

## **DRAFT - PROPOSED TENANT SCRUTINY PANEL AND TENANT INSPECTION FRAMEWORKS**

Report of the Director of Housing & Customer Service

### **1. SUMMARY OF REPORT**

- 1.1 This report details the proposal to create a Tenant Scrutiny Panel. This initiative will enable Derby Homes to meet the requirements of the Tenant Involvement and Empowerment Standard of the National Standards proposed by the Tenant Services Authority (TSA) relating to 'local regulation'.
- 1.2 Section 6 of the Final Draft Empowerment Standard is attached at Appendix 1.

### **2. RECOMMENDATION**

That the Board approves the proposal to develop a Tenant Scrutiny Panel, subject to further consultation with Derby City Council, tenants and leaseholders.

### **3. MATTER FOR CONSIDERATION**

- 3.1 The TSA became operational on 1 December 2008. Since its launch, the TSA has undertaken the largest consultation exercise of its type. The National Conversation engaged tenants and landlords from across the country to understand what matters most to tenants.
- 3.2 Six national standards have been developed that will focus on outcomes, be meaningful for tenants and which will have local standards that are locally agreed to shape local services and priorities and drive improvement. The six standards are shown below:

1. Tenant Involvement & Empowerment
  2. Home
  3. Tenancy
  4. Neighbourhood & Community
  5. Value for Money
  6. Governance & Financial Viability (\*)
- (\*) This standard does not apply to local authorities.

We will be consulting with tenants to agree local standards to sit below these national standards, before September 2010.

- 3.3 The TSA is proposing to develop a new regulatory relationship with landlords. They envisage the main relationship being between landlord and tenant, one where tenants will monitor their landlord's performance against the six standards

and help shape, influence and monitor the service provided. This is called co-regulation. In return, landlords will be expected to make themselves more accountable and to work more closely with their tenants.

- 3.4 Derby Homes already has an established culture of partnership working with our tenants and leaseholders. The Derby Association of Community Partners (DACP), Housing Focus Groups (HFGs) and Process Improvement Teams (PITs) being strong examples of this.
- 3.5 Whilst the Standard will not require us to radically change the way that we involve and consult customers, we will be expected to develop new opportunities to further empower tenants and leaseholders around the co-regulation agenda. It is important to do this as it is my view that we no longer lead the field in terms of tenant involvement and empowerment and this could be an area of weakness if an inspection of the service were to take place at the current time.
- 3.6 In developing these proposals we have looked at a number of good practice examples of co-regulation. Fabrick Housing Group has already established a Tenants Scrutiny Panel. Their example has been praised by the TSA and following a visit by the organisation to Derby Homes in November 2009 we have modelled our proposals around their principles. We have also discussed the Tenant Inspection role with Metropolitan Housing Partnership and Places for People and incorporated elements of their practice within the Regulators' role.
- 3.7 The proposed Scrutiny Panel will fulfil the role of the local regulator and will deal with all issues pertaining to the performance of and outcomes of housing services provided to tenants and leaseholders.
- 3.8 The panel will be made up of 10 regulators, including two DACP Committee members and one leaseholder. Main Board and Local Housing Board members will not be eligible for the panel. The Panel will be independent of Derby Homes and the Council and will report to the DACP Management Committee, Derby Homes Board, Local Housing Boards, Performance Management Committee and Derby City Council. In areas of serious concern the Scrutiny Panel will have the right to refer matters direct to the TSA.
- 3.9 Regulators' positions will be advertised and a selection process will be agreed, to involve the DACP, Derby Homes and Derby City Council.
- 3.10 All regulators will be expected to complete compulsory training to take up their position. The training will provide tenant and leaseholder volunteers with the necessary skills and knowledge to take on this demanding and challenging role.
- 3.11 Formal meetings of the Panel will be held quarterly and these will feed into the existing governance structure of Derby Homes. Minutes will be taken to Derby Homes Board and Performance Management Committee. Two regulators will be co-opted onto Performance Management Committee to increase tenant and leaseholder empowerment within the process.
- 3.12 The Regulators will be encouraged to specialise in individual service areas and the Panel will independently agree a programme of service reviews. The review subjects may be referred from HFGs, PITs, Neighbourhood Forums, customer complaints or identified through performance management information.

Regulators will also take part in short notice inspections of our service areas together with other tenant inspectors. As the Panel develops, this may be a service which we can market to others.

- 3.13 The Panel will be authorised to request performance reports for review. This may include policy and budget information to enable them to do a service review. Where requests involve tenants' files and personal information, the release of this information will be controlled under Data Protection legislation.
- 3.14 The Panel will be supported by the Resident Involvement and Performance Teams. Minutes of meetings will be publicly distributed and outcomes assessed and promoted.
- 3.15 Regulators will be paid out of pocket expenses and consideration is being given to awarding incentive payments which are consistent with other current initiatives.
- 3.16 The introduction of a Scrutiny Panel and Tenant Regulators will have an impact on the organisation, particularly around performance management processes. At this stage it is anticipated that the existing structures will be retained but there will be a need to review the role of Performance Management Committee and the Performance Team in due course.
- 3.17 The DACP will need to reconsider its role and examine how best they can develop their role as representatives of tenants, particularly through the role of the City Housing Consultation Group (CHCG). The CHCG is the consultative body for liaison between tenants/leaseholders and the City Council. The Council will need to review its effectiveness and consider if the Scrutiny Panel could better fulfil this role.
- 3.18 Derby City Council Community Commission may wish to review the effectiveness of the Scrutiny Panel and/or consider the recommendations/ outcomes of the Panel as a matter of course.
- 3.19 In the case of Scrutiny Panel members, Derby Homes needs to develop ways in which these roles can also help tenant volunteers and Derby Homes contribute positively to the worklessness agenda.

#### **4. CONSULTATION IMPLICATIONS**

- 4.1 The proposals will be subject to further consultation with the DACP, Housing Focus Groups and Derby City Council.
- 4.2 Final development and implementation of the proposals will be by a working group comprising of officers from Derby Homes, Derby City Council and tenants/leaseholders.

## 5. FINANCIAL AND BUSINESS PLAN IMPLICATIONS

- 5.1 A budget development (2010/11) of £40,000 has been requested to fund training for Tenant Regulator Roles. Approval for the development is still to be confirmed and at the time of writing this report, the funding remains a pressure to the organisation. A request has been made to Derby City Council for this funding to be made available through the management fee.

## 6. LEGAL AND CONFIDENTIALITY IMPLICATIONS

- 6.1 The TSA has produced a new set of national standards for housing that, although still out for consultation until February 2010, will be adopted by the Audit Commission for carrying out inspections from April 2010 to October 2010. The proposals in this report will enable Derby Homes to meet the regulators' requirements and evidence 'local regulation'.
- 6.2 In terms of confidentiality, it is good practice for tenant members of the Scrutiny Panel and Tenant Inspectors to sign confidentiality clauses as part of their role.

## 7. EQUALITIES IMPACT ASSESSMENT

- 7.1 As this proposal means changes to the tenant involvement arrangements at Derby Homes, it is recommended that an Equalities Impact Assessment is carried out by the Tenant Participation Team with a member of the Equalities Champions team.
- 7.2 Derby Homes will explore how empowerment and involvement opportunities for tenants and leaseholders can contribute towards the worklessness agenda and ultimately lead to employment opportunities for our customers and their families.

## 8. RISK IMPLICATIONS

Failure to meet the requirements of the TSA National Standard on Tenant Involvement and Empowerment could result in Derby Homes/Derby City Council failing to satisfy the regulators expectations at any future inspection.

**The areas listed below have no implications directly arising from this report**

- Personnel
- Environmental
- Health & Safety

**If Board members or others would like to discuss this report ahead of the meeting please contact the author, or the Chief Executive, [phil.davies@derbyhomes.org](mailto:phil.davies@derbyhomes.org) - Tel 01332 711010**

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**Background Information:** None.

**Supporting Information:** None.