

Housing Scrutiny Committee

Minutes of the meeting held on Tuesday 26 November 2024 at Shire Hall, Warwick at 6.00pm.

Present: Councillors Barton, Boad, Collins, K Dickson, Dray, Gorman, and Tangri.

Also Present: Councillor Davison – Portfolio Holder for Strategic Leadership, Councillor Melrose – Portfolio Holder for Transformation.

1. **Apologies for absence**

An apology for absence was received from Councillor Phillips (Chair), Councillor Yellapragda, and Councillor Adkins - Portfolio Holder for Housing.

2. **Appointment of Chairman**

Resolved that Councillor Boad be appointed as Chairman for the meeting, in Councillor Phillips absence.

3. **Declarations of Interest**

There were no declarations of interest.

4. **Work Programme**

The Committee considered a report from the Head of Governance and Monitoring Officer which provided a proposed method of working for the Housing Scrutiny Committee and sought confirmation of the approach for officers to produce a work programme for the Committee to consider at its next meeting.

The five main roles of scrutiny in local government were: holding to account, performance management, policy review, policy development and external scrutiny.

The Committee needed to be mindful of the role of scrutiny in local Government and that the Committee was created by Council, in October 2024, in response to the concerns identified by the Council regarding compliance with the requirements of the Social Housing Regulator. The terms of remit were set broadly to enable the Committee maximum oversight of the Housing Function and to demonstrate to the regulator the Council's response to improving its service standards for its housing tenants.

An objective for the Committee was to regularly receive and scrutinise a broad area of work, including updates on the agreed Consumer Standards action plan and provide assurance about the delivery of this. It was envisaged that the Committee would review policies and strategies before they were considered by Cabinet (similarly to the asbestos, water testing, and fire safety reports submitted to the Asset Compliance Committee).

This would provide more time for officers to consider, reflect, and update these ahead of Cabinet considering the final report.

The Constitution identified that scrutiny would consider issues that had due significance with reference to the following criteria:

- the number of residents impacted and the significance of the impact;
- the amount of money involved; and
- whether it related to a strategic priority of the Council or a key project.

In addition, the Constitution also said Scrutiny Committees should only consider items where there was a tangible reason to do so. This should broadly fit into one of the following criteria:

- where there were concerns about the basis for a recommendation. For example, the data that had led to the recommendation was deficient, or new data or information required had been provided too late for a written question and answer to be circulated before the meeting, or if Members were aware of contradictory evidence; and
- where there was an alternative policy, development or direction which needed to be explored.

Therefore, with the approach outlined in paragraph 1.4 in the report, it was envisaged that the key reports which fell within these criteria would be seen at an earlier stage of development, ahead of being submitted to Cabinet. Reports which fell outside the remit in paragraphs 1.5 and 1.6 in the report should follow previously agreed policies or strategies that the Committee would have provided assurance on.

Neither of the above prevented the Committee from reviewing the impact of Cabinet decisions after they had been implemented, to ensure that they had had the expected outcomes and were benefiting the Council and its tenants.

An area of concern for Councillors was having sufficient time for in depth scrutiny of finance, specifically within Housing. Therefore, it was important the Committee allowed sufficient time to understand the HRA budget, how it was funded, how it worked, and also provide assurance around its operation.

The budget work, in paragraph 1.5 in the report did not detract from the work of the Budget Review Group, which would still review the HRA Budget prior to consideration by Cabinet. To support the Budget Review Group, Councillors were aware of the proposal to Council, on 27 November 2024, that the Chairman of this Committee was appointed to the Budget Review Group. This would mean there would be three members of the Committee on the Budget Review Group. A report to Cabinet in the new year, 2025, would review the Budget Review Group Membership to ensure this Committee was formally represented along with the Audit & Standards Committee and the Overview & Scrutiny Committee.

It was also important for the Committee to understand the HRA Business Plan and how this operated for the Council. This would help the Committee with fundamental understanding of service delivery of the housing function to Council tenants.

At the training provided by HQN, the Committee were challenged to reflect on the work programme and consider the following questions:

- Are you getting compliance (and data) right?
- Are you delivering an effective repairs and improvement service?
- How has the Council responded to satisfaction feedback?
- How is the council learning from and acting on complaints?
- How well does the Council maintain estates?
- Do tenants take pride in where they live?
- How well does the Council (as a landlord) tackle anti-social behaviour and hate crime?
- Does the Council "let well" & sustain tenancies?

It was recommended to Committee that they agree a theme for each meeting and list questions they wanted to look at and report on, based around one or two of the areas listed above. Some of these areas were covered in the Action Plan but the approach above allowed the Committee to look at an area in more depth and provided greater assurance on the work being undertaken.

The proposed Terms of Reference for the Housing Scrutiny Committee were as follows:

- the Committee will meet every other month;
- their purpose will be to review and challenge the progress in respect to ensuring compliance for safety under the Social Housing (Regulation) Act and overall view on the operation and delivery of the Housing Investment Plan and the HRA;
- they provide assurance on the delivery of this to Cabinet (as the responsible body) on behalf of the Council;
- the reports will be subject to the pre-meeting questions process;
- the Committee will be politically proportionate to the Council;
- the Leader of the Cabinet will permit the Chair of this Committee to represent the views of the Group in line with the rights provided to the Chair of the Overview & Scrutiny Committee; and
- the Leader and Portfolio Holder for Housing & Assets will be required to attend each meeting, to act as an observer, and send a deputy from the Cabinet if they cannot attend.

Resolved that

- (1) the remit of the Committee as set out at Appendix 1 to the report, be noted;

- (2) the approach to its work as set out in the report, be agreed, and officers are asked to bring forward a programme of work on this basis;
- (3) a report setting out an overall view of the Housing Revenue Account (HRA), and how it is funded and operates, should be brought to the next meeting;
- (4) a presentation on the current HRA Business Plan (including the Housing Investment Plan) including its purpose should be brought to its next meeting; and
- (5) at all future meetings, the Committee should receive an update on the Consumer Standards Action Plan.

5. **Consumer Standards Improvement Plan**

The report provided the Housing Scrutiny Committee with an update on the position, and progress made since the Asset Compliance Committee meeting on 25 September 2024. The report also set out how the asset review would transition to be part of the more comprehensive Consumer Standards Improvement plan and how this new plan would be managed, monitored and reported on, to provide assurance that the Council would become fully compliant with the Regulator for Social Housing (RSH) Consumer Standards.

Following the independent asset compliance review, a self-referral to the Regulator for Social Housing was made on the 9 November 2023. The Regulator had determined not to record a Breach of the Standard at that stage but to require regular reporting on progress in meeting the Action Plan.

Responsive engagement with the Regulator about the asset review included reviewing documents and information provided by the Council with follow up meetings. A further self-referral was made to the Regulator on 19 July 2024. The Regulator published a judgement for the Council to confirm a grading of C3 citing serious failings in the delivery of the outcomes of the consumer standards and that significant improvement was needed.

The new regulatory landscape was in place, it provided a stronger and more active regulation of providers of social housing. It was based on co-regulation involving tenants reporting failings, social housing providers self-referring, and the RSH identifying concerns through returns submissions and complaints. The regulatory approach was also being referred to as 'cross-regulation' since there was not only the RSH monitoring compliance with regulations, but also the Housing Ombudsman Service, the Building Safety Regulator, and the Local Government & Social Care Ombudsman. All were operating in a more cohesive way to regulate social housing providers.

Regulation was delivered through a regulatory framework that consisted of a set of four consumer standards:

- Safety and Quality Standard – outcomes about the safety and quality of tenants’ homes
- Transparency, Influence and Accountability Standard – outcomes about how landlords provided information, listened to their tenants, and acted on their views.
- Neighbourhood and Community Standard – outcomes about how landlords collaborated with other stakeholders and internally within the council to help ensure tenants live in safe neighbourhoods.
- Tenancy Standard – outcomes about how landlords allocate and let homes and manage tenancies.

The framework also consisted of a set of Tenant Satisfaction Measures (TSM’s) reported annually to the RSH based on a tenant satisfaction survey and prescribed management key performance indicators. RSH held social housing providers to account against the standards and TSM’s. They had widespread powers which ranged from an engagement approach through to entering social housing premises and carrying out emergency work and administering fines. The RSH provided judgements based on self-referrals or following schedule inspections of providers. Their judgements ranged from C1 delivering the standards through to C4 very serious failings and fundamental changes required.

The Councils C3 judgement was specifically in relation to the Safety and Quality standard and the Transparency, Influence and Accountability Standard. The RSH decided to provide responsive engagement with the Council rather than issue enforcement.

To provide assurance that the Council would address both the identified failings, deliver on the recommendations from the asset review, and ensure that the Council met all the outcomes of the consumer standards, an enhanced governance arrangement was approved. Key improvement documents were produced in the form of an improvement strategy and plan.

The strategy, in appendix 1 to the report, set out the direction, framework and control measures that would guide the Councils efforts to improve its regulatory rating. For effective change to be delivered organisations needed to understand what the cause of issue was, any lessons to be learnt, and provide a measured strategic response. The strategy set out the organisational learning in response to the Pennington’s and Housing Quality Network (HQN) audit and appraisals and the regulatory judgement.

The improvement plan, in appendix 2 to the report, was based on findings from the independent audit and appraisals, and details provided by the RSH in their regulatory judgement. It was comprehensive, far-reaching, and included actions impacting on most of the Council’s service areas. The plan contained specific and timebound targets which addressed the failings identified by the regulator and the asset review as a priority, as well as broader compliance with all the consumer

standards required outcomes.

The improvement plan was a major project and would be delivered through a dedicated project team and the new governance structure was designed to provide assurance. Detailed progress and assurance would be reported and presented to the regulator at the monthly meetings. It would also be presented to the Consumer standards board monthly which had an additional independent representative from HQN who would be providing training on the consumer standards for the Committee, the Board, Senior Leadership Team and Cabinet during November 2024.

Progress against the actions would be tracked again using Monday.com and it was proposed that the Housing Consumer Standards Board and Housing Scrutiny Committee would receive the following documents at their meetings:

- a) Consumer Standards compliance plan progress report.
- b) A Consumer Standards highlight report combining the asset review actions remaining and the Consumer Standards improvement plan actions.
- c) A Consumer Standards excel extract from Monday.com as for (b) above.
- d) Consumer Standards improvement plan risk register combining the building safety risks with those identified for the improvement plan.

The RSH would receive the same documents as the Board and Committee, in addition to any specific documentation they requested for each meeting.

The first meeting was held on 18 October 2024 and was positive, constructive, and informative.

They reviewed the draft strategy and improvement plan and commented that the council was 'in the right place' and had made good progress since the judgement. They confirmed it was the Council's journey so the target dates and capacity to deliver the actions rested with the Council and governance structure to oversee, although they would check and challenge progress.

The RSH wanted to see progress at pace, however, they wanted to see solid evidence of compliance and sustainable improvements above all, as well as how the changes were driving up the Key Performance Indicators.

Resourcing for the overall consumer standards project were under review. Managers across Housing and Assets had identified the resources required to effectively deliver the programme of improvements and to sustain them as business as usual. The resources had been recorded at two levels, short term and long-term requirements. The Head of Housing, Health, and Communities had reviewed the resource requirement and linked them to the actions on the improvement plan. Work had been ongoing to ensure that the HRA remained viable given the costs associated with both staffing and other

costs to deliver the improvement plan. Financial modelling was continuing to identify the required resources.

The Council was also responding strategically to identified structural and operational improvement requirements and had recruited an Interim Assets Manager who would work with the Head of Housing, Health, and Communities to consider separating work for Housing Revenue Account Assets from the General Fund assets and produce an optimum organisation structure for a new and improved cohesive Housing service.

The interim Asset Manager would also oversee the HRA asset service and support the delivery of the consumer standards improvement plan. Following publication of the regulatory decision on Housing, the remit of the Compliance Board and this Committee had been revised. The report set out how it was proposed that the transition of moving the asset review compliance requirement into the broader Housing Consumer Standards improvement plan take place.

In response to questions from Members, the Head of Housing, Health, and Communities explained that:

- a tremendous amount of work would be needed but there was motivation amongst the WDC staff to deliver this work. In recognition of the task ahead, additional resources may be needed to fulfil this work. There was a plan for additional resources which the budget for the HRA would enable;
- extra resources in this instance concerned extra people as opposed to extra equipment;
- a range of skills and posts were required to fulfil the requirements for additional resources. There could be a requirement for using an agency when recruiting for skilled posts;
- there were enough people with a housing qualification working for WDC; and
- the option to recruit apprentices for the non-specialist housing roles was not suitable since skilled employees were required immediately to allow the plan to be delivered within the timeline. There was an expectation to deliver the plan competently and at pace by both WDC and the housing regulator, therefore, recruitment needed to be focused on hiring employees with the necessary existing skills.

Resolved that the progress made since the Housing judgement, be noted.

(The meeting ended at 6.59pm)

CHAIRMAN
27 January 2025