

# **WEST DUNBARTONSHIRE COUNCIL**

## **Report by the Executive Director of Infrastructure and Regeneration**

### **Housing, Environment and Economic Development Committee: 5 February 2014**

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**Subject: Scottish Housing Regulator Inquiry Report Update**

#### **1. Purpose**

- 1.1** The purpose of this report is to provide Members with an update of the progress that has been made in terms of implementing improvements that were identified both prior to, and as a result of, the Scottish Housing Regulator Inquiry Report which was published on 2 July 2013. The report highlighted that the Council was making 'progress in improving its performance overall' and "has reacted quickly to support its new strategic direction to deliver the Scottish Housing Quality Standard (SHQS)."
- 1.2** The Council was also praised for having "a good awareness of where it needs to make further improvements." The areas for improvement highlighted in the Inquiry Report were entirely consistent with those highlighted within the Council's self assessment submission to the Regulator prior to the Inquiry.
- 1.3** There has been a significant level of review and development work carried out over the last year across all aspects of the housing service, most of which has been reported to committee which have strengthened the performance of the service in key areas and further established good foundations for further improvement both operationally and strategically.

#### **2. Recommendations**

**2.1** It is recommended that the Committee:

- (i) notes the positive progress that has been made in response to the recommendations of the Scottish Housing Regulator's Inquiry Report published in July 2013;
- (ii) notes that progress against meeting the Scottish Housing Quality Standard (SHQS) is ahead of target with the 2013/14 of 75% being achieved and reported at the end of Quarter 3.
- (iii) notes that the Executive Director of Infrastructure and Regeneration will ensure that those areas for improvement action are progressed to inform the next Assurance and Improvement Plan for West Dunbartonshire Council; and
- (iv) notes that a further progress report be submitted to the August 2014 meeting of the Housing, Environment and Economic Development Committee which provide a full annual update detailing progress.

### **3. Background**

- 3.1** The Scottish Housing Regulator (SHR) was created by the Housing (Scotland) Act 2010 (“the Act”). The Act sets out their statutory objective, functions, powers and duties. It established from 1 April 2012 the Scottish Housing Regulator as an independent regulator directly accountable to the Scottish Parliament. The Scottish Housing Regulator publication, *Regulation of Social Housing: Our Framework* sets out further details on their approach to regulation and the powers and duties of the Regulator.
- 3.2** The Housing (Scotland) Act 2010 sets out the Scottish Housing Regulator’s statutory objective to safeguard and promote the interests of current and future tenants, homeless people and other people who use services provided by social landlords. The SHR regulate to protect the interests of these groups. To do this, the SHR focus on securing good outcomes for tenants and other service users, helping them hold their landlords to account and driving improvement in the provision of social housing in Scotland.
- 3.3** The Act gives the Scottish Housing Regulator powers to obtain information and carry out inquiries. These powers are set out in Part 4 of the Act. These powers allow the SHR to get the information that they will collect routinely from social landlords to help them to carry out their regulatory assessments and their broader analysis of the social landlords’ composition and performance:
- get more information and a higher level of assurance from landlords, following the shared risk assessment of local authorities;
  - assess an issue or concern with a landlord; and
  - scrutinise or investigate one or more landlord’s performance in greater depth.
- 3.4** West Dunbartonshire Council’s 2012/15 Assurance and Improvement Plan (AIP) Update based on Audit Scotland’s shared risk assessment identified ‘housing maintenance and assets’ as a ‘significant scrutiny risk’ for the Council in 2012/13, and the progress to achieving the Scottish Housing Quality Standard (SHQS) by 2015 for all its houses.
- 3.5** In March 2013, following discussions with the Council, the Scottish Housing Regulator carried out an Inquiry under their powers as outlined in section 3.3 of this report.
- 3.6** The Inquiry was led by the Scottish Housing Regulator but involved Audit Scotland who brought an additional corporate governance and financial management aspect to the scrutiny

- 3.7** The Scottish Housing Regulator's Inquiry report was published on 2 July 2013 and a report was submitted to 7 August 2013 meeting of the Housing, Environment and Economic Development Committee which outlined the main findings of the Inquiry report.
- 3.8** The report highlighted that the Council was making 'progress in improving its performance overall' and "has reacted quickly to support its new strategic direction to deliver the Scottish Housing Regulator (SHQS)."
- 3.9** The key strengths identified are summarised in the table below:-






<b>Key Strengths identified in Scottish Housing Regulator Inquiry Report</b>
The introduction of the Housing Asset Management Strategy, which has seen an improvement to how the Council manages its homes.
The Council's improved approach to performance management in its housing service.
The Council has identified at a corporate level that achievement of the Scottish Housing Quality Standard is a priority
The Council's approach to strategic asset planning which is "a good approach and clearly identified stock which was likely to present challenges in the future".
The Council's new build affordable housing plans, which are well developed and are based on a robust assessment of need and demand.
The priorities for affordable housing provision are clearly outlined within the Local Housing Strategy
The Council's positive approach to the management of gas safety
The Council's ability to give tenants choices in specifications within its capital programme works
The Council's has a range of positive features in its approach to tenant participation
A corporate procurement strategy that encourages competitiveness and market testing
The Council's rent levels, which compare well to other Councils and local housing associations
The Council has a good planned approach to preparing for the introduction of Welfare Reform
The Council has a Corporate Procurement Strategy that encourages competitiveness and market testing
The Council has a good awareness of its performance in its housing services and where it needs to improve.

- 3.10** The Council was also praised for having "a good awareness of where it needs to make further improvements." The areas for improvement highlighted in the Inquiry Report were entirely consistent with those highlighted within the Council's self assessment submission to the Regulator at the beginning of the Inquiry.

#### 4. Main Issues

##### Inquiry Improvement Plan

- 4.1 Following the August 2013 meeting of the Housing, Environment and Economic Development Committee, actions being taken to address areas for improvement were set out around the key recommendations of the Inquiry Report.
- 4.2 The progress that has been made taking forward these actions is outlined in detail in Appendix 1 of this report and is summarised in the table below:-

Status of action		
	Completed	10
	In Progress;	7
	Milestone target Timescale Missed	0
	Overdue; Neglected	0
	Cancelled	0
	<b>Total</b>	<b>17</b>

- 4.3 Good progress is being made addressing the improvement actions identified and some of the key developments are highlighted below.

##### Scottish Housing Quality Standard

- 4.4 In November 2013, the Council reported to the Housing, Environment and Economic Development Committee an increase in SHQS compliance rate to 70% for the first six months of 2013/14. It is anticipated that the Council will be in a position to report 75% compliance levels during the reporting period for Quarter 3 2013/14.
- 4.5 This represents excellent progress towards achieving the end of year target of 75% and it is anticipated that the compliance level at 31 March 2014 will exceed this target.

##### Council House New Build Programme

- 4.6 The Council's new build programme will oversee the development of 122 new build homes for social rent which will be delivered by March 2015.
- 4.7 The Council's new build programme now comprises of 5 new build projects and the progress of each is summarised in the table below:-

New Build Project	Completion Target
Granville Street (Phase 1)	July 2013 (completed July 2013)
Miller Road	January 2014 (completed October 2013)
Granville Street (Phase 2)	January 2014
Central Bellsmyre	November 2014
Hill Street	March 2015

- 4.8** Two projects have now completed within the target timescales delivering 39 new council homes for rent and the Council House New Build Project Team along with external partners continue to prioritise the new build projects in order to ensure that West Dunbartonshire Council deliver new council homes within the agreed budget and timescales to meet identified housing need in West Dunbartonshire.

#### Housing Asset Management Strategy

- 4.9** The Housing Asset Management Strategy continues to be implemented and progress is monitored regularly by the Strategic Housing Asset Management Group.
- 4.10** The Council has commissioned a stock condition survey which completed in December 2013. The results from this survey will shape the Housing Capital Programme to ensure SHQS compliance by the 2015 target date and it is anticipated that in addition we will have survey information providing detail on energy efficiency standards for over 90% of our properties which will provide information in advance of the introduction of the Energy Efficiency Standard for Social Housing (EESH).
- 4.11** In February 2013, the Council commenced a demolition programme which will have a positive impact on our communities. Details of this programme are summarised in the table below:-

Demolition Programme		
Area	Number of properties	Completed / Programmed
North Mountblow	114	114 completed
Carrick Terrace	48	48 completed
Brucehill	4 (community flat)	4 completed
Bellsmyre MSF	248	May 2014
Glenside	54	Autumn 2014
Demolitions for New Build Development		
Aitkenbar Drive	18	18 completed
Auchenreoch Avenue	12	12 completed
Penniecroft Avenue	12	12 completed
Whiteford Avenue	6	6 completed

#### Performance in Re-letting empty houses

- 4.12** The Void management update report to the Housing, Environment and Economic Development Committee on 13 February 2013, updated Members on improvement actions planned, some of which have now been fully implemented. In addition, the recruitment of additional housing officers in late summer 2013 is designed to have a positive effect on reducing void levels and increasing tenancy sustainment levels. We anticipate that Committee will see a positive benefit in terms of performance from the increased resource in the final quarter and significantly over 2014/15 and we have amended our performance targets to reflect this as indicated below. We will provide a full progress report in terms of Void Management to the Housing, Environment and Economic Development Committee in 2014.

Indicator	2012/13 Performance	2014/15 Target
Total annual rent loss due to voids	2.19%	1.3%
Tenancy Sustainment levels	83%	89%

- 4.13** West Dunbartonshire Council's Housing and Community Safety service remains committed to delivering an excellent housing service and our approach to housing asset management has been significantly enhanced through the implementation of the Housing Asset Management Strategy 2013-2018 and the improvements identified as part of the Scottish Housing Regulator's Inquiry process.

## **5. People Implications**

- 5.1** There are no direct people implications in relation to this report.

## **6. Financial Implications**

- 6.1** There are no direct financial implications within this report. The initiatives being progressed including the new build and demolition programmes are included within current budget provision.

## **7. Risk Analysis**

- 7.1** Implementing the Inquiry Improvement Plan and the Housing Asset Management Strategy will assist the Council to further refine its arrangements in respect of housing maintenance and asset management for the benefit of the tenants and residents of West Dunbartonshire.
- 7.2** Failure to deliver agreed improvement actions related to the Regulator's Inquiry report would attract an adverse reaction and may have wider consequences for the Council in the context of Best Value.

## **8. Equalities Impact Assessment (EIA)**

- 8.1** An equalities impact assessment was carried out in November 2012, at the outset of the development of the Housing Asset Management Strategy which covered the main scrutiny areas of the Inquiry and improvement actions.

No negative impacts were identified for the protected characteristic groups and the conclusion was that the strategy should impact favourably on all tenants as the long term objectives is to ensure that there is sufficient good quality housing stock to address all types of housing need.

## **9. Consultation**

- 9.1** Significant wider consultation around asset management within the context of stock retention policies has taken place with tenants and residents during the last 24 months.

- 9.2** The Council has in place a well established and proactive tenants and residents organisational structure. The West Dunbartonshire Tenants and Residents Organisation (WDTRO) meet with the Council (chaired by the Convener of the Housing, Environment, and Economic Development) on a bi-monthly basis to discuss (amongst other topics), the HRA, Capital Programme and any relevant strategic issues including the development and implementation of the Housing Asset Management Strategy. Overall, tenants fully support a long term strategic approach to asset management and are keen to see the strategy deliver an improved service.

## **10. Strategic Assessment**

- 10.1** Having considered the Council's strategic priorities, this report and subsequent positive outcomes from the Inquiry will contribute greatly to all five strategic priorities, and specifically through the improvement of housing services within West Dunbartonshire will contribute significantly to the following priority:-

- improve local housing and environmentally sustainable infrastructure.

**Richard Cairns**

**Executive Director of Infrastructure and Regeneration**

**Date: 8 January 2014**

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**Appendix:** 1. Scottish Housing Regulator Inquiry 2013 Improvement Actions Progress Report

**Background Papers:** Scottish Housing Regulator, Inquiry Report, West Dunbartonshire Council, July 2013

West Dunbartonshire Council Assurance and Improvement Plan Update 2012-2015  
[http://www.audit-scotland.gov.uk/docs/best\\_value/2012/aip\\_120516\\_west\\_dunbartonshire.pdf](http://www.audit-scotland.gov.uk/docs/best_value/2012/aip_120516_west_dunbartonshire.pdf)

Scottish Housing Regulator: Regulation of Social  
Housing: Our Framework: SHR 2/12

<http://www.scottishhousingregulator.gov.uk/sites/default/files/publications/Our%20Regulatory%20Framework.pdf>

Housing Asset Management Strategy Equalities Impact  
Assessment, November 2012

**Wards Affected:**

All