Resident-led self-regulation:

Enhancing in-house scrutiny and performance

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by the Chartered Institute of Housing

TSA TENANT SERVICES AUTHORITY

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Foreword

The Tenant Services Authority (TSA) is committed to setting out a new approach for housing that ensures tenants get a fair deal. To support that approach, and underpinning our emphasis on landlords working with tenants on service delivery, we want to see tenants holding landlords to account for those services.

Resident-led self-regulation (RLSR) is one way that emphasis can be realised. Although the TSA will not prescribe the ways in which landlords and tenants work together I believe that there is much to learn from the early pioneers of RLSR that will inform discussions about the principles and practice that underpin effective tenant scrutiny.

Phil Morgan
Director of Tenant Services
TSA

1. Introduction

CIH developed the concept of resident-led self-regulation (RLSR) as a way to enhance resident involvement and internal performance management and to enable changes in external regulation. The case for this reform and suggestions of how it could be developed within housing organisations were presented in several reports, which culminated in *Leading the Way* (CIH 2007).

Since that time, a number of housing organisations have developed and begun to use resident-led self-regulation. In addition, a regulatory framework is now being established which expects organisations to be more proactive in self-regulation and in involving residents. Early lessons from organisations which have already adopted resident-led self-regulation can support emerging practice in other organisations, as well as informing development of the new regulatory framework.

This report explores and assesses how housing organisations have implemented resident-led self-regulation, as conceived in *Leading the Way*. Drawing on the experience of the leading providers in the field, it identifies the practicalities and pitfalls of setting up and running RLSR; and provides suggestions, guidance, and examples to help housing providers and tenants to take this approach forward. It also considers how RLSR could link into the TSA's co-regulatory framework, both in terms of assuring quality of providers' performance and in reducing external intervention.

This report will:

- Support the social housing sector in developing and making effective use of resident-led scrutiny by drawing on existing practice
- Help tenants increase their involvement and capacity in internal scrutiny activities through individual and collective activity
- Inform development of regulatory policy and practice within the TSA.

2. Policy context: The case for more resident-led scrutiny

Concept of RLSR

The concept of resident-led self-regulation was developed for the social housing sector, with the aim of giving tenants more influence over the priorities and performance of their landlord.

Put simply, it is:

> *'an approach where residents' priorities, views and engagement with relevant processes are at the heart of housing organisations' frameworks for directing, accounting for, monitoring, assessing and modifying their own behaviour and performance'.*

It gives tenants a formal role in self-regulation, and gives them power to challenge the organisation and effect change.

Legal framework

Public policy has increased its emphasis and focus on customer/user service and involvement in recent years. This runs through national education, health, and communities policies, as well as housing. There are obligations on service providers to involve the people who use particular services in their delivery and appraisal. There are also expectations on bodies that oversee performance and delivery to concentrate on outcomes and experience for users of services more than on the providers' internal processes.

The new regulatory system for social housing will be a hybrid of direct regulation and self-regulation. The regulator will expect landlords to take a high level of responsibility for setting and monitoring their own performance standards, but there will still be externally set standards, monitoring and interventions.

The foundations for a regulatory system that formally takes account of tenants' views and concerns were set in the Housing and Regeneration Act 2008. The act gives the TSA statutory objectives to empower tenants and ensure they have the opportunity to be involved in management. It also creates an ability for the regulator to take account of views or information received from tenants when deciding whether to exercise its powers. This does not mean that tenants can trigger regulatory action, but it sets an expectation that the TSA will take seriously any concerns raised by tenants.

The activities and reports arising from resident-led self-regulation may be a robust way for tenants to be empowered and involved with their own landlord, and for them to raise concerns with the TSA where other avenues have been exhausted or where they indicate issues around regulatory failure. In addition, direct engagement with the regulator could strengthen tenants' ability to challenge and change their landlord's behaviour and performance.[1]

1 The TSA is not accountable for leaseholder interests and its very name suggests its focus will be on tenants. However, most providers will still wish to ensure appropriate accountability to their leaseholders (and are encouraged to do so by the Audit Commission). We have therefore retained the name 'resident-led self-regulation' (RLSR), rather than referring only to 'tenants'.

For local authorities, the Local Government and Public Involvement in Health Act 2007 introduced a 'Duty to Involve' from April 2009. This means that local authorities must involve representatives of people who are likely to be affected by, or have an interest in, the exercise of a particular local authority function. These people do not have to be local residents, but could be involved with local companies, civil society organisations, etc. Involvement can mean provision of information, consultation, or some other form of involvement.

There is an expectation that authorities will consider where other forms of involvement might be desirable. Activities might include:

- Influencing, or direct participation in, decision-making
- Giving feedback on services, outcomes, decisions, or policies
- Involvement in design of policies or services
- Involvement in delivery of services
- Involvement in assessment of services.

Several of these forms of involvement could be delivered in a housing service through resident-led self-regulation.

The Duty to Involve clearly does not require the enhanced level of resident scrutiny offered by resident-led self-regulation, but local authorities may choose to pursue it, particularly if residents express a desire to have a stronger form of involvement than being informed or consulted. Involvement in housing services will not be new, and many local authorities already have tenant participation compacts which will set out their approach to involvement.

Emerging regulatory framework

The Tenant Services Authority (TSA) wants to create a regulatory framework for social housing that:

- Delivers excellent services to tenants
- Works on a co-regulatory basis – where landlords, the regulator and tenants work together to set, monitor and enforce standards, rather than the regulator prescribing all the rules.

The idea of co-regulation is to move the focus of decision-making and performance management for housing services away from specific regulatory expectations and onto local needs and priorities.

The TSA wants to use the co-regulation model to reduce its direct activities with landlords, and instead to rely on activities being carried out by others, such as scrutiny from within the landlord, by their tenants, or by professional independent 'outsiders'.

In particular, the TSA wants 'tenants and providers to work together to raise performance and share best practice' and has stated its expectation that tenant scrutiny will be one of landlords' self-regulatory activities that enable a co-regulatory model to be adopted.

It has long been accepted that resident involvement is in itself a good thing for the housing sector. It gives personal development opportunities to residents; it creates a sense of collective identity and responsibility amongst residents; and it delivers accountability to a customer group with little consumer choice.

There is also a belief in the benefits that it can bring for service delivery. It brings the experience and values of the customer directly into the way services are delivered and refined, and responding to this can produce better services and higher levels of satisfaction. Involvement also helps customers to better understand how their landlord works and the opportunities and barriers they face.

The new approach to regulation will require a change in culture and practice within many organisations, in which the board will take greater responsibility for corporate performance and tenants will be better able to shape their decisions and hold them to account.

Resident-led self-regulation offers great potential to help landlords work well with the new freedoms of self-determination and new expectations around internalising drivers for continuous improvement. It also offers the regulator a way to deliver aspects of the new co-regulatory approach it envisages. In chapter 5 we consider ways in which RLSR could interact with external regulation, and the procedural and practical consequences which would arise.

3. Resident-led self-regulation: An introduction

Definition and principles

Resident-led self-regulation is an approach to the internal management of an organisation that can bring residents, staff, and governance closer together. Because it is an approach rather than a rigid model, it can work in any kind of housing organisation – local authority, housing association or ALMO; general needs or specialist; large or small.

It puts residents' priorities, views and engagement with relevant processes at the heart of housing organisations' frameworks for directing, accounting for, monitoring, assessing and modifying their own behaviour and performance.

Resident-led self-regulation enables a small group of residents to:

- Oversee a range of scrutiny activities (that can be run by tenants, staff, or external people)
- Integrate these activities with wider self-regulation work within the business
- Use findings from these activities to challenge and shape the activities of senior staff and governors.

It is therefore about embedding resident focus in the way the provider goes about its business.

CIH has already published a number of free reports that staff, boards/councillors and tenants can use to help decide whether to pursue resident-led self-regulation and to design a model that works for their specific organisation. They have been used by many of the organisations cited in this report and they contain more detailed information on the case for RLSR and the characteristics, scope, design and application of enhanced resident scrutiny.

- **Leading the way** sets out a robust approach to effective resident empowerment that links in to regulation. It works through key issues and options in some detail, giving organisations a framework to consider their own approach. www.cih.org/policy/LeadingTheWay.pdf
- **RLSR: development and application** presents practical ideas about how organisations can develop and apply resident-led self-regulation. It considers what it might look like in practice, and the activities and procedures required to implement it. www.cih.org/policy/resident-led-self-regulation-development-and-application.pdf
- **RLSR: potential and prospects** proposes ways that resident involvement activities could be formally drawn into these frameworks and strengthened so residents are at the heart of self-regulation processes. It also identifies the changes that housing associations will have to make to move from existing resident involvement and self-regulation activities to a resident-led self-regulation approach. www.cih.org/policy/resident-led-self-regulation.pdf

Scope

Resident-led self-regulation can be used across the whole of a housing business. Key areas of the business where resident-led

scrutiny activity can be brought into self-regulation are:

- **Services** – scrutiny and subsequent interventions around frontline services offered, considering matters such as operational performance, contractors used, specifications set, etc.
- **Business** – scrutiny and subsequent interventions on strategic decisions such as which activities the company/department will get involved with, which to prioritise, which geographical areas to focus on, etc.
- **Governance** – scrutiny and subsequent interventions around the skills and composition of governance structures which oversee the housing business
- **Constitutional** – scrutiny and subsequent interventions on decisions about the legal structure of the housing function, such as decisions on groups and mergers.

Many landlords and tenants will feel most comfortable if they start by developing resident-led self-regulation in service delivery. Most resident scrutiny activities already used within a housing organisation will focus on service delivery and so provide a good foundation to adopt a resident-led approach. Existing resident involvement in business planning, increasingly common in the sector, may also provide a foundation for enhanced scrutiny work of the business. It is important to be aware that some residents are likely to have an appetite for involvement in the activities of the whole company or department, including strategy and governance, and that they can make a very valuable contribution (as has been demonstrated in several housing organisations). Introducing RSLR at this level may, however, need more time and resources to be devoted to building the necessary confidence, skills and capacities within the organisation.

Not all tenants want to be involved with their landlord, and there is no expectation that they should be. But research shows that some tenants may be reluctant to get involved because they do not believe their involvement will be meaningful or effect real change. These views will need to be challenged across the sector if enhanced scrutiny is to be widely used.

Key characteristics

Resident-led self-regulation is about involving residents in the running of a housing business, and about empowering them to influence decisions made and directions taken.

Three key characteristics are required for genuine resident-led self-regulation:

- **Independence** from other governance and management structures
- **Formality** in operation
- **Power** for residents to challenge and effect change.

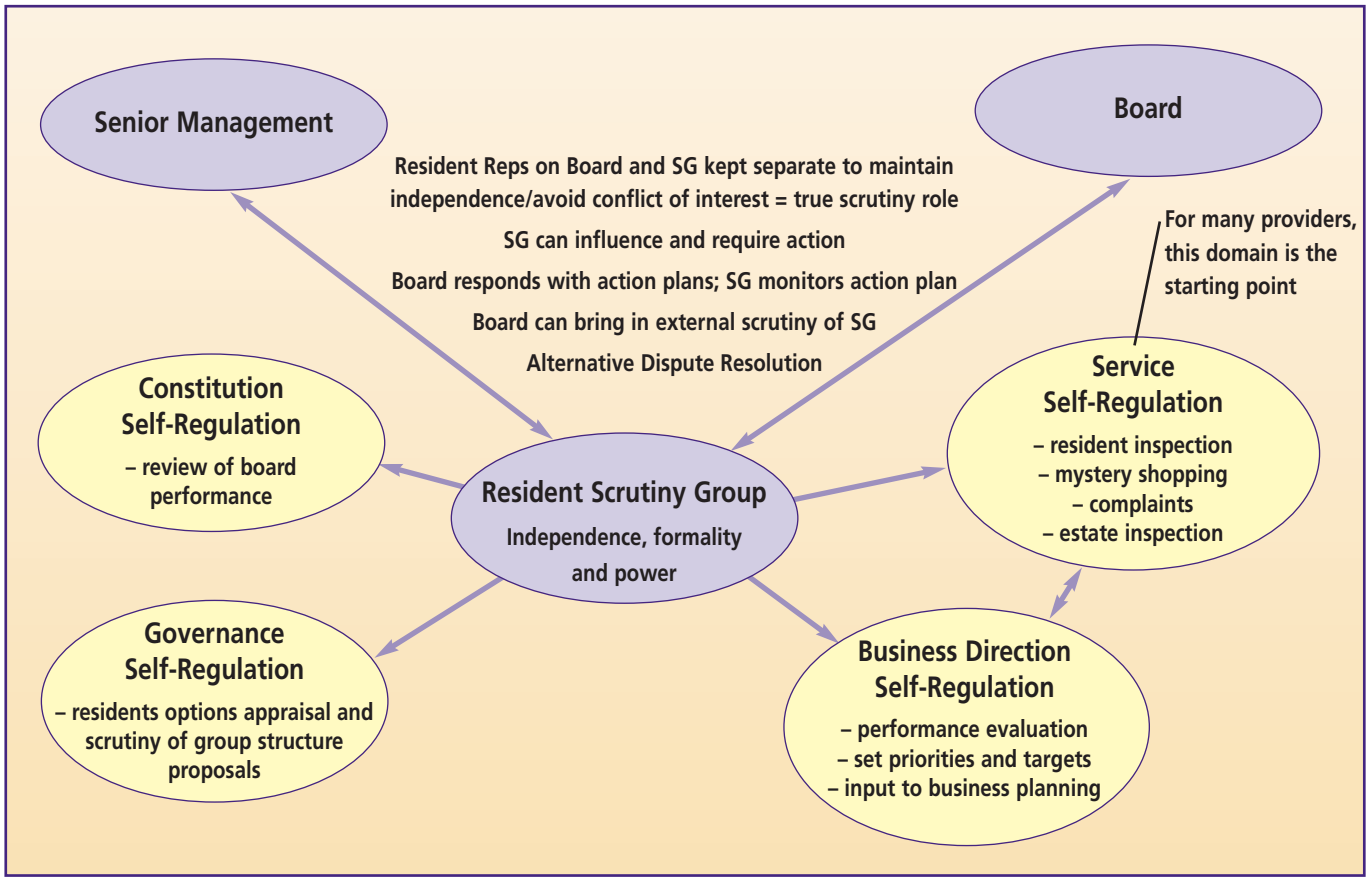
Independence means that the people who control the scrutiny and intervention activities of resident-led self-regulation are not the same people who manage or govern the company/department. The benefit of enhanced resident scrutiny is that it allows another perspective to complement or challenge the perspectives of management or governance. This independence means that directions of scrutiny and conclusions reached will not be influenced by people who have already settled on their own views and preferred directions. This requirement does not preclude board members or senior staff

from attending scrutiny group meetings as a formal link between scrutiny and governance/ management, as we discuss later.

Formality helps to give residents confidence that they are justified in asking for information, and that their activities will be taken into account and take place at the right time to fit other work taking place across the business/department. It also gives staff confidence about the role and legitimacy of resident scrutiny. It can be achieved by prescribing structures, remit and roles.

Power is very important in making resident-led self-regulation an effective partnership of equals between tenants and those running the housing function. Without power, scrutiny activities can be simply a consultative process which the landlord does not have to heed.

Achieving these three key characteristics will require commitment from the outset from the provider's governing body as well as from tenants, involvement staff, and performance management staff.



Residents' group

In resident-led self-regulation, a tenant-led group forms the central point for resident scrutiny within the organisation – establishing resident priorities and coordinating activities – and is the official link into corporate self-regulation. Group members look at a landlord's performance and decisions, examine and question these areas, and can also make recommendations to the landlord. The panel is embedded into the management and the customers of an organisation through the board (or LA equivalent) and resident panels. Through these activities and

structures, resident-led self-regulation brings extra accountability and challenge to the way a landlord is run.

Without some form of empowered tenant panel, residents will struggle to truly lead enhanced scrutiny work, and so it may be inaccurate to describe the result as being true resident-led self-regulation.

There are no particular parameters for what the panel can scrutinise. Areas already being examined by organisations using RLSR include:

- Housing and community services (such as allocations, repairs, and planned maintenance)
- Policies
- Complaints
- Development and design
- Corporate priorities and targets (including what they are and whether they are met).

Some tenants and organisations are also considering whether they can examine strategic issues, such as:

- Board decisions
- Priorities
- Resource allocation.

The panel will draw on established resident scrutiny activities such as:

- Estate inspection/walk-about
- Service review panels
- Complaints review groups
- Contractor review and appointment panels
- Performance indicator monitoring and review
- Mystery shopping
- Citizens' juries
- Tenant audit/tenant inspection.

The remit and composition of the group, and the ways it links into the wider organisation, can be designed to suit the needs and preferences of the tenants and their landlord. *Leading the way* sets out options for organisations to consider when they are designing their own model for enhanced scrutiny. It includes options for:

- The activities of the residents' group
  – carrying out, co-ordinating, or commissioning scrutiny
- Recruitment and composition
- Ways to support effective performance of the group
  – skills, training, mentors
- Ways to integrate resident-led scrutiny into wider self-regulation and performance management
- Ways for the residents' group to ensure their landlord responds to their questions and challenges
- Ways to deal with poor performance of the group
- Checks and balances on the group
  – influence of the wider tenant body
  – reporting and transparency.

The early experiences of organisations that have implemented resident-led self-regulation have provided valuable lessons for those now looking to adopt the approach. These organisations have enhanced their approach to resident scrutiny, moving it to resident-led self-regulation, by drawing existing and new scrutiny feedback mechanisms into a coherent approach which is an integral part of prescribed processes for monitoring, directing, and shaping the activities of the business.

4. Implementing enhanced resident-led scrutiny: Lessons from the vanguard

Moving to resident-led self-regulation does present challenges, even for organisations that already have strong involvement and empowerment structures. We have spoken at length with staff, board members and tenants of organisations who are using and preparing to use resident-led self-regulation. They told us how they had worked through the main issues and explained why their decisions would work for them. The recommendations and ideas presented here are drawn from description and analysis of the experiences of these organisations.

The organisations and their scrutiny groups profiled here are:

Aldwyck	Customer Scrutiny Panel
Cambridge City Homes	Housing Regulation Panel
New Charter	Tenant Management Team
Salix	Customer Senate
Sovereign	Group Residents' Forum
Teign	Scrutiny Panel

Different approaches to resident-led self-regulation

The structures and activities relating to RLSR will (and should) look different in different organisations, but the overall aims and purpose of RLSR should be the same.

Across the case studies, there were variations in approaches to:

- Composition, administration and resourcing of groups
- Reporting structures and location within corporate structures
- Relationships with other tenant involvement activities
- Activities undertaken by scrutiny groups.

These different approaches had been chosen to fit with the needs, aspirations, capacities, culture and history of the organisations.

Although organisations have developed different mechanisms for delivering RLSR, the findings from the case studies for this research showed that providers were clear on the overall aims and purpose of RLSR – to enable informed scrutiny, empower tenants, and drive improvements.

A key aspect of RLSR is therefore that tenants are not just in a consultative role or part of an operational tool but do have power because, for the mechanisms of RLSR to be effective, they must plug into the strategic and performance management frameworks of providers.

See the appendix for detail of the models used by each case study organisation.

Remit of RLSR scrutiny groups (activities and breadth of influence)

Board, staff and tenants may have different ideas and aspirations for scrutiny work. They will need to work out together what is possible, based on the organisation's existing culture, resources, performance management structures, and involvement base. They should also take account of ambition and aspiration.

Sovereign's Group Residents' Forum
Purpose: to scrutinise and challenge Sovereign's work to ensure continuous improvement in service delivery for residents, subject to appropriate regulatory and financial constraints.
Role: to ensure that residents are involved at the highest level of decision-making and that the group's strategic direction in service delivery reflects the needs and aspirations of its customers.
Aim: to strengthen the links between current resident involvement activity and governance structures, to ensure that residents are able to influence the group's decision-making process, complementing existing structures.

Teign's Scrutiny Panel
Purpose: to increase resident scrutiny so that residents gain the formal opportunity to take part in strategic performance monitoring and service review. The aim is to give a resident perspective to the way in which Teign Housing regulates and improves its performance as an organisation.

Organisations and their tenants may decide to use the scrutiny groups' activities to:

- Improve the existing services and involvement activities offered
- Inform changes in the type of services provided.

The activities of the group may go beyond scrutiny, and include a role of ensuring that the resident voice is heard across the organisation. For example to:

- Ensure that outcomes from resident involvement activity feed into operational and strategic decision-making
- Represent residents on:
  - policy and procedure reviews
  - standard setting
  - corporate responses to national consultations.

If group members are to 'represent' other residents, there is a need to have a mix of experience amongst members, and ensure that they have regular contact with a range of tenants and can understand and empathise with the full range of tenant concerns.

The areas scrutinised must meet the needs of tenants and the organisation, and so a mix of staff-selected and tenant-selected areas for scrutiny may be appropriate.

Sovereign's Group Residents' Forum intention is to jointly agree its priorities for scrutiny with the Group Management Board and Group Operations Forum, on an annual basis. National, regulatory, legal and organisational priorities will be incorporated.

New Charter's Tenant Management Team (TMT) selects three topics to review each year, and New Charter itself chooses one. Tenants' moving-in experience was considered as the pilot topic – identified by New Charter to promote and support the introduction of TMT as well as to identify service improvements. TMT members wanted their second review topic to have a wide impact, and they selected estate management, concentrating on the grounds maintenance aspect, after examining results of the customer satisfaction survey.

Salix's Senate determines its own priorities but receives information from the board to inform these choices. For example, the executive discussed areas for attention highlighted in an Audit Commission inspection with the Senate.

Confidence in the group and its impact will change over time, and there should be flexibility in the group's constitution so that the formal remit can change. For example, RLSR groups may want to have a role in signing off Annual Standards Reports or Improvement Action Plans in the new regulatory system; or at a later date they may want to look beyond services. A lack of flexibility in remit could prevent development or evolution of groups.

Organisations will need to be careful to avoid:

- Replicating existing groups which review complaints
- Replicating existing groups which receive and comment on performance information.

To avoid replication, RLSR groups will need to either:

- Draw on the work of and comments from these groups
- Replace these groups if the original structures are no longer needed.

And to be a true shift to *enhanced* resident scrutiny, they will need to:

- Have power to request information and drive actions in response.

Salix's Senate has unfettered access to information within the company, subject to data protection requirements. This right is contained in the terms of reference.

Some RLSR groups will carry out scrutiny work directly, and others will draw on tenant- and staff-led scrutiny done elsewhere in the organisation to inform their own activities. RLSR groups may determine the work programme for other scrutiny activities, such as tenant inspection.

The work of **Sovereign's Group Residents' Forum** is supplemented by Resident Inspectors, who are asked to commit to providing for a group-wide self-assessment of core service areas across a framework agreed by the Group Residents' Forum.

Teign's Scrutiny Panel recommends areas where 'mystery shops' should be carried out and themes for Customer Panel surveys, but does not carry them out itself. The group receives and discusses feedback from both activities. The panel also has the ability to undertake reviews on service areas that residents have identified as a priority, and also areas where Teign Housing requests a resident-led service review.

Decisions on which model to adopt should be informed by:

- Strength and structure of existing scrutiny activities
- Number of active tenants
- Confidence of group members to interpret reports and information prepared and presented by others
- The breadth of coverage and influence desired for the group.

Time demands on group members will be significantly higher if the RLSR group carries out scrutiny activities itself.

Organisations, with their tenants, should reflect on the definition and key characteristics of resident-led self-regulation when determining how the RLSR group will relate to scrutiny work across the organisation. If the group is passive, being told what to scrutinise or simply receiving results of scrutiny conducted elsewhere to look at, resident-led self-regulation is not in place. Resident-led self-regulation requires the group to be an influential part of a co-ordinated internal self-regulation process which can affect what is scrutinised and how; it must not be just a tool.

Outcomes desired and achieved

In general, organisations using RLSR want changes to result from challenges made by scrutiny groups – this will be the measure of success. The changes hoped for could be around:

- Improved satisfaction or performance (quantitative measures)
- The nature of services provided (more qualitative measures).

Aldwyck could identify benefits of their scrutiny work:

- Contractor replacement based on tenant-led assessment of performance
- Increased resident involvement opportunities.

Success may also be judged by the number of recommendations accepted and implemented.

Organisations will need to determine their measures of success before the RLSR group is set up.

It will be some time after set up before benefits of RLSR groups can be seen – perhaps around 12 to 18 months. The processes of scrutiny, negotiation based on findings, and implementation of a response will take time to work through. Expectations will need to be managed on this basis because it will be important to get it right rather than start the new approach to scrutiny quickly. Boards, staff and tenants will need to be aware of the slow lead time when forming a view of the RLSR group and when deciding whether to commit ongoing resources to it (staff, personal or financial). It may be possible to undertake some foundations training whilst scrutiny work is underway, although this will increase pressure and time demands on scrutiny panel members.

Visible and positive assessment of impact will be important if support for RLSR is to be maintained.

Salix carries out customer impact assessments at the end of each consultation. These identify the staff time utilised as well as qualitative outcomes, which give an indication of value for money.

Process and timescales for set-up

Timescales

It can take around a year to set up RLSR – to get from proposing the idea to launching structures and activities. Key activities include:

- Development of a concept, purpose, and model to fit the specific landlord
- Preparation of job description and person specification
- Preparation of terms of reference and code of conduct
- Decisions on membership, selection processes, appointment periods, payment, training, support, interface with the board, communication strategy, group administration, grievance procedures, performance review, frequency of meetings, procedures for decision-making and agendas, circulation of minutes
- Proposal to, and approval by, board
- Consultation with residents – including the wider tenant base and existing active tenants
- Integration into performance management and tenant involvement strategies, including revisions to existing structures and activities where necessary
- Delivery of training to tenants and staff in advance of the launch.

Foundations

The historical structure and approach to resident involvement in the organisation will have an impact on capacity for RLSR in most cases. Organisations able to take RLSR forward will usually have mature and effective involvement activities already in place, and may have benefited from active tenants endorsing and promoting RLSR.

However, some organisations have implemented RLSR from a very low base of involvement. Although the organisation's history is important in its ability to take forward RSLR, an active desire for culture change can enable RLSR to be adopted in organisations that do not start from an advanced base.

Drivers

The drive to introduce RLSR may come from board, staff, or tenants, and work may be needed to gain support from the other key parties.

Sustaining effectiveness and existence of RLSR groups

Sustainable RLSR groups need to:

- Have a fairly stable membership, to ensure knowledge and capacity are retained
- Have some turnover of members, to keep perspectives and challenges fresh
- Avoid appointment cycles which result in the whole membership changing at once
- Ensure demands on members are not too great
- Have a mix of skill and knowledge levels (to ensure capacity but support development)
- Drive themselves (the group sets its own agenda, etc.)
- Have a diverse membership, or one which understands the diversity of the provider's tenants
- Be understood and supported by the staff, board, and wider tenant membership.

Some members of early RLSR groups have found that the time demands are too much, especially those who work full time and conventional hours. The structure and support for groups can help address this. RLSR groups do not have to undertake all scrutiny activity, and can focus their time on assessing, cross-referencing, and acting on findings from mystery shopping, customer panels, etc., undertaken by others. Groups may consider co-opting experts to increase capacity and reduce demands on time.

Sovereign's Group Residents' Forum members are asked to commit to six days per year. To give additional flexibility, the GRF members decide themselves the date, time and location of meetings.

Teign's Scrutiny Panel members are asked to commit to two hours every three months for meetings, plus preparation time. Service reviews will be carried out by panel members and other involved residents, and will involve further time commitment.

A membership of around 10-15 should provide enough scrutiny group members to handle a reasonable workload, give a mix of expertise, and be manageable. Larger scrutiny groups may be harder to administer and may find it more difficult to focus their work and views. Smaller providers (i.e. those without a large number of tenants) may be daunted by the prospect of identifying a group this large. Providers' positive experiences of the level of interest in RSLR group membership are set out below, but for organisations with a very small tenant base it may be appropriate to develop cross-provider scrutiny groups.

A meeting frequency of four times per year seems adequate for the group to be effective.

Group members who are looking at performance information will need to receive the information in good time before the meeting, so that they are able to digest it and prepare scrutiny questions to enable a thorough analysis of the position being presented.

Recruitment

The recruitment process and its outcomes will be of central importance to organisations using RLSR. Recruitment should aim to:

- Create a strong, capable RLSR group
- Offer opportunities for members to build on their potential
- Be transparent, to build confidence amongst stakeholders.

Recruitment can be carried out by interview or election. Each method has merits but may deliver different things. For example, interviews make it easier to specify and select for a clear set of skills and competencies (which are crucial to the success and effectiveness of the group) but elections give clear control of the group to the wider tenant body (an important message to send to stakeholders). A decision on which method to use should be based on the ambitions and culture of the organisation and its tenants. Consultation with residents may help to give a clear steer on what to do.

Open recruitment is a good way to achieve these aims because it will reach all potential candidates, could attract capable candidates who were not previously known to the organisation, and be seen as neutral from staff control.

Housing providers will need to draw attention to new panels or vacancies. The in-house magazine or tenants' newsletter is a good vehicle to reach many tenants.

Interviews

Initial interviews could be conducted by staff and/or board members and/or active tenants. Subsequent interviews may involve RLSR group members, or the chair of the group.

The composition of the interview panel will send strong messages about the future direction and independence of the scrutiny panel, so should be carefully considered.

Six members of **Salix's Senate** were recruited from its Service Specific Panels. The process was overseen by the board's champion for customer involvement and a customer interview panel.

The selection criteria should be clear and publically available to ensure transparency and build confidence.

Recruitment to **Teign's Scrutiny Panel** was carried out on a skills basis and considering the demographic and diversity profile of Teign Housing residents.

New Charter asked applicants to complete a self-assessment form to set out the skills and qualities they could offer. Informal interviews/discussion were then held jointly with TPAS and the Tenant Involvement Manager at New Charter.

To establish a new RLSR group, when tenants are not yet familiar or confident with the concept, those leading the process may want to invite applications from existing active tenants as part of the open recruitment. This will:

- Send a clear message that RLSR is a new part of the menu of involvement opportunities, and is not a threat to established activities
- Ensure applications come forward from some candidates who are familiar with the organisation and its processes.

Recruitment of **Teign's panel** members was carried out alongside a tenant board member recruitment process. All residents were given the opportunity to apply to be a member of the Scrutiny Panel.

If particular individuals are approached directly, there is a risk that this will be perceived negatively as the staff trying to control membership of the group. This risk will need to be carefully managed.

Staff who are familiar with the organisation's active tenants may want to exclude people who have been difficult to work with in the past. It is reasonable not to recruit people who demonstrate at interview that they may not have the right skills or motivation to work in a team for the benefit of the organisation. However, a decision not to recruit someone who is known to be perceptive, assertive and comfortable in challenging authority may not be so easy to justify. Care should be taken to avoid intentional exclusion of capable but challenging tenants, so that the reputation and effectiveness of the group is protected from the outset.

Elections

Elections could be used to recruit group members, and would give tenants 'ownership' of the scrutiny group, sending a clear message that tenants on the group are there to help with wider tenant body.

The initial members of **Cambridge City Homes' Housing Regulation Panel** were drawn from the steering group which set it up. Subsequent members will join the panel in 2011, through an election process timed to coincide with elections to the Housing Management Board. Six resident representatives will be elected by a ballot of all tenants and leaseholders and they will sit on the group for a fixed term.

Consideration should be given to the existing use and perception of elections to tenant bodies or governance posts within the organisation. Hurdles may be experienced if elected board members object to being scrutinised by an unelected group, for example. Such objections should be strongly challenged on the grounds of transparency, accountability and inclusivity, and by reiterating the role and remit of elected board members, which is not one of tenant representation or collective empowerment. The new local authority Duty to Involve may be a good way to illustrate how scrutiny of elected bodies can strengthen rather than undermine the democratic process.

Recruitment outcomes

Evidence to date suggests that places on the RLSR group are attractive and that sufficient candidates do come forward. This is reassuring. Many providers considering moving to resident-led self-regulation are not confident that there will be enough interested tenants to make RLSR work, and have concerns that the existing pool of active tenants will be spread too thin to support all involvement activities available. Early experience suggests this may not be a problem.

Salix received 80 applications from people wishing to be on its Senate, compared to six from people wanting to join the board.

The high level of interest in places on the RLSR group can be attributed to:

- The potential offered by involvement with a new group with new and attractive powers
- The new opportunity to be involved between the board and the residents' association
- Good communications about the new group.

It is likely that these positive recruitment outcomes can be maintained if the work of the RLSR group is well known and seen as beneficial, and if other involvement activities are used as a stepping stone into group membership.

Active tenants are often profiled as being over 50, retired or disabled, and white. Many members of new scrutiny groups fit this profile, and this may present risks that they will not represent all tenants (i.e. not speak for the interests of all), or that they will be perceived to be unrepresentative. See below for comment on representation.

Restrictions on other involvement activities

Board members (from any level of the organisation) should not be allowed to be members of the scrutiny panel in a true RLSR model. Scrutiny panel members would be unable to provide independent evaluation and challenge to another body of which they were a member.

Tenants may use scrutiny panel membership to build their skills and confidence until they feel able to apply for a seat on the board. In this way, RLSR can support succession planning and movement within the menu of involvement. Equally, tenants may feel that the scrutiny panel offers them something different from board membership, and actively choose to be involved with one rather than the other.

There may be possible conflicts of interest which are less clear, for example where members of the same household sit on the board and the RLSR group. Whilst such residents may find their allegiances tested on occasion, it is likely that rules to prevent it happening would be considered discriminatory.

Salix does not allow customer inspectors to sit on its Senate because they are a support mechanism to ensure that the Senate is able to gather objective evidence in relation to areas of the business under scrutiny. The inspectors are independent of the Senate and would be given a specific remit to investigate which ensures all scrutiny activities remain impartial.

Support needs of organisations and tenants and how to meet them

Organisations and tenants will have support needs when setting up and running RLSR.

Set up

Organisations with mature involvement structures may feel that RLSR can evolve from existing structures.

Aldwyck established a Resident Consultation Committee (RCC) 16 years ago to provide a mechanism for tenant consultation within the organisation. More recently, they wanted a tenant body which would be pro-active in challenging service delivery in the organisation and so the RCC developed into the Customer Scrutiny Panel. Wider consultation with tenants is now carried out using a database of 800 tenants who have expressed an interest in being involved.

All the case studies felt it was too early to say whether this approach is right or whether it brings unforeseen problems – they would need at least a year of operation to give a feel for this.

Consultants may be useful to help set up RLSR where confidence or staff capacity is lacking, and they can continue to provide mentoring support. This adds cost but may also add capacity.

New Charter's Tenant Management Team has a dedicated support worker within the Tenant Participation Team and retains a mentor who provides one day of support each month.

Training

Good preparation for implementation of RLSR will require financial and practical support and training programmes.

A skills assessment can help identify the training needs of individual members and the RLSR group collectively, as well as preferred learning methods.

At **Teign**, a skills assessment has been undertaken to develop individual training plans, and appraisals will be carried out annually by the chair.

A mix of internally and externally provided training will be beneficial – to understand areas of the business, to draw on in-house knowledge, and to bring in external expertise where necessary.

Sovereign's Group Residents' Forum members received externally provided training on resident strategic involvement and resident inspections and an annual review of training needs will be undertaken.

Teign's Scrutiny Group received induction training on the Quarterly Management Information Report, which they receive at each meeting. The training took the form of a workshop with staff, where each member of staff explained their area of the business and the performance information they report. Training on audit skills and service review is currently being carried out.

The case studies offered training on a range of topics, including:

- The regulatory framework
- The financial framework
- Individual areas of the business and how they are delivered
- Resident involvement/empowerment activities and how they link together
- Governance expectations and structures
- Audit and scrutiny
- Interpreting numerical data
- Presentation skills
- Interviewing and questioning
- Report writing
- Information and communications technology (ICT)
- Confidence building
- The work of existing RLSR groups.

It would also be beneficial to offer equality and diversity training so that group members understand new and existing legal requirements as well as the practical benefits of being aware of and proactive about customer diversity.

Members of **New Charter's Tenant Management Team** have individual personal training plans, regular one-to-one appraisals with the support worker, and an annual performance review with the corporate organisational development team. This gives a tailored personal benefit as well as supporting the TMT.

Organisations may wish to offer accredited training to tenants. As well as giving a guarantee of quality and relevance, accredited training can be used by tenants to build a portfolio which demonstrates their suitability for other paid or voluntary work opportunities.

One advantage of having long-standing active tenants on RLSR groups is that their level of understanding is usually greater so

development needs are fewer. This will need to be balanced with the benefits of bringing new participants into involvement structures – this will bring new ideas and skills, and also reduce the strain on active tenants who may be called on for a range of activities across the organisation.

Staff support

RLSR groups are likely to need dedicated staff support. This could include:

- Secretariat (meeting preparation, minute-taking, room bookings, budget management)
- Skills support (perhaps from a performance, governance, or involvement officer).

The amount and type of staff involvement may vary according to organisational need and ambition.

Sovereign's Group Residents' Forum has a clear link into the corporate Performance Team. An officer provides administrative support to the forum.

Staff support will reduce time demands on tenants and can help build skills, but there is a need for the RLSR group to retain its ability to direct itself (independence). Groups may in fact be staff-led if:

- The organisation determines which staff the group can or must work with
- Staff determine meeting agendas or work programmes
- Staff provide analysis of performance information which is accepted uncritically
- Staff retain oversight of recruitment beyond the first round.

If these characteristics are present, it is reasonable to question whether the organisation is really operating resident-led self-regulation.

Alongside staff support, RLSR groups could be provided with:

- Laptops
- Internet access
- A budget which they control (to commission support, consultancy, other scrutiny work).

Salix's Senate has a small budget, and also raises its own income e.g. by organising a learning day for other social housing providers.

Inter-group networks

Tenants and staff involved with RLSR will benefit from discussing their own approaches and experiences with others.

Salix and **New Charter** are involved with organising RLSR networks to facilitate discussion and development. New Charter held a joint seminar event with Salix on RSLR in December 2009 to engage with housing associations.

New Charter's Tenant Management Team members attended a TPAS conference as part of their training, and to help them develop external support networks.

Cost and resource requirements

Paying scrutiny panel members

Most RLSR group members are not paid, even where tenants involved in other scrutiny arrangements in the organisation (such as mystery shopping) are. A decision not to pay may:

- Recognise strong tenant feelings about the value of voluntary effort
- Demonstrate independence of group members from the organisation they are scrutinising
- Avoid causing problems with benefit entitlements.

Alternatively, organisations may wish to pay group members. For example GreenSquare, another organisation at the forefront of developing resident-led self-regulation, pays an independent chair of its scrutiny group £7000 a year. Payment may:

- Recognise the level of responsibility and time demands placed on panel members
- Demonstrate the value of the work being undertaken
- Attract an experienced chair who has the skills and confidence to lead the group with greater independence from the organisation.

Sovereign's Group Residents' Forum members are not paid, but receive expenses.

Teign Housing's Scrutiny Panel members receive a £10 gift voucher after each meeting attended, in addition to out-of-pocket expenses.

Running and set-up costs

It may be difficult to identify the exact cost of RLSR because different activities will be paid for from different budgets. Staff support, mentoring, resident inspection activities – as well as the RLSR group itself – will contribute to the overall cost.

Despite the difficulties of tracking the costs, it is important to try to do this so that efficiency and value for money can be assessed.

New Charter calculated that publicity materials, printing, letterheads, postage, IT equipment, internet access, external training, external meeting rooms, travel expenses, and refreshments for an RLSR group may cost around £15,000 per year. On top of this allocated budget they have a dedicated full-time support worker, admin support, internal training and access to the Tenant Resource office.

Aldwyck has allocated £72,000 per year to cover staffing, administration, training, and allocation of a budget for its Customer Scrutiny Panel.

Relationships with governance structures, staff members and existing tenant groups

Boards and tenant groups will need to understand and endorse the introduction of RLSR before it can be set up. Disagreements over territory will undermine the benefits of tenant-led scrutiny. Once there is support for the approach, organisations will still need to work out the procedures for relationships

between each body and deal with overlaps between their remits.

Communication about the activities of each relevant group will need to be formalised e.g. each group to receive the non-confidential minutes of the others.

Sovereign Housing consulted on a number of options for how its Group Residents' Forum (GRF) should interface with members of the subsidiary and group management boards. The majority of residents supported:

- The chair and vice-chair of GRF meet with the chief executive and chair of Group Management Board for a formal meeting twice a year
- Minutes are circulated to Group Management Board and GRF and form part of their agenda.

Teign's Scrutiny Panel provides reports and recommended actions to the Senior Management Team following service reviews. It makes quarterly reports to the Board Performance and Audit Committee, and the chair meets with the chief executive on a quarterly basis.

Salix's Learning and Diversity Committee receive minutes of the Senate's meetings, and the Senate's chair attends board meetings as an observer so reports can be presented directly to the board. In addition, board members interface regularly with Senators.

RLSR in group structures

RLSR groups which operate within group structures may:

- Look just at their own operating association
- Scrutinise across operating associations, sharing expertise and spreading recommendations
- Report to group board, so recommendations and changes resulting from scrutiny in one association can be implemented in others
- Scrutinise at group level – looking at strategic matters.

In particular, there is a good opportunity to use RLSR, co-ordinated at group level, across operating associations to gain consistency and improved performance in all geographical areas covered by members of a housing group.

Sovereign's Group Residents' Forum operates across the whole group, scrutinising subsidiaries and liaising with the group board. It is part of the Orion Programme, which aims to facilitate effective sharing of best practice across all operational areas, to set and maintain high standards, ensuring that they are consistently delivered and provide for continuous improvement.

If RLSR is to operate across a housing association group, scrutiny group members will need to be drawn from the whole group. It may feel fairest to allocate an equal number of places on the group to each operating association. However, where one association is small or has few active tenants, equal allocation of places may need to be a longer-term aspiration.

Other tenant groups

RLSR groups will be stronger if they can draw on the work and views of other tenant groups within their organisation, but the roles and expected outcomes of each group must be clear and complementary.

Teign Housing's Tenant Forum meets every six weeks to discuss and make recommendations about issues affecting Teign Housing and its residents. Its Senior Forum focuses specifically on the needs of customers aged 50+. The Chairs of both forums have a seat on the Scrutiny Group, in addition to the eight independent tenant members. This helps to embed the customer experience into the work of the Scrutiny Panel, making sure scrutiny work is directed at the right issues and business areas.

Other tenant groups, such as tenant forums or customer panels, will need to become aware of, and comfortable with, the role of the RLSR group. Presentations, and the opportunity for discussion and ongoing dialogue, will be good ways to boost understanding and work through any concerns.

Difficult or uncomfortable choices may need to be made about existing tenant groups when introducing RLSR. Groups may already exist which have some scrutiny duties, such as tenants' forums that receive service performance information. For it to be effective and valued, a scrutiny group's remit should be designed so that existing roles are beneficial or complementary to the work of a new scrutiny group. But there can be a resistance to change or a desire not to challenge established groups, which can lead to a decision to duplicate rather than rationalise or restructure groups and functions when a scrutiny group is established. Duplication and lack of clarity can bring confusion, which damages support for and satisfaction with involvement. It can also lead to unnecessary work, wasting the time and money of tenants, staff and the wider organisation.[2]

However, creation of a new approach to scrutiny can be an opportunity to re-invigorate tenant involvement and empowerment activities which have become a bit flat.

New Charter's Tenants' Federation had been running for many years but it had lost its vibrancy and impact and was struggling to get tenants involved. The federation was disbanded and with the change in focus of government policy New Charter engaged with its residents to develop a new involvement framework, to include the set up of a scrutiny panel. The Tenant Management Team was launched with a clear remit and significant publicity, and attracted many new participants.

2 A recent report by Tribal *Choosing Choice* found that while landlords continue to add new methods of involvement/empowerment they rarely discontinue methods that are not effective. This creates a multi-layered approach, which if used well may be useful in providing options as to how tenants might wish to be involved, but does in many organisations cause a lack of focus and can be resource-intensive.

The wider tenant body

Tenants who are not active within their landlord are likely to be familiar with opportunities for individual involvement (reporting a concern or making a complaint), but may have low awareness of collective involvement activities. To support transparency, show impact, build confidence, and encourage new people to become involved, organisations will need to find ways to raise awareness of the activities of the scrutiny group.

The chair of **Teign Housing's Scrutiny Group** reports on progress in a blog, available on the association's website.

Aldwyck's Customer Scrutiny Panel gives a short summary of its meetings with the Aldwyck board in the quarterly residents' magazine.

Staff members

Most staff will be accustomed to being asked questions by residents about performance and decisions, but enhanced scrutiny will be a new experience for many. Staff groups at all levels will need to be aware of the role and remit of the group, and its procedures.

New Charter's Tenant Management Team and the support worker have delivered training and presentations about its work and remit to all staff teams. Team members also deliver an information session at staff induction sessions.

Ensuring interests of all tenants are represented (E&D issues)

It is likely to be difficult in practice to get a scrutiny group which mirrors the demographic make-up of the wider tenant body, and early experiences suggest that the demographic composition of groups may tend to be quite narrow. In setting up a scrutiny group, it will be important to ensure the group has the capacity to fulfil its objectives – and these are likely to include acting in the interests of all tenants. As in the rest of society, groups whose members have similar ages, life experiences, and ethnic backgrounds may not sufficiently prioritise or appreciate the needs, views and experiences of people who are significantly different from them.

If scrutiny group members fit a narrow demographic profile, organisations should assess:

- The risk of poor representation of the wider tenant body
- The risk of a perception of poor representation of the wider tenant body
- Whether there are real or perceived barriers to certain groups or individuals becoming involved with the group.

Action should be taken if any of these factors are identified.

Organisations could:

- Try to diversify the group so it better represents the profile of all the organisation's tenants
- Ensure that group members have a good understanding of the views and needs of all tenants, providing information from customer insight and involvement activities

- Use the terms of reference to require members to maintain knowledge of the broad base of tenant views and needs, to have regular personal contact with the wider tenant group, and to respond to this knowledge.

Sovereign's Group Residents' Forum terms of reference state: 'ultimately the SHG Board has an oversight role for all group activities and will intervene if the GRF is failing to take account of the views of the wider resident body'.

Care should be taken not to make tenants who fit the 'usual' profile feel unwelcome or that their contributions are not valued.

Over time, it may be possible to reach out to younger people and other under-represented groups. Organisations will need to consider ways to reach these groups, because usual communication methods (newsletters, etc.) may not reach them.

Members of **New Charter's Tenant Management Team** (TMT) want to make themselves known and have a visible presence within the tenant base. Recently they ran a showcase event with workshops to promote the recruitment of both TMT representatives and Resident Inspectors. Other ideas to promote their work include door-knocking, a DVD of the work of TMT, and posters and handouts for use in schools and community venues.

Sovereign Group's most recent recruitment to the GRF used their customer profile to successfully recruit female heads of households aged 35-55.

5. Policy development: RLSR and the new regulatory system

As the case studies show, robust RLSR models can be designed and implemented to enhance the levels and impact of resident scrutiny in housing providers.

All of the case studies had decided to implement RLSR to deliver improvements in service and accountability – their primary goal was not regulatory compliance. However, all recognised that they were in a good position to perform well against new regulatory expectations (both around resident involvement and taking responsibility for their own performance) because they were using RLSR.

Many of the case study organisations were keen that their enhanced approach to resident scrutiny and self-regulation should be recognised by the TSA and the Audit Commission as supporting and demonstrating regulatory compliance. They were particularly keen to avoid the need to be scrutinised twice.

Meaningful RLSR by landlords is still very much in its development stage whilst the new regulatory system is about to go live. However, the TSA has been clear that it will 'need to evolve over time its approach to monitoring and compliance'. This means that there is an opportunity for RLSR to play a significant role over time in the development and implementation of the new regulatory framework. Ideally the role played will be to enable the TSA to be less hands-on and to consolidate co-regulation in the sector.

For RLSR to play a role in external regulation there needs to be clarity around a range of issues. In this chapter we consider options for the future policy framework adopted by the TSA. We look at ways in which RLSR could interact with external regulation, aspects it can support and complement, and the procedural and practical consequences which may arise, including:

- Assurances provided to the regulator by effective RLSR
- Regulatory activities which could be replaced by effective RLSR
- Links into the proposed local standards and fee structures
- Relationships between RLSR groups and the regulator
- Interactions between external inspection and RLSR
- Potential expectations of the regulator relating to RLSR.

This report is not making a case for a regulatory requirement on providers to use RLSR. Rather, it is about what needs to happen for:

- RLSR to become recognised as a trusted and effective way to embed self-regulation within providers
- RLSR to become recognised as a trusted and effective way to ensure and demonstrate compliance with regulatory standards
- This recognition to enable reduced interaction between providers and the regulator.

Co-regulation and RLSR

The TSA intends to implement a co-regulatory approach to regulation of social housing.

A new regulatory framework for social housing in England, the TSA's statutory consultation, defines co-regulation as being a balance between 'direct regulation by the TSA and self-regulation by providers'. The TSA has proposed a non-prescriptive approach. The nationally determined standards it expects housing providers to meet are therefore defined in terms of broad outcomes, with a strong emphasis put on local agreements made between tenants and providers on standards that will shape local services and priorities.

This is a radical approach by the TSA which is underpinned by several expectations:

- The primary focus for discussions on service delivery and improvement should be between providers and their tenants rather than between the regulator and the provider
- Essential elements of co-regulation must include honest and robust self-assessment that is evidence-based, and incorporates independent audit and tenant scrutiny of performance where appropriate
- Providers must be transparent, especially in providing performance information to their tenants, in order to help strengthen their accountability to their tenants, prospective tenants and the wider public
- Tenants should be able to hold providers to account, including by scrutinising performance.

RLSR is well-placed to help providers to meet these co-regulatory expectations around tenant focus, self-assessment, localism, and accountability. It will also provide a real spur to improvement if it is accepted that a provider with effective RLSR in place will have met key aspects of the national service delivery standards.

RLSR as a self-assessment tool

The TSA is clearly putting the onus on providers to develop and justify their own approach to meeting the new standards. *A new regulatory framework for social housing in England* says that all providers with more than 1,000 properties should, between 1 April and 1 October 2010, publish 'for the benefit of their tenants, and submit to the TSA', a report that sets out:

- Their plans for meeting all the national standards
- Any identified gaps and associated improvement plans
- Their plans for developing local standards
- How they will assure or measure their compliance against these standards in future.

In conjunction with this, the tenant involvement and empowerment standard puts an expectation on providers to demonstrate how tenants are being involved in scrutinising and monitoring performance.

We have seen from the case studies that RLSR is developing as an effective tool for providers to both improve their service and make it more accountable to their tenants.

RLSR could therefore develop as a significant mechanism for providers to demonstrate that they are effectively self-assessing in relation to these standards. If RLSR systems are in place and delivering the necessary outcomes this could provide a clear assurance to the TSA that they are meeting the standards.

A key issue for the new regime generally is how providers demonstrate to the regulator that they are self-assessing and scrutinising

their service in an effective way. The consultation document says:

> *'It is providers' responsibility to determine how they develop a systematic approach to self-improvement and learning from each other through peer review and benchmarking. They must have effective scrutiny mechanisms, including for example self assessment, board or councillor scrutiny, tenant scrutiny of performance and have considered the use of external validation and accreditation services. It is also providers' responsibility to set out how they will improve their services and develop their accountability for this to their tenants, particularly through their approach to establishing local standards.'*

RLSR could be a key way for many organisations to develop a form of self-assessment that is considered to be effective. There is obviously an issue about what 'effective' means. The case studies that we have considered principally saw this as being about activity that leads to positive change. There are, however, also issues of efficiency here and effectiveness need not always be about change. In some cases it might be improvement of the existing service/results but in others it can be a validation of the effective use of resources to meet tenants' needs. The important point here is that the provider and tenants define what they are trying to achieve and can demonstrate whether they did.

To enable RLSR to fit with regulatory self-assessment requirements, RLSR processes and reports would need to align with the providers' duty to provide an Annual Standards Report. Providers will also need to show how RLSR fits into corporate self-assessment, linkages with the board (including existing tenant board members) and whether changes are necessary to the terms of reference for the board and RLSR body.

So that it can accept self-assessments as valid and accurate, the regulator will need to feel sure that tenant scrutiny groups have the resources to make decisions and that their judgements are not made in a vacuum. Providers will need a means to demonstrate that scrutiny groups are well resourced and integrated for the regulator to be confident.

It is important to be realistic about how many standards RLSR can cover, especially as it is just developing. A scrutiny group which examines three or four topics in a year will not have capacity to provide assurances against all of the national standards, but it can clearly make a significant contribution on several of them.

Local standards

The TSA expects locally set and monitored standards to be a central feature of the new regulatory system. The consultation paper recognises that 'priorities of tenants will vary considerably across the country and within regions and neighbourhoods' and emphasises that local standards are 'central to our co-regulatory vision'. The TSA expects local standards to 'complement the national standards to strengthen them and tailor them to local priorities'.

There are four service areas in the statutory consultation where the draft standard specifically states that 'registered providers must ensure their tenants have the opportunity to agree a local standard'. These are:

- Repairs and maintenance
- Quality of accommodation
- Neighbourhood management and anti-social behaviour
- Value for money.

The national standard on tenant involvement and empowerment sets out what is expected from providers as they develop local standards and involve their tenants. The TSA will have to find ways to monitor whether effective local standards are developed and to intervene in a sensitive but effective way in terms of poor performance and encouraging improvement.

The case studies in this report show that some RLSR groups are being used to oversee standards and that some go further, informing the development and refinement of standards.

There are two ways in which RLSR could therefore support the TSA to monitor that local standards are developed and delivered effectively:

- **Reviewing local standards:** The consultation paper talks about providers having in place 'arrangements for reviewing the local standards on an annual basis'. Given the way RLSR systems are being developed specifically to scrutinise and review, they could clearly play a key role in providing information to feed into this review process. Their independence, formality, and power should demonstrate to the TSA that the local standards set, and their reported outcomes, are supported and agreed by tenants. It will be important that providers help the wider body of tenants to develop a wider knowledge of scrutiny models and the role they play, so that there is an understanding of how local standards are being monitored and how the provider may respond to monitoring.
- **Developing local standards:**[3] The TSA expects that these will be developed 'where tenants want them', and so providers will need to develop effective mechanisms for determining what tenants want in terms of local standards. In some of the case studies which we considered RLSR was already helping to highlight areas of concern and inform changes in the type and standard of services provided. Setting a local standard could be a way for a provider to respond to problems highlighted through scrutiny, and therefore to demonstrate to the TSA that appropriate standards are being set. However, whilst scrutiny can help to identify where local standards may be needed, providers should go to tenants beyond the scrutiny group to agree the exact content, wording and actions of local standards. Setting standards is not a scrutiny matter and should draw on wider involvement activities.

Process or self definition?

There was a shared understanding across the case studies for this project of what RLSR is about, although organisations have developed different mechanisms for delivering RLSR. If RLSR is going to be developed in a way that allows the TSA to use its existence and outputs for obtaining assurance that providers are meeting the standards or aspects of the standards, we must decide

3 HouseMark has considered RSLR in the context of setting and monitoring local standards in the report *How to develop and monitor local performance measures: a guide for tenants and landlords.*

whether it is important to develop a clear definition of what constitutes resident-led self-regulation. Should there be a specified model that landlords can be judged on, or is form and structure something that should be left for landlords and their tenants to define?

The emphasis in the consultation paper on self-regulation, where landlords develop clear published policies on self-assessment and tenant involvement and empowerment with their tenants, would suggest it is not for the TSA to define a specified model.

The case study RLSR groups were interested to know what information the TSA might accept as proof of effective scrutiny arrangements. It might provide a degree of clarity for the TSA when regulating, and for providers in developing their approaches to meeting the standards, if the TSA supported or endorsed the development of good practice models for RLSR. The TSA would then be able to signpost providers to these to help them develop an approach that would be considered effective. Any form of guidance or recognised good practice would need periodic refreshment as RLSR and regulatory practice develop. The stronger RLSR (and other accountability mechanisms) become, the more hands-off the TSA's regulatory practice can be. If, as seems likely, the TSA seeks to highlight good practice rather than issue guidance, it will be important for TSA staff to understand what is distinct about RLSR and to track and respond to its development in the sector.

Either way, RLSR could provide a focus for the way interaction with tenants operates within landlords, and for providers' consideration of how to make a clear statement of what they are doing and how it has been derived from tenants' views and preferences. Regulation could then focus on checking whether landlords are doing what they say, that the way tenants' views have been gained is robust, and how far they have influenced service delivery. This would help to ensure the focus of external regulation moves from process to outcomes; consolidating a move to co-regulation.

Which standards?

It will be necessary to determine which of the proposed standards RLSR might reasonably be applied to. Whilst RLSR can be used across the whole of a providers' business, our work with the case studies showed that landlords and tenants often start by focusing on service delivery.

The evidence from the National Conversation's work with tenants shows that their primary interest is in the service delivery aspects of providers' activity. It is therefore clear that the draft standards under these headings:

- Home
- Tenant involvement and empowerment
- Value for money
- Neighbourhood and community

would be particularly applicable to RLSR approaches.

In terms of value for money, for example, RLSR can help to decide appropriate priorities and use of resources, and to identify where value for money can be improved. The way it is delivered can impact negatively on the value for money of tenant involvement activities however, where setting up RLSR has not involved rationalisation of existing involvement mechanisms.

Tenants would also have a strong interest in the tenancy standard. Providers are significantly constrained in how far tenant scrutiny could drive change here because government retains control of rents, and criteria for allocations and tenure are determined by legislation. However, the case studies show that there are some ways in which RLSR can be used to good effect around this standard, particularly in terms of allocations.

As we saw in the case studies, some residents have an appetite for involvement in activities beyond service delivery, and the draft tenant involvement and empowerment standard states that providers must have the opportunity to 'influence their registered provider's strategic priorities'.

In terms of the governance and viability standard there are wider and complex issues in terms of the providers' business and public policy, including the need to satisfy lenders. This means that formal regulation will continue to have a significant hands-on role to play. Tenants do clearly have an interest here and some of those developing RLSR approaches have included governance, but external pressures mean that the TSA may be less comfortable about reducing its own scrutiny and relying on RLSR in this area.

In addition, use of RLSR should directly demonstrate compliance with elements of the empowerment standard because it offers high levels of involvement and power. RLSR will not (and should not) be the only way for providers to meet expectations around involvement, but it will be helpful if the TSA can give an idea of what sorts of involvement it considers adequate and what it does not. This will help providers to plan for development of their own approaches.

Interestingly, some case study RLSR groups distinguished between formal audit (e.g. of public assets and equality), which was clearly the role of the regulator, and less formal audit (e.g. of tenant satisfaction and service quality), and felt that the RLSR panel should work on areas covered by less formal audits.

It will take a while for Annual Standards Reports to bed in – for providers to work out how to make them concise but robust, and for the TSA to feel comfortable with the level and type of evidence that demonstrates compliance. To support this process it would be helpful for providers and tenants if, having considered these ideas, the TSA could state clearly which standards or aspects of them could have compliance demonstrated through RLSR, and which could not. Ideally, the TSA would be able to make an explicit statement confirming that when it can see that effective RLSR is in place it will feel confident that a provider's self assessment of performance against certain standards will be robust and accurate. The TSA may feel that RLSR is not able to give enough assurance of performance in some areas. For example although RLSR may look at governance, the TSA may expect external audit to be conducted to provide assurances of good governance that it is confident to accept.

Outcome-based

If regulation is to be 'outcome based' – focusing on providers delivering the services that their tenants want, rather than focusing on what the regulator and inspector say – then there is a need to move away from prescribed definitions of how services should be provided.

Outlining the proposed Annual Standards Report the TSA says that:

> *'To limit burdens, we want the Annual Standards Report to rely, as far as possible, on information that providers collect for their own purpose and is therefore "used and useful". It should be based on self-assessments that providers should be routinely undertaking and in this way should not be a significant additional burden.'*

There is a danger of the outcome-focused approach leading to an emphasis on 'outputs' rather than 'outcomes' if it drives a move towards setting numerical targets and away from focusing on the customer experience.

In many ways an evaluation of 'outcomes' needs to make judgements which are in effect more subjective and not easily measurable. So an evaluation will need to consider what has changed for tenants and how they feel about the changes to the service. Here RLSR may have an important role in keeping the Annual Standards Report outcome-focused, and therefore compliant with regulation, as the tenants involved in this process are in a good position to make these judgements.

The use of RLSR would therefore help ensure that the 'tenant experience' is placed at the centre of service delivery regulation, rather than pre-defined targets which may or may not be relevant to tenants in a particular area. This should help with the development of effective local data which will allow tenants to understand and monitor their landlord's performance. It would also allow targets to be set and monitored that are relevant to their expectations and aspirations.

Assurances provided to the regulator by effective RLSR

The TSA is clearly putting the onus on providers to develop and justify their own approach to meeting the new standards. If RLSR is to be a key aspect of providers' approaches to meeting standards, then giving an assurance that RLSR systems are in place and delivering necessary outcomes will be crucial.[4] Development of assurances around RLSR needs to be considered as part of the TSA's stated aim that:

> *'The TSA will work with tenants, providers and other stakeholders in the lead up to April 2010 and beyond to assess which forms of validation and peer review would best support the standards framework.'*

Few providers will have RLSR in place for the first Annual Standards Reports, so their ability to demonstrate tenant-endorsed self-assessment may be limited. However, starting to develop RLSR now could help to deliver a very robust second round of Annual Standards Reports.

If providers are setting up RLSR approaches to meet the timetable for self-assessments, they could request that a framework of staged goals is accepted by the TSA.

The sort of approach envisaged is sketched out briefly in the box on the next page.

4 This will be the case for any approach to meeting standards which is selected by providers, not just RLSR.

Possible developmental timetable for RLSR approach

Year 1

4 months to establish the framework

4 months to work through integration with, and amendment of:

- existing corporate priorities and improvement plans
- resident involvement framework and governance links

4 months to populate membership, undertake training and capacity building

Full operation by the end of year one.

Year 2

Annual Standards Reports show clear evidence of the impact of RLSR and can demonstrate tenant-endorsed self-assessment of performance against standards.

Once RLSR is in place, the TSA and tenants will need to feel sure that it is delivering so that additional external regulatory scrutiny of performance is not needed.

Three possible mechanisms for providers to demonstrate that their approach to RLSR is robust, and that it is being used to demonstrate that standards are met, are set out below.

1) Peer review and benchmarking (internal)

A potential problem with a focus on providers defining and reporting on their own performance is that the outcome produced at a local level may not be easily comparable with other providers. RLSR can help providers and the TSA to deal with this problem.

An important aspect of RLSR is that the effective internal processes are complemented by measures which ensure that tenants can make comparisons with other providers. Whilst the TSA will publish comparative data on landlord performance this is likely to provide only a high-level snapshot. It is therefore vital that, as providers work with their tenants on RLSR, effective benchmarking information is developed which allows clear comparisons with other relevant providers.[5]

RLSR may well strengthen the development and provision of benchmarking information because it actually gives tenants the ability to do something with it. Comparative data is not much use without power to act on it, and RLSR gives this power. Two of the case studies for this research were developing networks for RLSR groups to look at each other's performance information.

The TSA's desire to see the development of new peer review type approaches is important. Peer review is becoming fairly well developed in the sector, but it is important that this is not just about one set of professionals looking at what another set of professionals do. One interesting development of the RLSR process could be if scrutiny groups from different providers were able to look at what each other were doing and help each other to develop and improve.

5 See HouseMark's Local Standards Monitoring System.

Whilst peer review is important, it may be too early in development of RLSR and the new regulatory system to allow full reliance on it to give assurances of quality and effectiveness.

2) Inspection (external regulatory)

To date, inspection has been the main tool by which the landlord's performance is assessed. The move away from a comprehensive programme of inspection and towards a focus on poor performers will mean that the general incentive to do well posed by inspection is lessened.[6] RLSR should replace this incentive by internalising empowered scrutiny and the ability to call for improvement.

The regulatory regime could use inspection to support the development of effective RLSR (and indeed self-assessment generally). If the TSA determined that there would be a set number of random, short-notice inspections of providers' self-assessments/RLSR this would mean that providers would always have the possibility of inspection in their minds and ensure that they had robust RLSR processes and outcomes.

Such an approach would fit with the quality aspects of the TSA risk assessment and the prospects for improvement approach. Random inspections of self-assessments or RLSR could ask questions such as 'Can the provider show evidence of a track record of improvement?' 'How are they using their performance management framework to facilitate improvement?' and 'Do they have the capacity to continue to improve?'

A key issue would be focussing the inspection on checking that the self-assessment and tenant empowerment are effective rather than looking for specific service outcomes or specific processes using a KLOE-type approach. The TSA and Audit Commission have recognised that under new standards and a new regulatory approach, the methodology for inspection will need to be reviewed to reflect these changes, so this could be part of that review.

If this could be developed then a number of random inspections could be programmed at an early date to develop the process and ensure that inspection has a role in driving up performance, not just focusing on the worst performers.

3) Accreditation or validation (external independent)

An external approval which is separate from the regulator could also check and give confidence in RLSR. The TSA says that:

> *'Accreditation schemes may be a useful means of supporting improvement. We will consider, once the standards framework is in place, how or whether the TSA recognises new or existing accreditation schemes and their relationship to other co-regulatory tools.'*

This is understandable as the TSA is unlikely to have the capacity or the desire to closely monitor the full range of landlords and standards. It is therefore interested in whether it can place reliance on external accreditation scheme judgements as a means of making its regulatory task more manageable.

There are, however, few examples of such schemes available in the sector at the present time. QHS and the TPAS accreditation schemes for tenant involvement are the only two existing examples.

6 Although arguably a good inspection result meaning that an provider could expect not to be inspected for several years lessened the motivational impact of inspections anyway.

Normally a body carrying out accreditation evaluates a service, process, or method by carrying out conformity assessment work to a fixed methodology against an agreed standard. However the focus in relation to RLSR would need to be less on a fixed methodology and more about ensuring that providers were doing what they say they are doing in their self-assessments, and in particular that tenants are genuinely scrutinising and influencing services.

Use of accreditation raises the issue of 'accrediting the accreditors'. Should the TSA place reliance on accreditation schemes, a multiplicity of providers are likely to emerge in search of market share. Inevitably the quality of their services will vary and the TSA will need to be sure that it receives assurance from quality providers and avoids reliance on schemes which are methodologically flawed.

Validation could also offer assurances around the quality of RLSR systems and their outcomes. It is less formal than accreditation because it is not carried out within a membership or certification framework, but it could offer an agreed framework where some form of external check gives confirmation that the RLSR model and its activities are appropriate, accountable and effective. Validation would therefore give more choice around the manner in which scrutiny is assessed. Like accreditation, however, there would need to be confidence in the credibility of external validations.

Tenant complaints and RLSR

The TSA faces a difficulty in responding to complaints from tenants or groups of tenants because it must determine how far particular complaints indicate failure of an aspect of service delivery or contravention of the standards.

One particular advantage that RLSR may have for the regulator is the existence of a trained and organised tenant scrutiny group which is in a key position to comment on whether the provider is meeting stated standards.

Whilst it will be important to ensure that tenant scrutiny groups go through their provider's board first with any complaints, the possibility of them then using information gathered by scrutiny to bring unresolved problems directly to the regulator may be a useful tool in holding providers to account and empowering tenants.

The statutory consultation suggests that the TSA will provide a foundation for this approach. The TSA has proposed that judgements about whether it will investigate a complaint will depend on whether the:

> *'...complaint, either from an individual tenant or a group of tenants, is received with evidence that a registered provider is not complying with national or agreed local standards and its processes for dealing with tenant concerns either through its complaints process or involvement and empowerment standard are ineffective. Collective complaints will not, in themselves, be treated differently to individual complaints but they may help highlight potential evidence in relation to the number of tenants affected and the scale of concerns about the issues involved.'*

If the TSA is to have confidence to intervene when a board will not respond to a scrutiny group, it will need to see that the terms of reference for scrutiny groups demonstrate commitment to mutual value and respect for

the board. There would also need to be clarity about challenge and independence, and accountability about how timescales and format for the board to react to issues raised by RLSR.

There are some issues around how far RLSR scrutiny mechanisms provide a potential forum for tenants to bring their concerns directly to the regulator, however. Care needs to be taken that the RLSR process does not become all about complaints, because complaints should be a clear procedure available to all residents whether involved in RLSR or not.

Incentives

Providers are likely to choose RLSR for the internal benefits it brings, but its use could be incentivised by the regulator if its benefits are recognised at national level. There are two clear areas where providers could be incentivised to have effective RLSR in place – if they were to have less interaction directly with the regulator, or lower fees.

The TSA has said that 'those organisations where we have no indications of risk of standards failure, and about whom there are no other contra-indications of compliance, can expect to be subject to only minimum levels of regulatory engagement'.

It is difficult at this stage to see which aspects of regulation could be reduced given that it is not yet clear what detailed compliance mechanisms will be put in place by the regulator to underpin the broad approach it has taken.

There would be advantages if the regulator, when developing these compliance mechanisms, was clear about the possibility of providers that have effective RLSR schemes in place being substantially free of other regulatory scrutiny or intervention.

RLSR can offer more than just demonstrating compliance with the empowerment standard – it can also show a reduced risk of standards failure and confirm providers' assessments of compliance.

The development of RLSR approaches by providers would be helped if the TSA was able to state whether it recognises this offer and to spell out the circumstances in which landlords may be able to gain the benefits of less formal regulation because of the use of RLSR.

A more direct incentive would be to reduce fees payable to the regulator by providers which have effective RLSR in place. This reflects the reduced level of activity required by the regulator and also acknowledges the start-up and running costs involved in developing an effective tenant scrutiny. Again, it would be helpful if the TSA would consider the value of making a link between fee levels and RLSR.

Possible scenario

Resident-led self-regulation has great potential to contribute to embedding the co-regulatory approach and culture in the social housing sector, and it is therefore possible to see a co-regulatory approach which incorporates RLSR. The approach would have the following elements:

- The TSA encourages effective RLSR approaches as part of providers' self-assessment and tenant empowerment work

- The TSA encourages the development of – and signposts providers towards – practical or written guidance on what these approaches might entail and how to make them work well
- The specifics of RLSR approaches are spelled out in providers' empowerment strategies and Annual Standard Reports
- The TSA carries out a desktop analysis of approaches described to check that they are robust.

Providers would then have the option of:

- Gaining external accreditation for their approach (which means that they could guarantee not to have their RLSR/self-assessment mechanisms inspected) or
- Proceeding without accreditation on the understanding that they could be subject to random inspection of their RLSR approach to check it delivers as promised.

In this scenario, providers that adopted and demonstrated effective RLSR could assume they would only be subject to other regulatory action if their tenant scrutiny group complains to the regulator or if there is other hard evidence of the failure to deliver against national standards.

Finally, it currently appears that the TSA will only consider using RLSR as evidence of performance against the involvement and empowerment standard. However, as we have shown, it can potentially contribute to regulation of other standards, and we recommend that the TSA considers these ideas in some detail as it develops and refines the regulatory framework.

Conclusion

RLSR is already being used by some providers to significantly strengthen their tenant involvement, their accountability to tenants, and improvements in service delivery. The efforts to date of committed staff, boards and – in particular, residents who give their time, knowledge and skills for free – are to be commended.

Lessons from these providers will be of great help to those interested in building on existing tenant panels and scrutiny activities to implement an RLSR approach. Experience shows that it is a realistic and achievable idea that can really enhance tried and tested scrutiny activities by providing a hub for them and linking them into the wider tenant body and governance structures.

RLSR can also offer a great deal to development and consolidation of the new approach to regulation. It delivers on the proposed involvement and empowerment standard; it can help providers to meet the expectation that they will internalise and account for their own performance improvement; and it can give assurances to the regulator that regulatory engagement can be light touch.

If RLSR becomes widespread in the sector and its potential is recognised and embedded in the new regulatory system, it will bring clear benefits to providers, the regulator, and tenants alike.

Appendix: Different approaches to resident-led self-regulation

	Sovereign Group Residents' Forum	Teign Scrutiny Panel	Salix Customer Senate	Cambridge City Homes Housing Regulation Panel	New Charter Tenant Management Team	Aldwyck Customer Scrutiny Panel
Launch date	October 2009	February 2009	November 2008	April 2010	In 2009	April 2008
Membership	Up to 16 tenant members, 4 from each Association, and meets at least 6 times each year.	10 resident members, including the Tenants' Forum Chair, and the Senior Forum Chair. A place is reserved for a leaseholder or shared owner. The Panel formally meets 4 times per year, and also undertakes independent service reviews.	14 customers, who meet at least fortnightly when undertaking scrutiny which could mean at least 24 times per year.	11 tenant members.	12 tenant members.	15 tenants who meet on a quarterly basis to scrutinise performance and twice a year to meet the Board and Executive.
Recruitment	By interview, looking for particular skills and capabilities to represent the tenants' wider demographic profile as far as possible. Interviewed by Managing Director, Group Performance Director and a resident from the Group Residents' Forum.	By interview, looking for particular skills and to represent the tenants' wider demographic profile as far as possible. Interviewed by a resident Board member, the Community Development Team Leader and an HR staff member.	Run by Customer Involvement Panel. 7 senators recruited from the neighbour-hood areas (1 from each geographical area) and 7 from SSPs (1 from each panel). The Board champion for customer involvement and customer interview panel oversaw the recruitment of individuals from the SSPs.	Some initial members drawn from the steering group created to set the Panel up and others selected by open application. Additional members to be elected to the Panel in April 2011.	By interview; open to all.	Open application and informal discussion by a staff member and CSP member. If there is one position vacant, the candidate then attends a meeting to be co-opted into the CSP for a year. If there are a number of positions elections will be held.

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	Sovereign Group Residents' Forum	Teign Scrutiny Panel	Salix Customer Senate	Cambridge City Homes Housing Regulation Panel	New Charter Tenant Management Team	Aldwyck Customer Scrutiny Panel
Payment	Members receive expenses and the loan of a laptop.	£10 gift voucher for each meeting attended, plus expenses.	None.		Expenses covered.	Support and expenses paid.
Staff support	Dedicated staff time is allocated to provide administrative support to the group.		Direct support for the Chair by a director, and secretariat.	Administrative support available.	Administrative and practical support from the tenant involvement team and support worker. Independent mentor for 12 months.	A board member acts as mentor to the group. Administrative support is also provided.
Budget	Yes.	Yes.	The Senate controls a small budget and can raise its own revenue through running conferences and events.	To be decided.	£15,000 to pay for publicity materials, printing, letterhead, postage for surveys, ICT equipment/ broadband, external training, travel expenses and the physical resources (tenants' resource room), laptops, broadband.	n/a.
Cost	Unknown.	£12,000 for 2010/11.	Absorbed through Customer Involvement Budget.	Not yet known.	Unknown.	£72,000 per year (budget controlled by Customer Scrutiny Team).

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	Sovereign Group Residents' Forum	Teign Scrutiny Panel	Salix Customer Senate	Cambridge City Homes Housing Regulation Panel	New Charter Tenant Management Team	Aldwyck Customer Scrutiny Panel
Links to corporate management/governance	The Chair and Vice Chair of the GRF meet formally twice a year with the Chief Executive and Chair of Management Board, and minutes of the meeting become an item on Management Board and GRF agendas. The GRF will report to the Group Board as necessary.	The Panel makes quarterly reports to the Board Performance and Audit Committee, and will provide reports with recommended actions to the Senior Management team following a service review. The Scrutiny Group does not appear before the Board. The Panel Chair meets with the Chief Executive on a quarterly basis.	Learning and Diversity Committee receives minutes of the Senate's meetings, and the Senate's chair attends Board meetings as an observer so reports can be presented directly to the board. Reports go to Board with an action plan and these translate into performance outcomes.	Panel to report regularly and in a standard format to Housing Management Board (HMB) about its activities and work. Housing Management Board will respond in an agreed format, including providing a timetable for actions and responses.	Regular meetings with the Group Management Team and Board. Annual report completed for both the GMT and Board.	CSP meets the Board formally twice a year, and it helps to set performance indicators.
Powers			Unfettered access to information.	Request or commission reports; ask officers, contractors, members of residents' groups and other stakeholders to attend Panel meetings to give verbal evidence as part of any investigation, issue a 'call for action', submit a whistle blowing report.	Access to relevant information. Budget control. Ability to challenge at Board level, Group Management Team and Heads of Service.	The CSP has the power to scrutinize staff and call Heads of Service to account for service delivery. The Panel can challenge service delivery indicators at a Board level.

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	Sovereign Group Residents' Forum	Teign Scrutiny Panel	Salix Customer Senate	Cambridge City Homes Housing Regulation Panel	New Charter Tenant Management Team	Aldwyck Customer Scrutiny Panel
Model of scrutiny	GRF determines scrutiny priorities in conjunction with the Group Operations Forum, and direct scrutiny work is undertaken by staff supported by resident inspectors.	A mixture of scrutiny of strategic performance indicators and resident-led service reviews.	The Senate serves notices requesting information and can call on customer inspectors, who are not able to be Senate members, to gather additional information. The Senate directs the work of the inspectors.	Group to run inquiries, and can call on mystery shoppers or tenant inspectors to gather additional evidence.	TMT run scrutiny activities. Commission work to gather evidence for scrutiny using any involvement method within the involvement structure, e.g. resident inspectors, mystery shoppers, working groups.	The CSP monitors against 11 internally agreed performance indicators. Some CSP members also conduct other scrutiny activities.
Determining priorities		The aim of the Panel is to keep a balance between independence and strong links and partnership working with the Teign Housing Senior Management team and Board. Priorities are identified in conjunction with the Senior Management Team and the other tenant involvement structures across Teign.	Priorities are determined by the Senate taking account of information provided by the Board and a scoring system based on performance in different areas e.g. complaints. The Senate can also respond to a Community Call for Action that would be scored appropriately and built into its schedule of activities.		TMT chooses 3 topics per year and New Charter chooses one, there are no restrictions on what TMT can choose. At present focusing on service delivery with actions to scrutinise governance, business direction and constitution performance.	The CSP decides which corporate performance indicators to prioritise for scrutiny.

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	Sovereign Group Residents' Forum	Teign Scrutiny Panel	Salix Customer Senate	Cambridge City Homes Housing Regulation Panel	New Charter Tenant Management Team	Aldwyck Customer Scrutiny Panel
Level of operation	Group-wide, with links into Group Board and Group Management Team.	Organisation-wide (no group structure).	Organisation-wide (no group structure).	Organisation-wide (across the housing service for Cambridge CC).	Only New Charter, not other group members.	Organisation-wide (no group structure); though there are plans to change to a group structure in 2010 and work has been carried out to elect and develop 2 CSPs for each geographical area.
Safeguards in place	Group board will intervene if GRF does not represent wider tenant interests. Assessments of GRF are carried out via individual appraisals carried out by the Chair of the GRF.		Annual review and impact assessment reported to Learning and Diversity Committee. The Senate is also open to scrutiny by Salix Homes' board should it be perceived to be failing.	Not finalised at time of interview.	One to one appraisals of group members with Support Worker, annual performance review with Organisational Development department.	
Other involvement opportunities involving scrutiny	Tenant inspection, service panels, resident board member, resident associations.	Mystery shopping, tenant-led telephone surveys, service monitoring.	Customer inspectors.	Mystery shopping, tenant inspectors.	Mystery shopping, resident inspection, focus groups, working groups, involvement panels, shared interest forums.	Mystery shopping, complaints reviews, service reviews.

Resident-led self-regulation is about embedding resident focus in the way social landlords run their business. It is an approach to the internal management of an organisation that can bring residents, staff, and governance closer together. It puts residents' priorities, views and engagement with relevant processes at the heart of housing organisations' frameworks for directing, accounting for, monitoring, assessing and modifying their own behaviour and performance.

Because it is an approach rather than a rigid model, it can work in any kind of housing organisation – local authority, housing association or ALMO; general needs or specialist; large or small.

A number of housing organisations have developed and begun to use resident-led self-regulation. In addition, a regulatory framework is now being established which expects organisations to be more proactive in self-regulation and in resident involvement.

This report explores and assesses how housing organisations have implemented resident-led self-regulation. Drawing on the experience of the leading providers in the field, it identifies the practicalities and pitfalls of setting up and running resident-led self-regulation; and provides suggestions, guidance, and examples to help housing providers and tenants to take this approach forward. It also considers how resident-led self-regulation could link into the Tenant Services Authority's co-regulatory framework, both in terms of assuring quality of providers' performance and in reducing external intervention.

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