



Championing better homes and communities

Critical Friends: What tenant scrutiny brings to better social landlord performance

An NFA best practice briefing for policymakers, practitioners and stakeholders

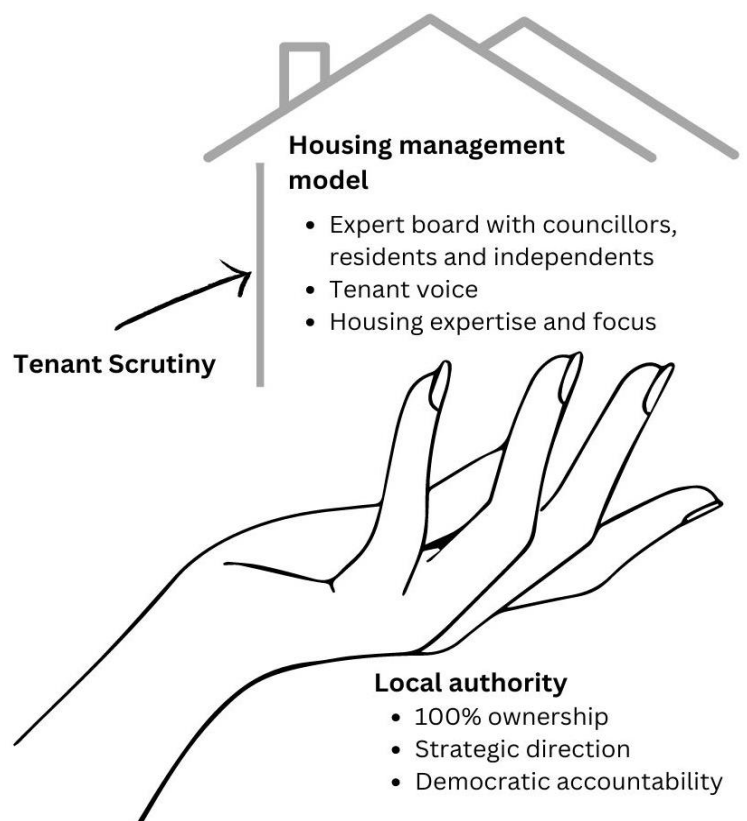
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THE VOICE of tenants sits at the core of modern social housing management.

The Social Housing (Regulation) Bill makes it clear that landlords answer first to their tenants. Significant shifts in the roles of the Regulator of Social Housing and the Housing Ombudsman already place a sharper focus on how tenants judge landlord performance, and this will be reinforced by the results of the new tenant satisfaction measures when they are published in 2024.

However, the voice of tenants has been at the heart of **the ALMO council housing management model** for two decades. The model not only keeps ownership of increasingly scarce and valuable housing stock for local communities with democratically elected local authorities; it also places tenant involvement firmly alongside independent and transparent board governance.

THIS BRIEF summarises the findings of [*Critical Friends*](#), an NFA best practice report that shows exactly how council-owned ALMOs go about listening to tenants, and how they use what they hear to shape the services they provide.





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Why tenants must be heard

While there are many excellent organisations operating in the social housing sector, we have all seen the examples of poor practice where social landlords have failed to provide good services and decent homes; and where organisations have demonstrated a lack of respect and poor customer service.

Tenant scrutiny is an important check and balance on services for tenants since tenants mostly cannot take their services elsewhere if they are dissatisfied.

Dreadful events such as the Grenfell Tower fire in London and the death of two-year-old Awaab Ishak in Rochdale make it crystal clear that there is no 'acceptable' level of poor practice.

However, even good landlords have been faced with budgetary cuts and inflationary pressures which have made it increasingly difficult to do the day-to-day work well.

With resources so scarce, the tenant voice is an invaluable tool that hard-pressed landlords cannot afford to ignore.

- Tenants can be their landlord's 'critical friend'; spotting what's been missed and holding poor performance to account.
- Well-supported scrutiny makes sure senior managers and board directors hear tenant experience first-hand and use it to inform strategic decisions.
- It is an extra check that landlord services are, in the view of customers, value for money.
- Scrutiny also keeps landlords focused on their core purpose of delivering decent homes.

Models of tenant scrutiny

There are different models of tenant scrutiny within the sector, but they all share the same underlying principles. These include:

- formal status and structures and clear access to board decision-makers;
- tenant-led, independent and inclusive;
- fully supported by the organisation with buy-in from senior staff and board members;
- able to influence decisions and hold the service provider to account.



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What the Regulator will be looking for

"We would really encourage you all to be thinking now about how you make sure that your tenants are engaged, that they want to be engaged, and that they feel their contribution is recognised and valued - because it can take time [to achieve this], and we don't want to start inspections in April next year and find that, for some organisations, tenant engagement still feels like a work in progress."

Assistant Director, Regulator of Social Housing, NFA webinar, 21 June 2023.

When the Regulator of Social Housing rolls out the new inspection regime provided for in the Social Housing (Regulation) Bill, the assessment focus for local authorities and their ALMOs will be on two broad areas: service provision and accountability. The legislation gives the Regulator new objectives, new powers and new functions – and among these is making sure social housing organisations are transparent with tenants.

Encouraging and supporting tenant scrutiny has an obvious role to play in demonstrating to the Regulator that tenants' contributions are 'recognised and valued'. This is key, given that one outcome of pilot inspections has been a sense that landlords are struggling to evidence the less tangible and measurable aspects of their work, including their tenant engagement efforts.

Previously, the Regulator's reactive nature has meant that tenant engagement structures were not necessarily a focus for investigation, but that will now change. The Regulator will want to talk to tenants at all levels, including board members, active tenants, scrutiny panels and will consider estate walkabouts or focus groups with residents in extra care schemes. Landlords must be ready for this.

Stories from the ALMO experience

Stockport Homes

An investigation of Stockport Homes' approach to damp and mould problems was launched by its Customer Scrutiny Panel in response to the Housing Ombudsman's 2021 report which asked all landlords to review their complaints and response processes.

The panel were able to ask staff how they responded to complaints of damp, mould and condensation; assess how well staff communicated with customers who had reported problems; analyse data on reports and resolution of damp and mould complaints; consider whether the landlord's website was clear and detailed on these issues; and speak to customers who had reported a problem in the last year.



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The panel found some strong positives: ease of reporting; a clear response process underpinned by a consistent approach from the first point of contact; high quality surveyors and good in-house training. Customers were also triaged into other teams when it became clear they had needs beyond the original issue they had reported.

Even so, when panel members took their findings to the board, they had improvements to suggest: more follow-up communication to make sure problems had been resolved, and a suggestion that the landlord ought to review how it gathered and used feedback on its damp and mould work. The panel's action plan was accepted, and progress will be monitored by both the panel and the board.

Solihull Community Housing

Solihull Community Housing's independent tenant panel, SCHape, has seven members and reports directly to a sub-committee of the board, the Housing Operations Committee. A tenant board member is co-opted onto the scrutiny panel to create a direct link between panel and board.

Performance data and customer insight help the panel identify what issues to scrutinise, although the executive leadership team and the board are also asked whether they have areas of concern. A wider 'VIP group' of tenants (around 350 members) and the executive leadership team are then asked to decide on the panel's review focus.

Although the panel's findings and proposed action plan are reported directly to the Housing Operations Committee, the executive leadership team is asked to check context and sense-check recommendations. Once the board has given its approval, action and timescales are agreed with SCHape and relevant officers, and progress is monitored by SCHape and reported to the committee. The work of the panel is reported in the landlord's newsletter, on its website and in its social media.

Read the full *Critical Friends* report [here](#) on the publications page of the NFA website at almos.org.uk

NFA members manage around 276,000 homes on behalf of their parent local authorities. First set up in the early 2000s to tackle poor quality housing in the council sector and make sure that tenant voices are heard, these council-owned companies are ideally suited to meet the new regulatory environment.

ALMOs are:

- wholly owned by the local authority, managing stock that remains in local authority ownership and control.
- governed by independent boards made up of tenants, councillors and independent members who oversee strategy and planning.
- a vehicle for excellent, specialised housing management services that give tenants a strong voice, with no loss of democratic accountability.