



## Report to Safer and Stronger Scrutiny Committee 12<sup>th</sup> January 2012

**Report of:** Peter Morton, Chief Executive, Sheffield Homes

**Subject:** An update on customer scrutiny and the implications of the Localism Act

**Author of Report:** Peter Brown, Planning and Performance Manager

### Summary:

This report is brought to the Committee to update them on the implementation of resident-led scrutiny within Sheffield City Council and Sheffield Homes. It provides a brief update on the changes to social housing regulation through the Localism Act and the potential implications for the customer complaints process. It also briefly explains the progress of the Challenge for Change group in their scrutiny of the Sheffield Homes complaints process.

**Type of item:** The report author should tick the appropriate box

Reviewing of existing policy	
Informing the development of new policy	
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Community Assembly request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	√
Other	

### The Scrutiny Committee is being asked to:

The Committee is asked to note the progress so far on increasing customer scrutiny around the delivery of council housing services and the implementation of changes in the complaints process brought forward by the Localism Act.

### Background Papers:

None.

**Category of Report:** OPEN



# **Report of the Chief Executive, Sheffield Homes - An update on customer scrutiny and the implications of the Localism Act**

## **1. Summary**

- 1.1 This report is brought to the Committee to update them on the implementation of resident-led scrutiny within Sheffield City Council and Sheffield Homes. It provides a brief update on the changes to social housing regulation through the Localism Act and the potential implications for the customer complaints process. It also briefly explains the progress of the Challenge for Change group in their scrutiny of the Sheffield Homes complaints process.

## **2. What does this mean for the people of Sheffield?**

- 2.1 The involvement of customers in scrutinising services provides greater reassurance that the services being delivered meet the needs of all customers. Customers are able to bring a different perspective to a scrutiny review and able to focus on the issues that matter most to them. This involvement strengthens the co-regulatory approach described by the Government in the recent Localism Act, and should lead to better, more efficient service for all the people of Sheffield.

## **3. Background**

- 3.1 The Localism Act has recently passed into law and introduced a number of changes for social housing. One of these changes is around the reform of social housing regulation. The Act provides social housing tenants with stronger tools to hold their landlords to account. Consumer regulation will no longer be undertaken by the Tenant Services Authority (TSA) and this will be left to local customer 'scrutineers'.
- 3.2 Sheffield City Council and Sheffield Homes have been proactive in promoting customer scrutiny through establishing the Challenge for Change group earlier this year. The role of the Challenge for Change Team is to scrutinise particular areas of the council housing service and to identify improvements that will benefit customers whilst also helping to improve the performance and cost efficiency of services delivered. Their aim is to provide clear accountability for all customers, the Sheffield Homes Board and the Council.
- 3.3 Their formal terms of reference have been approved by the Council and Sheffield Homes allowing the Challengers to request internal information, schedule reality checking activities and compare findings against other housing organisations. Challenge for Change currently receives mentoring support and has dedicated Sheffield Homes support to help make sure they can access the information they need.
- 3.4 A second change introduced by the Localism Act is an amendment to the way that complaints about social landlords are handled. The Act

introduces a single Ombudsman for social housing complaints and the idea of a 'democratic filter'. The introduction of a filter between the complainant and the Ombudsman promotes the local resolution of complaints rather than the direct referral of a complaint to the Ombudsman.

3.5 A referral to the Ombudsman after April 2013, will only be accepted from a 'designated person' or, following a late amendment to the legislation, at the expiry of 8 weeks from completing the landlords complaints process. The Housing Minister has yet to issue formal guidance, but at the present time, the likely definition of a designated person will be:

- A Member of Parliament
- A Local Authority Councillor
- A designated tenant panel for the social landlord

#### **4. A summary of progress to date**

4.1 The Challenge for Change Team started considering the first topic for Scrutiny in September. They looked at Sheffield Homes' performance information; customer satisfaction; preferences of representatives put forward by the Community Engagement Partnership Group and preferred topics identified by the Sheffield Homes Board.

4.2 The group formalised their decision to look at Management of Complaints at the end of September.

The reasons for choosing this topic included:

- a. Complaints being an area that could affect any customer of the service
- b. Customer Satisfaction with Complaints is fairly low compared to other areas of the Service
- c. Complaints is an important area for the National Housing Standards and one where we can examine how well the service meets the new requirements
- d. Complaints is an area where there are many options to talk to other organisations and compare the service
- e. Sheffield Homes is currently conducting an internal Service Review and Challengers felt it would be a good time to see the differences in recommendations between an internal and customer-led review
- f. Much can be learned from complaints about other areas of the service and the Challenger Team felt it would help to give a good understanding of other areas to look at in the future
- g. Complaints is an area of expertise for some members of the Challenge Team where learning from one another can be maximised and help to build team relationships

4.5 Since September, the group has been working on the scrutiny of Sheffield Homes' complaints process. They have been undertaking a

range of 'reality checks' to understand the how the complaints process works and how it could be improved. These checks have included:

- Talking to other customers at a focus group
- Reviewing performance and other information about the service
- Quality checking complaint response letters
- Undertaking a staff survey to find out what staff delivering the service think
- Reviewing complaints to see how they have been handled
- Looking at benchmarking, good practice information and reviewing other organisations websites.

4.6 The group still have a number of reality checks planned for January and February. Once completed, their aim is to produce a report and a series of recommendations in March for the Council and Sheffield Homes to consider.

4.7 The introduction of a democratic filter and local resolution of the social housing complaints brought forward by the Localism Act may also be discussed as part of the Sheffield Homes and Challenge for Change reviews of complaints. At the present time, the Housing Minister has yet to issue specific guidance about how this part of the Act should be implemented.

4.8 In particular, there is still a lack of clarity over the designated tenant panel. This panel cannot be established by a landlord, but it is expected that a landlord would support a designated panel if a group of tenants wish to establish one. An existing tenants' group may also wish to identify itself as a designated panel for this purpose.

4.9 As part of the current Sheffield Homes review of complaints, the options for introducing tenant scrutiny of complaints prior to this democratic filter are also being considered. This could be as part of an appeals process and would allow the unique perspective of tenants to be taken into account when reviewing the quality and outcome of a complaint decision.

4.10 Further work on the precise structures for any democratic filter will be required following the receipt of further guidance from the Housing Minister and prior to the implementation date of April 2013.

## **5. Recommendation**

5.1 The Committee is asked to note the progress so far on increasing customer scrutiny around the delivery of Sheffield Homes' services and the implementation of changes in the complaints process brought forward by the Localism Act.