

## **Cabinet**

**29 July 2025**

### **Activity of the Housing Revenue Account Governance Group**

Portfolio Holder: Councillor Louwella Prenter, Portfolio Holder for Housing & Homelessness

Report from: Adam Bryan, Director of Place

Author: Becs Wilcox, Chief Housing Officer

#### **Summary**

This report sets out the Council's arrangements for governance of its Housing Revenue Account (HRA). An annual report is a commitment from the Terms of Reference agreed by the HRA Governance Group.

#### **1. Recommendations**

1.1. The Cabinet is asked to note the contents of the report.

#### **2. Suggested reasons for decision(s)**

2.1. The report ensures the Cabinet is fully informed about the activity of the HRA Governance Group (the Group) and its impact.

#### **3. Budget and policy framework**

3.1. The HRA is ringfenced and therefore sits outside the General Fund budget.

3.2. The activity referred to in this report relates to functions that are regulated by the Regulator of Social Housing (RSH).

#### **4. Background**

4.1. The HRA Governance Group was established in September 2022 to provide more established scrutiny of the Council's housing stock. Previously, the Council has had an Asset Management Group, however, given changes to regulation published through the Social Housing White Paper, officers recommended a group that had a broader remit but still included information in relation to assets and planned works.

- 4.2. Following the local election and changes in administration from May 2023, the Group revised its Terms of Reference and tenant representatives were brought into the Group.
- 4.3. In July 2024, following the former Portfolio Holder for Housing and Property, along with two other Cabinet members being elected as Members of Parliament, a review of portfolios was undertaken and a new portfolio specifically for housing and homelessness was created.
- 4.4. In addition to the change in portfolio, at the Tenants Panel meeting on 12 July 2024, the group appointed their first Chair and Deputy Chair. This led to a review of the Group's Terms of Reference to include the following members:
- Portfolio Holder, Housing & Homelessness
  - Portfolio Holder, Climate Change & Strategic Regeneration
  - Chair, Business Support & Digital Overview & Scrutiny Committee (opposition Member)
  - Assistant Director, Culture & Community
  - Chief Housing Officer
  - Head of HRA Property & Development
  - Head of Tenant Services
  - Chair, Tenants Panel
  - Deputy Chair, Tenants Panel
- 4.5. The Group meets quarterly and has undertaken four meetings under its current membership. These meetings were held on:
- 6 September 2024 (later than scheduled -should have been late July 2024) to enable the Regulator of Social Housing (RSH) observation.
  - 22 November 2024.
  - 28 February 2025.
  - 16 May 2025.
- 4.6. The purpose of the Group is to “ensure good strategic management of the HRA, the scrutiny of key performance indicators and governance of decision making that will impact Medway Council’s tenants and leaseholders. Driving improvement and ensuring that Medway Council is a benchmark for other providers”.
- 4.7. The Group is supported by the Tenants Panel Chair and Deputy Chair following their appointment at the July 2024 Tenants Panel meeting.

#### **Comments from the Chairperson 2024 – 2025 Cllr Louwella Prenter**

- 4.8. Having assumed the role of Chair of the HRA Governance Group in July 2024, I am pleased to support the active scrutiny of activities in relation to the HRA's Landlord Services.
- 4.9. I am particularly pleased that the Group was able to support the team and the Tenants Panel through Medway's first regulatory inspection between July and

September 2024. The inspection was undertaken by the Regulator of Social Housing (RSH). The final Judgement was published on 27 November 2024, with the second highest grade, C2 being awarded.

- 4.10. The Group will continue to review, monitor and scrutinise the RSH continuous improvement plan on a quarterly basis with the Tenants Panel to ensure that targets are maintained as the service strives towards a C1 grade.
- 4.11. In addition to the continuous improvement plan, the Group will continue to review the performance of the HRA team in relation to tenant satisfaction, under the Tenant Satisfaction Measures, tenancy management including rent collection and arrears and property performance from repairs to compliance workstreams.
- 4.12. Furthermore, understanding the safety and quality of our homes is crucial in ensuring the best outcomes for our residents. This includes an increase in published information through the One Medway Council Plan on a quarterly basis as well as this annual report to Cabinet in relation to performance and the Council's compliance and improvement against the Consumer Standards.

#### **Consideration of performance**

- 4.13. A standing item for the Group considers various performance measures across the HRA. Performance measures include:
  - Average relet times
  - Voids
  - Anti-social behaviour cases
  - Rent arrears and Universal Credit cases.
  - Engagement & Big Door Knocks
  - Repairs satisfaction & performance
  - Compliance performance (gas, electricity, legionella, asbestos, lifts & fire)
  - Decent Homes compliancy
  - Asset survey outcomes
  - Damp & Mould proactive engagement

New performance measures following the RSH Judgment:

- Works in progress (WIP) for repairs
- Remedials for all compliance workstreams
- Separate reporting of Hate Crimes

#### **Consideration of Complaints Trend Analysis**

- 4.14. A further standing agenda item is the consideration of complaints, the volume and numbers upheld, and consideration of the trends and reasons collected for complaints being received.
- 4.15. The Group considered the outcomes and recommendations of the Tenant Panel's first scrutiny, [Complaints] during the May 2025 meeting. This

included the recommendation to produce a guide which includes the difference between a service request and a complaint, responses to show empathy which is to be incorporated in staff training and ensuring that it is clear how tenants can make a complaint. All recommendations have been completed except the guidance, which is currently being worked on in partnership with the Panel.

### **Consideration of Strategic Items**

- 4.16. Several strategic items have also been presented to the Group.
- 4.17. In September 2024 the group reviewed the Terms of Reference (ToR) following a change in membership, the initial continuous improvement plan created as part of the HRA's consumer standards gap analysis and an update on the new repairs and maintenance contracts. This meeting was originally scheduled for August but was moved to allow the Regulatory Engagement Team to observe.
- 4.18. In November 2024, the Group considered the repairs and maintenance tender mobilisation that formally commenced on 1 September 2024, the new social value project linked to these contracts and a briefing note on the proposed reforms to the Energy Performance of Buildings Regime.
- 4.19. In addition to the main Group, a workshop was held with Savills regarding the annual review of the HRA 30 Year Business Plan. This workshop allowed discussion around the various considerations of likely scenarios and an opportunity to stress test them. The workshop enabled the Group and Tenants Panel to have a voice in the annual review process, discussing what direction the plan should take. The Plan was formally presented to the Regeneration, Culture and Environment Overview and Scrutiny Committee in January 2025.
- 4.20. In February 2025, the Group considered an update on the HRA anti-social behaviour action plan and review [which was highlighted as an area for improvement by the RSH], and an update on the HRA energy efficiency programme. The Group also reviewed the outcomes of the 2024/25 Tenant Satisfaction Measures (survey element) including the comparison to the TSM (survey) for 2023/24. The TSMs highlighted an improvement in all areas, with increased satisfaction from tenants who had participated in Big Dook Knocks, showing the importance of engaging with our tenants face to face.
- 4.21. In May 2025, the Group reviewed several key policies and briefings including the Reasonable Adjustments policy, HRA Annual Complaints Report, an Inspection Assurance Report (RSH), the Tenant Engagement Strategy 2025-2028, the Tenants Panel Complaints Scrutiny and the new RSH continuous improvement plan.
- 4.22. During the May 2025 meeting, the Group recommended that the HRA 30 Year Business Plan is reviewed bi-annually, with a mini-review in July and a full review in October/November. This recommendation was made following the

full financial year performance review, the increase in asset data and the impending Spending Review in June 2025.

### **Impact of the Regulator of Social Housing inspection.**

- 4.23. Medway Council was the first local authority landlord in the South East to be inspected by the RSH as part of the new statutory regulatory powers under the Social Housing (Regulation) Act 2023.
- 4.24. The HRA Governance Group formed an integral part of providing reassurance to the RSH Engagement Team during the scoping, document evidence submission and two-day on-site inspection. The HRA team was able to evidence the creation and objective of the Group, the influence and the voice of tenants being around the table to provide influence and scrutiny.
- 4.25. The Group will continue to provide assurance through their meetings by reviewing, challenging and scrutinising policies, practices, performance, the HRA 30 Year Business Plan and RSH continuous improvement plan in conjunction with the Tenants Panel.

## **5. Options**

- 5.1. No further options are provided. The Cabinet is asked to note the contents of the report.

## **6. Advice and analysis**

- 6.1. The presence of a cross-party group with senior officer and tenant involvement is undeniably a positive feature of governance for Medway Council's housing portfolio.
- 6.2. In reviewing the RSH's code of practice issued in April 2024 (the first to be published for social housing landlords) at numerous points, the code states the need for Boards and Councillors to assure themselves that tenants' views have been actively sought and considered as part of decision making.
- 6.3. Over the last year the Group has evolved, aligning with the Consumer Standards and improvements highlight as part of the services' Regulatory Judgement, including the reporting of all remedials and works in progress within our property and compliance work streams. Ensuring that the tenants' voice is heard through the representatives of the Tenants Panel forming part of the Group.

## **7. Risk management**

- 7.1. Risk management is an integral part of good governance. The Council has a responsibility to identify and manage threats and risks to achieve its strategic objectives and enhance the value of services it provides to the community.

Risk	Description	Action to avoid or mitigate risk	Risk rating
Non-compliance with the RSH continuous improvement plan	To review and monitor compliance with the RSH's approved continuous improvement plan.	The Tenants Panel, and HRA Governance Group to review and scrutinise the plan quarterly, with bi-annual updates to CMT and annual updates to Cabinet.	CIII
Non-compliance with the Consumer Standards	Governance arrangements of the HRA do not comply with the Consumer Standards as set out by the RSH.	Cabinet to receive annual updates in relation to HRA activity in addition to quarterly updates to the HRA Governance Group. CMT to receive updates on a bi-annual basis	CIII
Lack of oversight of HRA Governance arrangements	A lack of appropriate transparency/governance/scrutiny causes poorer outcomes for residents that live in Council owned housing.	Cabinet to receive annual updates in relation to HRA activity in addition to quarterly updates to the HRA Governance Group. CMT to receive updates on a bi-annual basis	CIII

Likelihood	Impact:
A Very likely B Likely C Unlikely D Rare	I Catastrophic II Major III Moderate IV Minor

## 8. Consultation

- 8.1. No formal consultation has been undertaken in respect of this paper, however, tenants' representatives are present on the HRA Governance Group.

## 9. Climate change implications

- 9.1. [The Council declared a climate change emergency in April 2019](#) - item 1038D refers and has set a target for Medway to become carbon neutral by 2050.
- 9.2. All Housing Revenue Account (HRA) new build developments are built to a minimum of EPC B, with Phase 5 (Aburound House) having photovoltaic panels (PV) to support the communal area electrical use. In Phase 5 (Lennoxwood) the individual houses (19) will have PV fitted to support the household's electrical consumption and reduce the cost of the annual electricity bill.

9.3. Under the Government's Social Housing Decarbonisation Fund (SHDF) Wave 1, the HRA is retrofitting 108 council homes using the "fabric first" method to support the climate change agenda.

9.4. There is an expanded property survey programme, to ensure that all council homes have a valid stock condition survey within 5 years. This target is set for March 2027. These surveys are comprehensive reviews of the fixtures and fittings, life cycles which then influence the review and management of the HRA 30 Year Business Plan.

## 10. Financial implications

10.1. There are no financial implications directly arising from this report.

## 11. Legal implications

11.1 There are no direct legal implications to the recommendations made to the Cabinet. However, activity in the HRA is regulated by the Regulator of Social Housing and associated standards.

## Lead officer contact

Becs Wilcox, Chief Housing Officer, [rebecca.wilcox@medway.gov.uk](mailto:rebecca.wilcox@medway.gov.uk)

## Appendices

None

## Background papers

None