



Joint Audit and Governance Committee
18 January 2024

ADUR & WORTHING COUNCILS

Key Decision [No]

Ward(s) Affected: All Adur

Housing Improvement Plan: January 2024 Progress Report

Report by the Director for Housing and Communities

Executive Summary

1. Purpose

- 1.1. This report provides the latest progress review of the Housing Improvement Plan for Adur Homes, following the self-referral to the Regulator for Social Housing. It updates Members on the specific progress being made to improve performance and meet the required standards.
- 1.2. This work contributes to the delivery of the Council's mission to ensure that everyone has a safe, secure and sustainable home.

2. Recommendations

The Joint Audit and Governance Committee is asked to note the good progress being made to ensure that Adur Homes becomes fully compliant with regulatory standards and the wider programme of transformation to create safe, secure and sustainable homes for our residents.

3. Background context

- 3.1. Members are reminded that reports are presented to this committee to provide an update on the work in progress following the self-referral to the regulator for social housing. This work is being developed through the Improvement Plan, which is now over halfway through the first year of a two year plan.
- 3.2. Our focus is on the delivery of good, safe and sustainable homes for all our residents, whose safety and wellbeing is paramount. There is a strong commitment to ensuring that our social housing in Adur meets this ambition.
- 3.3. Whilst this initial plan is work being carried out over the medium term, it is important to state that programme to improvement will require longer term transformation and work is being developed and referenced in this report.
- 3.4. Members are also reminded about the legislative change underway through the new Social Housing (Regulation) Act. Preparations are underway to ensure that Adur Homes is compliant with these changes.

4. Adur Homes road to improvement and transformation

- 4.1. Adur Homes Improvement Plan
 - 4.1.1. The Adur Homes Improvement Plan sets out a number of key priorities for the service, which primarily address the concerns of the Regulator (around compliance and decent homes) and also include wider-ranging priorities to ensure the whole service is transformed, including: systems, workforce, governance, asset management, health and safety compliance issues, tenancy management and engagement, complaints and FOIs.
 - 4.1.2. Phased over a 24-month period, this is a relatively high level plan, which sets out clear accountable leadership and delivery, against challenging but realistic timeframes. Whilst this plan will deliver the work to address issues in the short to medium term, we recognise that the road to transformation of Adur Homes will require a longer-term approach and this is referenced within the plan.

4.1.3. Importantly, the plan also includes a high level risk assessment and an environment scan highlighting issues on the horizon that the service needs to plan for and adapt to.

4.2. Summary of progress against the Improvement Plan

4.2.1. The full Improvement Plan is set out below as a set of actions (Appendix 1), the risk assessment (Appendix 2) and performance indicators (Appendix 3). Each of these priorities is being tracked and regularly reviewed to drive forward progress through a new Housing Improvement Board.

In addition to the full plan we will also be ensuring the actions can be met through appropriate rent levels being set and rent arrears are managed effectively. Households with arrears need to be appropriately supported in respect of income maximisation support, debt support if appropriate. As part of the wider work we will be benchmarking Adur Homes rent arrears level against that of other stock holding authorities and Registered Providers.

Below are some key areas to highlight for members of these committees. Each summary area referenced the relevant priority area (referenced as P):

1. Establishing the right leadership and workforce (Ps 26 and 32)

Our new Assistant Director for Housing and Homelessness Prevention, started their position in November. We have also been working hard to ensure a number of key positions are filled to deliver this work. Unfortunately we lost our Tenant Engagement Lead post (who secured a promotion elsewhere) and this has led to some delays around engagement work. In addition, like many other providers we have experienced a lack of uptake to some professional areas. However we are working to address this and complete a housing organisational design over the coming months.

2. Reviewing and strengthening governance (P 29)

The Adur Homes Advisory Board is now meeting quarterly and work is continuing to ensure we have a complete board of tenant representatives. This has been delayed due to a gap in the Tenant Engagement Lead post.

3. Compliance and health and safety (Ps 10.11)

This has been the significant area of focus given the Regulatory Notice.

Work has continued to progress across the compliance areas with marked improvements being made and processes implemented to ensure Adur Homes continues to meet the regulatory requirements as well as reaching full compliance across all areas.

With the processes now taking shape, the focus now continues on systems data and ensuring we have accurate and up to date data, giving the ability to retrieve and report accordingly.

Performance data (Appendix 3) shows the continued progress made over the last 6 months and continues to show a positive direction of this work. The focus is to continue close monitoring and work across all areas with greater attention to those areas that require the greatest effort to close the gap to bring us to 100% compliance.

4. Improving data and systems (Ps3, 4)

This is a critical area of work to ensure that the team can work effectively, evidence and prioritise work and identify and programme relevant works.

Through the continued support from our Digital Team, the work on the interim compliance system has been completed and there is now a period of testing and comparison to ensure it is receiving and recording the data accurately.

Work continues in other areas, notably the housing management system and the upgrading work required here is significant. Given previous concerns around historic data accuracy and quality of data recorded, we need to ensure our systems can communicate with each other therefore avoiding duplication of data and potential errors.

The system issues arising from the legacy system and provider relationship are being worked through and prioritised based on service critical areas. Training for staff is being provided and work is being done to ensure there is greater resilience within the team to manage and support our systems including ensuring we are better prepared to implement rent and service charge increases for 24/25.

As knowledge of the system is increasing we are now in a position to scope the functionality available that we are not using to full effect. This work will further support improved service delivery and is also

essential to improve our data sets for transfers into any future systems.

The performance data set will inform and support service improvement across all areas.

5. Achieving “Decent Homes” (P1)

The Government has defined what Decent Homes means (see below) and Members should note that this will be amended over the course of this year through the changes to the Regulatory Standards.

For now however, ‘decent homes’ is one area of concern under our Regulatory Notice. In order to evidence that our homes are decent, housing authorities must have up-to-date stock condition data.

Aspects of the financial outlay for this important area of work are continuing to be discussed to ensure it is achievable within the financial constraints Adur Homes face.

The next stage is identifying those gaps within the contract arrangements Adur Homes have and procure relevant long-term agreements working with contractors to provide a solid working arrangement that will benefit Adur Homes and the residents. This work is planned to commence in 2024/25.

6. Management of void properties (P 7)

From previous years the void process had led to numbers increasing significantly. The progress in this area has now stabilised and the number in the backlog of properties (pre April 2023) has reduced by 50%.

With the urgent need to be able to increase the work undertaken on the outstanding void properties to enable them to house Adur’s residents, two new contractors have been employed providing experience and support to this process with the emphasis on returning the properties quickly and meeting Adur Homes quality standards.

Next steps for this work also include our processes for re-letting our void properties, to meet our statutory requirements for our residents whilst reducing void numbers and the overall spend for the Council

7. Damp and mould (P13)

Damp and mould continues to be a key concern for Adur as well as a key national concern and work continues to manage and improve our homes to reduce this issue.

Adur continues to address these issues as and when they are either reported or identified, with a response that is within the resources available and the urgency of the case.

There are an extremely high number of reports of damp and mould received in comparison to normal, including both condensation and contributing structural issues. In response to this Adur has created a new damp and mould policy outlining how best to manage these exceptional circumstances.

Cases are prioritised based on the level of risk to individual households, taking into account spread of any mould, severity of structural issues, age, health and any other vulnerabilities of the residents.

Additionally, an added cleaning service is being considered to enable a visit very quickly after all reported cases to clear and treat the mould whilst further investigations are undertaken to determine the cause whether this is structural or the living environment and habits of residents that can also contribute to problems. This aims to provide the resident with confidence that Adur Homes is treating this accordingly and acting upon the reports in a timely manner.

The monitoring and undertakings in this area of work will continually result in improvements being made to the process and these will only benefit the residents and Adur Homes as the landlord.

8. Tenant communication and engagement (P20-23)

Adur Homes must be ambitious about how we build a participatory approach and involve residents in the development of the service. Engagement with residents continues, further sessions having taken place or scheduled, with staff and members attending to continue the conversation and understand what matters to our residents.

The frustrations with service delivered to tenants remain but there is also a level of understanding that the service is on a journey of

improvement and a positive message from the residents has been that there is a noticeable improvement in communication.

As our Tenant Engagement Lead has moved on we are re-recruiting to the post to move us to the next stage of establishing tenant led resident groups and reading panels, essential for meeting requirements on tenant engagement on policy. The first area of focus will be a new tenancy agreement and handbook that will better define landlord and tenant responsibilities and underpin our ongoing relationships with our tenants as well as supporting our ability to deliver repairs that are landlord responsibility and recharge for those that are not.

Tenant empowerment as previously reported is a key part of the new legislative changes to promote transparency and accountability in housing, and whilst the work is paused, progress has been made to draft terms of reference for the new groups so that when we are in a position to progress, we can mobilise quickly.

The regulatory required tenant satisfaction survey work is almost complete, with the telephone element underway; we can report that we have reached the minimum requirement for responses which is good news. Once completed we will be provided with a report on the outcomes and will be able to update members.

The communications and engagement team continue to support the team by creating the [Adur Together newsletter](#). Each newsletter includes updates on key issues affecting Adur Homes tenants and leaseholders, including action we'd like our residents to take. Four editions of the newsletter have been published to date, the most recent of them at the beginning of December 2023.

9. Managing complaints

Work has been progressing in relation to complaints to address the backlog and develop the work going forward in line with the requirements of the Ombudsman.

To date we have:

- Developed an action plan to address the issues identified by the Ombudsman and our self assessment
- Renewed focus on complaints and developing a clear process for the team

- Developed a draft Housing Complaints Policy to reflect the Housing Ombudsman's Code of Practice
- Updated all our communications to publicise the Housing Ombudsman's contact details and role in complaints intervention
- Developed a new approach as required by the Ombudsman to agree resolutions with tenants before sending a formal response.

When officers last reported to this committee in September 2023, Members were informed about the need to appoint a Member champion for complaints for Adur Homes. This requirement is now being extended to include a Member champion role for complaints across all services. The new code for this work is imminent and therefore a separate report and proposal to be brought to this committee in March.

4.3. Working with the regulator in a changing legislative context

- 4.3.1. As previously reported, this year will see these standards change through the assent of the new [Social Housing Regulator Act 2023](#), which has now received Royal Assent. This will provide greater powers for tenants against serious hazards in their homes, ensure a better quality of service and quality of life.
- 4.3.2. This new legislation will enact the reforms outlined in the [Social Housing White Paper](#) aimed at improving the regulation of social housing, strengthening tenants' rights and ensuring better quality and safer homes for residents. This is currently out to consultation.
- 4.3.3. This sets out a new charter outlining what every social housing resident should expect from their landlord:
- **To be safe in your home:** Landlords will be required to ensure every home is safe and secure
 - **To know how your landlord is performing:** Landlords will be held to account regarding repairs, complaints, safety, and how they spend their Housing Revenue Account (HRA) money
 - **To have your complaints dealt with promptly and fairly:** The ombudsman will be strengthened, giving swift and fair redress for tenants when needed
 - **To be treated with respect:** The Regulator of Social Housing will be strengthened and there will be improved consumer standards

- **To have your voice heard by your landlord:** Tenant voice will be increased, for example through regular meetings, scrutiny panels or being on housing boards
- **To have a good quality home and neighbourhood to live in:** Landlords will be required to keep homes in good repair and the Decent Homes Standard will be reviewed
- **To be supported to take your first step to ownership:** Increasing the supply of good quality social homes, and working to give as many residents as possible the right to purchase their own home.

4.3.4. As we work with the regulator over the coming year, there will be a focus on the transition to these new standards to ensure that compliance is adapted to meet these. The focus of Adur Homes in the key areas detailed above have placed us in a really positive position to meet the requirements of updated standards.

We are confident the current improvement plan and actions already underway will meet the requirements of the new legislation. However, as additional detail is made available, we will test the details of the new standards against the improvement plan and make updates where required. For example, if the definition surrounding the Decent Homes standard changes we may need to reassess the timeline and financial demand in this specific area.

If the requirement around tenant engagement is changed we are well placed with a resident engagement role to be flexible to meet changes.

We will work with other local housing providers to help implement learning in respect of the new legislation. We will update members if the improvement plan needs to be updated and inform why changes have been required.

We have taken a wider whole systems approach to addressing complaints to ensure we can meet the requirements of current and future legislation. This will see joint working between the housing and resident services teams as well as the Housing Ombudsman to address the handling and processing of complaints.

5. Engagement and Communication

5.1. In undertaking this work a range of engagement and communication has been carried out, as referenced above as part of the Improvement

Plan. In addition, members have been briefed about this work throughout.

- 5.2. A communication and engagement plan has been developed and a new newsletter developed to inform residents about the work underway.

6. Financial Implications

- 6.1. The resources to ensure compliance with the regulator's standards must be found within the Adur HRA which is a ring-fenced account. Overall, the HRA has a significant budget available to it (£14.8m) and every endeavour will be made regarding best use of this existing resource to deliver the improvement plan.
- 6.2. However, to enhance the HRA's financial resilience for unforeseen requirements beyond the current budget, the council has reviewed the calculation of depreciation for Adur Homes. Specifically, increasing the proportion of the overall valuation on council properties applied to residual value (the remaining value of an asset after depreciation) from 30% to 40%. It's important to note that residual value itself is not subject to depreciation. This adjustment is based on professional judgement, considering the limited availability of land in the South East of England.

Furthermore, the introduction of a de minimis value for componentisation (breaking down an asset into its individual components for accounting purposes), means components valued below £10,000 are now depreciated along with the main structure. This change follows benchmarking, which highlighted that our depreciation charge per dwelling was higher than that of similar-sized councils. The resulting annual depreciation charge is now directed to the Major Repairs Reserve (funds set aside for significant property repairs), contributing approximately £400,000 per year to the HRA's capacity. However, any capital resources used to support the revenue budget will need to be replaced by borrowing at an estimated revenue impact of £45,000 per £1m additional borrowing in a full year.

- 6.3. Development of a new Housing Revenue Account Business Plan is currently underway and this will enable the service to track the management of resources to deliver against the government's Decent Homes Standard and to ensure compliance in all other service areas.

7. Legal Implications

- 7.1. Under Section 111 of the Local Government Act 1972, the council has the power to do anything that is calculated to facilitate, or which is conducive or incidental to, the discharge of any of its functions.
- 7.2. Section 1 of the Localism Act 2011 empowers the council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation.
- 7.3. Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 7.4. Section 8 of the Housing Act 1985 continues to place a duty on every local housing authority to consider housing conditions in its district and the needs of the district with respect to the provision of further housing accommodation.

Background Papers

- [Adur Homes Compliance with Housing Regulator Standards - Joint Audit and Governance Committee 26 September 2023](#)
- [Regulatory Compliance Notice for Adur Homes - Joint Audit and Governance Committee 30 May 2023 and Adur Joint Strategic Sub-Committee 15 June 2023](#)
- [Regulatory Standards](#)
- [Decent Homes Standards](#)
- [Housing Strategy: Enabling communities to thrive in their own home” 2020-2023;](#)
- [Social Housing Act summary](#)
- [The Charter for Social Housing Residents - Social Housing White Paper](#)
- [Landmark Social Housing Act receives Royal Assent to become law](#)

Officer Contact Details:- Rob Jarvis, Assistant Director for Housing and Homeless Prevention

Email: rob.jarvis@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

- 1.1 Thriving Economy is one of the four Missions identified in Our Plan and will therefore become one of the key documents informing the direction and prioritisation of the council's work with regard to Adur Homes.
- 1.2 Providing a decent home that is secure, affordable, warm and modern, supports the wellbeing of our residents, enabling those who are able to work to enter and sustain employment and contribute to economic activity.

2. Social

2.1 Social Value

- 2.1.1 Residents and communities are central to Our Plan and 'Thriving People' is one of the four Missions identified in Our Plan. This mission aims to ensure people are healthy, resilient and resourceful, that they can access the right help when they need it and everyone has a safe, secure and sustainable home.
- 2.1.2 One of the three overarching Principles in Our Plan is Participative, which is based on the explicit intention to work more closely with citizens to involve them in deeper and more meaningful conversations about service design and delivery. Our work to meet the Decent Homes Standard (and the other housing standards linked to tenant participation) therefore forms a central part of the council's commitments.

2.2 Equality Issues

- 2.2.1 The council is subject to the general equality duty set out in section 149 of the Equality Act 2010. This duty covers the following protected characteristics: age, gender, gender reassignment, pregnancy and maternity, race, religion or belief, and sexual orientation.
- 2.2.2 In delivering housing services the council must have due regard to the need to:
 - Eliminate unlawful discrimination, harassment and victimisation

- Advance equality of opportunity between different groups
- Foster good relations between different groups

2.2.3 The participative principle in Our Plan describes the council's commitment to providing truly inclusive services by listening to underrepresented voices, creating equal access and meeting our equality duties.

2.2.4 The council's legal duties (Equality Act 2010) will inform the development and delivery of the improvement plan, in relation to eliminating discrimination, advancing equality of opportunity and fostering good relations.

2.2.5 Decisions, actions and areas of investment relating to implementation of the improvement plan, may require Equality Impact Assessments.

2.3 Community Safety Issues (Section 17)

2.3.1 The council is committed to the promotion of communities as safe places. Our Plan seeks to progress delivery of the council's community safety commitments by strengthening working partnerships with the Police, communities, businesses and multidisciplinary teams across the council.

2.3.2 As part of our ongoing work to meet the Neighbourhood and Community Housing Standard will see to keep the neighbourhood and communal areas associated with the Adur Homes clean and safe, co-operate with relevant partners to promote the wellbeing and help prevent and tackle anti-social behaviour.

2.4 Human Rights Issues

2.4.1 The actions set out in the report will enable the council to identify solutions that will enable our residents, communities and neighbourhoods to flourish.

3. Environmental

3.1 Thriving Environment is one of the four Missions identified in Our Plan and key actions include achieving net zero carbon, resilience to climate change and increased biodiversity by restoring natural habitats and minimising waste.

3.2 The improvement plan, as part of the wider work plan for Adur Homes, will as part of these commitments actively contribute to carbon reduction, waste minimisation and biodiversity improvement objectives.

4. Governance

4.1 In line with the constitution this report is being taken to the Joint Audit and Governance Committee to note and comment. Additional engagement has been undertaken with the Adur Joint Strategic Sub-Committee and the Adur Homes Management Board.

4.2 Further updates, including the improvement plan will be brought to the Joint Audit and Governance Committee on a quarterly basis.

Appendix 1 - Improvement Plan

Appendix 2 - Risk Assessment

Appendix 3 - Performance Indicators