

Item: 11

Education, Leisure and Housing Committee: 3 April 2019.

Annual Assurance Statement.

Report by Executive Director of Education, Leisure and Housing.

1. Purpose of Report

To advise of the Scottish Housing Regulator's new requirement for the Council to produce an Annual Assurance Statement covering the Housing Service's performance and submit to the Scottish Housing Regulator.

2. Recommendations

The Committee is invited to note:

2.1.

That the Scottish Housing Regulator has published a new Regulatory Framework and guidance.

2.2.

That there is a requirement for the Council to produce an Annual Assurance Statement covering Housing Services' performance and submit it to the Scottish Housing Regulator.

2.3.

That guidance on the Annual Assurance Statement has been produced accordingly.

2.4.

That the Annual Assurance Statement must be submitted to the Scottish Housing Regulator between April and October.

2.5.

That the Annual Assurance Statement requires to be completed and agreed by the relevant local authority committee prior to submission.

2.6.

That the Housing Service currently undertakes a broad range of performance related tasks and is subject to various inspections, as detailed at paragraph 5 below.

2.7.

In order to produce an Annual Assurance Statement that meets the requirements outlined in the Scottish Housing Regulator's guidance, there will be a need to refine and enhance the Housing Service's existing performance processes.

2.8.

That the Executive Director of Education, Leisure and Housing should submit a report on Housing Services performance annually to the June cycle of meetings to meet the Scottish Housing Regulator's requirements in respect of the publication of an Annual Assurance Statement.

3. Background

3.1.

In March 2019 the Scottish Housing Regulator published its new Regulatory Framework and guidance following a period of consultation. This is available from https://www.scottishhousingregulator.gov.uk/sites/default/files/publications/Regulatory%20Framework%20-%20final%20-%20February%202019_0.pdf

3.2.

The Scottish Housing Regulator has advised that they will carry out their work with both Local Authorities and Registered Social Landlords in four broad ways being:

- Gathering and publishing data in ways that tenants and others can use.
- Getting assurance from landlords.
- Taking action where they need to.
- Thematic work to look in depth at specific areas of work.

3.3.

Central to the new requirements is landlord self-assurance.

3.4.

The Scottish Housing Regulator requires that landlords are responsible for delivering good outcomes and services for their tenants and service users. They advise that landlords need to be "self-aware, analytical, open and honest about their performance, and identify and drive improvement".

3.5.

Prior to engaging with landlords the Scottish Housing Regulator will consider what the landlord has done to assure themselves they are meeting regulatory requirements.

3.6.

As part of this process all landlords will be required to publish an Annual Assurance Statement, to confirm to their tenants and to the Scottish Housing Regulator that they are meeting their regulatory requirements in respect of their role as a landlord. The statements are intended to support a culture of openness and continuous assurance and improvement.

3.7.

Tenant empowerment is also a key part of the process, as is equality.

3.8.

For local authorities, the process includes ensuring that statutory duties in respect of homelessness are being met.

3.9.

The overall regulatory process remains focussed on risk. This relates to the most significant risks to tenants, people who are homeless and other service users. The Scottish Housing Regulator's may differ from a landlord's own assessment of the risks it faces.

3.10.

In undertaking its risk assessment, the Scottish Housing Regulator will take into account a broad range of information including Charter performance information, homelessness data, information from past or current engagements, thematic work, significant performance failures and whistleblowing.

3.11.

An engagement plan will be published for each landlord. Each plan will set out the information the Scottish Housing Regulator requires, what the landlord needs to do and why the Scottish Housing Regulator will engage with it.

4. Annual Assurance Statement Guidance

4.1.

From April 2019, there will be a requirement for all Local Authorities and Registered Social Landlords to prepare an Annual Assurance Statement in accordance with the Scottish Housing Regulator's published guidance.

4.2.

The guidance is available from:

<https://www.scottishhousingregulator.gov.uk/sites/default/files/publications/Annual%20Assurance%20Statements%20-%20final%20-%20February%202019.pdf>

4.3.

Landlords will be asked to submit an Annual Assurance Statement to the Scottish Housing Regulator to provide assurance that the organisation complies with the relevant sections of the Regulatory Framework.

4.4.

In the event that a landlord does not fully comply with the Regulatory Framework it must stipulate this in the Annual Assurance Statement and advise when it will make the necessary improvements to ensure compliance.

4.5.

Landlords can determine the most appropriate and effective ways of getting the necessary assurance on the organisation's compliance and regulatory requirements. There is a need for this to be objective and evidence based and potentially with independent assurance.

4.6.

In determining the approach for each requirement there is a need to consider:

- What level of assurance is proportionate, considering the organisation's business and context.
- The sources of assurance and evidence held and whether they are sufficient and reliable.
- Whether there is a need for independent assurance and what that should be.

4.7.

Feedback from tenants and other service users should be considered as part of the assurance framework.

4.8.

Guidance is provided on what should be included and also what to do in the event of non-compliance.

4.9.

The Annual Assurance Statement must be submitted annually between April and October.

4.10.

The Annual Assurance Statement requires to be completed and agreed by the relevant Local Authority committee.

4.11.

A more detailed version of the Annual Assurance Statement can be published for tenants and service users if wished.

5. Current Performance Structures

5.1.

Housing Services is an area which is heavily regulated and, accordingly, has in place a broad range of performance management processes.

5.2.

There are broad areas of performance which are regulated and required. These include:

- A requirement that the Scottish Social Housing Charter is mainstreamed through all services.
- Completion of an Annual Return against the Charter by 31 May each year and submission to the Scottish Housing Regulator accordingly.
- Publication of an Annual Report for tenants and service users annually in October.
- Quarterly completion and submission of data on homelessness to Scottish Government (entitled HL1, HL2, HL3 and Prevent1).
- A requirement to undertake a three yearly wholesale tenant satisfaction survey which must meet guidance published by the Scottish Housing Regulator which outlines specific questions and a need for responses from at least 40% of the tenant base.
- Housing Services has two services which are registered with the Care Inspectorate and consequently are subject to regular inspections being the homelessness and housing support service and sheltered housing. A report is presented to Education, Leisure and Housing Committee with the findings accordingly.
- Housing Services is subject to an annual assessment against 8 specific criteria to determine the level risk posed by relevant services and consequently any need for an internal audit.

5.3.

In addition, there are many areas where specific performance related processes are not specifically required but are undertaken to assist with the requirements outlined at section 5.2 above. These include:

- A quarterly meeting of key staff to consider, analyse and discuss improvements relating to the performance across Housing Services in relation to the indicators underpinning the Annual Return against the Charter.
- An annual pre-submission audit of the Council's Annual Return against the Charter is undertaken by an independent organisation.
- Membership of Scotland's Housing Network and benchmarking against peer authorities and also national benchmarking.
- Completion of quarterly and annual returns for Scotland's Housing Network.
- Completion of annual return to Scottish Government "Housing Statistics Annual Return" (HSAR).

- An annual report to Education, Leisure and Housing Committee regarding performance across Housing Services' and comparisons with peer Authorities.
- An annual report to Education, Leisure and Housing Committee in June regarding performance on homelessness.
- An annual report to Education, Leisure and Housing Committee in June regarding progress towards meeting the Energy Efficiency Standard for Social Housing by 2020.
- Housing Services' holds accreditation at the National Standard for Advice and Information Providers which is a nationally recognised accreditation from the Scottish Government. This requires a re-accreditation process and inspection every 4 years.
- Collation and analysis of a broad range of customer satisfaction information relating to key areas across the service.
- Housing Services takes part in How Good is Our Council, a corporate self-assessment process.
- The above are in addition to corporate processes such as the monitoring of indicators through the Council's corporate performance monitoring system Aspireview.

6. Next Steps

6.1.

There will be a need to consider and actively review the processes which are currently in place across Housing Services in order to develop the most appropriate means of developing an Annual Assurance Statement.

6.2.

Existing timescales do not automatically interlink with the new processes and while some adjustment may be possible, this will not always be the case.

6.3.

A report will be presented to the June cycle of meetings which will include all relevant information, or link to information provided at other key stages throughout the year. This will enable members to consider, analyse and approve the Annual Assurance Statement for submission to the Scottish Housing Regulator accordingly.

7. Corporate Governance

This report relates to governance and procedural issues and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

8. Financial Implications

There are no significant financial implications arising directly from the recommendations to this report.

9. Legal Aspects

The Housing (Scotland) Act 2010 both established the creation of the Scottish Housing Regulator and introduced its function as a regulatory body accordingly. It also sets the Scottish Housing Regulator's statutory objective, functions, duties and powers.

10. Contact Officers

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