

Briefing Notes

“The role of data ethics and implications for board members”

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Introduction

In this session Matthew Gardiner, Non-executive Director of the Complete Technology Group, facilitated a discussion on data ethics in the housing sector. Matthew delivered a presentation on how to avert risk, grow trust and help board members sleep better at night.

What were ethics in the housing sector like when Matthew started his career?

Matthew explained he joined the housing sector in 1978. At this time the sector had issues with racism, sexism, and other prejudices. However, its business model was fairly ethical. It took a Robin Hood style approach; the government taxed people and housing associations used the tax to create housing for those in need. Today, the money flow has reversed. Housing associations take money from existing tenants, generally poor people, and reinvest the surplus to provide homes for people who are in general not quite so poor. For example, shared ownership. Questions are being asked about the ethics of this business model, particularly after ITN's investigations into disrepair. In five to ten years similar criticism will be levied at housing associations' data model if we do not take an ethical approach.

What is the wider context of data ethics today?

- “Truth today is defined by the top results of the Google search”- Yuval Noah Harari. What happens when someone googles your housing association?
- “A world in which artificial intelligence starts to feel emotion”- Kazuo Ishiguro. How will biases present in your data impact the work of your organisation?
- “Investors are paying millions for virtual land in the metaverse”- Forbes.

Our future is digital, whether we like it or not

- Smart Homes will be important for gathering data safely in no touch environments.
- Personalised services will become increasingly prevalent, as data enables us to carry out a level of analysis to personalise services down to an individual level.
- Data driven organisations will become the norm. In Singapore there is a company which already has an AI board member.

Trust

Trust is essential for success. It helps create resilience against risk and is essential for the future of organisations. Board members should consider if their housing association has a trust deficit or surplus. There are two main components of trust: is the organisation competent and is it ethical? Research by international PR consultancy firm Edelman has found that no organisation is seen as both competent and ethical. Governments are seen as both incompetent and unethical. NGOs are seen as being more ethical but not particularly competent. Housing associations probably sit somewhere between those two in the public perception.

3 components that make for an ethical approach to data

Transparency

Board members should consider:

- Are you withholding information to maximize understanding or to obstruct it?
 - E.g., fire risk assessments post Grenfell. Are you publicising the actions you have or have not taken? This is a potential reputational issue.
- Can you be transparent with your customers if you aren't with your people?
- Is your data also your customers' data – and if so, how do they get to see it?
 - [Bimdl](#) have come up with a way to mix tenant and housing association data, producing very different results to purely housing associations data.
- Customer satisfaction surveys vs TrustPilot
 - Both provide a very different picture as to how happy tenants are.

Accountability

Board members should consider:

- Have you outsourced what you mean by accountability for data to GDPR?
- Have you noticed and acted on para 3.29 of the 2021 Housing Sector Risk Profile? Where there is incomplete or siloed data in an organization the Regulator will view this as a serious weakness that may result in a regulatory downgrade.
- How are you accountable to residents for the way in which you collect, store, analyse and use data?

Fairness

Board members should consider:

- Incorrect data increases the risk of bias or unfairness.
 - When did you last get an independent check on the quality and completeness of your data?
 - The number of cases where incorrect data leads to a bias or an unfairness in the way decisions are made/ actions are taken grows and grows
- What's fair is contested.
 - How do you ensure you and your residents have the same understanding?
 - For housing associations involving residents in data creation could be a whole new way of engaging with residents.
- There's value in data.
 - Consider the value of a terabyte of data. At the moment, all value accrues to landlord, and none goes to the residents.
 - How do you make sure that this value is properly shared with residents?

Resources

- The data ethics canvas: <https://theodi.org/article/the-data-ethics-canvas-2021/#1563365825519-a247d445-ab2d>
- Camden Council Citizen Data Charter: <https://www.camden.gov.uk/data-charter>
- Data Trusts: <https://datatrusts.uk>

Q&A session

- 1. Can you give an example of the value of data for a housing association tenant and how we might share that value with our residents?*

You could offer a bounty to residents for them to provide data about a particular topic. E.g., this could be used to collect information about what is inside a tenanted building. Another possibility is gamification. Using a game to enable residents to move around the estate and create data repositories. As they go through the levels of the game, they will get rewards and a ranking. Once a month you could give prizes.

- 2. Housing associations are not twenty first century organisations when it comes to data, how do we get there?*

An easy place to start is working out the digital competencies the organisation needs to make it digitally dexterous. After that it is easy to apply the concept of digital dexterity to any new

hire that you make. Becoming a data driven organisation will not happen with a big bang, it will start with the digital competence of people internally.

- 3. We should think about data in the same way (with the same significance) we think about finance. However, we need to be wary about digital exclusion and how this affects representation. It is also important to remember that the way you ask the question impacts the data you get.*

Data ontology, looking at the way data is collected, structured and held is very important. If you do not collect data properly then it does not get seen. We need to remember data is not just about insight, it is about the actions informed by insight.

- 4. Organisations need to ensure that they are complying with data protection rules and not collecting or holding onto data there is no justification in law to have. Boards need to consider what data their organisations need to collect to deliver services and what information is just being collected along the way.*

It is completely right that organisations need to be compliant with data protection rules. The position on law and data ethics has not been played out yet and it will be interesting to see how the law changes as the use of data changes. The law is probably outdated as it currently stands. There are likely to be instances where with appropriate transparency residents would be on board with you holding and using their data, but it is currently against the law.

- 5. When was the last time the sector or organisations sat down and asked what does ethics mean and how do we know we are ethical?*

Attendees were concerned that whilst they would like to view the sector as ethical, they probably do not interrogate this often enough. The default is often to just think about how they can show that they are ethical. Whilst individually people strive to operate ethically, sometimes collectively this does not happen.

- 6. Are there any good practice examples to stop mistrust being baked into our organisations?*

During the pandemic a number of housing association reaped a real “trust dividend” from their people working at home. People did not have rules on how to operate and employees simply engaged their brains to sort issues out. Boards should look at flat structures and giving people proper authority to do their jobs.

- 7. Is mistrust a result of our regulatory environment?*

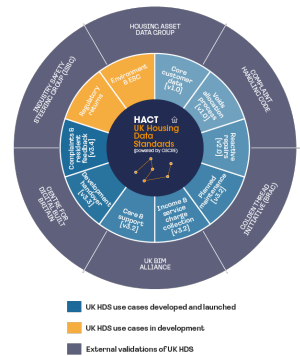
In Matthew’s view the sector started to lose its focus on ethics at the time of the Audit Commission and the mentality it created persists. Trust is not straightforward; it is an incredibly hard concept. If we begin to ask better questions, we will get better answers.

Follow up questions for Boards to consider

1. Why is it ethical to use data provided by resident to decrease your cost to serve, while continuing to increase the resident's rent?
2. Are we operating in surplus or deficit as a "trusted data holder"? How do we improve our trust standing?
3. Who has decided what constitutes "ethics" in your organisation? Have you conflated legislative compliance (GDPR) with ethical behavior?
4. To improve the ethics of your approach to data, do you need new knowledge and skills, round the board table, in your executive team or anywhere else in the organisation?
5. How recently has your Board had a discussion about data ethics? What would you want to get out of such a discussion?

UK Housing Data Standards

This discussion made many of us think about our own organisations - the importance of collecting consistent, coherent and complete data on your residents and housing stock is vital. Since 2018, HACT have developed and launched five versions of the UK Housing Data Standards and are currently working on the next version, incorporating new uses cases around environment and regulatory returns.



[Find out more how this free tool can help you and your data strategy.](#)

Register for our next session

The role of board members in professional standards

Monday 31st January 4 - 5pm

The importance of professional standards in social housing has recently come into the spotlight. As the main body leading this agenda in housing, we will discuss with the Vice President of the CIH and member of the NED Network, Lara Oyedele, what role Boards need to play in driving forward professional standards.

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