Can tenant self-management thrive in sheltered housing?

This Viewpoint looks at the potential to deliver value and choice within sheltered housing through tenant self-management. It was prompted by the recent Department of Communities and Local Government consultation that set out proposals to give tenants in local authority housing greater rights to transfer and manage their homes.[1]

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Introduction

Sheltered housing in England has experienced significant change over recent years and is certain to change further as new generations of tenants with different attitudes and life skills arrive in the provision. Influencing change is the current emphasis on independent living, choice and personalisation which, overall, will prove aspirational for many people. In theory, then, there should be the prospect that sheltered housing residents will be keen to have a direct role in managing the way their housing and related services are run and to seek higher quality and better value for their schemes. Clearly this would be in line with the Government's Housing Strategy and localism/tenant empowerment agendas and could help support a more sustainable housing product in an age of tight social budgets.

Tenant Enablement – some background

The theory may be fine but it is worth recalling that pursuing tenant self-management in England's social housing is not for the faint hearted and, where this takes root, average lead times to get there have been long - around three years, for example, in the local authority sector. Additionally, for reasons set out below, the Registered Provider (RP) housing sector faces barriers to and lacks clear official guidance in the mechanics of achieving tenant management.

Council-owned stock

For tenants in local authority housing there is a statutory right to self-management available under the Housing Act 1985 and the current administration signalled, and put out to consultation[2] earlier this year, its intention to reform the present regulation processes to make them localised, streamlined and more flexible to help increase the numbers of tenant groups forming and running Tenant Management Organisations (TMOs) of one configuration or another.

Summary responses to the range of consultation questions were published by the Department of Communities and Local Government (DCLG) on July 13 2012[3] and, in terms of the focus of this article, the most noteworthy outcome concerned Question 6: *Are there other ways in which Government could encourage voluntary routes to housing management?* Here DCLG records that: *'Most respondents supported exploring alternative routes...particularly using an approach suggested in the consultation paper for small-scale services via Local Management Agreements.'* The topic of Local Management Agreements is also raised below in terms of its potential as a 'toe in the water' self-management opportunity within Registered Providers' sheltered stock.

Currently, according to recent research led by Urban Forum, titled *'Lessons for Localism'*[4], there are around 190 active TMOs with the majority managing local authority housing, mainly in areas of significant deprivation with poorly managed social stock. However, in terms of sheltered housing, no cases have been identified of TMOs being formed only to manage this type of provision. Although, it may be interesting to note that there is an example of former

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[1] - Giving Tenants Control: Right to Transfer and Right to Manage Regulations Consultation - Department for Communities and Local Government, March 2012

[2] - ibid.

[3] - www.communities.gov.uk/documents/housing/pdf/2179793.pdf

[4] - Newton, R and Tunstall R (2012). *LESSONS FOR LOCALISM: Tenant self-management*. Urban Forum
(available at www.urbanforum.org.uk)

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local authority sheltered housing stock transferred to a specialist RP, i.e. the arrangements between LB Hackney and Hanover Housing Association. For this reason, the Housing LIN has commissioned this paper in order to better understand the views on the current situation in respect of tenant self-management and the avenues open to achieve this.

Furthermore, in their Housing LIN Viewpoint[5], Imogen Blood and Jenny Pannell highlight the Right to Manage available to leaseholders in retirement housing via the Commonhold and Leasehold Reform Act 2002 and provide a case study example of residents exercising choice and control in terms of replacing unsatisfactory managing agents.

Registered Providers

This sector contains a significant volume of England's sheltered housing for social rent, managed by a large, diverse range of Registered Providers - mainly independent housing associations, many of which have been drawn beyond their original community roots through acquisitions and mergers.

To date, while there has been interest in co-housing, the concept of tenant self-management has not led anywhere significantly in the RP sector. The issues contributing to this include:

- While there is a clear Tenant Involvement and Empowerment standard within HCA's April 2012 Regulatory Framework, no official guidance on self-management has emerged for RPs and sector awareness on the subject appears to be generally low

- The statutory right to manage available to local authority tenants does not apply in the RP sector and so self-management would involve tenants approaching their landlords to negotiate some form of voluntary agreement

- Legal views indicating that proposed self-management contracts between tenant groups and RPs could face the barrier of EU competitive tendering rules for public service procurement where values exceed the current threshold of £173,934 (a January 2012 revision)

  ○ It follows that an approach involving rolling contracts held by tenant management groups may risk invoking these rules and that shorter duration agreements capped in value below the threshold may be needed.

Local Management Agreements – a fast track, first-step option

The Local Management Agreement (LMA) path to tenant management mentioned above is applicable to both the local authority and RP sectors and is promoted for use with smaller scale housing services such as the cleaning of communal space, gardening/grounds maintenance and minor repairs.

LMAs are voluntary and flexible in nature and could therefore represent a good low-risk start point for tenants and landlords within RP sector sheltered housing to develop self management relationships, untrammelled by EU legislation.

Detailed information on the LMA concept is available within a toolkit produced by CityWest Homes (CWH), the ALMO created by Westminster City Council in 2002. This was an Innovation

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[5] - Blood, I and Pannell, J (2012), *Building Mutual Support &Social Capital in Retirement Communities*. Viewpoint No 23, Housing Learning and Improvement Network

into Action project supported by the DCLG and the Chartered Institute of Housing and the toolkit document, published in 2012, can be downloaded from:
www.cwh.org.uk/tenant-services/my-community/local-management-agreements

It is clearly early days for the LMA concept and its application and this is reflected in the following overview of how things stand within City West Homes, architect of the widely acknowledged set of methodologies for achieving this form of tenant management.

LMAs at CITYWEST HOMES

The take up of Local Management Agreements (LMAs) at CityWest Homes (CWH) is viewed as low by this ALMO, although it does stress that has not promoted the concept proactively pending official confirmation that general approval by Government is in place.

The existing LMAs in operation in Westminster are in the process of being reviewed and these will continue to be time limited for between two to three years and be reviewable thereafter. To date no sheltered housing tenants have approached CWH to request a LMA. Similarly, since the CWH toolkit was launched by the then TSA, there has been limited take up of LMAs across London and one of the main issues facing the voluntary LMA tenant management route are concerns about the EU's competitive procurement rules which apply above a contract value threshold of €200,000 (£173,934).

The hope is that with the push towards localism and the streamlining of the Right to Manage regulations more LMAs will come on line and CWH intends promoting this solution for residents' groups potentially developing into tenant management organisations or as a stand alone option for residents to take control of local services.

Practical considerations for Registered Provider sheltered housing

As highlighted in another Housing LIN Viewpoint by Margi Shand[6], tenant participation in the life of sheltered schemes can be patchy and it is quite often found that this is a legacy of the era when 'the Warden' was central to scheme life in general and in terms of facilitating activities, service delivery and some key aspects of housing management.

Now, however, in the new and growing environment of mobile front-line support staff/floating support, needs-led service levels and the option of personal budgets, there are more fertile conditions for tenant empowerment. Indeed, in another Viewpoint for the Housing LIN, Jeremy Porteus advocates the need for improvements in the way commissioners and providers of extra care housing involve and engage with existing and prospective residents. He suggests that 'Living Labs' offer co-created solutions that can meet residents' needs and aspirations, help co-design and co-produce related services and products, fuel innovation that translates into resident benefits, save money through reducing dependency, and motivate organisational change by building a closer relationship with residents.[7] But, what remains uncertain is the extent to which active and latent levels of interest and willingness exist for undertaking self-management roles amongst RPs. While there are examples of this in some leasehold schemes

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[6] - Shand, M (2012). *A radical rethink is required in the way we involve and engage with residents of extra care housing*. Viewpoint No 28, Housing Learning and Improvement Network

[7] - Porteus, J (2012). *Living Labs: a brave new world of customer driven extra care housing*. Viewpoint No32, Housing Learning and Improvement Network

for older people eg. Retirement Securities, it is still embryonic in the RP sector. However, there are seeds of development as RPs begin to transform the way involvement and empowerment and support the important requirement for an associated capacity building exercise. The new Housing LIN case study on the work of Knightstone Housing Association is testament to this.[8]

So, there are many unknowns and this points to the need for a clear communications/ consultation programme coupled with guidelines so that tenants and providers can identify where they stand on the self-management question. On the face of it, the HCA is best placed to set the ball rolling for this process across the sector. However, of significance is the 28th August 2012 announcement by former Housing Minister, Grant Shapps, that £1.3 million has been allocated from the Tenant Empowerment Programme *'... encourage the creation of more tenant panels – groups of tenants who can challenge landlords, shape services and get involved in the local decision making; and help individual tenants engage with their landlords on a range of issues and services.'* The full press release can be found at: www.communities.gov.uk/news/housing/2205660

Meanwhile, one example of an RP's sheltered housing tenants seeking a (relatively ambitious) self-management agreement has been identified and this is summarised below:

A Registered Provider Case Study

The research undertaken for this Viewpoint piece identified an interesting (and, in our experience, unique) example of residents in sheltered housing for social rent seeking a significant self-management role at their scheme. And, as can be seen, in this instance, when the extent of what the role would entail was set out for them, they elected to sign up to a more modest initial agreement.

The scenario:

- Residents in a sheltered scheme contacted their Registered Provider Curo (formally Somer Community Housing Trust) as they wished to have more control over the management of their scheme and in particular the Sheltered Housing Service

- The landlord operates a Sheltered Housing support service with three levels of support (bronze, silver & gold) and the Sheltered Housing Officer (SHO) also delivers support services to older and vulnerable people in the local community

- One of the drivers for the residents group wishing to take this route was the fact that there was no defined schedule for the SHO to be present at the scheme

- The scheme already had a vibrant social committee and residents felt that they could take on full management responsibility, including budgetary control, for the scheme services.

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[8] - James, V (2012). *Individual and Community Engagement: Getting Personal to deliver change.*
Case Study No.60, Housing Learning and Improvement Network

Actions:

- The provider met with the residents and explained in detail the process of managing the scheme services and associated budgets

- After hearing the extent of this role the resident group felt that at present taking over this level of management would be too onerous for them, although they still wanted a measure of control. Therefore a compromise solution was negotiated

- The approach taken was agreed at a series of meetings with key residents' representatives.

The negotiated arrangement:

- The residents:

  ○ Now manage the community room and related social events

  ○ Have reached an agreement on the days and times that the SHO will be present at the scheme to deal with residents' queries

  ○ Negotiated the introduction of a 'diamond' support band for residents with particularly high support needs

- The landlord:

  ○ Has maintained responsibility for staff management, Tax and NI, IT support and HR services

- On-going arrangements:

  ○ There is a formal residents' representatives group who feedback to the landlord on scheme based issues on an on-going basis

  ○ The residents can seek a renegotiation of the current agreement if they feel it is necessary or if they feel more confident about assuming more responsibility for the way their scheme is run.

Outcomes:

The residents consider that they have negotiated a solution which meets their current aspirations, but without 'the hassle' of taking over the full management of the scheme and so avoiding the bureaucracy of the more formal approach of, for example, creating a Tenant Management Organisation (TMO).

Conclusion

The concept of tenant self-management in sheltered housing has some way to go in England in both the RP and local authority sectors and progress with the various possible models for this will greatly depend upon the respective appetites among providers and tenants for entering into suitable agreements. This said, significant drivers for change are almost inevitable given the weight the current Government has placed upon localism and related tenant empowerment and participation in social housing and communities to deliver new and innovative housing choices for older people.

About the Housing LIN

Previously responsible for managing the Department of Health's Extra Care Housing Fund, the Housing LIN is the leading 'learning lab' for a growing network of housing, health and social care professionals in England involved in planning, commissioning, designing, funding, building and managing housing, care and support services for older people and vulnerable adults with long term conditions.

For further information about the Housing LIN's comprehensive list of online resources and shared learning and service improvement opportunities, including site visits and network meetings in your region, visit www.housinglin.org.uk

The Housing LIN welcomes contributions on a range of issues pertinent to housing with care for older and vulnerable adults. If you have an example of how your organisation is closely aligned to a 'Living Lab' approach, or a subject that you feel we should cover, please contact us.

The views expressed in this document are those of the author and not necessarily those of the Housing Learning and Improvement Network.

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