

the **Governor**

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In from the cold

Is social housing making a comeback?

A life in 15 questions

Ian Munro

Rethinking the

way we work

Nick Atkin

Evidence

Four page research
and analysis pull-out

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Throw the HCA up in the air again and see how it lands



The way we think about housing changed for all time one bloody night in West London.

I hear that the Minister has met with just about every tenant in the country. The tenants I know are shrewd and they speak well of him. This is shaking up our top brass nicely. "What is going on?" they ask. "Well, that all depends on what your tenants are saying to Mr Sharma, doesn't it?" – is my reply.

Let's hope the think tanks are listening. These clowns came up with the genius idea that we should pull down the estates and send the folk that live there to the far corners. What happened next? Nothing. You can find lots of nice areas with estates that need a right good fix up. But the tenants won't sign up to plans for the New Jerusalem. In fact, they fight it tooth and nail. Why? They worry about spending the rest of their life in a postcode with a huge number on a slow bus edging between their new home and their real life.

Frozen in time

In effect the think tanks have frozen lots of estates in time. We need to find a way forward that cuts the tenants in. In bygone days councillors had to stump up personally if they took a daft decision that lost money. We need to bring this back for think tanks. A levy of a few billion pounds would soon wake their ideas up a bit. They are the reason many people tonight are in cold flats.

Of course the Budget was a bit of a let-down. If tenants keep piling the pressure on Mr Sharma things could get better. But we don't help ourselves, do we? Let's look at some of the ways we waste time.

Now what was that identity crisis all about? Are we private or public? Who cares? The OBR is having none of it. They pull no punches. In their eyes it was a box-ticking fiscal illusion. Read the report – those are the actual words used. Ouch. As they say: "It is hard to argue that the change in statistical treatment reduces the de facto exposure of the government to these organisations, were they to fall into financial difficulty, nor does it alter their use as vehicles to deliver the government's social housing policies."

And while we were being clever clogs about this what was happening on the ground? How many homes did we build? Dunno – the NHF puts out different figures

The scoring needs to do two things not just one. Yes, you need to stay solvent. But you also need to do what you are flipping well there for. That's building homes. At the very least bring in a D for delivery rating to capture this. And while we're at it what about an S for service rating to reflect the concerns the Minister is hearing about? The current system is set up to be gamed. Why wouldn't you pile up as much cash as you can get away with to pick off another association that is going under? Maybe they caught a cold on sales. You can cover your tracks by ratcheting up your stress tests. If the banks need to keep £50 billion behind the clock – why not us?

Here's one final point from the OBR. It seems that councils are borrowing like crazy. What do they use the money for? They snap up business parks. The biggest deal so far involves renting out the space to an oil company called BP. This

"I hear that the Minister has met with just about every tenant in the country. The tenants I know are shrewd and they speak well of him. This is shaking up our top brass nicely"

every time the official data comes out. It's a bit like Obama to Trump. Every time you go low, we go high. We're not even getting the basic facts straight.

So what's the answer? Slap the tunes on and start musical chairs. Throw the HCA up in the air again and see how it lands. They are doing much the same with the trains and tracks. It's in vogue. These things never work. All you need are good people: it matters not where they sit.

D for delivery

Then there is this preposterous idea that falling from V1 to V2 is a badge of honour. Is George Orwell alive and well and working at the HCA?

poor council maybe did not hear the Chancellor moving us over to driverless electric cars. Hey – anyone can make a mistake!

The big message from Hammond was that UK productivity is lousy. It would come on leaps and bounds here if think tanks shut up, we didn't get involved in silly spats and we rewarded those that built the right houses at the right rents in the right places. And if the Minister is really listening to tenants, we need to manage these houses well, too.

Alistair McIntosh,
Chief Executive, HQN



In from the cold – is social housing making a comeback?

With the government making positive noises about the value of social housing, Jules Birch looks at the reasons behind this unexpected turn of events and questions whether this newfound commitment is built on solid foundations.

What a difference two years makes. If social housing was not dead in 2015, the end was coming in an 'affordable' world in which the S-word was barely mentioned. As 2017 draws to a close, the patient is not exactly doing press-ups and running marathons but it does seem to be off the critical list.

The first signs of a shift had come in 2016, with the post-Brexit change of government bringing a less hostile tone, a central idea ('a country that works for everyone') that implied a greater role for the state in tackling social problems and a minister (Gavin Barwell) who seemed to understand the case for housing and the need for a more balanced approach to tenure. But it remained unclear whether Theresa May's determination to address 'burning injustices' would be matched by a real change of policy on housing.

Two key events in June tipped things even further in housing's direction. First, came the election that cost May her majority as a big turnout by young voters delivered a clutch of seats to Labour and Jeremy Corbyn (including Barwell's in Croydon Central). Conservative strategists concluded that tuition fees and housing were the issues at the heart of their reverses and that they had to come up with policies that reached beyond their core vote of ageing home owners.

Less than a week later the country watched in horror as a fire at Grenfell Tower turned into an inferno that cost 71 people their lives. That it could happen at all raised huge questions about the management, regulation and safety of tower blocks. That it could happen in the poorest part of the richest borough of the richest city in Britain seemed to say it all about the state of the country.

Grenfell looms large

The shadow of Grenfell has loomed over everything that's happened since. Inquiries continue into the causes and aftermath of the fire and the building and fire regulations that were meant to keep residents safe. In the short term, attention has focused on the (painfully slow) process of finding permanent new homes for residents and on improving tower block safety elsewhere. Urgent questions about who and what was responsible for the fire are for the moment on hold pending the outcome of

the inquiries next year.

However, the disaster also changed the context for housing as a whole. Communities Secretary Sajid Javid and new Housing Minister Alok Sharma were visibly shaken after meeting Grenfell families and seemed determined to strike a new tone about social housing and social tenants. A series of developments in the last few months have seen both the tone and the substance of policy shift.

Reframing the debate

The first indication of this came in September in a speech by Javid to the National Housing Federation (NHF) conference that featured a startling change in rhetoric: "We need to shift the whole conversation about social housing, reframe the whole debate. We need to challenge outdated, unfair attitudes. We need to return to the time, not so very long ago, when social housing was valued. It was treasured. Something we could all be proud of whether we lived in it or not."

Javid announced a green paper that would look not just at safety but also at 'wider issues of place, community and the local economy' and ask 'how social landlords can help to create places where people want to live in'. Sharma is currently halfway through a series of consultation events with tenants ahead of publication of the green paper in the spring and has quietly impressed observers with his willingness to listen.

This will be the first green paper on social housing since 2007. From 2010 to 2016, the government under David Cameron and George Osborne largely abandoned such formal consultation, preferring instead to take proposals from reports by think tanks and put them straight into legislation.

In the case of the Housing and Planning Act 2016, that meant a series of measures that amounted to a full-scale assault on the foundations of social housing: a compulsory levy on high value council housing to fund the extension of the Right to Buy; fixed-term tenancies for new council tenants and higher Pay to Stay rents for existing tenants perceived to be earning too much; and 200,000 starter homes that would crowd out other forms of affordable housing from section 106 agreements.



Sajid Javid



Theresa May



Alok Sharma

Ill-advised and unworkable

The suspicion was that the policies ranked somewhere between ill-advised and unworkable. The Act received Royal Assent only a month before the Brexit vote and change of prime minister. In the 18 months since Pay to Stay has been formally abandoned, a pilot for the Right to Buy pushed back and there has been no sign of the levy or starter homes.

October brought the Conservative conference. Theresa May's leader's speech did not quite live up to the advance spin about 'the rebirth of council housing' but she still had two startling announcements. First, she promised an extra £2 billion to take the Affordable Homes Programme for 2016-21 to £9.1 billion. Bids for social housing would be encouraged and the government said the new money could 'supply around 25,000 more homes for social rent over the course of the parliament'.

May also confirmed of a new long-term rent deal for

social landlords to apply from 2020. This will restore in full the 'CPI plus 1%' formula for annual increases that was scrapped by Osborne in 2016 in favour of 1% a year cuts for the next four years. The idea was to save £1.5 billion a year on the Housing Benefit bill but councils and housing associations warned that the cut would play havoc with their business plans and mean reduced investment in new homes.

Dramatic U-turn

That was followed by a dramatic U-turn on another part of Osborne's legacy: the scrapping of plans announced in the 2015 Autumn Statement to impose a Local Housing Allowance (LHA) cap on supported and social housing. Perhaps even more than the rent cut, this posed an existential threat to the sector.

It meant a postcode lottery for supported housing that would make schemes unviable in areas with low LHA rates, and end plans for new investment. Sheltered housing faced that plus a backdoor bedroom tax on pensioners because the LHA also applies to them. General needs landlords faced that threat to the over-65s plus the prospect of imposing the LHA's shared accommodation rate on tenants under 35 when the sector had no shared accommodation. In some areas, such as the South Wales Valleys, the cap threatened the entire future of social housing because LHA rates are lower than social rents.

After its initial attempts to address these issues were attacked as lacking any certainty (top-up funds administered by local authorities) or making the situation worse (a delay in implementation but applying it to existing tenants on Universal Credit), the May government was urged to think again by two all-party committees and went back to the drawing board.

In an illustration of how social housing had shot up the political agenda, May herself announced that the cap would be scrapped and she did it at prime minister's questions. The U-turn largely removes the threat to general needs social housing, sheltered housing and long-term supported accommodation but providers of short-term accommodation say plans for ring-fenced funding via local authorities offer no long-term certainty and could be even worse than the original proposal.



The tragedy at Grenfell Tower is set to change the government's approach to social housing

More good news

Finally, November brought the Budget and more good news for housing. Chancellor Philip Hammond confirmed May's extra £2 billion for affordable rented homes and also announced £800 million of additional investment for council housing by lifting Housing Revenue (HRA) borrowing caps 'in areas of high affordability pressures'.

This was part of a bigger package of measures designed to boost delivery of new homes to 300,000 a year by the mid-2020s. Hammond boasted that he was making an additional £15.3 billion of financial support available over the next five years, taking total support to £44 billion in grants, loans and guarantees.

After an extraordinary few months in an extraordinary year, it would be churlish not to acknowledge the scale of the government's change in attitude on social housing. The outright hostility of 2015 has been replaced by a far more supportive environment and for the first time since 2010 things are improving. However, some important questions remain unanswered and there are still some caveats about the change of direction.

On welfare, the threat of the LHA cap has mostly receded but that of Universal Credit remains as the full service roll-out continues. At one green paper event, Sharma was apparently surprised that tenants put the new benefit system ahead of fire safety as their number one concern. Despite £1.5 billion-worth of concessions on the waiting period, advance payments and Housing Benefit in the Budget, the same is true for landlords. That's on top of continuing problems with the bedroom tax and the benefit cap.

Everything as it seems?

On investment, is everything quite what it seems? The Conservative conference announcement of £2 billion for affordable housing was trumped by an extra £10 billion for Help to Buy to show that not all priorities are equal. Most of the new support announced in the Budget will go to market housing and the Office for Budget Responsibility (OBR) revealed that the £2 billion is not actually new money but will be financed by reduced spending on starter homes and accelerated construction over the next four years. Budget spending tables show that total funding for affordable homes will fall in the next two years and only start to rise again after that. The biggest prize is £3.5 billion of assumed Affordable Homes Programme funding but that will only apply from 2021 onwards.

On council housing, the government has taken only very tentative steps towards giving local authorities the key role in housebuilding they had the last time England came close to achieving 300,000 new homes a year. Conservative and Labour councils alike say they should be allowed to keep all of their Right to Buy receipts and that borrowing caps should be scrapped completely.

And what lessons will be drawn from the Grenfell fire? Think back to previous disasters: measures to improve safety had led to some unexpected outcomes. After Hillsborough and Valley Parade, for example, football grounds became all-seater, and fans were no longer caged in pens, but the game has changed to such an extent that ordinary supporters can no longer afford to buy tickets.

Tower block safety is already being improved in the wake of Grenfell – but who will end up paying for the work? When it comes to the retrofitting of sprinklers, Sajid Javid and Alok Sharma have consistently avoided a definite answer to that question. They say that where work is deemed essential and councils cannot afford

it they will get the support they need, but so far that means flexibility to borrow more or pay for work from the general fund rather than direct government funding.

And who and what was to blame? The narrow focus of the inquiries

has raised concerns that their recommendations will focus more on the day-to-day decisions of the council, landlord and contractors than broader issues such as the deregulation and austerity that created the political context for those decisions.

One simple question

In his speech to the NHF conference in September, Javid said he had one simple question he kept coming back to: "In one of the richest, most privileged corners of the UK – the world, even – would a fire like this have happened in a privately owned block of luxury flats? If you believe that the answer is no, even if you think it was simply less likely, then it's clear that we need a fundamental rethink of social housing in this country."

The emerging evidence about the safety of privately owned blocks around the country, and the potential costs faced by leaseholders, suggests that the question is not as simple as he thinks. And for all the U-turns and welcome announcements made this year, his assumption that private ownership is automatically better is a worrying starting point for a rethink of social housing.

"We need to return to the time, not so very long ago, when social housing was valued. It was treasured. Something we could all be proud of whether we lived in it or not"
Communities Secretary Sajid Javid

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EVIDENCE

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THE LATEST RESEARCH AND ANALYSIS – IN PLAIN ENGLISH

Welcome



Winter is always a good time to think about keeping our homes warm. But data from a London School of Economics study finds worrying discrepancies on retrofitting energy-saving measures. The actual savings could be only half as good as those predicted. In this issue researcher Daire McCoy gives the details.

The repercussions from the tragedy of Grenfell Tower continue, rightly, to ripple through the housing sector. Among the issues is the attitude in society that has downplayed or discounted residents' views. But the social, economic and management benefits of involving tenants have been established through a number of studies. Tony Manzi from the University of Westminster outlines the good sense for all of resident involvement.

This autumn's Budget was unusually packed with housing announcements. With all eyes focused on the conundrums of increasing supply, an innovative development on homelessness might have been overlooked. At last, significant investment is to go into three pilots for Housing First, a means of tackling the entrenched problems of homeless people with complex needs. But what's the data behind the initiative, and what kinds of improvements might it deliver? We report on an underpinning feasibility study.

Our ageing population has been the topic of much speculation on how we will meet the UK's – and Europe's – changing needs. Wales has offered protected funding for extra care housing schemes for older people, resulting in much greater provision. But what will the future hold? A report commissioned by the Welsh Government provides some answers.

Janis Bright
Editor
Evidence

Heating homes: do energy-saving measures reduce energy consumption in social housing?

Energy bills are at the top of the political agenda in the UK. In the short term, increasing energy efficiency and reducing energy consumption will reduce energy bills – but how effectively do current energy efficiency policies incentivise cuts in energy use? Daire McCoy from the London School of Economics investigates

Heating is a major contributor to greenhouse gas emissions. In the UK, heating 28 million homes accounts for around 12% of total emissions. Of that energy use, 65% is used to heat living spaces.

Cutting greenhouse gas emissions from heating is one of the key areas in the government's recently published Clean Growth Strategy. However, decarbonising heating will be a complex challenge.

In the long term, we need to reduce our reliance on fossil fuels and move towards lower-carbon

technologies; in the short term, efficient heating systems and better insulation can help to reduce the use of energy generated by fossil fuels. But creating the incentives for households to cut energy use is complex, as our research has shown.

Energy efficiency, fuel poverty and government intervention

In the UK social housing comprises 19% of the housing stock. The people living in these homes tend, on average, to have lower incomes than those living in privately-rented accommodation or owner-occupied homes – and are more likely to suffer from poverty and deprivation.

These factors make them less likely to invest in energy-saving measures – for example, insulation, more efficient

boilers and double glazing – so government interventions are needed to improve the thermal efficiency of, and reduce the greenhouse gas emissions from, social housing.

Along with lower bills and reduced emissions, there could also be health benefits through warmer homes for groups that are particularly vulnerable to temperature-related health problems, including the elderly, the very young and people with disabilities. These groups tend to be over-represented among social housing tenants.

Do energy efficiency measures reduce energy use?

It is unclear how effective energy efficiency programmes are at reducing energy use. Put simply, a household that receives an energy efficiency upgrade might decrease its energy use (and benefit from reduced energy bills) because the home is now more thermally efficient. Alternatively, the household may use *more* energy, as improved energy efficiency effectively makes energy cheaper, allowing residents to keep their homes warmer by having the heating on more or higher – this is one element of the so-called 'rebound effect'.

Bottom-up engineering models, such as SAP in the UK and DEAP in Ireland, estimate the expected energy consumption of dwellings per unit floor area, based on standardised assumptions for occupancy and behaviour, and have been widely used to guide policy. However, they can result in energy savings being overstated as it is difficult to calibrate such models to real life. For example, engineering estimates of potential improvements can be wrong, and the quality of installation can vary widely. Sometimes equipment does not perform as it should due to the equipment itself, or how it is used. And occupancy patterns can vary widely depending on the age or economic circumstances of the inhabitants.

The shortfall between predicted and observed savings can be as much as 50%, and potentially more for low-income households as they are more likely to suffer from fuel poverty and to use the predicted savings by heating their homes more.

Studying energy efficiency upgrades to social housing in Ireland

In research with colleagues at the Economic and Social Research Institute in Dublin, we studied the impact of energy efficiency upgrades on social housing tenants in Ireland over a three-year period. One of our aims was to find out how demand for natural gas changed after improvements were made to homes.

We carried out the research in collaboration with Respond! Housing Association, a charity providing housing services and support to vulnerable households across Ireland. Respond! was allocated public funding for residential energy efficiency upgrades to 164 homes which we followed in the study. We also collected information from a control sample of 100 similar households whose homes were not upgraded during the research period.

Most of the upgraded homes received cavity wall insulation (92%), heating controls (80%), attic insulation

(80%) and compact fluorescent lights (CFL) (72%). Some homes were also upgraded with new windows and doors (41%), and/or a replacement boiler (42%); some households who previously used solid fuel had a new oil or gas boiler installed (20% and 24% respectively) and external wall insulation (2%). All of the homes received a range of upgrades, with over half receiving five separate measures. This is a much more extensive retrofit than is typical for households in Ireland.

Regular gas billing information was collected for 100 of the homes studied (50 of the upgraded homes and 50 of the control group) and Respond! provided information on the physical state of the upgraded homes to create a profile of the thermal efficiency of each home before and after upgrades. The study did not record temperatures inside homes.

Results from the Irish study: households benefited from efficiency upgrades but not all used less energy

Following the efficiency upgrades, fewer of these vulnerable households than before reported difficulty in affording adequate heating or paying their bills.

Analysis of gas meter point data showed that consumption fell, but by less than would be predicted based on changes to the Building Energy Rating (BER) of the home. On average, energy usage only dropped by half of the amount of the change. This is in line with much of the previous research on the impact of energy efficiency upgrades, but the results lie to the lower end of what previous research estimates the shortfall to be for fuel-poor households.

Another related finding is that households systematically under-heat their homes, compared to what models would predict. Figure 1 displays this graphically. We plot actual consumption on the vertical axis against predicted consumption (based on the BER) on the horizontal axis. If consumption was exactly as the BER predicts all of the data points would be on the 45 degree line. However, actual consumption falls below predicted, and this effect gets larger as predicted consumption increases. This means that those living in very bad quality dwellings seem to be unable to adequately heat them.

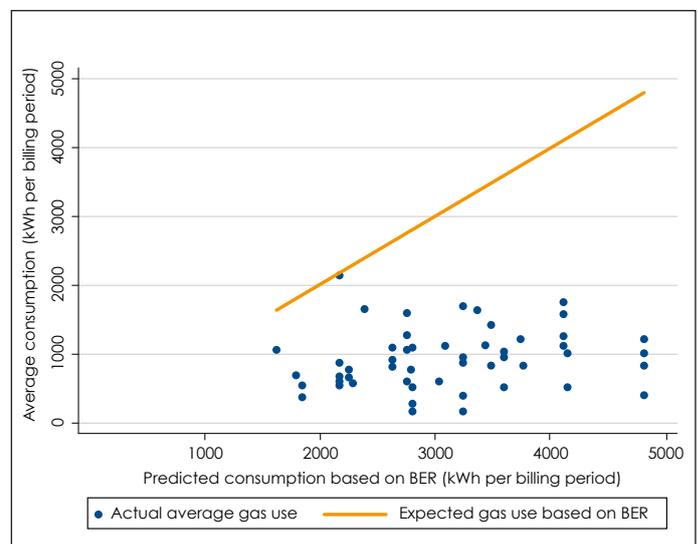


Figure 1

Lessons learned: policy on energy efficiency should consider observed behaviour

Our results have clear implications for emissions reductions in the domestic sector. While the impacts on people's pockets were positive, we found that energy use in the improved homes did not decrease in the way that models predict – possibly because the householders used some of the cost savings by warming their homes

more.

When considering how to cut emissions from home heating, policy-makers will need to take into account the effectiveness of a range of energy efficiency measures. Our study highlights the importance of making evaluations based on observed consumption data rather than depending on modelled predictions of energy savings in evaluating the impact of subsidies and other energy efficiency policies targeted at households.

Homelessness pilots to demonstrate innovative approaches

The Chancellor's announcement of £28 million to pilot Housing First projects in Liverpool, Manchester and the West Midlands finally raised the profile of an idea that has been bubbling around for several years.

In a nutshell, Housing First offers homeless people with complex needs the stability of a home of their own 'upfront', with no conditions on stopping harmful behaviour. In parallel, people receive open-ended support to tackle their other problems such as addiction and poor mental health.

Evaluations of US and European schemes were supplemented in 2015 by a study of fairly new local schemes in England. This found positives from the approach as many of the clients involved reported less use of drugs and alcohol and improvements in mental and physical health.

Significant research underpinning the Chancellor's announcement focused specifically on Liverpool. Commissioned by Crisis and part-funded by the DCLG, the study explored the feasibility of offering Housing First at a large scale in the city region.

The report backs Housing First as a way to 'treat homeless people like adult citizens with strengths, rights

and responsibilities'. It has the potential to save money compared to existing services including hostels with 24/7 cover – the report estimates up to £5 million in the Liverpool region by 2024 under the most ambitious scenario.

The transition to this type of approach would require big changes in the way support services are delivered, however. The authors say fast and consistent access to mainstream housing would be essential. Prevention services would also need significant investment, as would floating support.

A change of culture among commissioners of services, providers and landlords would also be needed, the report says. Adopting Housing First would mean switching away from current provision and would work best if all six local authorities in the city region worked together. As Housing First provision increases, decommissioning or remodelling of existing supported housing would need to run in tandem.

Housing First feasibility study for the Liverpool City Region www.crisis.org.uk/media/237545/housing_first_feasibility_study_for_the_liverpool_city_region_2017.pdf

Extra care funding boosts numbers

Special ring-fenced funding for extra care in Wales has prompted a dramatic growth in the sector, according to a report for the Welsh Government.

There is now at least one scheme in every local authority area, the vast majority developed by social landlords. Even so, the report by the Centre for Regional, Economic and Social Research at Sheffield Hallam University finds demand outstrips supply.

Despite predictions that the gap is likely to widen as the population ages, nine of the 22 local authorities said they are not developing or encouraging development of any new schemes. Few housing associations viewed

provision of extra care housing as a priority.

Chief among the problems for local authorities was uncertainty over, or lack of, the crucial funding needed. Without ring-fenced Social Housing Grant, further development would be unlikely. Faced with the challenges of developing and operating extra care schemes, local authorities tended to say general needs housing was a higher priority – despite very positive experiences for residents of extra care schemes.

Evaluation of Extra Care Housing in Wales <http://www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/eval-extra-care-housing-wales-summary.pdf>

The benefits of resident involvement

Dr Tony Manzi from the University of Westminster reflects on the growing recognition that involving residents pays dividends for landlords and communities.

If there is one overriding lesson from the Grenfell Tower disaster in June 2017, it is surely that the concerns of residents must be given central importance.

Repeated warnings of the design faults in the block, including the lack of fire safety measures, were repeatedly ignored by what ostensibly was a tenant management organisation. The tragedy is that it has taken the deaths of at least 71 people for this basic principle to be taken seriously. Landlords can no longer afford to be complacent about health and safety and will not be easily forgiven for dismissing resident anxieties as the complaints of an unrepresentative minority.

Moreover, landlords are beginning to realise that resident involvement is a key element of business success and recent research studies have illustrated how participation can provide identifiable value for money savings.

The Audit Commission (2004) argued that involvement has demonstrable advantages for organisations and residents and subsequent research studies have provided further evidence of these benefits. For example, a study conducted by the National Tenant Organisations estimated that cost savings from tenant involvement could be quantified at an average of £29 per property for the housing sector as a whole – in the case study organisations these savings were estimated at around £98 per property. Extrapolating these findings to the sector as a whole would result in an estimated £118 million gross savings (p.31).

Other recent case studies conducted by the University of Westminster for AmicusHorizon (now Optivo) and the Northern Ireland Housing Executive show that investment in resident involvement far outweighs the costs and brings much wider financial (and organisational) benefits. Such benefits include reductions in complaints; reduced costs of maintenance (through resident involvement in maintenance panels); more effective strategies to tackle anti-social behaviour and higher levels of resident (and staff) satisfaction.

Effective resident involvement has been shown to increase trust; and developing a more constructive relationship between residents and staff also assisted in reduced levels of absenteeism sickness and staff turnover.

The AmicusHorizon case study identified an organisation with the highest levels of resident satisfaction of any large social landlord and identified

estimated annual savings of £2.7 million p.a., in large part attributed to a strategy of resident governance. These studies highlight that effective resident involvement is an essential component of business success and organisations can take practical steps to improve their participation strategies – see the AmicusHorizon (2016) 'toolkit' for example.

The evidence indicates that attention to resident involvement brings both concrete financial benefits as well as paying a social dividend through loyalty, accountability and transparency as well as increases in social capital, confidence and employability. As one respondent in an AmicusHorizon study commented, residents 'can tell you what's not working, they can shape how to do it better, but really importantly they will tell you what matters to them'. As a board member commented, residents 'want you to succeed and they will come up with ideas that will work'.

Central government appears to be taking seriously these lessons about the importance of resident involvement, judging by the decision to strengthen the Tenant Involvement and Empowerment Standard and the Housing Minister's (2017) tour of the country to meet social housing tenants to hear their concerns.

Whilst there is a need for more detailed research on the specific forms of resident involvement that are most effective (see the Family Mosaic report in the references at the bottom of the page for a different perspective) and more substantive analysis of how returns on investment can be quantified, what is clear is that community empowerment must be taken seriously and housing organisations can no longer pay tokenistic attachment to the principles of effective resident governance.

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A life in 15 questions

Ian Munro OBE

New Charter's chief executive gives us the lowdown on his life and career as he prepares to step down following the group's merger with Adactus



Q1 – Tell us about your career and how you ended up in your current role

I started life as a pupil public health inspector in 1974. I quickly became interested in the housing aspect of environmental health, dealing with some pretty appalling conditions in the private rented sector, helping regeneration through area action and slum clearance and dealing with some very unsavoury landlords. I washed up in Tameside in Greater Manchester in 1991 and became director of housing and environmental health in 1992. I went on to mastermind and become chief executive of one of the earliest and, at the time, largest, transfers of metropolitan council housing to a housing association in 2000.

Q2 – Describe yourself in three words

Impatient, supportive, caring.

Q3 – Favourite place on earth?

The island of Great Blasket off the Dingle Peninsula in Eire.

Q4 – What would you change about yourself

My over-fondness for all things Cadbury, Nestlé, Lindt, Green & Black's...

Q5 – Describe your house

An 1890 three-storey semi.

Q6 – What makes you angry?

I've only got 600 words!!!! How about unswept cycle lanes, HGV drivers, people eating in the street and *The One Show* on telly. More seriously – discrimination, injustice, unfairness and lost opportunity.

Q7 – Most treasured possessions?

Got to be my small collection of bikes – two mountain, two road, a hybrid and a fixie – there's always room for one more!

Q8 – Best piece of advice you've ever been given?

Is it a piece of advice or a life rule? My mother always used to say 'be sure your sins will find you out'. Whilst I'm no sinner I know I have turned this into a bit of a mantra which means I value honesty, loyalty and straight talking. Probably the reason I could never be a politician.

"In the early '80s I nearly killed Geoffrey Howe"

Q9 – If you won £1 million on the Lottery what would you spend it on?

I'd give a good chunk of it to my kids, pay off what's left of the mortgage [it's only taken 40 years] and I think I would make a good-sized charitable donation to something that would make a difference to children. And I might just buy another bike!

Q10 – Biggest achievement?

Apart from producing two brilliant, well-balanced children, probably the creation of New Charter in 2000 and building an organisation that has made a difference for so many people, improving homes and neighbourhoods, supporting vulnerable people, building new homes and making it a place where people actually enjoy coming to work.

Q11 – Biggest regret?

Being not quite old enough to have hitchhiked to the Isle of Wight in 1970 to see Jimi Hendrix.

Q12 – Most overused phrase?

I don't think I use any one phrase too much, perhaps I do have a tendency to say 'that's good' or 'it's all good' a bit too often. That said, when cycling through Manchester I might use one or two choice phrases when suffering the effects of dodgy drivers.

Q13 – Recommend a book

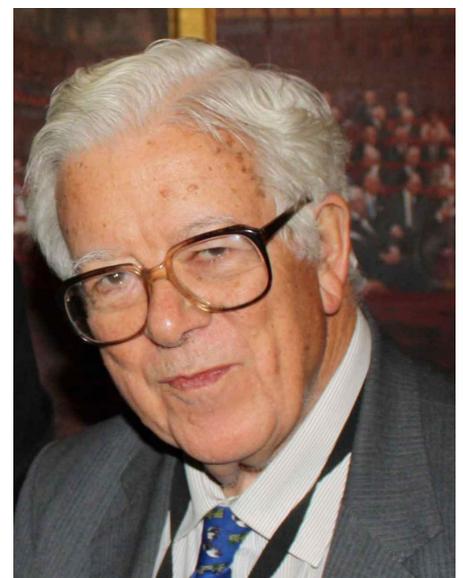
Twenty Years A-Growing by Maurice O'Sullivan.

Q14 – The best piece of television in the last 12 months?

Must be that lovely lady from Bristol way, Brenda, on being told there was going to be a General Election – "Not another one!"

Q15 – Tell us a secret about yourself

In the early '80s I nearly killed Geoffrey Howe [Margaret Thatcher's Chancellor]. We had afternoon tea at the Ritz, a special treat not a habit, and on coming out I bumped into said politician bowling him into the path of a London bus. Fortunately no harm occasioned.



Lord Geoffrey Howe

The HQN business transformation survey 2017 – the results are in



During the course of 2017, HQN has been surveying its members about business transformation.

The results of the research make for interesting reading. To put it simply, every housing association is involved in a business transformation project of some description. And while the type of projects are varied and not everyone views 'transformation' in the same way, it is clear that the 'old way' of doing housing is not going to be fit for purpose for much longer.

We also found that the reasons why business transformation is happening are pretty much the same regardless of the size of organisation or where you are based in the country.

The top 3 reasons...

- 1. Channel shift to improve processes and performance**
- 2. Deliver better value for money/efficiency savings**
- 3. To improve customer satisfaction.**

One of the most telling results, perhaps, is that no one said their business transformation project had been completed. Everyone was still part-way through. And although some reported that their projects were 'continuous' and had no specific end date, the vast majority of people said the target length of their project was 'two to three years'.

At HQN's *Taking Flight* conference at the i360 in Brighton during the autumn, keynote speaker Rob McWilliam, former UK Finance Director for Amazon and Asda, said that true business transformation should never have a start or end date, explaining that the reason Amazon has been so successful over the years is

that it is always in a state of 'continuous change'. It is always evolving.

The survey results also helped to disprove the idea that business transformation is nothing new for the housing sector. It's fair to say the concept has been around for a few years and there are some organisations that fully embraced the need to change at a relatively early stage. However, the reality is that the majority of social landlords probably didn't start taking it seriously until they were forced to do so.

And what was that reason? Almost certainly the 1% rent reduction announced by the government back in July 2015. That was the moment the game really changed, when business plans were torn up and rewritten, when value for money became more than a paper exercise and when efficiency savings actually led to real people losing their jobs.

But if that was the catalyst, the housing sector has not looked back since. Understanding that a complete overhaul of systems, processes and structures actually presented major opportunities as well as significant challenges has resulted in large-scale organisational change rather than dabbling at the edges. For an increasing number of organisations this has also resulted in the ultimate transformation – merger with someone else.

Another headline underlining the size of business transformation taking place, is that over a quarter of landlords are investing in excess of £1 million into their projects while the majority are spending between £200,000-£500,000. The biggest area of investment was in IT, with 67% of respondents saying their current systems needed upgrading to meet future business needs.

Finally, and probably most importantly, when asked about the biggest challenge they faced, 93% of organisations said the same thing – culture change.

Without bringing your colleagues along for the ride and communicating your plans every step of the way, you are in big trouble. You need buy-in from employees across the organisation. They have to believe in what you are trying to do and understand what the benefits and opportunities are. Change of any kind can be scary and 'business transformation' as a phrase is regarded by some as a smokescreen for cutting jobs. You have to make a compelling case for what you are doing that goes beyond jargon and management speak.

No one said it was easy.

HQN will be continuing its programme of business transformation workshops in the new year. To get involved, contact jon.land@hqnetwork.co.uk

We would like to thank ROCC for supporting HQN's business transformation survey and the *Taking Flight* conference during 2017. A second *Taking Flight* event will be taking place in the spring.



Delegates take in the view of Brighton seafront at HQN's *Taking Flight* conference



The Housing Management Network – new name, fresh focus

HQN is pleased to announce the re-launch of The Neighbourhood Network as The Housing Management Network, the essential network dedicated to supporting staff working in all areas of housing management – from executive management dealing with strategic issues, to the front line resolving operational, day-to-day matters.

With benefits which include regular briefings and case studies, free attendance at best practice events, discounts on relevant seminars and more, the network covers key areas such as estate management, ASB, tenancy sustainment and supported housing.

**The annual cost is £820 + VAT*.
Join before 31 January 2018 and quote code
'GOVERNOR18' to receive a £100 discount.**

For more information and to join call **0845 4747 004**,
email housingmanagement@hqnetwork.co.uk
or visit [www.hqnetwork.co.uk/
the-housing-management-network](http://www.hqnetwork.co.uk/the-housing-management-network)

*Further discounts may be available if you already hold other memberships with us.

Concerned about Universal Credit getting in the way of your rent collection?

We can help.

Our specialist Rent Income Excellence Network (RIEN) is the go-to place for maximising income, minimising housing debt and dealing with the impact of welfare reform.

Please visit www.hqnetwork.co.uk/the-rent-income-excellence-network
or email rien@hqnetwork.co.uk for more information.



Celebrate quality over the festive season

Congratulations to Regenda Homes who have recently been accredited for their income management service.

Osi Asaggar, Group Income Manager, said: "We wanted HQN to challenge and scrutinise our approach in preparing for, and mitigating, the impact of welfare reform on the business and our customers.

"We found the application process extremely useful because it helped us to undertake a reality check of our approach and to identify areas we needed to focus upon to improve our performance. It takes a great deal of hard work and determination to earn accreditation and we are thrilled to be placed amongst the 3% of registered providers who have gained an accreditation quality mark.

"We are very proud of what we have achieved, meeting high quality standards of excellence, which commits us to delivering continuous improvement over the next three years of accreditation."

Lead Accreditation Assessor, Tony Newman, said: "I was really impressed with the attitude of everyone I met during my visit to Regenda Homes. There is a very positive, collegiate and mutually supportive atmosphere in the team. Everyone was enthusiastic about the accreditation and spoke passionately about their work."

Congratulations also go to Sovini Property Services and Inquilab Housing Association, both also recently accredited by HQN.

To find out more about our accreditation services please contact Anna Pattison on 01904 557197 or email anna.pattison@hqnetwork.co.uk



The Regenda Homes Financial Inclusion Team with Julie Knight, New Tenant Rent Officer, holding the award.



Congratulations to all 2017's HQN accredited organisations

AmicusHorizon

Blackpool Coastal
Housing

Calico Homes

London Borough of
Camden

CHP

City West Housing Trust

Halton Housing Trust

Helena Partnerships

Inquilab Housing
Association

Midland Heart

New Charter Homes

Nottingham City Homes

One Vision Housing

Regenda Homes

Sanctuary Housing
Services

South Essex Homes

Southwark Council
Housing Solutions Service

Sovini Property Services

Tamworth Borough
Council

Vale of Aylesbury Housing
whg

Wythenshawe Community
Housing Group

Yarlington Housing Group



The Last Word

Rethinking the way we work



Nick Atkin
Chief Executive
Halton Housing Trust

When speaking to a colleague as I was planning this article, she shared her impressions of what it would be like to work for a housing association.

"When I applied to work here I thought I was going to be surrounded by grey filing cabinets and spider plants. I couldn't believe how different it actually was."

And therein lies the problem.

At the heart of Halton Housing's approach to the workplace are two principles:

1. Work is something you do, not somewhere you go.
2. You don't have to be in work to be in work.

So how do we encourage new and talented people into our sector? We need to think more creatively about where and how we work. Integral to this is breaking the cycle of presenteeism.

As part of this shift in approach we need to change our shop window. What do potential applicants see from the outside looking in? Does the image we relay truly reflect what it's like to work in housing, or in our individual organisations?

What do our websites and social media profiles such as LinkedIn and Twitter say about what we do and what it's like to work in housing?

We also need to radically change the way we recruit in the same way we need to overhaul the way we let our homes. Compare many of our housing application processes to

the alternatives such as Zoopla and Rightmove. They are worlds apart.

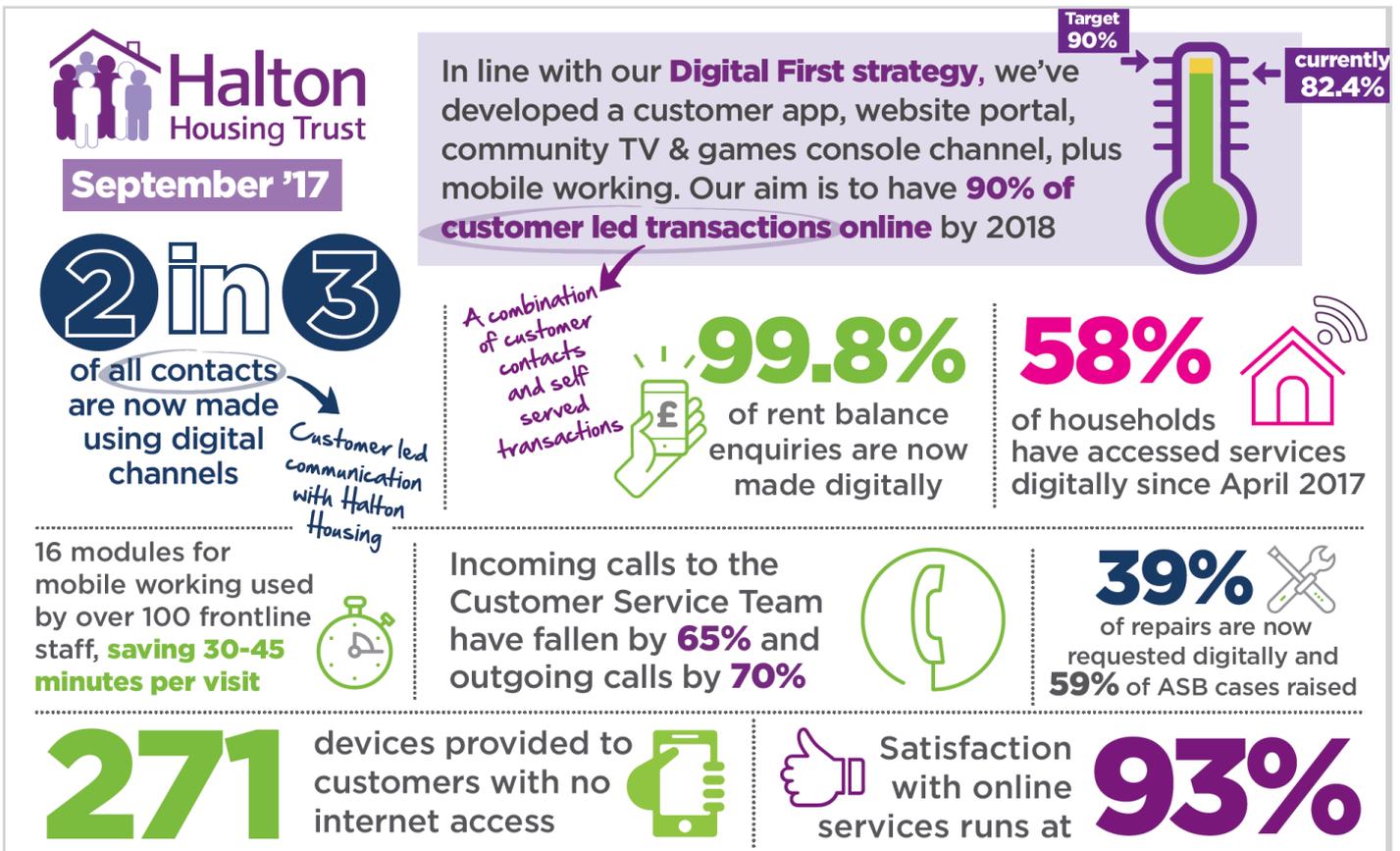
This is the same for our recruitment processes. These are elongated and focus far too heavily on skills and competencies. They overlook the most important elements of any recruitment process: attitude and organisational fit.

You can train most people to do most things, but you can't change what makes them tick and their core behaviours.

As potential employers, are we keeping track of how applicants form their views on who they want to work for? Do we know how both current and former employees are rating us on Glassdoor (the jobseekers' equivalent to TripAdvisor) and what they are saying about us?

We need to sell housing as a career to everyone, not just those already in the sector. We offer a gateway to a profession that doesn't demand years of additional study and the associated costs.

The recent move to Halton Housing's new home has led to a



fundamental rethink of how we work, and how this fits with our customer service offer. Gone are the days of people wanting a 9-5 service that they have to travel to. People want to access services whenever and wherever they want, as easily as possible.

Last month 83% of all Halton Housing's customer-generated transactions were delivered via online service routes.

If you have to ask yourself if it's acceptable it probably isn't

So, why hasn't the way we work shifted in the same way? Why do we insist on nailing people to desks for eight hours each day to bang away on a keyboard or talk on a phone? For many people, we introduce them to an alien environment where they are forced to work to an archaic set of rules that make no sense.

They are met with a series of rules and restrictions introduced for everyone, that are there to counter the perceived (or in some cases actual) actions of a small minority.

Then there is the 'dress code'. We treat people like children and tell them how to dress rather than enabling them to apply common sense. At Halton Housing there is just one guiding principle: if you have to ask yourself if it's acceptable it probably isn't.

We introduce people to our preferred method of communicating – email. An increasing number will only have previously used this to confirm a subscription to a website!

Do we consider the costs of providing each desk space and how often this is actually occupied?

Too often we are paying for people to have a desk so they can have photos of their family and a fluffy toy hanging off a monitor. Added to this is the underutilised pedestal that only contains out-of-date biscuits and a tin of soup.

There are benefits for staff of



'Why do we insist on nailing people to desks for eight hours each day?'

a more flexible approach. How much time and money do they spend commuting to and from an office? Why aren't we thinking more creatively about how, when and where people work?

The workplace should be somewhere people come for a purpose – to collaborate on a particular aspect of work or a project.

Surely it's more important that we enable people to deliver the objectives we want them to achieve for the business, rather than how many hours each week they sit at

a desk?

Housing offers a fantastic career with a huge variety of opportunities as well as an unrivalled ability to make a positive difference to the lives of so many people. The challenge is how we adapt our offer as employers to recruit and then retain the very best people we need to deliver this.

HQN's conference *Mind the gap – building bridges between Baby Boomers, Generation X and Millennials* takes place in London on 31 January 2018.

Mind the gap – building bridges between Baby Boomers, Generation X and Millennials



The art of leadership

In partnership with **LeadershipTrust**



Tuesday 13 February 2018
London

Visit www.hqnetwork.co.uk/events or call 0845 4747 004
for more information and to book your place.