



## Short Notice Inspections of Local Authority Housing Services and ALMOs

### ARCH's response to the consultation document

November 2008

The Association of Retained Council Housing (ARCH) was set up for councils whose tenants have chosen the local authority as their landlord. ARCH brings councils who own and manage housing together to get the best deal for their tenants. These are crucial times for social housing. The way affordable homes are delivered, financed and regulated is changing. Around 100 local authorities own and manage 800,000 properties and ARCH wants to make sure that a brighter future for council tenants is secured. When the Audit Commission's published its consultation on *Short Notice Inspections of Local Authority Housing Services and ALMOs* in October 2008 ARCH asked its members to consider the proposals and forward their comments to form part of a formal ARCH response.

### ARCH's main concerns

ARCH broadly welcomes the proposals for introducing short notice inspections to local authority housing services and ALMOs and the risk based, proportionate approach to selecting those authorities to which it might be applied.

ARCH is concerned that the consultation comes at a time when arrangements for assessing the performance of local public services and the regulation of social housing have yet to be settled. However, how these matters affect the inspection of housing services will be undoubtedly form part of the work undertaken in the pilot programme. ARCH is anxious that local authorities and ALMOs are given a further chance to comment on the draft methodology that emerges from the experience of the pilots.

ARCH supports the Audit Commission's aim to reduce the burden of inspection on local authorities and ALMOs and to focus short notice inspections where there is a particular risk or a concern about performance or prospects for improvement.

ARCH is concerned that one outcome of the pilot of short notice inspections piloted in the Housing Association sector was a reduction in the level and degree of interaction with customers. ARCH would urge the Audit Commission to reinforce the importance of the changes in the methodology and to stress the need to focus on outcomes for customers.

## CONSULTATION QUESTIONS

Q1 Do you see any issues that we might need to address if we use short notice inspections on non-landlord services of LAs (for example, the homelessness service)?

ARCH is concerned that London boroughs, particularly those in inner London, face greater pressures than other local authorities in terms of applications from homeless households and in providing temporary accommodation for those households. It is not clear from the consultation paper how authorities are to be selected for SNI of homelessness service. If that mechanism is proposed to be performance against NI 156 (number of households in temporary accommodation) it may result in too great a focus on London boroughs. ARCH is also concerned that SNIs of homelessness services in smaller local housing authorities may have a disproportionate impact on their limited resources and that this must be carefully weighed in the judging whether inspection or improvement tools are the most appropriate means of securing improvement.

Q2 Are there any aspects of the HA methodology which need to be changed for use with LA housing services and ALMOs?

None.

Q3 Are there specific differences we need to apply to short notice inspections at ALMOs?

None.

Q4 Should short notice inspections be targeted at previously inspected services or services which have not been inspected? If the former, should they be targeted at services which received a Fair, 1 star rating?

ARCH agrees that SNIs should be targeted at previously inspected services in order to achieve the outcomes aimed at in terms of reducing burdens, costs and the overall level of inspection. ARCH also agrees with targeting fair, 1 star authorities in order to achieve maximum performance improvement.

Q5 Do you agree that the main focus for the short notice inspections should be on those LAs and ALMOs that have already been inspected? If not what would you advocate should be our approach?

ARCH agrees that SNIs should be focussed on previously inspected authorities and ALMOs, again to achieve maximum reduction and improvement aims.

Q6 Do you agree with our proposals for scoring services under short notice inspections? Do you agree with the proposed approach for judging prospects for improvement?

ARCH agrees with the proposals for a judgement statement rather than score and would urge the Audit Commission to ensure there is sufficient distinction between a SNI and a full service inspection.

ARCH agrees with the approach for judging prospects for improvement, particularly in the light of the reduction in interaction with customers found in the HA SNI pilots, however, the period of "within two months" may be too

short for some local authority's reporting arrangements. ARCH would ask the Audit Commission to extend this period to 3 months.

[Q7 How should customers' views be taken into account when identifying the services to inspect and during the inspection process itself, particularly where non-landlord services are assessed?](#)

ARCH agrees that particularly serious risks disclosed to the TSA by tenants are an appropriate trigger for inspection. In addition performance against NI 160 (local authority tenants' satisfaction with landlord) provides a similarly appropriate trigger based on tenants views. ARCH agrees with the proposals to increase the level and degree of interaction with tenants in sections 19 and 20 of the consultation document.

ARCH is concerned that there currently appears to be no mechanism for applicants for housing or residents affected by a local authority's strategic activity to trigger and inspection. However, individual applicants for housing have a number of established statutory rights to challenge local housing authority decisions in respect their application. Similarly, residents have the opportunity to play an active role in the development of a local authority's Local Development Framework. The effectiveness of the homelessness and strategic housing services within a particular local authority district will be judged as part of the Comprehensive Area Assessment (CAA). ARCH considers, on balance, existing arrangements are sufficient to protect customers' interests and further provision may work against the aim of reducing burdens. ARCH agrees with the proposals to increase the level and degree of interaction with tenants in sections 19 and 20 of the consultation document and that these measures should be employed in the inspection of non-landlord services.

[Q8 How should we communicate the findings of short notice inspections of LAs and ALMOs to service users, particularly where we are assessing services delivered to the community as a whole \(such as the strategic housing role or homelessness service\)?](#)

ARCH would propose that findings in respect of the strategic role should be communicated with the local authority's stakeholders and partners in writing with the local authority to set out its improvement plan within 3 months.

ARCH would propose a similar approach for homelessness services including those stakeholders and partners consulted on the development of the homelessness strategy and including those applicants accepted as homeless by the local authority and awaiting an offer of permanent accommodation and applicants who had accepted an offer of permanent accommodation within the previous 12 months.

[Q9 How should we integrate short notice inspections of LA housing services, including those delivered by ALMOs, within the CAA framework for assessing performance of public bodies in local areas?](#)

ARCH considers that SNIs should be integrated within the CAA framework as either an "update" to the previous inspection (confirming or otherwise the original judgment on prospects for improvement), or as a standalone judgment on a particular "risk" identified in the service (triggered by a tenant via the TSA for example) in which case it should be given a reduced weighting in the overall CAA judgment to reflect its narrower focus.

Q10 What issues will the Commission face when coordinating short notice inspections with other inspectorates and regulators, including TSA, under CAA? How should we address any issues that you have identified?

ARCH considers that the issues the Commission is likely to face are mainly organisational – whether the appropriate senior officers, members and residents will be available to meet the inspectors at 5 days notice.

Q11 Do you have any further suggestions that you would like us to consider?

None.