

# People first

## Delivering change through involvement

AFFORDABLE HOMES STRONG COMMUNITIES



May 2007

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# Executive summary

This policy sets out the Housing Corporation's expectations on involvement for housing associations. It sets out:

- the business imperative for involvement;
- our objectives, policy and requirements within the Regulatory Code and Guidance;
- the basic building blocks of effective involvement for housing associations;
- a new requirement for housing associations to have at least one resident board member; and
- a menu of additional approaches to involvement, including the widening of housing association involvement activities to include communities.

# Foreword

When he reported earlier this year, John Hills set out a vision for social housing which placed residents at its heart. In his report, he identified a need to establish an increased voice for tenants, ensuring they have influence and control over decisions made about the homes they live in.

It is a vision shared by the Housing Corporation. We believe that housing associations should involve residents and communities in governance as well as service design and delivery. Resident involvement should be central to the ethos and integral to the management of all housing associations.

Our previous involvement strategy, Involvement Policy for the Housing Association Sector (2004), was widely welcomed as a major step forward in promoting involvement within the housing association sector. Over the last two to three years it has helped ensure that all housing associations put in place involvement statements and appraised their impact over time.

Last year's Elton Report and the report of the National Housing Federation's Tenant Involvement Commission highlighted the need to revise and update our policy – something underlined by our recent consultation. In doing so, we build on the considerable commitment in the sector to ensuring that residents are properly involved, and the good practice already underpinning that work.

As we publish this policy, the Cave Review of Social Housing Regulation is about to report. Its recommendations will establish the future principles under which social housing will be regulated. This may, therefore, be the last Resident Involvement Policy to be issued under the current regulatory regime. However, through its effective implementation we are confident we will establish a strong foundation upon which new regulatory arrangements can be built. The involvement of residents and communities will continue to be central to the effective delivery of social housing. Our expectation is that all housing associations, working in partnership with their residents, will seek to ensure that this policy is effectively implemented, and that within housing associations the voice of their residents is clearly heard.



**Peter Dixon**

Chairman

May 2007

# Introduction

Involving residents improves the effectiveness with which housing services are delivered, brings benefits of new skills and increased confidence to residents. It is a core component of helping to ensure that neighbourhoods and communities are places where people want to live, now and in the future. The Housing Corporation is clear that involvement is critical to housing associations' success as effective businesses meeting the needs of the people who live in and around their homes.

Accordingly, we will focus regulatory activity on housing association resident involvement activity, and will take firm regulatory action where necessary.

In developing this policy, we consulted widely and received an overwhelmingly positive response to the ideas set out in our consultation document, People First: Delivering Change Through Involvement. We would like to thank the organisations and individuals who responded – in particular, residents who participated in the number of focus groups drawn from our national Resident Consultation Panel and contributed through a series of consultation events run around the country by TPAS.

This policy replaces the Involvement Policy for the Housing Association Sector which came into effect in April 2004.

## What we mean by involvement

When we refer to involvement we mean:

- all of the activities and processes that a housing association undertakes that help it to know what its residents and communities want;
- all of the activities and resources that enable people to be involved, if they want to;
- all of the activities that enable residents and communities to have more influence over decisions when they want it; and
- the framework in which involvement is delivered (e.g. the Involvement Statement and Impact Assessment).

So, for instance, involvement includes everything from a resident satisfaction survey or a verbal complaint, to a member of staff (and the feedback an association gives on it), through to the community ownership of assets.

We are not promoting involvement for its own sake. Our expectation is that associations should embrace involvement as an integral part of their business processes – involvement needs to be directed towards achieving positive outcomes for residents, communities and housing associations.

There is a strong evidence base demonstrating the business case for effective involvement. The Audit Commission and Housing Corporation study, *Housing: Improving Services Through*

*Involvement* (2004), in particular, shows how involvement can improve services, strengthen accountability and enhance social capital.

### 'Top level' outcomes





# Our requirements, aims and the framework for delivery

## Our requirements and targets

The proposals in this policy build on the outcomes we have set in Section 2.5 of the Regulatory Code and Guidance, and on the expectations set out in our earlier Involvement Policy published in 2004.

Regulatory Code	Regulatory Guidance
<p><b>2.5</b> Housing associations must seek and be responsive to residents' views and priorities.</p> <p><b>2.5.1</b> reflecting these interests in their business strategies.</p> <p><b>2.5.2</b> giving residents and other stakeholders opportunities to comment on their performance.</p> <p><b>2.5.3</b> enabling residents to play their part in decision making.</p> <p><b>2.5.4</b> providing opportunities for residents to explore, and play their part in how services are managed and provided.</p>	<p><b>2.5a</b> The association is effectively accountable to its stakeholders. Current information about its activities is widely available to residents and other parties.</p> <p><b>2.5.1b</b> Residents, housing applicants and others have ready access to an effective complaints and compensation policy, administered effectively. Independent Housing Ombudsman recommendations are actioned.</p> <p><b>2.5.2c</b> The association considers a range of methods and opportunities to consult and obtain feedback from residents. It seeks to make an agreement, developed in partnership with residents, setting out how this will be resourced, measured, monitored and reviewed.</p> <p><b>2.5.3d</b> Where they so wish, residents are supported, enabling them to obtain the knowledge and skills to play an effective part in investment in, and management of their homes and neighbourhoods. They are encouraged and supported to explore options.</p>

- We require housing associations to publish an Involvement Statement which they have agreed with their residents and also to produce an annual Impact Assessment. We believe that both Involvement Statements and Impact Assessments are important for effective involvement. Taking on board feedback from the consultation, we will be publishing guidance to help associations prepare, implement and monitor their Involvement Statements and Impact Assessment;
- We expect all housing associations managing more than 1,000 units to comply with the detailed provisions of the policy;
- In line with our commitment to lowering the burden of regulation on small associations we have not imposed a similar obligation on associations managing less than 1,000 units. However, we expect general compliance with the principles of the policy (subject to a different threshold in relation to the requirement for resident board membership – see below). See page 21 for what this means in practice;
- We also expect non-registered organisations seeking housing management accreditation to abide by the principles of the policy. The need to have robust resident involvement is a core element of the service specifications that applicants must provide to us, as well as being a key part of our assessment process;
- We require that all housing associations managing more than 250 homes should have at least one resident on each of their landlord/ service delivery boards. Further details on this requirement can be found on page 19; and
- We will continue to regulate compliance with the policy according to the principles of risk based regulation. Our regulatory approach to involvement is detailed on page 21.

## What we want our policy to achieve

Although communities, residents and housing associations may have many reasons to engage in involvement activities, they should be united in a shared aspiration for involvement to achieve positive outcomes. By this, we mean that positive change is achieved by involvement. This policy sets out a framework through which housing associations should undertake effective involvement which creates a culture of ‘mutuality’ (a trust relationship between active communities and housing associations). It will therefore mean something to residents, communities and housing associations because it focuses on delivering positive outcomes for residents and communities. For housing associations it will be part of ‘how we do business’.

There is a strong business case for involvement providing it is focused on delivering outcomes. We believe that involvement which is focused on creating positive change can:

- improve housing associations' services;
- enhance accountability to residents and communities; and
- enable residents and communities to enhance their skills, confidence and quality of life.

This 'business orientated' approach to involvement is important in addressing a key challenge identified by the National Housing Federation's Tenant Involvement Commission:

"[Tenants] understand why involvement is a good thing: having their say and shaping the services they receive. The problem appears to be that tenants do not believe that their association will act on what they say, or that they will be involved in any kind of genuine or meaningful way."

## Widening the remit of the policy

Previously, our Involvement Policy only asked housing associations to engage with residents. On most occasions the focus of involvement activity is to engage this group in decision making about housing services. The NHF Commission noted that for tenants, core housing services are their first priority. However, on occasions housing associations need to involve different groups and/or deploy different involvement approaches with a range of groups.

The consultation responses that we received show that many housing associations already recognise that tenants, residents and communities need to be involved in different ways. By focusing exclusively on involving residents, it may present a barrier to some housing associations developing the multi-layered involvement which they need.

We expect that residents will remain the core focus of housing association involvement. However, whilst we do not require wider community involvement in the preparation of Involvement Statements, especially as many housing associations are taking on increasingly diverse activities, we are clear that associations should consider how best to involve wider communities in defining those services and holding them to account for their delivery.

## Outcomes effective involvement will deliver

The independent review of the Involvement Policy and consultation responses from both residents and housing associations have highlighted the need to provide more clarity and guidance around the outcomes that involvement can deliver.

Key outcomes may include the following, which are all related to common housing association business aspirations:

- improved and/or more responsive services;
- better equality of access to services, by removing barriers;

- services which offer better value for money and/or are more efficient;
- increased transparency of decision making;
- more effective resident and/or community scrutiny of performance;
- increased capacity, confidence and skills among people that are involved;
- improved community cohesion; and
- increased influence over quality of life in neighbourhoods and communities.

The Audit Commission and Housing Corporation study *Housing: Improving Services Through Involvement* (2004), provides further examples of how involvement can improve services, strengthen accountability and enhance social capital.

Starting from these ‘high level’ outcomes, each association will need to agree with their residents and/or communities more specific outcomes for involvement that meet their local needs and aspirations.

In addition, there are areas of activity that we believe are necessary for effective involvement. These activities contribute to delivering the outcomes that residents, communities and housing associations want. We describe these activities, the basic building blocks of effective involvement, on page 11.

## Code of practice on tenant involvement

The NHF is working on a code of practice on tenant involvement for housing associations. Whilst this policy sets our baseline expectations of housing associations, we welcome the prospect the code offers of building further on resident involvement across the sector, including the wider adoption of some of the approaches set out under Building Better Involvement on page 24.

## Resourcing involvement

All associations must provide adequate resources, including the necessary financial support, to ensure that residents have the capacity to engage in involvement activity, including board membership.



# The basic building blocks of effective involvement

The following basic building blocks are our clear baseline for involvement and we expect housing associations to engage with all them.

However, whilst we see the basic building blocks as being crucial to effective involvement, we do not believe we should prescribe how they are delivered. We do not see them as a comprehensive list and we are keen for communities, residents and housing associations to use them as a starting point from which to innovate.

## Basic building blocks

- 1) Ensure that people have equal opportunities to take part in involvement and take active steps to engage with under-represented and vulnerable groups.

This should also be integral to all of the other building blocks.

Involvement that seeks to be representative of communities and builds positive community relations will contribute to improving equality of access to services and increased community cohesion.

- 2) Associations should develop a profile of residents in their homes and make positive effort to develop 'market intelligence' on their needs and aspirations.

An association with a clear view of who its residents are and what they want, will know who to talk to and when.

- 3) Associations should provide accessible information and feedback and take an open approach to providing information that is requested. This should include:

- feedback on performance, comparison with peers and action taken to improve;
- feedback on how involvement has brought about change; and
- feedback on complaints and lessons learnt, and changes made.

Access to information, presented in a way that enables residents to ask searching questions, is an essential starting point for enabling residents to influence decisions and hold associations accountable.

- 4) Develop a range of methods of involvement, with active residents, and/or communities, that allow people to be involved on their terms (often described as a 'menu of involvement').

A range of options will maximise the number of people who are engaged in the association's work. A larger pool of active residents and communities will, with a commitment to action, lead to housing associations that are better at meeting aspirations, while not being an end in itself.

## Policy in practice

### Ensuring that people have equal opportunities

Funded by a partnership of social housing providers and the Office of the Deputy Prime Minister's Innovation into Action Grant, Tung Sing Housing Association developed seven black and minority ethnic Residents' Network roadshows, which were targeted in neighbourhoods with high proportions of black and minority ethnic communities in Manchester. They were promoted through a combination of management information available to the partner associations, community and voluntary sector groups and marketing of the events in religious buildings, community centres and schools. Attendance was encouraged through the offer of gift card rewards and by highlighting the long-term benefit to black and minority ethnic residents of having influence on the future provision of housing and other services.

The events included presentations by a number of key agencies, including the Tenant Participation Unit at Manchester City Council, Regeneration Partnerships, Crime and Disorder Reduction representatives and Manchester Council for Community Relations. A wide variety of stall holders were present to advise and support residents with housing issues, voluntary services and even demonstrate Reiki techniques. The event was designed to be fun, increase cultural awareness and provide social opportunities to network with neighbours via food, entertainment and music from around the world including judo, Bollywood dancing and tai chi demonstrations.

There was an important consultation element to the roadshows, with attendees invited to communicate issues, concerns and views about their housing options, the local area and their future aspirations.

The network wanted the roadshows to be as inclusive as possible and organised interpreters in several key languages with access to language line support. Tung Sing's United Nation-style simultaneous interpretation equipment was available at each event so everyone could enjoy and participate fully at each roadshow. Tung Sing also offered bilingual community members the free opportunity to become accredited community interpreters and establish a social enterprise.

Against a target of 350 attendees, the roadshows attracted over 700 people. The results of the 210 consultation questionnaires completed at the events are being put to good use. The BME Residents' Network is using the evidence from the roadshows, with other information it has gathered, to develop a shared code of practice for engaging with people whose first language is not English, and the consultees are becoming a constituted group to influence further the future provision of services and to develop their own skills. Against a target of 15, Tung Sing Housing Association has also been successful in accrediting 50 members as community interpreters.

- 5) Negotiate with residents, and/or communities, the terms of reference for involvement activities (e.g. constitutional requirements for funded community groups, timescales for consultation).

This information will enhance transparency and accountability by ensuring that the aims of involvement activities and necessary commitments of both associations and communities are clear.

- 6) Enable involvement by providing properly resourced capacity building and training for residents, staff, and where appropriate, communities. This should include:
- activities within the housing association which create an ‘involvement culture’;
  - providing resources that allow formally constituted groups to perform their basic functions; (e.g. produce newsletters, hold open meetings, hold an AGM);
  - providing appropriate support for people to be involved; (e.g. travel expenses, child care, personal assistants, any other reasonable out of pocket expenses);
  - providing or sourcing appropriate capacity building and/or training to allow people that want to be involved in policy or practice to perform effectively; and

## Policy in practice

### Community profile and market intelligence

West Kent Housing Association was the first association to receive three stars in its Audit Commission inspection. The Audit Commission noted its strong record in involvement.

The association has undertaken a census to enhance the information it holds about its residents. This helps it contact them in a way that suits them and tailor its services. It spoke to another housing association that had undertaken a similar project in order to learn the best methods for success.

As it further develops its census project, it is aiming to achieve 80% coverage of residents in its homes.

The census information is used to flag particular resident needs and West Kent Housing Association automatically tailors the information it provides to those needs.



## Policy in practice

### Investment in neighbourhoods and communities

Somer Community Housing Trust works with residents to identify areas that will benefit from a Somer Community Action in Neighbourhoods (SCAN) project.

Since 2001, SCAN has brought an additional £1.2 million investment into targeted neighbourhoods that were in decline. Residents and communities help to determine priorities for investment and changes in management practice and are encouraged to play a full role in delivering solutions.

SCAN outcomes range from high-quality security systems and extensive landscaping programmes to the refurbishment of play areas and creation of new community facilities.

A significant proportion of the annual SCAN budget is committed to small-scale projects initiated by residents and decided upon by area panel tenant representatives.

- providing support to ensure that people can identify and deliver their own aspirations for involvement; (e.g. through the development of community based projects, developing new skills, etc).

Housing associations should build the capacity of all people that are involved to enable them to:

- better meet their expectations;
  - empower individuals and groups; and
  - bring about effective organisation change.
- 7) Develop, with residents and/or communities, ways to negotiate service targets, influence corporate decision making and hold the association to account. (In most cases this work will be focused on residents).
- Increased influence and scrutiny over decisions will help associations to focus on meeting people's aspirations.
- 8) Develop and sustain mechanisms, with residents and/or communities, which enable influence over investment in and the design of affordable homes, and where relevant, wider neighbourhood priorities.

Where residents, and/or communities, influence the future of their neighbourhoods, they will feel more committed and will contribute to improved quality of life.

- 9) Consider with residents and/or communities the value for money of involvement activities, including the added value that involvement creates.

By identifying value for money improvements in as many areas of the association's work as possible, resident involvement activities will improve housing association's business.

- 10) Develop with residents and/or communities appropriate neighbourhood level targets and scrutiny where they want this, and it is relevant.

Many residents and communities, rightly prioritise quality of life in their neighbourhood and not just their homes. Associations should seek to adapt their services and support residents and communities in efforts to adapt the services of other agencies in the neighbourhood. This will improve associations' services, make them more accountable and help to deliver improved quality of life.

## Policy in practice

### Neighbourhood target setting

Pennine Housing 2000 (PH2K) deploys a number of methods to ensure that residents have influence at the neighbourhood level. PH2K undertook wide-ranging consultations, using a variety of methods for reviews of local housing services such as environmental works and caretaking services.

PH2K's open-access area panels make decisions about how environmental budgets are used.

At the estate or neighbourhood level, PH2K has scheme panels for capital works and undertakes estate walkabouts to ensure that small-scale environmental works, such as fence repair, are up to date.

PH2K has negotiated two neighbourhood-level compacts with tenants and resident associations which had requested formal agreements as a method for holding a range of service providers to account.

# Involvement Statements and Impact Assessments

## Involvement Statements

We expect housing associations to work with residents to develop and produce Involvement Statements. Any major area of a housing association's work requires a statement, strategy or policy to set its direction and describe the framework in which success will be achieved. This may be within, or at least closely aligned to the business plan. We believe that this is as true for involvement as for tenancy management or development.

We think that the best way for an association to organise its involvement is to have one clear document (see Note below), negotiated with stakeholders, which identifies:

- priority outcomes of involvement;
- how involvement fits into their business strategy;
- a method for monitoring success of the Statement and of reviewing it;
- a range of ways in which stakeholders can be involved on their terms, when they want to be; and
- the resources available to enable involvement.

### Note

We are aware that some housing associations (e.g. LSVTs) have been unsure whether they need a separate statement to mirror or supplement their compacts or policies. Providing their existing strategy documents conform to the principles we set out we see no reason to require a new or separate document.

In developing your Involvement Statement, associations should give consideration as to how the outcomes link to the basic building blocks of involvement. We do not intend to prescribe that Involvement Statements should go into detail about how the basic building blocks are delivered. Residents, communities and associations should negotiate the best way of describing and disseminating the relationship between strategy and the methods of delivery.

## Impact Assessments

In the consultation, some housing associations said they were unclear about how to design and undertake Impact Assessments. We believe that Impact Assessments should be flexible tools that feed into involvement priorities and drive continuous improvement. Hence, the way that Impact Assessment is undertaken and the measures used to assess impact must be specific to the way a housing association works with its residents and communities.

However, we believe that Impact Assessments will be more effective if they are designed using the following principles. Impact Assessments should:

- start from intended outcome(s). Any activities undertaken should be measured against their success helping to deliver the outcome(s);
- look both backwards (assess the impact of activities undertaken in the previous year) and forwards (to inform intended outcomes, activities and measures for the coming year); and
- assess the impact of activities according to the priority of their intended outcome, (i.e. only focus impact measures on the most important priorities for change).

We believe that progress towards **improved equality of access to services** and **improved value for money** is crucially important. Hence, we require housing associations to assess the impact of their involvement activities against these outcomes. By value for money we do not necessarily mean cutting costs. We wish residents, communities and housing associations to think of involvement in terms of how it creates demonstrable savings and/or added value across the housing association's work.

Several organisations have developed toolkits or model frameworks by which to develop Impact Assessments. We will provide examples of best practice of Impact Assessment to assist housing associations to develop their approach.

## Policy in practice

### Impact Assessment

For its first Impact Assessment, Adactus Housing Association reviewed all its main involvement activities. It started from its stated corporate aims for involvement and included the specific aims of particular projects and activities.

All project participants were invited to provide their own assessments by completing comprehensive postal questionnaires.

Feedback from residents and staff, together with available statistical information on costs and outcomes, were compiled and presented to a working group of staff and active residents. The panel assessed the impact of the association's activities by using 'traffic light' coding. Where activities were 'amber' or 'red', the working group suggested ways that activities could be changed or improved.

## Involvement Statements and Impact Assessments in group structures

We believe that housing associations in group structures should negotiate with their residents and/or communities the best place to locate their Involvement Statement and Impact Assessment. Depending on how the group is organised the Involvement Statement and Impact Assessment could be centrally located, located in subsidiaries or designed as an overarching Statement with subsidiary statements and Impact Assessments.

# Resident board members

Residents bring a unique perspective to the board offering the direct experience of service users to a housing association's accountable body. As those housing associations that have resident board members know, in many cases resident board members offer a wide and distinctive skill base that directly benefits good governance. Resident board membership must be seen within the overall context of an involvement culture. All associations should have an open and welcoming board so that residents (and other new board members) can fit in and be effective.

Following our acceptance of the Elton review recommendations, our requirements are that:

1. All housing associations should have at least one resident board member on each board or committee with a service delivery remit. We would emphasise that this is our minimum requirement and we expect that many associations will wish to recruit, or retain, more than one resident board member.

## Note

We define boards and committees with a service delivery remit as those bodies with formal powers under the constitutional rules of the association to make decisions regarding the provision of housing services. We do not require non-stock holding group boards to include resident board members.

2. Resident board members (and other board members) should be able to demonstrate their contribution to the board both before and during their membership.

## Note

In recruiting resident board members we believe that associations should value life skills and wider experience, as well as professional or academic skills and qualifications. We expect housing associations to put in place, and to meet the full cost of, appropriate capacity building approaches to ensure that they increase the pool of residents with the necessary qualities to be board members and, where necessary, to provide ongoing support to resident board members. It will be equally important to ensure that current and future board members receive appropriate support and training to ensure that they are best placed to work effectively with resident board member colleagues.

3. The default position for recruiting resident board members should be election.

## Note

Most housing associations will develop 'hybrid' systems, which suit their organisation and stage of development, whereby an initial selection based on board candidate qualities takes place followed by an election from a

short-list of candidates. We will not prescribe how elections should be organised or the electoral system (i.e. whether election takes place from the whole resident body or through an 'electoral college' such as a residents' forum). Some housing associations may choose to use a different approach where they can demonstrate that their residents do not want election.

4. Housing associations should make clear the roles and responsibilities of resident board members.

#### **Note**

We particularly want housing associations to give careful attention to how they explain board members' fiduciary duty. That is, their duty to act in the best interests of the association. This requires housing associations to make clear that board membership does not equate to resident board members being representatives of the resident body and acting in the interests of the resident body alone.

## **Exemptions and flexibilities in our resident board member policy**

We have decided that housing associations managing less than 250 units are exempt from our requirement to have resident board members. The challenge of achieving resident board membership for these associations outweighs the potential improvement in governance.

We are also aware of the need to provide flexibility for two groups of associations that will face particular challenges in complying with the policy:

- Charity Commission guidance does allow for beneficiaries to become resident board members of charitable registered social landlords, under defined circumstances. Where the guidance has been followed, we would expect the association to comply with the policy's requirements to have at least one resident board member by 1 April 2008. However, we acknowledge that this is a complex area and that some associations will need to consider a rule change to achieve this. Where there is the case, we would still expect such associations to have a clear timetable for implementation and to look at alternative arrangements until they are able to achieve this goal; and
- specialist housing associations which work with vulnerable groups and those that work exclusively with short-term tenancies must have a time-scaled action plan to undertake resident capacity building to achieve resident board membership. We recognise that a small number of associations which work with very vulnerable and transient people will find it impossible to comply with the policy.

Housing associations which fall into the groups above should discuss their plans with regulatory staff. We will provide waivers for associations where necessary.

# Regulation, inspection and the support we provide

## Regulating compliance with the policy

We will take a firm regulatory stance around involvement, taking action where housing associations fail to engage with our policy.

We will regulate the policy according to our risk based approach. We will use the following indicators to identify risks:

- the Self Assessment Compliance Statement (SACS) shows that a housing association does not have an Involvement Statement or Impact Assessment;
- a housing association has no resident board members;
- poor performance against customer focused performance indicators (PIs); and
- evidence from inspection reports.

The basic building blocks of effective involvement will not play a part in the risk assessment.

Where there is evidence of risk and subsequent investigation and/or regulatory action is taken, we will use the basic building blocks as the basis for performance assessment.

In keeping with risk based regulation we will assume that affirmative answers for Involvement Statements in SACS represent an assurance from the associations' board that the Statement has been satisfactorily developed. We will not use Involvement Statements as part of our risk assessment, However, we will use them to inform

our activity where risk has been identified.

We will also use Involvement Statements for periodic reviews of the sector as a whole and for identifying good practice. Should associations wish to submit their Statements to us voluntarily, we will be pleased to accept them for use in our own good practice research. We may share them with other agencies in the sector that research and disseminate good practice.

## Regulating resident board membership

We will add a question to the Regulatory Statistical Return (RSR) for housing associations to report on the number of resident board members they have.

## Regulating the involvement policy in associations managing less than 1,000 units

Associations managing less than 1,000 units should achieve general compliance with the principles of the policy. In practice, we expect that these associations will engage with the basic building blocks of effective involvement in a meaningful and proportionate way. For instance, a small neighbourhood based association will be unlikely to find it feasible or effective to develop separate corporate and neighbourhood approaches to delivering resident influence. However, we would expect it to have a mechanism for ensuring residents can influence and monitor its service standards and for it to develop as wide a 'menu of involvement' as is practicable.

## Current performance indicators

- Vacant General Needs dwellings;
- General Needs re-let time (for managed stock);
- Average SAP rating;
- Failing Decent Homes Standard;
- Percentage of tenants satisfied with quality of repairs;
- Percentage of tenants satisfied with landlord's services;
- Percentage of tenants satisfied that their views are being taken into account;
- Percentage of tenants satisfied with the quality of their homes (those allocated new homes in the last three years);
- Routine repairs completed on target;
- Current tenant rent arrears at year end;
- Shared ownership satisfaction overall; and
- Percentage of shared ownership purchasers satisfied with sales process.

We will not require small associations to report whether they have Involvement Statements or Impact Assessments, but believe that many will find that these documents will help them focus their attention on effective involvement.

We will continue to use customer focused PIs, inspection reports and resident board membership (in associations managing more than 250 units) as risk indicators.

## Inspection and involvement

The Audit Commission is responsible for inspecting housing associations. The existing inspection framework means that a housing association will need to have effective involvement if they wish to gain three stars.

The Audit Commission's expectations for involvement are set out in Key Line of Enquiry (KLOE) 5 Resident Involvement and partially in its cross-cutting themes customer care, access to services and user involvement.

We encourage housing associations, residents and communities to familiarise themselves with the involvement expectations set out in KLOE 5 and throughout the Audit Commission's framework.

## Best practice and other support

Many tenants already take an active part in decisions affecting the management of their homes. In order that they can raise the level and quality of their involvement, and to enable other tenants to begin to participate, it is essential that they have the information, skills and confidence to make a real difference.

We make clear under Resourcing Involvement on page 9 our expectation that housing associations will provide the resources necessary to support effective resident involvement within their organisations.

We will continue to work with sector partners to ensure that residents, communities and associations can access the extensive body of good practice around effective involvement.

Examples of good practice can be found on through the Housing Corporation's website, [www.housingcorp.gov.uk](http://www.housingcorp.gov.uk).

# Building better involvement

We expect high performing associations to demonstrate their commitment to resident involvement by going over and above the minimum requirements we set out in this policy and fully embedding involvement into their organisational culture.

The following further range of approaches can help residents, communities and associations to get more involved in their organisations decision making and service delivery. The approaches fall into the following key areas of involvement:

- residents' influence as consumers of services;
- residents influencing service delivery and design;
- widening accountability;
- strengthening governance; and
- involvement in neighbourhoods and communities.

## Resident influence as consumers of services

The NHF Commission was the latest report in a long line of research that shows that most residents wish to relate to housing associations as consumers. That is, they want to be involved, often on an ad hoc basis, in a way which allows them to comment on services as individuals and see the change that has come about because of their comments. Some ways in which the consumer approach to involvement could be developed further include:

- making more use of new technologies (e.g. text voting, internet comment/readers groups, hand held IT comment on service provision);
- ensuring more use of contact time between officers and residents (e.g. the time that support workers spend with people receiving housing based support);
- developing further the use of service checking processes (e.g. post repair 'ring backs' on a percentage of works);
- expansion of tenant liaison approaches (often used in capital works programmes);
- developing new approaches to seeking the views of residents (e.g. mobile housing offices, 'back to the floor' exercises);
- developing new approaches to providing feedback (public comment and feedback conferences, senior officer 'face the people' sessions); and
- ensuring that all officers have involvement targets or relating officer performance to customer satisfaction measures.

## Residents influencing service design and delivery

Where residents wish to be more actively involved there are a large number of options which we think associations could investigate in more depth. These include:

- resident led product development and service review (resident majority groups that consider new products or required changes to services);

- officer/resident product development and service review;
  - devolved budgets under full resident control or with resident input (e.g. estate environmental improvement budgets devolved to residents' associations/area forums);
  - formal estate audit;
  - a wide range of approaches to resident led audit/inspection (e.g. mystery shopping);
  - use of citizens' juries in strategic decisions (a citizens' jury is a panel of lay people who take evidence on an issue and suggest a course of action);
  - use of participatory budgeting (participatory budgeting invites views from a wide range on stakeholders on spending priorities);
  - use of community planning approaches in the design of new development, or the regeneration of existing neighbourhoods;
  - greater involvement of residents in staff recruitment and retention; and
  - greater involvement of residents in the design and specification of contracts.
- undertake neighbourhood options appraisals to assess the demand and capacity for tailored neighbourhood level management approaches;
  - seek to outsource some of the involvement functions (e.g. training and capacity building or approaches to engaging with particular under-represented groups) to an independent resident (or other voluntary and community sector) body;
  - seek to work with other active people engaged with local agencies and/or associations' peers to give an independent view on the association's performance; and
  - set up mechanisms for managing complaints that are independent of the association (e.g. resident led complaint scrutiny).

## Widening accountability

Board governance is just one of the ways in which housing associations are accountable. Housing associations could consider with residents and communities whether they should:

- seek to support and sustain resident scrutiny bodies that are independent of the association;

## Strengthening governance

As housing associations review their governance arrangements they could consider how they might strengthen their relationship with residents and/or the community. Two of the ways they might achieve this is by considering:

- the number of resident board members they need to help them to develop a balanced board with a range of views; and
- whether extending, or promoting more widely, their shareholding membership will provide stronger accountability.

## Neighbourhoods and communities

We published our neighbourhoods and communities strategy in October 2006 which covers this area of work in depth. We believe approaches to involvement and neighbourhoods and communities should be taken together.

Housing associations should take account of the NHF Commission's observation that tenants wish associations only to undertake wider work when they already deliver quality core services. We believe that both for core services and wider aspirations, neighbourhood working is a good way of achieving improved resident satisfaction and quality of life. Good housing is a pre-requisite of sustainable communities; by engaging in broad neighbourhood working housing associations should ensure sustainability and added value in their assets.

The following suggestions are some of the ways we think involvement in neighbourhoods and communities could be strengthened.

### Working closely with local authorities and other housing agencies

As strategic community leaders and place shapers, local authorities have a vital role to play in addressing neighbourhood and community issues. They are key partners and their skills and expertise are vital in developing community profiles and market intelligence.

Housing associations could consider:

- how they work with local authorities to enable resident and community influence over local and neighbourhood charters, as they develop following the Local Government White Paper;
- whether they could share community involvement resources with local authorities and other organisations; and
- how their involvement arrangements relate to the changing roles of ward councillors as they develop out of the Local Government White Paper.

### Developing neighbourhood targets/ action plans

We have included a basic building block on negotiating neighbourhood based targets for housing services. Housing associations could go further by seeking to develop neighbourhood action plans which include how housing associations will work to research and meet communities' wider aspirations for quality of life in their neighbourhood.

### Resident/community calls to action

Housing associations could investigate whether there are options to provide a mechanism whereby residents or communities could require a response when services fall below an agreed level. The Local Government White Paper states that public authorities (not housing associations) will be subject to community calls to action raised through local councillors.

## Resident influence in rationalisation

Housing associations could develop mechanisms for residents to influence the choice of lead landlord in rationalisation, ensuring that rationalisation decisions include the ability of housing associations to make a good 'service offer'.

## Resident influence in mergers and group structures

It is already a regulatory requirement to consult residents on group structure and merger proposals. Housing associations may wish to go further and develop ways for tenants and/or residents to comment on, influence and scrutinise merger and group proposals. This might include a full test of opinion on proposed mergers and group structures or other ways of ensuring that residents have influence such as early surveys on residents' aspirations.

## Support and encouragement for community management and ownership options

Housing associations could offer a wide range of resident management options on a scale from scrutiny of individual services to outright ownership of assets. We believe that promotion and support of these options empowers people and may benefit communities in driving up services and taking control of their quality of life. The Local Government White Paper announced that CLG have commissioned a review of the

current approach to community management and ownership of assets. The White Paper also includes a commitment to streamline the current Right to Manage regulations for local authority tenants and to investigate ways for housing association residents to become more engaged in management decisions.

We note that the NHF's Tenant Involvement Commission proposed that the NHF should develop a Code of Tenant Involvement. We support this proposal and will seek to work closely with the NHF to reflect and refine our menu of options. An effective and challenging Code could establish part of the framework for any future move towards increased self-regulation.

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## **People first**

### **Delivering change through involvement**

Involving residents improves the effectiveness with which housing services are delivered and brings benefits of new skills and increased confidence to residents. It is a core component of helping to ensure that neighbourhoods and communities are places where people want to live, now and in the future.

The Housing Corporation is clear that involvement is critical to housing associations' success as effective businesses, meeting the needs of the people who live in and around their homes. This policy replaces the Involvement Policy for the Housing Association Sector which came into effect in April 2004.