
NORTH AYRSHIRE COUNCIL

29 September 2020

Audit & Scrutiny Committee

Title: **Annual Assurance Statement to the Scottish Housing Regulator 2019-20**

Purpose: To advise the Committee of the Council's Annual Return on the Charter 2019-20 submission, and request endorsement of the Annual Assurance Statement to be submitted to the Scottish Housing Regulator.

Recommendation: That (i) the Committee notes the Annual Return on the Charter submission 2019-20; (ii) the Committee notes the supporting evidence provided to demonstrate compliance with the regulatory framework and relevant legislation; and (iii) the Committee Chair signs the Annual Assurance Statement (Appendix 1).

1. Executive Summary

- 1.1 The Scottish Housing Regulator's framework for the regulation of social housing in Scotland includes the requirement for an Annual Assurance Statement to be submitted alongside the Annual Return on the Charter (ARC). The statement must be approved by the appropriate Committee within the organisation prior to submission.
- 1.2 Endorsement of the Annual Assurance Statement will ensure that the Council complies with regulatory requirements set out in the Housing (Scotland) Act 2010.

2. Background

- 2.1 The Housing (Scotland) Act 2010 sets out the statutory objective, functions, duties and powers of the Scottish Housing Regulator (SHR), a non-ministerial department responsible for regulating social housing in Scotland.
- 2.2 In 2012, the Scottish Government's Social Housing Charter was established. It sets out the standards and outcomes that tenants, homeless people, homeowners and gypsy/travellers can expect from social landlords. This is monitored via landlords' ARC submission to the SHR.
- 2.3 In February 2019, the Scottish Housing Regulator issued a revised framework for the regulation of social housing in Scotland. The new framework includes the requirement for landlords to submit an Annual Assurance Statement which has been agreed by a Board or Committee within the organisation. The Council must provide assurance that it complies with the relevant requirements of Chapter 3 of the Regulatory Framework.

2.4 The Assurance Statement is confirmation that as a landlord, the Council:

- meets all legal duties and responsibilities, and adheres to relevant guidance and the requirements of other regulators;
- meets its statutory duties to prevent and alleviate homelessness;
- adheres to statutory guidance from the Scottish Housing Regulator;
- takes account of regulatory advice from the Scottish Housing Regulator and from other regulators; and
- Complies with all regulatory requirements.

The Council must also confirm plans to fix any instances where there is a material non-compliance and notify the SHR about any material changes in their level of assurance during the year.

Annual Assurance Statement Visit

- 2.5 In December 2019 North Ayrshire Council was one of ten Scottish social landlords visited by the Scottish Housing Regulator to find out more about the self-assurance work carried out to enable the Annual Assurance Statement to be developed.
- 2.6 The purpose of the visit was to gain an understanding of landlords' experiences in producing the statement; find out how assurance was gained in terms of compliance with regulatory requirements, in particular tenant and resident safety and rent affordability; and identify positive practice and lessons learned.
- 2.7 Formal feedback was received from the SHR in February 2020, followed by a report 'Lessons from the first round of Annual Assurance Statements' published in March 2020.
- 2.8 The Regulator stated in the feedback that they had found North Ayrshire Council had carefully considered the appropriate approach for the completion of the first AAS. It confirmed that the Council had provided evidence to demonstrate that compliance with the regulatory framework and relevant legislation was fully considered.

Performance

- 2.9 The revised performance framework issued in early 2019 resulted in the removal of some historical indicators, introduction of new performance measures and changes in some methods of calculation.
- 2.10 Whilst comparative information from other local authorities for the 2019-20 ARC is not yet available, the 2018-19 comparisons from the Scottish Social Housing Charter show that North Ayrshire Council remains a high performing local authority housing service.
- 2.11 Despite the roll out of Universal Credit Full Service in North Ayrshire in 2017, the position as third in Scotland for rent arrears levels was retained. Tenant satisfaction remains high in terms of overall services as a landlord, and opportunities for tenants to participate and keep informed about services and decisions.

- 2.12 The Council's sector-leading Homeless Service continues to support services users to positive outcomes, with a 2.59% increase in tenancy sustainment for formerly homeless tenants from 2018-19 to 2019-20.
- 2.13 The Scottish Housing Network confirmed in September 2020 that North Ayrshire Housing Services remains the top performer amongst local authority members in terms of both level of service and value for money.
- 2.14 The overall performance of the Housing Service is continuously reviewed by the Head of Service and Housing Senior Management Team, with key performance information and action plans presented to the North Ayrshire Network, Business Plan Implementation Group and Council's Cabinet regularly during each year.
- 2.15 The average length of time taken to complete emergency repairs increased from 2.16 to 2.96 hours from 2018-2019, and from 5.45 to 6.3 days for non-emergency repairs. This is still within targets of average times set in the Council's Repairs Policy, of 4 hours and 7 days respectively. Furthermore, satisfaction levels in tenants who had repairs or maintenance carried out in the last 12 months has increased from 87.57% to 95.50% during the same time period.
- 2.16 The average time taken to re-let properties has increased to 26.26 days in 2019-2020, from 19.92 days the previous year. This increase is in part due to the additional void works carried out for new tenants being decanted from the multi-storey blocks in Irvine, with a full decoration, floor covering and blinds service being provided. A review of the void process is currently being undertaken to identify any other factors which may be contributing to the increased re-let time.
- 2.17 Whilst performance appears to have reduced from 2018-2019 in terms of the percentage of antisocial behaviour cases reported in the last year which were resolved (now 83.55%, from 98.22%), this is due to a change in method of calculation for the ARC. Our internal performance reporting confirms that 99.28% of cases were resolved within target during 2019-2020.
- 2.18 It is unlikely that levels of performance will be maintained or improved in some areas of the 2020-2021 ARC return, due to the impact of the COVID-19 pandemic. An example of this is gross rent arrears, where there has been a focus on support for tenants during the pandemic, with national guidance advising against enforcement. However, this position is likely to be reflected nationally.
- 2.19 The ARC 2019-20, which can be accessed at <https://www.north-ayrshire.gov.uk/Documents/PropertyServices/HousingBuilding/annual-return-on-the-charter.pdf>, demonstrates the Council's performance against the outcomes in the Scottish Social Housing Charter.
- 2.20 Supporting evidence to demonstrate compliance with the regulatory framework and relevant legislation can be accessed at <https://www.north-ayrshire.gov.uk/Documents/PropertyServices/HousingBuilding/aas-supporting-evidence.pdf>. Included in this evidence is a diagram outlining performance/compliance versus impact on tenants and/or governance.

- 2.21 The Annual Assurance Statement, which is attached at Appendix 1, confirms that the Council has complied with the regulatory framework, all standards and outcomes, and the relevant legislation. This Statement will be made available to tenants as part of the Council's performance reporting process.

3. Proposals

- 3.1 It is proposed (i) the Committee notes the Annual Return on the Charter submission 2019-20; (ii) the Committee notes the supporting evidence provided to demonstrate compliance with the regulatory framework and relevant legislation; and (iii) the Committee Chair signs the Annual Assurance Statement (Appendix 1).

4. Implications/Socio-economic Duty

Financial

- 4.1 None

Human Resources

- 4.2 None

Legal

- 4.3 Approval of the Annual Return on the Charter submission 2019-20 and supporting evidence, and signature of the Annual Assurance Statement, will ensure that the Council complies with regulatory requirements set out in the Housing (Scotland) Act 2010.

Equality/Socio-economic

- 4.4 None

Environmental and Sustainability

- 4.5 None

Key Priorities

- 4.6 None

Community Wealth Building

- 4.7 None

5. Consultation

- 5.1 Consultation has taken place with Services within Physical Environment, Directorate Performance, the Health and Social Care Partnership and the Scottish Housing Regulator during the preparation of the Annual Return on the Charter and Annual Assurance Statement.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **Jacqueline Cameron, Senior Manager (Housing Strategy and Development)**, on **01294 485652**.

Background Papers

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North Ayrshire Council

Comhairle Siorrachd Àir a Tuath

Annual Assurance Statement 2019/20

North Ayrshire Council complies with the requirements set out in Chapter 3 of the Regulatory Framework.

North Ayrshire Council is assured that we:

- ✓ Meet all legal duties and responsibilities, and adhere to relevant guidance and the requirements of other regulators;
- ✓ Meet our statutory duties to prevent and alleviate homelessness;
- ✓ Adhere to statutory guidance from the Scottish Housing Regulator;
- ✓ Take account of regulatory advice from the Scottish Housing Regulator and from other regulators; and
- ✓ Comply with all regulatory requirements, encompassing:
 - Assurance and notification
 - Tenant and service user redress
 - Whistleblowing
 - Equalities and human rights
 - Scottish Social Housing Charter Performance.

North Ayrshire Council's Audit and Scrutiny Committee has considered sufficient evidence to give this assurance.

The Annual Assurance Statement was approved by Audit and Scrutiny Committee on 29 September 2020.

Authorised by: _____
Chairperson of the Committee

Printed name: _____

Date: _____