

Tenants' Regulation Advisory Group

Friday 14 August 2009

Minute of meeting

Highlander House, Glasgow

Present:

John Banks
James Bennett
Jeanette Boyd
Rose Bowie
Kevin Paterson
Therese Mullen
John Banks
Nigel Slater
Rena Smith

Jamie Ballantine (TPAS)
Pamela Kellock – Shetty (Scottish Housing Regulator)
Andy Robinson (Scottish Housing Regulator)
Iain Muirhead (Scottish Housing Regulator)
Ana Richardson (Scottish Housing Regulator)
Mark Diffley (Ipsos MORI)

1. Welcome

Jamie Ballantine welcomed everyone to the meeting and asked everyone present to introduce themselves to the meeting.

2. Apologies;

Apologies were received from:

Tina Beattie
Charles French
David Tares

3. Minute of the previous meeting (26 June 2009)

Jeanette proposed that the minute of the previous meeting be adopted as an accurate record, Nigel supported the motion.

4. Matters arising

Therese asked for clarification about the relationship between Audit Scotland and the Scottish Housing Regulator. Iain explained that the major change was that the Accounts Commission has a co-ordinating role with all regulators, but the Scottish

Housing Regulator has the lead role in housing. Therefore, the decision to intervene or inspect will be the Scottish Housing Regulator's, not Audit Scotland's.

5. Update from SHR Regulation Board

Iain provided an update from the SHR Regulation Board. Iain confirmed that the Regulation Board meets quarterly, and its purpose is to assist the Chief Executive to give direction and leadership to the agency.

Iain explained that the key issues at the Regulation Board's recent meeting included:

- reviewing the risk register, and budget update;
- agreeing the annual accounts;
- discussing the release of the 'Shaping up for Improvement' review of the sector's performance ;
- an update on the issuing of Regulation Plans, which were published in July 2009

Iain also explained that the Scottish Housing Regulator had strengthened the way it looks at RSLs' arrangements for business planning and financial scrutiny.

Rose asked if RTOs would get feedback from the RSL following an inspection. Iain confirmed that we expect RSLs to inform tenants about the outcome of an inspection. In addition, where a tenant group has been involved in the inspection process, the Scottish Housing Regulator would send the group a copy of the report once published. Rose suggested that in her experience this did not happen. Iain will ask the relevant officer to look into this.

6. Scottish Housing Quality Standard update – Ana Richardson

Ana provided a presentation on the progress made by the social rented housing sector on achieving the SHQS. Ana explained that the SHR monitors SHQS progress, and pays close attention to the Standard Delivery Plans that landlords have been required to have since 2005 in order to work towards the SHQS target of 2015. Social landlords provide the SHR with annual returns on their progress.

Ana explained that the SHR is also using data from the Scottish House Condition Survey to measure progress. Similarly, progress made on working towards the SHQS is also monitored in more detail during the inspection process. This gives the SHR three key sources of data from which to measure progress.

RSLs are making the most progress, with 38% of RSL properties already meeting the SHQS, compared with 25% of Local Authorities' stock. Ana explained however that the SHR's assessment had raised concerns that Local Authorities and RSLs are not meeting their short-term targets. Despite this finding, most landlords believe that they will meet the SHQS on time.

Kevin asked how landlords are to fund the improvements required by the SHQS. Ana explained that the majority will fund these capital improvement works from a mixture of rental income, income from property sales, and borrowing. However, 7%

of the total funds required are expected to come from borrowing facilities which are not yet in place and the SHR will be monitoring landlords in this position closely.

John asked if lower than expected RTB sales have had an impact on landlords' plans to invest receipts from sales into their capital programme. Ana agreed that there were many landlords in this position. Ana went on to highlight some of the issues inspectors had encountered with landlord approaches to achieving the SHQS. These included: lack of consultation with service users, short term investment strategies and spending money on non SHQS improvements at the expense of SHQS work.

Andy clarified that some properties can be exempt from the SHQS, for example older or historic buildings where the costs and disruption would be extreme in relation to the benefit of achieving the standard. Also, mixed tenure developments may also have an impact on social landlords who want to upgrade shared building components such as exterior walls and roofs.

Ana concluded that landlords are encouraged to compare progress with organisations in similar situations.

Jeanette asked what power was available to the regulator to enforce compliance with the standard. Jeanette asked if landlords would face any kind of penalty for failing to meet the standard. Jeanette was concerned that financial penalties for example would simply be passed on to the tenants. Andy confirmed that the regulator would continue to monitor the situation it would be considered as part of SHR's Risk Assessment process.

Andy asked for the groups' view on progress with meeting the SHQS. James said that landlords should be required to provide more detail when they report progress to the regulator and their own tenants. Nigel wanted to know if the regulator had progress figures for each local authority, Andy confirmed that this information was available.

The group agreed that Ana should be invited back next year to give a further update on progress in 2010.

7. Social Housing: shaping up for improvement – Andy Robinson

Andy provided an overview of this recently published document. Andy flagged up some of the key themes that are highlighted in the document. Generally, the SHR believes that many landlords need to improve their services to tenants. Also, one of the findings that may interest TRAG was that generally tenants felt that participation was less important than a decent home in a good neighbourhood. The document also highlights that the number of complaints to the SPSO about social housing are quite high in comparison to other public services.

James also highlighted that it was difficult for social housing tenants to know what to expect and most have no way of knowing how their service compares to other social housing tenants.

The report also highlights that a number of local authorities' homelessness services are not performing as well as their housing services, as they are focusing more on preventing homelessness. More than 4 out of 5 households in Scotland's social rented sector live in houses more than 25 years old. Landlords also seem to be getting better at buying goods and services with evidence that procurement practices are improving albeit slowly.

Costs for landlords have been increasing; wages, fuel costs, building materials and services have all increased in price. These have to be met from tenants' rents.

Rose asked about governance, saying that governing body members change, and new members aren't necessarily offered or required to undertake the same level of training as would be required of a newly formed RSL. Andy explained that the quality of governance is variable in the sector with some having a clear understanding of their role and others who become involved in low level operational issues. Governing bodies face tough challenges going forward and it is in their interests to think beyond their organisations and identify their strengths and areas where they need support.

8. Tenant Priorities Research Findings – Mark Diffley (Ipsos MORI)

Mark introduced himself and provided a summary presentation of the key findings from this recent research. Mark explained that this was a national survey and the emerging findings may be used to inform the development of the social housing charters as proposed in the Draft 2009 Housing Bill (Scotland).

The survey involved 500 tenants across Scotland, and contact was made with 72%. In addition they received 200 responses from RTOs. The key findings were as follows:

- RTOs and individual tenants had markedly different views;
- Individual tenants were most concerned with immediate everyday services;
- Older tenants were generally more satisfied than younger tenants;
- Repairs and customer service standards are of key concern to tenants;
- RSL tenants have better experience of services than council tenants;
- MORI find that people are generally reluctant to give their council credit and typically local authority tenants live in older house types;
- People want more done about Anti Social Behaviour;
- RTOs think that RSLs are under performing in this area, and
- Most tenants feel their landlord gives them value for money.

Jeanette was not surprised by the findings, saying that tenants don't want to get involved, unless they have a pressing issue that needs addressed. Kevin also explained that tenants need to know more about what their landlord is doing and what to expect. Kevin said the more people know what is going on, the more likely they are to get involved. James felt the data was quite unrefined, saying that there was a big difference for example between wanting more influence, and wanting more meetings. Mark also explained that there was a very low level of awareness about the SHR.

9. TRAG Support Brief

Jamie left the meeting to allow the group to discuss future TRAG support in the interests of commercial sensitivity. Pamela advised the group that she had been advised by Scottish Government procurement colleagues that the procurement guidance did not favour the involvement of external parties being involved in the evaluation of procurement proposals. External opinion can be sought on the brief but this excludes their involvement in the evaluation which should be carried out internally. Pamela outlined the procurement process and advised that the competitive procurement exercise would be undertaken in September/October and TRAG members would be notified of the outcome as soon as possible.

10. Date of next meeting

Friday 4 December Highlander House, Glasgow.