.

Designation: Director of Community Services

Date: 4 October 2017

Author: Brian Cameron, Housing Policy & Investment Manager

Member Briefing on Housing Revenue Account Guidance

Attached to this briefing is the **Scottish Government's Guidance on the Operation of Local Authority Housing Revenue Accounts (HRAs) in Scotland.**

The main principles of this guidance are as follows:

- The Housing (Scotland) Act 1987 set out the requirements for local authorities to maintain a dedicated housing revenue account (HRA) in relation to their housing stock.
- Income from tenant rents form the majority of the income to the HRA.
- HRA rent collected and other assets must be used to **benefit present or prospective council tenants** either in direct usage or as investment properties providing a financial return.
- The attached guidance summarises the legal basis for having a separate council landlord account and lists the accounting and auditing protocols which local authorities must adhere to when submitting their housing accounts to Audit Scotland.
- The aim of the Guidance is to ensure that tenants of local authorities receive the maximum benefit from their rents and ultimately the best standards of service. It will assist in promoting consistency in the way in which HRAs operate in Scotland and in by promoting the efficient use of resources. It will also help ensure transparency in the operation of the account and the recording of financial information so that tenants can better understand how their housing service is delivering benefit to them and at what cost in line with the requirements of the Scottish Social Housing Charter (see at: <https://beta.gov.scot/publications/scottish-social-housing-charter-april-2017/>).
- A wide range of organisations and individuals have contributed to the drafting of this guidance and towards its quality assurance. Significant contributions have been made by Registered Tenant Organisations, the Chartered Institute of Public Finance and Accountancy (CIPFA) Scotland, Audit Scotland, the Convention of Scottish Local Authorities (COSLA), the Chartered Institute of Housing (CIH) and numerous local authority housing professionals who prepare housing revenue account returns.
- This guidance brings together in one place, the role of the HRA, how it must operate, who the resources contained within it are meant to benefit and what the outcomes can be expected from those resources. Much of the material in the Guidance reinforces the principals of the Scottish Social Housing Charter.

Highland Council tenants have formed a Finance & Participation Group to ensure that the guidance is applied in Highland. This group was established by the North Highland Area Tenant Forum which meets in Brora quarterly. It's remit is to discuss how tenants can be consulted on the HRA and have an active voice in decisions affecting the HRA. It reports quarterly to the Forum and it's work has been reported to the Scottish Housing Regulator as part of the Council's response to their Local Scrutiny Plan.

In view of the increasing pressure on the General Fund, the Finance & Participation Group have recommended that Members are made aware of the terms of the HRA guidance and that the HRA should be used specifically for housing services and must be protected as per legislation. The group also recommend that Members and officials must consult tenants on financial decisions relating to the HRA.

Signed by the following tenant delegates of the Finance & Participation Group:



8th September 2017

Copy to:
All Highland Council Members
William Gilfillan, Director of Community Services;
David Goldie, Head of Housing & Building Maintenance
Brian Cameron, Housing Policy & Investment Manager