

An investment not a cost

The business benefits of tenant involvement



Tenants
Leading Change

Nic Bliss, Blase Lambert, Carole Halfacre
Trevor Bell & Professor David Mullins
March 2015

Funded by the Department for Communities and Local Government

An investment not a cost: the business benefits of tenant involvement

Overview - tenant involvement is an investment not a cost. This review, carried out by the National Tenant Organisations working with the University of Birmingham, found that investing in tenant involvement can produce financial, service, social and community benefits. It can also result in improved tenant satisfaction. However, the review also found that the benefits are often not recognised or articulated. The housing sector needs to do much more to identify and publicise the business and other benefits that derive from involvement.

Objective - the Tenants Leading Change (TLC) programme aimed to identify the business case for tenant involvement, with a view to growing its reach, facilitating learning and helping more landlords to understand the value of involving their tenants, and enabling more tenants to shape their services and create stronger communities.

Approach – asking tenants and landlords a range of questions about financial, service improvement, satisfaction and other benefits, the review gathered information in four different ways:

- **an online form** – 404 responses were received (194 tenant and 210 landlord respondents)
- **a more detailed call for evidence** – 86 landlords provided evidence
- **workshops for tenants and landlords** – 165 attendees
- **five detailed case studies**

Engagement - the programme has engaged in some way with about half of the social housing sector - landlords who own about 50% of housing association homes and about 45% of council owned homes in the country¹. Respondents were from a cross section of housing associations, local authorities, co-ops, Arms Length Management Organisations and Tenant Management Organisations, and were from all areas of the country and from landlords of different sizes. The methods of engagement were open to all tenants and landlords, and so it is possible that those who responded may have been inclined to be supportive of or have a specific interest in tenant involvement.

Case studies - five case studies were chosen on the basis of the benefits they identified, the different ways they carry out tenant involvement, and the differences in the type, size and geographical location of the landlord. The five case study organisations were AmicusHorizon, Community Gateway Association, Hull City Council, Leathermarket Joint Management Board and Soha Housing. The case studies enabled verification of information presented

¹ DCLG live tables on dwelling stock (including vacants). Table 100: number of dwellings by tenure and district, England <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

by the organisations and more detailed exploration of how different benefits can be realised through tenant involvement.

This report presents the reviews findings, conclusions and recommendations considering the following aspects of the TLC's programme's work:

- costs and value for money savings from tenant involvement
- service benefits of tenant involvement
- social and community benefits of tenant involvement
- impact on tenant satisfaction
- perceptions of what makes tenant involvement effective
- conclusions and recommendations

Investing in tenant involvement can produce business benefits

A large majority of respondents to the online form considered that tenants being involved makes a difference and produces beneficial outcomes.

Financial benefits - whilst most did not identify cost savings as the driving factor for investing in tenant involvement, twenty landlords specified value for money cost savings that they attributed, at least partially, to tenant involvement. These savings came from tenant led scrutiny and other reviews, tendering for new contractors that had involved tenants, value for money suggestions from tenants, tenant control, and through tenants carrying out activities that otherwise would have been done by staff or consultants.

Specified cost savings - a total of **£6.64 million** annual cost savings were specified across twenty landlords, ranging from £1,000 savings in one landlord to £2 million in another. This represented reported annual savings of about **£29** per property. If such savings were made across the social housing sector, this would result in savings of about **£118 million**. The five case study organisations identified activities that had resulted in **£3.90 million** annual cost savings which were verified. This was equivalent to around **£94** per property. If this was scaled up across the sector, this figure would produce savings of about **£382 million**. These figures do not take into account the investment needed to develop tenant involvement or the proportion of savings that can be attributed to tenant involvement. But the overall figure may also be underestimated in that those who referred to cost savings may not have quantified other areas where they were also making savings.

The figures provided suggest that tenant involvement can contribute to delivering significant value for money costs savings.

Service benefits - almost all respondents referred to some service improvements, generally relating to efficiencies and to more tenant orientated services, resulting from tenant involvement. Many referred to service improvements resulting from scrutiny reviews (particularly in relation to voids and complaints reviews), tenant inspections, or, in the case of some co-ops, in service delivery. Some referred to tenants being able to produce greater quality than external consultants and over a longer period of time. Several referred to tenants developing their understanding of the housing service and being in a position to act as ambassadors to other tenants.

Effective methods of involvement - online form respondents identified involvement in shaping services in local neighbourhoods, tenant scrutiny and tenant involvement in governance as being the most effective methods of involvement. Surveys, market research and online involvement were seen as less important. Developing trust between tenants and the landlord was considered to be particularly important in developing effective tenant involvement. Tenant involvement in communications, particularly with regards to welfare reform, was highlighted as important in ensuring effective communications with tenants. Some identified that tenants play important roles in tackling anti-social behaviour and in regeneration programmes, through community or youth activities, or by generally participating in making neighbourhoods more attractive.

Tenant management - tenant management was perceived as the most effective method of involvement by those involved in or with experience of tenant management organisations. Tenant controlled organisations particularly highlighted local tenant knowledge as being important to service improvements.

Social dividend and community benefits - many respondents commented on the community benefits that involvement generated. Some referred to involvement being a catalyst for tenants to meet neighbours and develop mutual support networks, particularly amongst tenant controlled organisations. A significant number of respondents referred to involvement being an important means of tackling isolation, particularly amongst elderly residents. Some respondents referred to tenant involvement as being a good way to involve diverse communities or to engage with young people.

Confidence, self-esteem and employability - many respondents referred to the improved confidence and self-esteem that develops amongst involved tenants, and several to involved tenants developing skills leading to greater employability. Some also spoke of the impact tenants have on staff they work with, inspiring them to go the extra mile, and leading in turn to more satisfying employment.

Tenant satisfaction - many respondents reported that tenant involvement improves tenant satisfaction rates. There are difficulties in showing causality

between satisfaction rates and tenant involvement, but 38% of staff respondents to the online form said that they have specific data that indicates that satisfaction increases were as a result of involvement. The case study organisations all reported increased satisfaction which they attributed in part to tenant involvement. AmicusHorizon reported that general satisfaction had increased from 87% in 2010 to 97% in 2013. Community Gateway Association reported an increase in general satisfaction from 77% in 2006 to 90% in 2013. Hull City Council referred to a substantial increase from 50% in 2003 to 80% in 2014. Soha Housing reported increases from 77% in 2005 to 88% in 2014. Leathermarket Joint Management Board was able to point to a 92% vote in favour of continuing JMB management in 2011 on a 68% turnout.

Conclusions - articulating the benefits of tenant involvement

Lack of articulation of the benefits of involvement - throughout the TLC evidence gathering, there seemed to be very limited clear understanding or articulation in the sector of business and other benefits delivered through tenant involvement. In particular, many landlords referred to processes used, such as scrutiny panels, awards won or employment schemes, rather than outcomes or benefits.

Clear identification of benefits - in a more market driven environment, it is important that landlords are able to clearly identify why they are investing in tenant involvement, and what benefits they are getting from that investment. It is particularly important that staff responsible for tenant involvement are able to articulate clearly and regularly to those in governance that investment in involvement produces beneficial results.

The role of the regulator – some, including landlord and tenant participants in all the TLC workshops, and a group of eight housing association chief executives who made a statement to the TLC programme, suggested that regulation could play a role in ensuring effective tenant involvement.

Recommendations – An Investment not a Cost is intended as the start of an ongoing TLC programme to promote and demonstrate the benefits of tenant involvement across the sector. The review has identified a wide range of benefits deriving from tenant involvement. Following requests from some respondents, the National Tenant Organisations will explore the development of a framework to assist tenants and landlords to be much clearer and more vocal about the benefits.

Contents

		Page
Executive summary		2
1	Introduction – aims and scope of the programme	7
2	Background and methodology	8
3	Analysis of benefits	10
	Financial benefits	11
	Service benefits	14
	Social dividend and community benefits	20
	Tenant satisfaction	26
4	Perceptions of what makes tenant involvement effective	28
5	Conclusions	35
Supplementary appendices (in separate document)		
1	Background information	3
2	Methodology	8
3	Online form data	11
4	Analysis of call for evidence information	15
5	Attendance at workshops	26
Case studies (separate document)		
1	AmicusHorizon	
2	Community Gateway Association	
3	Hull City Council	
4	Leathermarket Joint Management Board	
5	Soha Housing	

With thanks to

The National Tenant Organisations would particularly like to thank Cross Keys Homes, Community Gateway Association, Bristol City Council, Hull City Council, AmicusHorizon, LB Southwark and Optima Homes for kindly agreeing to host the TLC workshops. We also wish to thank the National Housing Federation, Chartered Institute of Housing, the Association of Retained Council Housing, the National Federation of ALMOs and HouseMark for engaging with us and, in some cases, arranging discussion sessions with their members. We also wish to thank the many tenants and landlord representatives who completed the TLC online form, responded to the Call for Evidence, who attended the workshops and who participated in some other way.

“An investment not a cost: the business benefits of tenant involvement” has been written by Nic Bliss & Blase Lambert on behalf of the National Tenant Organisations - the Confederation of Co-operative Housing (CCH), the National Federation of Tenant Management Organisations (NFTMO), Tenants & Residents Organisations of England (TAROE) and the Tenant Participation Advisory Service (TPAS). TLC evidence gathering has been supported by Carole Halfacre (TPAS) and Trevor Bell (NFTMO). Martyn Kingsford OBE TD (TAROE), Nick Reynolds (NFTMO) and Jenny Osbourne (TPAS) have represented their organisations on the project's steering group. Professor David Mullins from the University of Birmingham has provided research advice during the evidence gathering and production of the interim report. The National Tenant Organisations also wish to thank Nicola Croden, Linda Higgs and Richard Anderson from the Department for Communities and Local Government for their support and assistance throughout the TLC project.

1 Introduction – aims and scope of the programme

Good landlords understand that listening to tenants is not just the right thing to do. It is also good for business.

- 1.1 The above quote came from the National Tenant Organisation's 2012 publication² *Tenant Panels: Options for Accountability*. It crystallised what many tenants and landlords were saying at that time – that a key reason to involve tenants was to improve the landlord business.
- 1.2 The Tenants Leading Change programme set out to explore the business case for growing effective tenant involvement. The National Tenant Organisations were aware of anecdotal evidence that suggested that tenant involvement makes a difference, but there was generally a lack of evidence to support this claim. The aim of the TLC programme was to investigate financial, service, satisfaction and other benefits, and what works and what doesn't in relation to developing effective tenant involvement and to bring all the available evidence together.
- 1.3 This report sets out the results of the TLC programme's evidence gathering. The investigation has been relatively brief (from October to December 2014) and it would not have been possible in such a short space of time to do more than analyse a snapshot of benefits derived from investment in tenant involvement. Because the evidence gathering was a self-selecting sample, it is possible that those who responded may have been inclined to be supportive of tenant involvement. It has also not been possible to verify all the claims made (apart from in relation to the programme's five case studies) or to investigate a *control* – ie. an organisation which does not engage significantly with its tenants. There is also a significant difficulty in knowing how much can be attributed directly to tenant involvement.
- 1.4 However, the information gathered does indicate that it was correct to suggest that tenant involvement can lead to significant business benefits, as well as a range of other social and community benefits.

² *Tenant Panels: Options for Accountability* – Bliss/Lambert - National Tenant Organisations – 2012 – available at www.nationaltenants.org/tenantpanels/

2 Background and methodology

2.1 Background information on tenant involvement is set out in *Appendix One*. This particularly refers to the Tenant Services Authority *Making Voices Count*³ publication, which set out the need for tenants and landlords to focus on the outcomes of tenant involvement, but that many landlords “focus on tenant involvement as an end in itself rather than a means to improve services and performance”.

2.2 The TLC evidence gathering consisted of the following elements:

- placing an online form and a Call for Evidence seeking more detailed information on the National Tenant Organisation website
- a series of 9 workshops during November 2014
- more detailed investigation through five case studies

2.3 Detailed information on methodology is set out in *Appendix Two*. A total of 404 online form responses were received - 194 tenants and 210 landlords (detailed analysis of the online form is included in *Appendix Three*) and 86 Call for Evidence responses (either through responses to the Call for Evidence on the website or through attendees at workshops referring to specific benefits). These 86 responses are detailed in *Appendix Four*. 81 tenants and 84 landlord representatives attended the nine TLC workshops (identified in *Appendix Five*). The methods of engagement were open to all tenants and landlords, and so it is possible that those who responded may have been inclined to be supportive of or have a specific interest in tenant involvement.

2.4 The five case study organisations were chosen on the basis of the information received in the Call for Evidence. Case Study reports are included on the National Tenant Organisation website.

2.5 The housing associations which have engaged in some way with the TLC programme own or manage approximately 50% of homes owned or managed by housing associations in England. The local authorities and Arms Length Management Organisations (ALMOs) which have engaged with the TLC programme in some way own or manage approximately 45% of the homes owned or managed by local authorities and ALMOs in England⁴.

2.6 As well as this, tenants or staff from 20 Tenant Management Organisations (TMOs) have engaged, and tenants from a further 25 landlords which themselves did not engage as landlords.

³ *Making Voices Count* - Tenant Services Authority June 2010

⁴ DCLG live tables on dwelling stock (including vacants). Table 100: number of dwellings by tenure and district, England <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

2.7 By size band, engagement with the TLC programme is as follows:

Number of homes	Housing association	Local authority		Co-op	% of sample
		LA	ALMO		
<1,000	5			7	7%
<5,000	21	8	4		20%
<10,000	28	10	6		27%
<20,000	23	8	8		24%
<30,000	5	2	6		8%
>30,000	14	4	1		12%
Totals	96	32	25	7	

Table one: number of landlords who have engaged with the TLC programme by size band

2.8 Housing associations have been allocated to size bands in accordance with the association that respondents have identified themselves as being from. In some cases, landlord respondents have identified themselves as a representative of a group parent or a subsidiary.

2.9 The table shows a reasonably even spread of responses, but a higher response rate was received from housing associations in the four size bands greater than <5,000, by comparison to the total number of associations in each size band. The Homes & Communities Agency's database lists 1,213 Registered Providers owning less than 5,000 homes from which only 33 responses were received. On the other hand, just over half of association's owning over 10,000 homes responded – including nearly all of those owning more than 30,000.

2.10 By areas of the country, engagement with the TLC programme is as follows:

Number of homes	Housing association	Local authority		Co-op	% of sample
		LA	ALMO		
National	19				12%
North	26	6	5	1	24%
Midlands	28	11	7	1	29%
London	10	3	7	1	13%
South	13	12	6	4	22%
Totals	96	32	25	7	

Table two: number of landlords who have engaged with the TLC programme by region

2.11 Tenants, leaseholders and other residents have been collectively referred to as *tenants* in this report and staff and other landlord representatives as *staff*.

2.12 Views stated in the report are the opinions of the authors.

3 Evidence gathered – analysis of benefits

- 3.1 Tenant respondents to the online form were asked if they considered that tenants being involved in any of the activities listed⁵ make a difference. **81%** of those who responded (**130** respondents) said that they did⁶. Staff respondents to the online form were asked if they could identify specific examples of beneficial outcomes (financial or other) that could reasonably be attributed to tenant involvement. **78%** of those who responded (**126** respondents) said they could.
- 3.2 Online form respondents were asked to rank their perceptions of the level of benefit produced by tenant involvement. Respondents ranked housing service quality, tenant satisfaction and feelings of ownership through influencing change as the three most important benefits that are derived from involvement.
- 3.3 Whilst housing association tenants ranked all benefits lower than housing association staff, local authority tenants ranked nearly all benefits higher than local authority staff. Feelings of ownership through influencing change featured more strongly for housing association tenants and staff. Tenant and staff respondents from TMOs ranked all benefits higher.

AmicusHorizon is a large housing association operating in London and the South East that used resident involvement as a key part of its governance reshaping following regulatory difficulties in 2009

Since 2009, residents have contributed significantly to producing over £2million in existing or projected annual costs savings for AmicusHorizon. The methodology to assess these cost savings is potentially indicative for other large housing associations

Cost savings have been achieved alongside improvements in services (such as better and earlier resolution of complaints; improved contracts, services and contributions to the local community). Service improvements have been mirrored by increasing satisfaction

Case study: AmicusHorizon

⁵ Involvement in services in local neighbourhoods, tenant scrutiny, involvement in governance (eg. tenant board members), tenant panels, social activities, involvement in complaints, involvement in staff/contractor recruitment, surveys and other market research, tenant management, online involvement, smaller tenant control (eg. ground maintenance)

⁶ Throughout this section, details of responses given are set out in *Appendix Three*

Financial benefits

- 3.4 Whilst most considered that involving tenants results in service and satisfaction benefits, fewer considered that tenant involvement produces cost savings. Organisations with tenants more closely involved in governance (ie. TMOs, ALMOs and co-ops) ranked cost savings from tenant involvement higher, but local authority respondents not from ALMOs or TMOs ranked cost savings lower.
- 3.5 Staff respondents to the online form were asked if they have a cost/benefit analysis that shows the financial benefits of greater tenant involvement. A significant **23%** of those who responded said they do.
- 3.6 The table below sets out the areas where specified cost savings were referred to by respondents to the Call for Evidence. Other referred to cost savings but did not specify amounts saved. With the exception of the case study organisations, the figures in this table have not been verified.

Activities that had led to savings	Amount
Tenant led scrutiny reviews	261,624
Other reviews tenants were involved in	2,308,461
Tendering for new contractors that had involved tenants	2,795,551
Value for money suggestions from tenants	47,000
Savings through tenant control	1,013,000
Tenants carrying out activities that otherwise would have been carried out by staff or consultants	215,400
Total	6,641,036

Table three: cost savings claimed

- 3.7 The table lists total savings of **£6,641,036** across **228,686** properties, a cost saving of about **£29** per property. If such savings were extrapolated across the four million properties in the social housing sector, this would result in gross savings across the sector of around **£118 million**. Savings made by case study organisations that were verified amounted to **£3,896,012** across **41,500** properties, a cost saving of around **£94** per property, which, if extrapolated across all social housing would result in gross savings of **£382 million**.
- 3.8 These figures do not take into account the investment needed to develop tenant involvement⁷ or the proportion of savings that can be attributed to tenant involvement. Most of the above savings came about through tenants working in partnership with staff, although some came about solely through tenant activity. It was not possible to assess

⁷ *Tenant Panels: Options for Accountability* identified as headings for resources required to support tenant involvement as - staff specifically supporting tenant involvement, other staff engaging with involved tenants, training and development costs, meeting and other expenses, costs relating to gathering information from other sources (eg. attending conferences, surveying etc) and external independent support.

what percentage of cost savings were as a direct result of tenant involvement. But the overall figure may also be underestimated in that those who referred to cost savings may not have quantified other areas where they were also making savings.

3.9 Respondents to the Call for Evidence identified the following areas as producing cost savings:

- savings as a result of tenant-led scrutiny exercises or reviews – several respondents particularly referred to savings as a result of reviews of complaints handling, voids management, grounds maintenance and estate services, repairs and planned maintenance

“Our scrutiny panel recommended a changed timescale for our complaints handling and a focus on early informal resolution. This saved us money and led to increased satisfaction.” **Accent Group**

“Scrutiny panel recommendations saved us about £10K per annum and our void turnaround times dropped from 20 to 10 days.”
Cambridge Housing Society

“Since the complaints management review has been carried out and recommendations from the panel implemented, there has been an increase in the number of complaints resolved quickly at an informal stage resulting in efficiency savings of approx £2,500; 40% reduction in formal complaints being resolved at stage one leading to more effective use of staff resources; and the percentage of complaints responded to within target is at 97%.”
North Lincolnshire Homes

- savings as a result of tendering processes (some of which may have originated from scrutiny exercises) in which tenants participated

“The tendering process enabled us to benchmark our services in the current market place and develop new specifications. Two Home Group customers, involved from the outset, helped set the specification, participated in all meetings, and were part of the final decision making process. The approach resulted in a cost saving of approximately £400,000 per annum from 2014 to 2016, while delivering an improved service to customers.”
Home Group South Region review of Estate Services

- savings where consultation and debate with tenants had enabled landlords to identify tenant bottom lines and therefore where value for money cost savings could be made
- savings where landlords identified the full time equivalent of the voluntary work of tenants and similarly where landlords compared tenant work on inspections to what the landlord would have had to pay (and in many cases did) for external consultants to carry out similar work

“We value the many beneficial outcomes achieved through our tenant involvement which includes effective scrutiny of our performance at a considerable reduced cost than if conducted by external consultants, leading to improved customer service, satisfaction and in many cases better value for money. We estimate that customers' voluntary work is saving us an equivalent of at least one full-time staff member - around £20,500 per annum.” **Bracknell Forest Homes**

- smaller savings relating to particular local issues - eg. turning off a trades button on a block of flats resulting in less expenditure on security patrols; tenants suggesting that communal lighting be turned off at particular times; tenants requesting that less paperwork be sent out

“Our voids and allocations scrutiny project investigation identified a number of areas in which duplication of surveys and welcome packs were issued to tenants by multiple teams. £20,500 cash savings per year were achieved by unifying the approach.”
Liverpool Housing Trust

- savings through tenant controlled options. Several TMOs referred to their services being less expensive than their local authorities, and ownership and/or management co-ops particularly referred to savings made by tenants participating, sometimes extensively, in service delivery.

3.10 In almost all of the examples of costs savings provided to us, respondents also indicated other service or social/community benefits developed as a result of tenant involvement.

“Our Landlord Transformation Programme started in 2009, aiming to deliver change to our repairs service with the key objective of delivering improved satisfaction. Tenants took part in consultations, co-designed the Bristol Home Standard and our end to end process. The review was informed by tenant feedback and complaints. Ongoing dialogue and monitoring is through a Service User Group, and tenant inspectors check standards and quality. Outcomes include record levels of customer satisfaction, more appointments met, average time to complete repairs has reduced, and we estimate £1m per annum savings through a new material supplier.”

Bristol City Council

“They have carried out seven inspections in the last two years. Resident Inspectors on average spend 36 days on each inspection and have donated 2260 hours so far. Each inspection costs on average £10,300 including staff time, an external auditor would on average cost £36,000. This is an overall saving of £179,900. Obviously the biggest benefit is gaining the resident perspective.” **Knightstone**

Leathermarket Joint Management Board (JMB), a TMO managing 1,419 homes owned by the London Borough of Southwark, enables local residents to make decisions about their homes. Set up in 1996 following local discontent with services, involvement through the JMB has led to improved repairs, rent arrears, communal cleaning, gardening and other services. In 2011, 92% of residents voted to continue JMB management (on a 68% turnout). For the last four years, the JMB has made 3% efficiency savings (£148K in 2013) from its budget in order to clear a backlog of historic major repairs. The personal relationships the JMB has with its residents means that it performs well in areas such as tackling unlawful occupation, fire safety issues, and in supporting vulnerable residents.

Case study: Leathermarket Joint Management Board

Service benefits

- 3.11 Respondents referred to multiple service benefits derived at least partially from tenant involvement. Scrutiny and other forms of review were particularly noted as enabling tenant involvement to have significant impact on services.
- 3.12 Several referred to voids scrutiny reviews that had resulted in lower void numbers, reductions in relet times, some bringing empty properties back into use, and greater satisfaction for the tenant moving in. There

were many references to scrutiny reviews of complaints systems – most leading to changed emphasis to early resolution of problems and simplified systems, resulting in fewer formal complaints, greater tenant satisfaction, and less staff time involvement in tackling complaints.

“The voids scrutiny review ran from November 2013 to June 2013. It was the first full inspection of a service area which was of grave concern to both tenants and asra. Their recommendations led to the number of voids reducing from 471 in 2012 to 147 in 2014; the introduction of asra’s waiting list which now has almost 3000 applicants registered; a renegotiation of most of our Local Authority nomination agreements; the introduction of an interactive *Find A Home* search tool on our website; furniture packages introduced for new tenants; and an expanded role for asra Property Services”.

asra Housing

- 3.13 Other scrutiny areas referred to ranged widely across a number of practical areas, including appointments systems, computer systems and the location of housing teams, consideration of bringing services in-house, gardening and neighbourhood services, sheltered housing services, aids and adaptations, and many other areas.

“Tenant Involvement has helped us shape and implement radical changes to our sheltered housing service. There has been a move away from a *one size fits all* to a more personalised service enabling us to focus resources where tenants want and need them without any additional cost.” **East Kent Housing**

- 3.14 Service benefits resulting from these reviews were as varied as the subject matter. Most had resulted in greater efficiencies meaning that resources could be better used or targeted, and most also referred to a more tenant orientated service being developed following reviews. Some referred to tenants being in a position to deliver much more quality than would be possible through external consultants, and that tenant reviews could be done over a longer period of time than possible through other internal or external resources. Some pointed out that tenants are in a position to raise issues that staff sometimes can’t, and that they do so from a tenant perspective.

“More rigorous scrutiny than would be possible for an outside organisation and over a six to twelve month period rather than a day’s inspection.” **Wythenshawe Housing Group**

“Valuable perspective ensuring that policies are fair, user friendly and accessible to tenants.” **East Riding of Yorkshire**

“Involvement is a tin opener for things that get forgotten. Tenants provide different perspectives for staff and get them thinking.”
Accent Group

- 3.15 It was also pointed out that scrutiny reviews can affirm the quality of services and thereby led to positive benefits for the staff concerned. Liverpool Housing Trust referred to a sheltered housing review that identified high levels of satisfaction.
- 3.16 A number of respondents referred to practical benefits deriving from tenant inspections, mystery shopping and other tenant research activities highlighting the quality of information alongside minimal costs. Some referred to the value of involving tenants in tendering processes – both to bring in tenant perspective and to lever additional benefits from contractors.

“Residents being involved in the procurement and monitoring of our new gas contractor has led to increased satisfaction and a reduction in customer complaints. Their involvement in quality checking our previous gas contractor gave them a benchmark for the selection process. They now monitor performance, complaints and the social value of the new contractor”. **Barnet Homes**

- 3.17 There were references to the importance of involved tenants developing greater understanding of business issues as a means of acting in an ambassadorial role – sometimes interceding between the landlord and tenants to get problems or misapprehensions resolved. Some referred to tenant suggestions on practical matters leading to small scale savings that had resulted in reductions in service charges.

“AshramMoseley worked with residents of a new 100 home scheme in Coventry to develop Arden Park Residents Association. Satisfaction was low due to high running costs of boilers and other issues. The group engaged with the wider estate through fun days and using our mobile vehicle, Planning for Real exercises and general dialogue. This led to a boiler replacement programme and residents subsequently reported upwards of a 50% reduction in energy consumption. The outcomes of our support for the association included a reduction in complaints and an increase in satisfaction, better value for residents, a closer relationship between us and our tenants, and the Chair of the association being put forward to our Board.”

Accord AshramMoseley

“Residents of a high-rise block discussed priority cleaning areas with Estate Services. Together they came up with a rota more suited to the needs of the estate. Collaborative working means the service provider is able to deliver a service designed to suite the estate rather than rolling out a *one size fits all* approach. Residents were initially saying more resources were needed but when they looked at the detail, it turned out that the service provider could work better with resources already available.” **Brighton and Hove Council**

“We have achieved some remarkable success during our existence. The co-operation between six different associations has improved the services throughout the associations. We recently undertook a scrutiny on gardening services. This resulted in Unity Housing entering into a contract with Leeds Federated to carry out their gardening services, and the outcome for Unity tenants was a reduced service charge.” **Leeds Collaborative Group** (tenant group from six Leeds housing associations)

“Following feedback from tenants that they no longer required communal phones, it was decided to recommend the removal of pay phones. This will result in a reduction in tenant service charge. Another was when tenants highlighted that energy has been wasted when communal lights were on 24/7. As a result timer switches were altered which will over time reduce energy bills.”

Peter Bedford Housing Association

- 3.18 Several referred to tenants having been involved in developing strategies to minimise effects from welfare reform, and in some cases, tenants had been recruited as champions to communicate messages

to tenants, particularly to ethnic minority tenants. Bushbury Hill Estate Management Board's tenant led welfare reform strategy, developed a year in advance of changes, helped tenants to adjust to the changes and has meant arrears levels reducing to 0.99% in 2014.

"This is particularly significant as 18% of our tenants were affected by the bedroom tax and there was a 6% rent rise. There were no evictions for arrears. This is because the tenant board had a strategy to deal with the impact of welfare reform and every tenant affected had the opportunity to have a one to one meeting to discuss how they would be affected and how we could help. This was a year before bedroom tax implementation which allowed time for the EMB and its tenants to change working practices and plan."

Bushbury Hill Estate Management Board

- 3.19 Many respondents referred to tenant involvement generally improving communications with other tenants. Identifying issues of importance to tenants and ensuring jargon free and tenant friendly language was considered to lead to communications that are more likely to be used by tenants. Some referred to tenants being involved in rewriting standard letters; many to tenants being involved in producing user friendly annual reports; and some referred to communications scrutiny reviews. The particular value of social media was referred to.

The **Yarlington Chat** Facebook page targets "those living on the edge of society, through mental health issues, lack of confidence or social standing - people who would not read the resident magazine, attend open days or involve themselves with the community around them. Yarlington wanted to break down the barriers and reach out to them. It enables staff to talk to residents, hear views, act on issues. It changed attitudes and relationships. It improves the company and the lives of residents. It means less calls to the call centre and that staff and residents have a better understanding of each other."

- 3.20 Several TMOs and local authority landlords with TMOs referred to improved service performance in tenant facing services in TMOs. This was particularly attributed to the personal relationships and personal knowledge inherent to local tenant control.

“We know everyone personally and the residents all know the manager and senior staff. When we are working on something – we know our people and how they will respond to something and we plan our work accordingly. The JMB has lifted expectations for residents and so we know very quickly when things are not right and contractors know that they have to deliver us good value for money. It’s a cultural thing. People think poor service is *just what happens* and so problems often don’t get reported. We make better, more refined, decisions; we have tighter scrutiny and better contracting; and we have personal relationships that all allow us to unlock behaviours and decisions that wouldn’t happen otherwise.”

Leathermarket Joint Management Board

“BITMO offers a service managed locally. Tenant board members were closely involved in selecting the preferred repairs contractor and their strategic management at a local level. The simple accessible contract has allowed greater understanding of processes and as a result savings have been made. The results have been *good assurance* judgments from Leeds City Council’s internal audit team about contract management, improved tenant satisfaction, year on year savings and cost reductions on schedule of rates costs and good returns on performance indicators.” **Belle Isle TMO**

- 3.21 Various respondents referred to tenant involvement having an impact in tackling Anti-Social Behaviour (ASB). In several cases, tenants had highlighted the need for support for tenants experiencing ASB, which, for example, in North Tyneside Council had led to a Witness Support Group of tenant volunteers, a victim support officer and an ASB prevention officer.
- 3.22 Particular schemes to tackle ASB were reported, such as Knightstone’s Westford Grange Dream Scheme, Magenta Living’s Woodchurch Fordway Trust environmental project, asra’s work to support the local community on the Braunstone estate in Leicester, where tenant-led initiatives had tackled areas formerly known for ASB. Several TMOs particularly referred to tackling former ASB problems, which had been amongst the reasons why they were set up, through a variety of community-led initiatives (such as Wenlock Barn TMO’s community garden and kitchen). Co-ops and TMOs referred to very few cases of ASB due to local tenant knowledge and tenant volunteers dealing with any issues that arise at source.
- 3.23 Some respondents referred to tenants playing a significant role in developing *kerb appeal* in regeneration schemes or hard to let/sell

areas. Trent and Dove spoke of tenant led projects transforming “run-down brownfield sites, plagued by vandalism and demolished eye-sore structures to replace them with well designed, well built homes with kerb appeal”. The London Borough of Camden discussed the importance of local involvement in the regeneration of Camden’s Tybalds area. Leathermarket JMB indicated that work with local residents had made it possible to develop new homes in areas where otherwise local people would have been “protesting in front of the bulldozers”.

Hull City Council owns 25,300 homes in Kingston upon Hull in the Humberside area. Hull’s investment in tenant involvement has been a key element of it turning around what was considered a failing housing service in 2003. Tenants have particularly had significant impact on improving Hull’s voids performance, the contact centre, anti-social behaviour handling and standards in multi-storey blocks. Hull considers that its tenant inspection programme has had a significant impact on increasing tenant satisfaction from about 50% in 2003 to 80% in 2014. Hull’s tenant involvement has led to individuals improving their confidence, skills and employability, and to an improved staff culture.

Case study: Hull City Council

Social dividend and community benefits

- 3.24 For many, the involvement of tenants was also about more intangible benefits, seeing tenant involvement being a part of a culture of trust, accountability, transparency and of partnership working between landlord and tenants.
- 3.25 Some referred to the social dividend of increased tenant loyalty through tenants being valued, included and heard. An AmicusHorizon tenant referred to the need for trust. “It’s about AmicusHorizon having a grown up conversation with residents and we have responded by being interested in the needs of the business as well as the needs of residents. Until residents understand what things cost, they’ll only be interested in things that directly affect them”.
- 3.26 Membership based organisations demonstrated this growing trust through numbers of tenants choosing to be members and exercising their democratic voting rights. Community Gateway Association highlighted a membership of 4,033, largely made up of former Preston City Council tenants. Kensington & Chelsea Tenant Management Organisation pointed to their increasing membership and increasing numbers voting in tenant elections (40% of 5,000 members in 2013) as evidence of developing democracy.

Community Gateway Association is a 6,000 home housing association in Preston, owned by tenant and resident members, and with a member elected Gateway Tenant Committee (GTC) integral to decision-making. GTC members participated in making decisions to bring CGA's repairs service in house, resulting in annual savings of £1m. Tenant scrutiny has also led to the grounds maintenance service being brought in house which will lead to further savings and to improvements in developing a right first time repairs service and in welfare benefits communications.

With the GTC integral to decision-making, CGA considers that tenants have had an impact on increases in tenant satisfaction. CGA considers that tenants have made other contributions, including inspiring staff and Board members, participating in developing a community minibuss service, a youth inclusion strategy, and developing new community-led homes. "There is a huge cultural effect of having tenants around all the time working closely with staff at all levels. It contributes to a *family* culture where everyone sees each others' point of view."

Case study: Community Gateway Association

- 3.27 Housing co-ops particularly referred to member involvement being about developing their communities. Co-op respondents to the online form were confused that the online form asked them to make a choice between their tenant and landlord identities. To them, their membership was the gateway to their involvement in the co-op and their local communities.

"We're a strong community. People feel safe and secure here. We know our neighbours and we look out for each other."

Minster Housing Co-op

"We learn how to solve problems collectively. We feel part of social change. Everyone knows and looks out for each other. There's a lot of neighbourliness - we tackle isolation." **Two Piers Housing Co-op**

- 3.28 Whilst recognising that it's not the main reason to involve tenants, tackling isolation was a theme touched on by several respondents, particularly in relation to elderly and supported housing tenants.

"Many elderly and disabled people experience loneliness and isolation, and getting involved can provide friendship, long term health benefits and better quality of life." **City of Lincoln Council**

“They now hold Sunday lunch in their communal lounge and have 22 regularly attend, including several who previously did not leave their flats due to a lack of confidence or health issues, but who now feel able to.” **Cornwall Housing** (discussing their support to develop a self-sustaining residents association in a sheltered scheme)

- 3.29 Peter Bedford Housing Association said that their Forum is a good way for their supported housing tenants to meet people – it provides “volunteering opportunities that are not only beneficial to us, but they improve confidence, employability and reduce isolation of tenants”. Others referred to *silver surfer* tenants being trained by other tenants, providing them with a means of maintaining contact with their families.
- 3.30 Brighton and Hove Council, Cheltenham Borough Homes and Soha Housing discussed engagement with their respective diverse and access *for all* groups, and how they had led to deeper understanding of the needs of disadvantaged groups.

“Our Tenant Disability Network worked on a new Adaptations pamphlet with the Adaptations Operations Manager. Insight and shared experience from a disabled person’s point of view reduced jargon and improved design of the leaflet. This joint working and was welcomed on both sides.” **Brighton and Hove Council**

“The Disabled Community Forum and the Polish Community Forum are groups formed and supported by CBH to help us address the needs of those who may be underrepresented or at disadvantage. Results have included improved consideration of disabled tenants’ needs, improved approaches to dealing with hate crime complaints, various practical service improvements and better communications, group members feel empowered to meet independently, setting up peer support and social networking/media and participating/running their own events.” **Cheltenham Borough Homes**

“We trained tenants who speak a second language to become self-employed translators. Bilingual customers become translators in a range of languages, including Polish, Czech, Slovak, Mandarin, Arabic, Russian, Latvian, Hindi, Punjabi and Urdu. As part of the project, interpreters are now working with homeless people and families. By equipping customers with interpreting skills, the project has empowered them to be part of an accessible service transforming lives and it provides job opportunities.” **Incommunities**

“Our Human Library is a national group of clients, customers and colleagues who identify with different diversity groups - for example, gay people, transgender people, people who practice different religions etc. and who are willing to speak to others about their lives and share their experiences at life swap sessions, diversity challenge groups, workshops and events.” **Home Group**

- 3.31 Some TMOs referred to their support for diverse groups. Cowley Resident Management Organisation referred to their support for a community food farm and kitchen which had integrated Bangladeshi people who had not previously engaged, had taught single mothers the basics of cooking (including how to make chilli mint bread!) and young people that "carrots don't come in a bag".
- 3.32 Tenants developing projects to support young people was a theme discussed by some respondents. Browning Estate Management Association and Bushbury Hill Estate Management Board support young people in local football teams. Leeds City Council tenants set up Passion4Fashion giving young people a small budget to use on the remodelling of clothes, ending with a fashion show at the Town Hall. Magenta Living supported tenants set up the Melrose Hall Afterschool Club resulting in local benefits for young people. Blenheim Gardens Resident Management Organisation's study support group is "a local focal point for the community and their children". Offered to the children on four days a week through qualified teachers, the scheme has been funded by the RMO and other grants. "It provides a safe, fun yet focused forum for children to learn, resulting in children, many from disadvantaged backgrounds, improving their school grades".

“Our Children's Forum and Youth TMO leads to greater engagement with the TMO from all members of the family, engendering trust and support. It instils a sense of belonging and ultimately encourages young residents to take responsibility.” **Kensington & Chelsea TMO**

- 3.33 Some respondents referred to schemes which had supported young people in some aspect of the housing business. Nottingham City Homes spoke about their young inspectors. Kensington and Chelsea TMO's Children's Forum and Youth TMO also led to £92,000 grant funding being secured for youth initiatives, and a reduction in number of ASB incidents reported. Similarly, Community Gateway Association's Under 16s membership and the Ingol Youth Forum has secured £85,000 grant funding for the development of a play park.

“Resident committees wanted to get closer to young people. Together with CityWest Homes, they developed and launched CityWest Factor, a Dragon’s Den style competition for young people to learn business skills and develop confidence. Seven groups, with young people aged between 8 and 18 years old, took part. The perception of young people on estates can be of causing trouble, noise and intimidation. CityWest Factor was about learning more about young people on their estates: who they are, where they come from, the issues they face and how they perceive their own community. It gave the young people an opportunity to think and learn more about their community and enhance it, develop their creativity, business acumen and pitching skills and boost their prospects for further education or work.” **CityWest Homes**

- 3.34 Many respondents referred to individual social capital that had developed amongst involved tenants, particularly in relation to building skills, confidence, self-esteem and pride in achievements. Minster Housing Co-op referred to “people – particularly women - who had few skills when they moved in now having business acumen, skills and confidence through taking responsibility”.

“Our analysis shows that 90% of clients and customers said getting involved increased their confidence and 81% of clients and customers said they gained or developed skills through their involvement.” **Home Group**

“It has made me realise I am far more capable than I first thought. I have a new level of confidence.” **Hull City Council tenant**

“The testimonies of involved tenants are humbling. Their growth in skills and confidence is staggering. They feel a justified pride in their work.” **Soha Housing**

- 3.35 In many cases, respondents referred to increasing employability. Several referred to NVQ level and other qualifications that tenant volunteers had achieved. Some respondents provided specific examples where individual involved tenants had gained employment as a result of their involvement, sometimes in the landlord or the landlord’s contractors. Tenant volunteering may help tenants not just with activities to include on their CVs but also with building their aspirations and their understanding of the working environment.

Soha Housing, owning and managing about 6,000 homes in areas around South Oxfordshire, was set up in 2005 with a strong tenant involvement structure. In the last year, Soha has recorded £655K savings where tenants have been involved in repairs and planned maintenance retendering exercises. Tenant involvement has led to considerable service benefits regarding repairs, voids, complaints, improved services for disabled tenants, support and communications on welfare reform. Soha considers that tenant inspections and face to face communications with tenants have had an impact on increases in tenant satisfaction since 2005, better communications and individual benefits for those involved.

Case study: Soha Housing

- 3.36 There were some references to community businesses being developed by tenant volunteers. New Charter discussed a resident led scheme that recycles furniture left in voids, providing training and volunteering opportunities for local people, and which has now resulted in two people being employed to run the scheme.
- 3.37 It was also noted that involved tenants gain the skills needed to enable them to get involved in governance through Board membership, with some landlords particularly providing training to enable this.
- 3.38 Some respondents referred to how tenant involvement improves the working environment for staff.

“Staff are very aware of resident expectations and this leads to higher resident satisfaction but also to higher staff satisfaction with us as an employer.” **Community Gateway Association**

“It’s a cultural thing. Staff are reminded every day that we are here for the residents. Because they see the hard work that residents put in, this inspires them to go the extra mile for the residents – and it produces a virtuous cycle of added value.” **AmicusHorizon**

“Tenants were involved in our Customer First Training. They provided a different perspective for staff, and it got them thinking about their roles.” **Accent Group**

- 3.39 Some local authority respondents particularly highlighted that some of their involvement activities enable them to engage on local authority initiatives wider than housing (eg. social, economic and environmental). Milton Keynes District Council discussed residents

contributing to community-led plans. The London Borough of Camden said that its tenant consultation events enabled it to collect tenant-related data as well as to promote local authority priorities such as public health and recycling. Leeds City Council noted that its tenant engagement enabled it to identify and manage crisis issues for residents. The National Federation of ALMOs particularly highlighted the wider activities that ALMO host local authorities are commissioning them to carry out, resulting in different involvement activities.

“Tenant engagement is a collaborative approach, with many levels. We recognise different levels of engagement are appropriate at different times, and the benefits are invaluable - increased community voice: people identifying needs and solutions, which lead to increased effectiveness: a more targeted service that best meets the needs of those accessing it. This leads to increased efficiency: a better use of resources, saving time and money, which contributes to services that are sustainable, resilient and constantly improving due to continual evaluation and development.” **Milton Keynes Council**

Tenant satisfaction

- 3.40 Many respondents referred to increases in tenant satisfaction as a result of tenant involvement. **38%** of staff respondents to the online form said that they have data that attributes increases in satisfaction to tenant involvement. **46%** said they don't.
- 3.41 Whilst there are difficulties in correlating increases or decreases in satisfaction ratings to the landlord's work to involve tenants, some referred to sharp increases in satisfaction as a result of implementing recommendations made in scrutiny reviews (eg. on repairs, grounds maintenance or communications). Several referred to direct tenant to tenant communication (through tenant research or inspections) resulting in increases in satisfaction.
- 3.42 Case study organisations referred to improvements in satisfaction statistics. AmicusHorizon considered that involvement has had an impact on satisfaction increases, but they also identified other changes that will have contributed. Community Gateway Association said “we can't prove that satisfaction levels are as a result of tenant involvement but our Gateway Tenant Committee in particular is integral to our day to day decision making processes”. Soha Housing were clear that tenant inspections and scrutiny had resulted in increases in satisfaction, and Hull City Council considered that tenants being “more likely to give full and frank feedback to tenant inspectors than to officers or contractors” was part of the reason for their increase in satisfaction.

Case study	Satisfaction statistics
AmicusHorizon	General satisfaction rising from 87% in 2010 to 97% in 2013 (with those very satisfied increasing from 47% in 2010 to 66% in 2013)
Community Gateway Association	Reported an increase in general satisfaction from 77% in 2006 to 90% in 2013
Hull City Council	Substantial increases from about 50% in 2003. Overall satisfaction now at 80% and with repairs 98%
Leathermarket Joint Management Board	92% vote in favour of continuing JMB management in 2011 (68% turnout)
Soha Housing	Satisfaction increases (from 77% in 2005 to 88% in 2014 and 54% to 76% that views taken into account)

- 3.43 Tenant controlled organisations particularly referred to high or increasing levels of tenant satisfaction or higher levels of satisfaction than their landlord.

“Overall satisfaction was only 64% in 2004, reflecting the poor services provided at the time. By 2010-11 overall satisfaction had risen to 73%; in 2013-14 it rose again, to 75% – the highest yet. The benefit of increased involvement is leading to higher satisfaction.”

Kensington and Chelsea Tenant Management Organisation

4 Perceptions of what makes tenant involvement effective

- 4.1 Online form respondents were asked what methods they considered to be the most effective forms of involvement. Detailed information on responses is shown in *Appendix Three*.
- 4.2 Rankings for all forms of involvement were above average, but tenant respondents ranked all forms of involvement as being less effective than staff respondents (particularly housing association tenant respondents). The only exception to this was that local authority tenant respondents ranked social activities and involvement in complaints higher than their staff counterparts.
- 4.3 Involvement in services in local neighbourhoods and tenant scrutiny were perceived as the most effective form of involvement, followed by tenant involvement in governance, tenant panels, social activities and complaints.
- 4.4 Respondents ranked surveying, other methods of market research and online involvement comparatively lower than other methods of involvement. Whilst housing association staff ranked surveys higher, both housing association and local authority tenants ranked surveying and online involvement lower than staff.
- 4.5 Housing association tenants gave the lowest ranking for involvement in governance, but this was matched by a low ranking given by local authority respondents where management is not provided through an ALMO or TMO. ALMO and TMO respondents ranked involvement in governance higher.
- 4.6 Direct experience of tenant management appears to have particularly impacted on responses. Respondents from the housing association sector, where there is limited experience of tenant management, gave tenant management a low ranking. Non ALMO/TMO respondents from local authorities also gave tenant management a low ranking. TMO respondents gave their highest ranking to tenant management. ALMO respondents also ranked tenant management highly, and both ALMO and TMO respondents gave high rankings to tenant board membership and social activities. Similarly, areas with higher concentrations of tenant management (London and larger local authorities) support for tenant management was higher.
- 4.7 Some respondents discussed the methods they use to involve tenants. Several referred to the effectiveness of tenant inspectors, mystery shopping, reality checking against standards and tenants as researchers.

- 4.8 Those with a tenant majority on their Board, with a tenant membership, and where tenants are involved in delivering services themselves particularly considered those methods to be effective. Some referred to participatory budgeting and other forms local control over budgets. Some also referred to the effectiveness of tenants being involved in managing community projects and social activities.
- 4.9 **Trust and partnership** and approachable and willing staff were considered by all respondent groups to the online form to be the most important factors behind effective tenant involvement. These issues were also raised in the workshops and the Call for Evidence. Several tenants spoke of the desire for a partnership of respect with the landlord that breaks down *us and them*. Tenant online form respondents referred to a positive attitude where tenants are “involved from the outset”, where there are “no hidden agendas and everyone listens”, where there are “two way conversations and we’ve *always done it this way* is no longer acceptable”. It was noted that partnership working takes time, and one respondent identified that sometimes “the pace of change does not match with the pace of change that tenants need.”
- 4.10 **Cultural commitment and landlord buy-in** was considered to be important, starting from the Chief Executive, the political or governance leadership, and part of the landlord’s business objectives cascading through organisational culture. Several suggested that encouraging a culture of constructive challenge was needed to free up the unique perspective of tenants - “insight that only they can bring”. The constructive challenge inherent to scrutiny - alongside the ability for tenants to engage directly with the governing body and senior management, as well as to be able to discuss operational detail with staff at other levels – was discussed in several workshop and Call for evidence responses.

“The following are important about our independent tenant led Scrutiny Panel - it is self determining in its activities; it is fully supported by asra with dedicated officer support, open and transparent access to information, budget and training. It’s a key part of our governance structure, reporting directly to the Board. Tenants are at the heart of our inspecting services from a tenant point of view. Many tangible service improvements have been evidenced which not only improve services for all customers but also help ASRA increase satisfaction, increase efficiencies, improve value for money and reduce costs” **asra Housing**

- 4.11 **Difficulties in getting tenants to participate** were seen as the biggest barrier to effective tenant involvement by all respondents. Several

respondents referred to apathy amongst tenants, but others reflected that age, health, busy lifestyles, and other interests being cited as reasons why many tenants don't want to be actively involved. Intergenerational barriers, different aspirations and values, and some tenants coming from cultures where involvement is not the norm were suggested as preventing some people participating. Some respondents referred to some tenants fearing the consequences of saying negative things about the landlord.

- 4.12 Many respondents referred to a range of practical issues that make it harder for tenants to get involved – travel, mobility, disability issues, language, use of jargon, childcare issues, challenges relating to when meetings are (evening meetings putting off those with childcare responsibilities; daytime meetings putting off those in work) and too much focus on meetings.
- 4.13 Welfare reform was noted by some as having placed pressures on tenants making it harder for them to participate. Concern was also expressed by some that negative Benefits Street style publicity may have coloured the attitudes of some staff to tenants.
- 4.14 Several referred to little recognition for the work that tenant volunteers do. The importance of tenant leadership to encourage others to get involved was noted as important - one respondent suggested that there is a need for “proactive and catalytic tenants”.
- 4.15 **Communicating benefits** - it was widely considered that the reasons why tenants should get involved should be well communicated. Several respondents discussed the need to get across to tenants that involvement is meaningful, and that it produces benefits for tenants, the business and potentially the individuals involved. It was also considered important that particularly the business benefits of tenant involvement should be communicated to staff. A concern was expressed that a corporate measurement culture may result in less tangible benefits of tenant involvement being ignored.
- 4.16 **Methods of communication** were considered important, certainly with tenants but also with staff – communication about the ways that tenants can get involved, but also feedback from tenant consultation. It was also suggested that there needs to be different methods of communication, with some tenants not being in a position to access online information. The London Borough of Camden commented “as housing providers respond to broader moves to services being delivered online, on smartphones and via customer services centres, personal engagement also remains crucial in helping us develop a deeper insight into our customer expectations”.

- 4.17 **A variety of opportunities** being available was also a recurrent theme, particularly in relation to enabling all tenants to participate in ways suitable to them. One respondent spoke of the need for “clear pathways to involvement starting from small activities”. Another tenant respondent spoke of the need for involved tenants to be accountable to other tenants.
- 4.18 **Training and development for tenants** was considered important, both through formal training and through mentoring approaches. Some tenant respondents particularly highlighted the need for tenants to understand the housing industry and business practice, and it was suggested that through such training, tenants are more likely to see the bigger picture rather than just their individual needs.
- 4.19 **Investment and resources** were noted as being necessary to develop tenant involvement. Several tenant respondents reflected the need to provide sufficient resources whilst achieving VFM. One respondent said “you need to invest to get the savings”, whilst another said that “if you don’t involve tenants, you end up wasting money”.
- 4.20 **The right staffing resources** – “the right people in the right place” was referred to, with some suggesting that featuring tenant involvement in recruitment processes and staff contracts is important, as well as training staff at all levels about tenant involvement. Differing views were expressed about the balance of specialist involvement staff and generic staff, but several suggested that all staff need to play some role in relation to tenant involvement. Concern was particularly expressed about staff resistance to tenant involvement from *middle managers*, staff between senior management and front line services, preventing the development of trust.
- 4.21 **Geography and size** – some respondents referred to the widely spread properties of some landlords making it difficult for tenants to engage, but some larger national landlords discussed their methods of involvement.

Home Group - a large national organisation with 130,000 tenants and clients, some of them the most marginalised and disadvantaged - use Involvement champions to deliver involvement at a local level and to support some regional and national activities. They recruit involvement volunteers, generally from ex-clients. They target identified under-represented groups every six months (through national measuring and monitoring of involvement) and work with four of these groups a year to tailor involvement to meet their individual needs.

4.22 **Negative experiences of landlords** – the following comments were received from tenant respondents that were particularly negative:

My landlord has withdrawn all tenant engagement on our estate because they say it's not cost effective. There are 600 properties owned by my landlord where I live but not one tenant is meaningfully engaged with any decision making in the landlord

Tenants don't see the point. The landlord offers a poor service; tenants lose faith and trust in the landlord. If tenants don't respect the landlord, they are unlikely to want to get involved with them. Unless tenant involvement is seen to bring improvements, its value will remain subject to scepticism

It's all tick box exercises. Some organisations wouldn't involve tenants by choice and in some organisations it's still sidelined

Having destroyed two Estate Management Boards & the tenants forum, the landlord has proved that total control by senior staff is what they want - not tenant involvement in any shape or form

[A barrier is the] one size fits all culture of landlords who don't like local variations in services arising from local tenant preferences. Many landlords have lost sight of the value of tenant involvement and resist it

Institutional inertia and the fact that efficient professional management of such large organisations demands professional skills and high standards education to deal with complex issues. Almost by definition, most of those in housing need are those at the lower end of the skills and education spectrum, so the current management ethos - increasingly corporate and professionally orientated - would need to change drastically to accommodate persons of different culture and abilities

4.23 Most of the landlords who engaged with the Call for Evidence or workshops are likely to have been ones who considered tenant involvement to be important. However, in the run up to the workshops, phone contact was attempted with 120 landlords to encourage attendance. A third of these calls were recorded as being *impenetrable* in that it was not possible to speak to anyone in the organisation about involvement. Notes for the calls refer to phones

ringing for several minutes with no answer, to switchboard operators with no understanding of involvement and who struggled to identify anyone who could discuss it, or who refused to put the callers through to anyone in the organisation. In most cases, generic e-mail addresses were given which were not responded to.

- 4.24 **Negative experiences of tenants** – some comments were received from staff (and from some tenants) of barriers relating to negative experiences of tenants. These comments related to tenants sometimes being unrepresentative, “power hungry”, and not giving other tenants a chance to be involved; to older tenants being a barrier to younger people being involved; to some tenants having hidden agendas and spreading rumours and to conflict arising. Some respondents also referred to “professionalised” tenants becoming institutionalised and potentially less effective at scrutinising.
- 4.25 **Lack of regulatory focus** – all of the workshops referred to the changed regulatory focus in relation to tenant involvement as a barrier, and this was also referred to in comments received on the online form. The role of the regulator was referred to in a statement received from eight housing association chief executives during the course of the evidence gathering:

Business case for resident involvement – barriers and enablers

We are writing as Chief Executive Officers of good performing housing associations who recognise the strong business case for effective community investment and development including resident involvement. With the right will and culture, we feel there are few barriers to this. However, we also feel that the current regulatory framework does not properly incentivise or drive real accountability to tenants.

We feel that the HCA needs to use the Governance and Financial Viability standard to push for good resident involvement and accountability. In particular, we feel:

- There could a much stronger requirement for social value (including demonstrating the impact of Community Investment and Resident Involvement) within organisation's VfM statements, and
- That accountability at key moments should be a given.

To have a real impact, the regulator would probably need to downgrade or threaten to downgrade governance ratings over this issue.

Without this regulatory pressure, there will always be some associations that don't deliver what their tenants deserve in this area.

This statement is supported by:

Richard Peacock, Chief Executive, Soha Housing

Diane Bellinger, Chief Executive, Community Gateway

John Gieson, Chief Executive, B3 Living

Paul Hackett, Chief Executive, AmicusHorizon

Ian Munro, Chief Executive, New Charter Housing Trust

Nigel Wilson, Chief Executive, Wythenshawe Community Housing Group

Dr Chris Handy OBE, Chief Executive, Accord Housing Group

Peter Richmond, Chief Executive, Castle Vale Community Housing Association

5 Conclusions

Findings supported by the evidence

- 5.1 Considerable evidence of benefits from tenant involvement has been presented by tenants and landlords in this project.
- 5.2 Cost savings of around £29 per property were identified by those who quantified amounts of savings that have derived at least in part from tenant involvement. If such savings were extrapolated across the approx four million properties in the social housing sector, this would result in gross savings across the sector of around £118 million. In the case studies, these figures are higher at around £98 per property.
- 5.3 A wide range of service benefits were identified particularly including improvements in tenant facing services such as repairs, voids, complaints and grounds maintenance. It was suggested that it would not be possible for landlords to buy the quality and depth of information produced through tenant involvement.
- 5.4 Tenant involvement has contributed to improvements in communications between landlords and tenants, to tackling anti-social behaviour, and to building kerb appeal in regeneration schemes. Local authorities noted wider community benefits where tenant involvement is used as a conduit for other local authority initiatives, such in health or environment.
- 5.5 Tenant involvement has played a significant role in supporting the development of local communities, in tackling isolation, particularly amongst elderly tenants and in developing initiatives that support young people.
- 5.6 Tenant involvement was also seen to be important in building closer relationships and trust, in producing a social dividend of loyalty, accountability and transparency, and in the development of social capital, skills, confidence, self-esteem and employability amongst those involved. Involved tenants also inspire staff to perform better and achieve improved satisfaction in their work.
- 5.7 Several respondents highlighted improvements in tenant satisfaction at least partially as a result of tenant involvement. Tenant to tenant communications were considered particularly responsible for such improvements. The landlord having personal contact with tenants and having personal knowledge of their tenants' needs and aspirations was particularly highlighted by tenant controlled organisations as important.

What needs to happen to extend benefits across the housing sector?

- 5.8 The evidence suggests that cost savings are being made as a result of tenant involvement, and more may be being made that have not been quantified, although respondents identified housing service quality and satisfaction as the main driving forces behind involvement⁸.
- 5.9 There are different opinions about which tenant involvement methods are more effective at delivering benefits. Local tenant involvement in service delivery and tenant scrutiny are currently seen as the most effective methods of involvement for delivering benefits – followed by involvement in governance, tenant panels and social activities. Those who participate in and have knowledge of tenant managed housing strongly support tenant management as a method of involvement. Tenant surveys, market research and online engagement were seen as beneficial by many, but they were not seen as effective as other methods of involvement.

“No method on its own is more effective than another - it depends what you're looking at and what you want to achieve.”

A online form respondent

- 5.10 However, regardless of what methods are used, what is more important is that tenants and landlords have clarity about what benefits they are seeking to achieve through tenant involvement and assess whether they are achieving them. Clear analysis of benefits is likely to result in tenants and landlords choosing to use methods that deliver benefits more effectively.
- 5.11 The housing sector needs to better articulate the benefits of tenant involvement. Even amongst organisations which have a track record of involving tenants, questions about the benefits of involvement felt in many cases like alien lines of enquiry.
- 5.12 Feedback from the housing sector suggested that an industry wide framework to support assessing benefits of tenant involvement would be helpful. The National Tenant Organisations will explore how best a sector framework could be developed.

⁸ Discussing cost savings with our case study Leathermarket JMB was a particularly indicative example of how organisations did not perceive cost savings as a reason to involve tenants. It was only after much discussion with JMB staff that they finally told us, almost as an afterthought, that the JMB's tenant led Board had made a specific decision four years ago to make 3% efficiency savings each year. Whilst they were telling us about many other benefits that they considered to be the important issues for them and their tenants, it did not even occur to them that a small organisation like the JMB making significant savings was a benefit of tenant involvement, despite it having come about as a result of a deliberate decision made by their tenant-led Board.

- 5.13 An annual assessment of costs and benefits could usefully include an analysis of the inputs invested into involvement, cashable savings from involvement (with an estimation of how much can be attributed to tenant involvement), service benefits, satisfaction improvements, social dividend and social capital and any other benefits. Such an assessment would be helpful to those governing landlords to understand the cost and benefit of tenant involvement and for those assembling value for money statements.
- 5.14 Assessments could also be of benefit more widely in the social housing sector if they led to greater understanding of the benefits of tenant involvement. Greater promotion of costs and benefits may provide sufficient evidence to convince those who may be more sceptical about the benefits of tenant involvement.
- 5.15 Some considered that the regulator could play a greater role. The proposal made by eight housing association Chief Executives that landlords should be required to be accountable for social value within Value for Money statements is a welcome contribution to the regulator's ongoing debate about Value for Money.
- 5.16 This project has identified a clear need for an ongoing debate within the sector amongst tenants and landlords who consider that tenant involvement produces benefits.