

Housing chief executives COVID-19 WhatsApp summary

15 March 2021

A note to readers

These are the themed notes of Campbell Tickell's WhatsApp chat group for Chief Executives of housing associations and ALMOs in all four UK jurisdictions and in the Republic of Ireland.

This is a closed group, open only to CEOs in housing associations and ALMOs. It currently has around 220 members.

While discussions are confidential and unattributable, members of the group are keen for the content themes and issues to be shared widely to assist with broader understanding.

Please note:

The following digest highlights matters that have been discussed in the group. None of the content should be treated as representing the collective views of the group as such or be attributed to any of its members. The group is an information-sharing forum and not a policy-making body.

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Topic index

1. Introduction
2. Latest highlights, 20 January – 15 March
3. Overview and top concerns
4. Looking forward/innovation
5. Working arrangements and staff
6. Finance
7. Property and development
8. Other operational issues
9. Vulnerable residents
10. Governance and leadership

Introduction

This COVID-19 responsive WhatsApp group was set up on 17th March 2020. It has grown to 219 participants at the time of writing, comprising chief executives from housing associations and ALMOs across all four UK jurisdictions as well as the Republic of Ireland.

Whereas initial discussions focused on how organisations were responding to the changing challenges faced on the ground and at an operational level, within a couple of weeks a matter of key concern was how to build resiliency into their longer-term planning. As we move out of lockdown, the focus is on finding new ways of working. The following summary provides an overview of discussions, arranged by theme. Prior to this, we have highlighted matters arising over the last couple of weeks.

Latest highlights, 20 January – 15 March

- Members discussed the outcomes of introducing lateral flow testing for staff. Several organisations have introduced this for front line and trade staff, particularly in care and support settings. This has helped to identify some staff who tested positive but were asymptomatic. Members are aware of the limited reliability of lateral flow tests; typically a positive test is followed up by a PCR test to confirm and communications stress that negative tests should not result in a change of behaviour but continued adherence to infection control measures. More organisations are now offering lateral flow testing for staff, or encouraging staff to access existing testing schemes. Most have found this is reassuring for staff.
- Some housing associations have had difficulty registering for workplace testing, due to not having a Companies House number.
- The vaccine rollout has been a continuous topic of discussion. Care home staff and residents were vaccinated at different rates in different areas of the country. Some organisations have seen staff test positive after receiving the vaccination, but not in large numbers.
- An example of a job description reflecting agile working was shared.
- Members discussed options for virtual Board systems, agreeing that a second screen was useful for all participants.
- The group discussed the impact the pandemic has had on rent arrears. Sector wide figures show arrears have increased, but this varies significantly between organisations sometimes even operating in the same regions/sub-regions. Tenants moving onto Universal Credit are increasingly likely to develop arrears, often for the first time.
- Members shared concerns about future energy price rises, with brokers having suggested rises of 12-15% could be seen – although this was not universal, one organisation having just tendered and made savings.
- A member asked for advice on whether paying tenant Board members could create problems in claiming benefits, and how that could be resolved. A few organisations have some unpaid Board member places specifically to avoid such issues.
- Members discussed whether operating margins would be expected to drop this year given recent additional costs e.g. increased investment into stock and H&S

improvements; additional income/money advice staff; digital transformation; zero carbon requirements etc. Some agree a hit to operating margins will be experienced, and may continue beyond the pandemic, others have to maintain their current levels to stay within financial covenants.

- Recommendations were shared for strategic risk workshops, stakeholder surveys, speakers around EDI and mental health, Board diversity training, and risk management software.
- Members discussed approaches around furloughing parents who were home-schooling. Some have been offering this, especially part time furlough, or would be open to upon request. Other organisations have instead been providing a range of support and flexibility in working arrangements.
- Examples of joint NHS/Housing funded roles were shared, including: a joint funded Housing Officer role based in a Conwy hospital; joint funded roles to help homeless people move on from hospitals; and Covid outreach schemes with NHS Winter Care funds to accelerate early hospital discharge.
- The group discussed whether to refer to 'customers' or 'tenants', and whether to stick to one term universally. Most who shared views prefer the term 'customers', although some of those still refer to 'tenants' in legal or technical documents. Others use the term 'residents'. Surveying customers/residents did not give a consistent preference.
- Recommendations were shared for phone systems that support home working e.g. 8x8 and Teams.
- Members discussed the future of office space, how to make offices flexible enough to work with flexible patterns of home- and office-working.
- The group shared current plans for staff returning to the office. All respondents expect that some staff will want to keep some level of flexibility around working from home. Several organisations have been consulting with residents to understand which services need to be provided in offices. Some shared concerns about how to ensure a trained first aider is always on-site once offices are open as normal.
- One member shared that a contractor had tested positive for Covid after a tenant had lied about having Covid, and asked whether others thought that should be RIDDOR reportable. Members were of the view that it would not be possible to prove without doubt how transmission had occurred, so the incident should not be reported so as not to admit liability.
- Members shared examples of Vision Statements.
- One member asked for advice on how best to respond to a local Board member asking for assurance that individual cases of repairs/maintenance are being dealt with. Responses varied from different types of organisations. Some agreed that in such cases Board members were becoming overly involved in operational matters, suggesting that the Chair should have a discussion with the Board member to explain that such matters should not be raised in Board meetings but could be raised with the Company Secretary/Head of Governance. Others were of the view that Board members should be able to raise these concerns and suggested creating a method for raising them and sharing a summary of the organisational response. Some organisations offer Board

members opportunities to listen in on call centre calls, alongside other opportunities to engage with day-to-day operations, to see how issues are dealt with.

- One member asked for examples of how organisations respond when staff members are threatened. Responses shared were unanimously of the view that, as organisations have a duty of care to staff, they should take a zero tolerance approach and always report the incident to police, alongside providing support to the staff member concerned.

Overview and top concerns

The COVID-19 pandemic is unprecedented, and has already created huge damage to communities, organisations and the economy. There has therefore been much sharing of concerns and discussion of best approaches.

A key question has been how to continue to deliver services, many of which are essential, while at the same time protecting staff and residents. Chief executives have had to navigate this difficult landscape on a daily basis as new issues arise, asking questions such as if lift servicing no longer takes place, will care homes need to be closed, or just how much resilience is left in their organisations? The group has proved an outlet for members to discuss and share both concerns and support for each other; covering authority, responsibility, and vulnerable leadership.

Other key concerns include increased domestic violence, child protection issues, loneliness among older and single tenants, reduced social services protection, the rise of anti-social behaviour, and dealing with neighbour disputes. There was initially a worrying lack of PPE, making conducting even emergency repairs problematic. Gas compliance has repeatedly been raised as an issue, as gaining access to properties has becoming close to impossible, unless residents are prepared to allow this. Organisations are having to implement their own test and trace policies to protect both their staff and residents.

As the UK has been moving through successive phases of lockdown, chief executives have been keen to understand the implications for their organisations, staff and residents. A lack of clarity from government has made this difficult, with executives needing to read between lines and effectively make decisions without substantive guidance. Many are developing and sharing their own policies on matters such as risk assessments for returning staff or home viewings.

The wider issues implicated by the COVID-19 pandemic, such as widespread inequality and the way that manifests as health inequalities along social lines, has been of discussion. Similarly, the mental health impacts of the pandemic and the ramifications for wellbeing are frequently in discussion. Chief executives are seeking to keep these issues in view going forward.

Looking forward/innovation

While organisations have been working flat out to continue to support residents and staff through these difficult times, discussion has now turned to the future impacts of COVID-19 and the legacy it will leave on people, organisations and the wider operating environment.

There has been sharing of recovery and exit plans and the adoption of new guiding principles.

There has been discussion of the extent to which the move to remote and digital working will continue post-pandemic. Certainly, it is expected that there will be some shift from centralised office-working to a more flexible working environment involving smaller offices and outposts for service delivery. In a similar vein, a reduction in business travel is expected as more meetings take place online. With these changes, there is an expectation of lower operating costs, and a new prioritisation of services. This being said, people are missing human contact, and there is a need to find collaborative and innovative working environments for the future.

At bigger picture level, chief execs are expecting transformed NHS and social care services and more investment in healthcare, as well as more thinking about how to support lonely and isolated people, and the possible prospect of universal basic income. Community has become especially important in the current context, and this is expected to continue. In terms of homes and housing, there is a renewed political focus highlighting potential for change, and it is expected that housing design will be influenced by a tendency towards home working.

The purpose of the group has been to share and swap information and good practice, and there is a recognised potential for collaboration and need for solidarity between social landlords. Many frameworks and practices have been shared, with discussion also taking place around joint procurement of legal commissions, research programmes and the establishment of sub-regional networks or alliances. A similar group has also been set up on LinkedIn for Financial Directors.

Chief Executives are looking ahead to decisions that will need to be made in the coming months and next year, such as decisions about cost of living wage increases and rent rises.

Working arrangements and staff

The first lockdown imposed in March 2020 meant that many organisations transitioned to home-working for their office-based staff at great speed. While many were already working flexibly, with many more looking to do this in future, the forced transition has seen the very quick adoption of digital meeting tools as well as the introduction of practices such as daily team ‘huddles’, virtual team bonding and wellbeing buddies. Some organisations are implementing Executive ‘drop-ins’ to team meetings to give business context and take questions.

A key focus of discussion has been the approach to staff absence due to sickness, self-isolation, or childcare commitments. There has been a recognised need for flexibility and compassion, and many have shown commitment to redeploy staff into new welfare roles providing support for vulnerable residents. There has been a lot of discussion around pay awards, with many continuing to implement these in order to recognise their staff’s hard work, while many others continue with cost of living increases; in cases where awards and increases have been suspended, reports of staff responses have largely been positive.

Annual leave has also come up in discussion as there is a worry that a return to 'normality' will come with a huge backlog of requests; in some cases, organisations are asking staff to take 25% of leave in this quarter.

As in virtually every sector, furloughing staff has been a (highly charged) consideration. While there has been some debate around the appropriateness of housing associations making use of the scheme, including the optics of this, a large number of organisations will be furloughing staff. In some cases, this is limited to commercial teams; in others it will involve rotating teams on furlough every three weeks. For those furloughing, some will top up pay to 100% while others will not; and some will do so in cases where staff will be volunteering locally. Some organisations have offered (part-time) furlough to staff who had to home-school children while schools were closed. Staying in touch with furloughed staff has also been a topic of discussion, with various modes being used.

With socially distanced working the normal for the foreseeable, discussion has turned to recruitment of new staff and how to deal with the process remotely. Many organisations feel the virtual interview, while not the ideal, is a good substitute for the face-to-face meet.

Finance

As the pandemic took hold in the UK just before the financial year-end, some organisations acted quickly to revise budgets and business plans, and increase cash holdings. Business plans are being rebuilt with various outcomes tested. Stress-testing has involved a range of scenarios which have been shared in the group: varying loss of rental income, for varying durations, with varying amounts of bad debt, and in some cases allowing for re-emergence of the virus.

In the early period of the pandemic, there was some discussion around putting off the annual rent increase, but in most cases these went ahead. There are some concerns about potential requests for lower rents and/or service charges given reduced service, as well as the need to increase spend next year in order to catch up. Keeping a log of costs has been suggested by several members, in the event that some of these will be recoverable. There have also been some reports of auditors proposing to qualify the annual accounts.

In terms of sales, it may be too early to discern trends; however some have noted an increase in RTB and RTA applications (which some providers have suspended), while there has also been a requisite drop in sales due to surveyors being unable to complete valuations and mortgage lenders being unable to progress approvals.

As Covid-19 restrictions have now been in place for almost a full year, Chief Executives have been sharing the current and expected ongoing impact on operating margins. Several organisations will be reporting lowering operating margins, but some have had to work hard to avoid any reduction in order to remain within financial covenants.

Property and development

As the situation unfolded and restrictions increased, repairs have been one of the most changing items on organisations' agendas. Some moved very quickly to emergency-only, while others continued with repairs on non-contact externals. The lack of PPE, however, caused the cessation of works in some cases. Many organisations continued, where possible, with compliance works during lockdowns; however these too were often impossible as residents refuse entry to staff, and vice versa.

The issue around compliance has been a particular source of frustration as clarity was lacking from the regulators. The flexible approach now being taken has alleviated some of this worry however; but there is still a need for clearer indication around the threshold for self-reporting. Central to working through these issues has been open communication with both residents and staff; organisations seek to be as flexible and compassionate as possible when given details of individual circumstances. Some organisations have also approached local MPs for support on this issue.

While initially new tenancy signups were paused, these were gradually reinstated using safe protocols that include virtual tours of properties, information telecons, and electronic signups. Other topics of discussion have been waste collection (move to increase provision), arrangements with housebuilders and contractors about development and investment programmes, government support for homes development post-pandemic, the opportunity for void clearance, and cleaning and lift servicing in communal areas.

Other operational issues

The question of evictions and rent arrears quickly arose, with many stating they would not be evicting for COVID-related arrears prior to the government's ban on evictions. In many cases, the only allocations still coming in are from homelessness referrals, and some organisations are also providing emergency accommodation for healthcare workers and rough sleepers. Levels of arrears have varied across organisations, with some noting significant increases while others managed to maintain pre-pandemic levels.

Organisations have taken to digital tools to stay in touch with residents; some hosting Facebook Q&As or sending out video updates from the Chief Executive. In the case of one organisation with sheltered schemes and care homes, Facebook groups have been set up to keep families up to date with what's happening, easing pressure on their phone lines.

There have been several reports of residents organising parties and gatherings in breach of physical distancing principles, and various approaches to tackle that, including securing injunctions. In some cases, tenants have been involved in consultations around immediate concerns and operations, as well as in decision-making processes via panels and in-depth interviews.

Vulnerable residents

With most organisations housing at least some vulnerable residents, and others with care homes housing many more, there has been a lot of shared concern over how to best protect those at high risk.

Initially discussion was focused around decisions of whether to keep common spaces open, and how to identify and support those most vulnerable. There was talk of working with local authorities, MHCLG and local mutual aid and volunteer groups to best support these cohorts.

Discussions have also questioned the approach to letting scheme residents and their families know when others have been infected; there were mixed opinions on this. Thinking subsequently turned to how carers can be supported going forward, and the issue surrounding a lack of testing for care home residents. There has also been discussion of using voids to house victims of domestic abuse.

The introduction of regular testing for care homes staff was welcomed, as well as higher prioritisation for receiving the vaccine. Organisations have taken a range of steps to encourage staff to get the vaccine, as there has been some reticence.

Governance and leadership

The immediate focus during the COVID-19 pandemic was on operations and continued delivery of services while protecting staff and residents. Governance and leadership matters naturally took more of a backseat. Chief Executives recognise that flexibility is key, and consequently it is crucial to be recording any decisions and developments to be able to justify these to both Board and regulator.

As a lot of fast and difficult decisions have had to be made, discussion has turned to how to implement temporary decision-making structures that allow organisations to be fully responsive to the unprecedented circumstances while still upholding good governance practices. In some cases, standing orders have been revised to delegate certain powers to smaller subgroups of the board and executive leaders. As in many other areas, there has also been a move to utilise digital technology to make this process easier, using apps such as Convene and/or online voting for urgent decisions.

Online tools have been discussed in significant detail for their utility more generally in support of regular Board practices. As well as the merits of various software, tips and techniques for running effective Board meetings have been shared by many members of the WhatsApp group. Longer term thinking about Board meetings suggests many will operate using a 'blended' approach of physical and virtual meetings.

Thinking has also covered the development of COVID-19-specific risk registers and performance indicators, with a number sharing their own organisations' frameworks with members of the group.