

Manchester City Council Report for Information

Report to: Resources and Governance Scrutiny – 9 March 2021

Subject: Post transfer governance - Council Housing service

Report of: Director of Housing and Residential Growth

Summary

This report provides the scrutiny committee with the summary and proposal for Governance of the Housing service after it transfers from Northwards to the Council in July 2021. The proposal is intended to have proper oversight of housing management and maintenance services. Empower tenants and meet the requirements of the White Paper "A charter for social housing tenants".

Recommendations

The Resources and Governance Scrutiny are asked to:

1. Note the proposed structure for post transfer governance.
 2. Confirm support for the creation of a Northwards Housing Board under the terms described.
-

Wards Affected: Higher Blackley, Charlestown, Crumpsall, Harpurhey, Moston, Cheetham, Miles Platting and Newton Heath

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

The retrofitting of existing homes managed by Northwards is a key aspect of this proposal. The HRA cannot currently support the level of investment required to achieve a level of retrofit to meet Zero Carbon. Measures need to be taken to manage the projected deficit in the HRA in order to meet Zero carbon and other policy aspirations. The Housing Board will have a role in monitoring HRA spend including capital programmes to address carbon reduction.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	As the largest single landlord in the City the Housing service is a major source of contracts and supplies that ideally are sourced locally
A highly skilled city: world class and home-grown talent sustaining the city's economic success	A major employer the Housing services for the council stock currently employs c350 people and supports apprenticeships and wider skills

	development.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The housing service is the largest single community influencer in North Manchester alongside the City Council. By including tenants directly in the management of their homes they will be empowered and will be able to have a wider neighbourhood impact.
A liveable and low carbon city: a destination of choice to live, visit, work	Central to the transfer of the management of the housing service is the investment needed to retrofit existing homes in order to achieve a Zero carbon housing stock.
A connected city: world class infrastructure and connectivity to drive growth	The housing service is a major contributor to the North Manchester infrastructure.

Financial Consequences

The support for these governance arrangements can be managed within existing HRA capacity and budgets.

Contact Officers:

Name: Kevin Lowry
Position: Director of Housing and Residential Growth
Telephone: 0161 234 4811
E-mail: kevin.lowry@manchester.gov.uk

Name: Carol Culley
Position: Deputy Chief Executive and City Treasurer
Telephone: 0161 234 3030
E-mail: c.culley@manchester.gov.uk

Name: Fiona Ledden
Position: City Solicitor
Telephone: 0161 234 3030
E-mail: f.ledden@manchester.gov.uk

Background documents (available for public inspection):

None

1.0 Introduction

- 1.1 Throughout the process of considering the decision to bring the management of housing services from Northwards to the council there have been discussions on the Governance of the Housing services after transfer. This is driven in part, by the fact that the transfer will remove the Northwards Housing Company Board which includes tenants and council nominees. It also reflects a desire to ensure that tenants who are active through local resident associations, and other engagement activities continue to have a role in the future running of the services.
- 1.2 It is important to note that despite the existence of a formal management agreement and a role in Northwards Board membership, that the council have exercised a light touch client control over the ALMO for some years. Most ward members who have been on the Board have reflected a frustration at the lack of influence that they have been able to exert. The client function exercised by strategic housing of the council has, until recently, been primarily supportive and functional. From this base point any system of governance that raises the genuine scrutiny of service delivery and member oversight, will constitute a significant improvement.
- 1.3 Discussions with various parties including local members has clarified some of their aspirations from any governance arrangements. These included expanding the level of tenant engagement and the influence of the Housing Board.

2.0 Tenant engagement

- 2.1 North Manchester members have expressed particular interest in ensuring that there is a wider range of tenant engagement with more diversity and proper representation. Whilst appreciative of the commitment of active tenants there is a concern that existing activities were attended by a smaller number of residents and was not wholly representative of the wider tenant base.
- 2.2 The test of opinion and review process has generated significant interest. Over 500 tenants and residents have registered their details and indicated a desire to be actively involved in the future management of their homes and services.
- 2.3 As reported previously we have already commenced a dialogue with Shelter who will lead and support and develop a new and expanded framework of engagement. The work areas will include:
- 2.4 Working with Shelter to build on this existing engagement framework and build a more inclusive and impactful tenant and leaseholder network. This will include:
 - Increasing the numbers engaged at all levels.
 - Setting targets in terms of diverse representation to ensure all residents have an opportunity to engage.

- Create a leaseholders' forum.
- Create an editorial board to oversee all publications for tenants and the community.
- Establish a proper structure for Tenants View including selection by the tenant base and from which the Housing Board members will be drawn.
- Invest in training and development for active residents to support their involvement.

3.0 Board Influence

- 3.1 There has been consideration of the level of decision making that the proposed Housing Board should have. It is important that the Board has a meaningful influence on matters that relate to the housing service, that tenants views are heard and taken account of and that this is reflected in strategic and operational decision making.
- 3.2 However, the concept of an Housing Board able to make its own independent decisions is not the conventional approach under the council's constitution. Even Scrutiny committees have to have any recommendations or decisions confirmed at Executive and Full Council level.
- 3.3 However, recognising the need to ensure that matters considered at the Housing Board are given full consideration the proposal that has been made includes provision that the Executive member attends all Board meetings. This gives a degree of accountability and the assurance that matters will get relayed and addressed at an Executive level.

4.0 Governance Proposal

- 4.1 It is proposed that once transferred the housing management and maintenance service would be governed by elected members and tenants.
- 4.2 Governance will seek to build on existing tenant engagement processes and to meet the requirements outlined in the recent Government White Paper "The Charter for Social Housing Residents". Northwards have an existing engagement framework. This includes:
- Tenants and Residents Groups. There are 9 active groups meeting a required constitution, and 11 "contact" groups.
 - Residents' network. 114 active tenants on the data base
 - Events-43 community events held in 2019.
 - Networking
 - Urban Crew. A joint initiative with Manchester communications academy working with 140 primary schools.
 - Eric Hobin sponsorship fund. Community grant opportunity with awards of up to £500 for community activity.
 - Youth engagement.
 - Retirement Housing.
 - High Rise Forum.

- Tenants View- Overarching representative group.
- 4.3 The proposal for post transfer governance structure is shown at Appendix 2. The framework creates an escalating hierarchy of tenant engagement and influence reaching to the new Northwards Housing Board. This Board would be constituted under s.102(4) of the LGA 1972 to advise the Executive on relevant matters relating to the former ALMO services and issues relevant to the housing service. The members appointed to the Board could all be selected from the relevant geographical area (North Manchester) and it would also include the executive member with the relevant portfolio.
- 4.4 Tenants could be appointed as (voting) members of the Board.
- 4.5 The recommendation is that the Board is made up of six elected members and four tenants. Once the engagement structure is established the tenants will be voted into position although initially there could be appointments to the Shadow Board until the tenants' structure is functioning.
- 4.6 The Board would meet regularly throughout the year with meetings set to fit with the Democratic Calendar, so that recommendations and issues can be picked at the respective scrutiny committee or Executive. The Board would be serviced by the Director of Housing and Residential Growth, members of the Neighbourhood management team and operational delivery managers.
- 4.7 The Board's role and purpose would be similar to that of the Board of Northwards currently as it relates to housing functions, delivery and performance. Specifically, it would:
- Monitor performance and delivery of the consumer standard including the new satisfaction measures (see Appendix 1).
 - Set and monitor annual performance and satisfaction targets.
 - Monitor the impacts of investment in ensuring we maintain decent homes, fire and building safety and customer satisfaction.
 - Commission and receive Tenant View service audits and reviews.
 - Oversight of the savings to the HRA projected by virtue of the transfer of the service back to the council.
 - Receive and consider complaints data to inform service delivery changes and developments.
 - Maintain a risk register for the housing service.
 - Review the connectivity of the core housing provision with neighbourhoods and other community delivery impacts with particular reference to environmental investment and community safety.
 - Monitor the debt management and financial inclusion services to ensure that tenancies are sustained whilst income is managed.
 - Promote equalities and the diverse interest of tenants and leaseholders.

5.0 Timescales

- 5.1 It is proposed to create a Shadow Board in March 2021 whose role will be to oversee the transition of the service into the Council, in conjunction with the

Board of Northwards. The tenant members will be drawn from existing Tenants View members and there is already a dialogue with prospective tenant members.

- 5.2 Elected members will need to select the members of the shadow board, but it should not include those currently on Northwards Board. It is envisaged that the Shadow Board will need to meet on a monthly basis throughout this transition period.
- 5.3 In July, at the point of transfer, the Board will be formally constituted and incorporated in the Civic calendar.

6.0 Contributing to a Zero-Carbon City

- 6.1 The retrofitting of existing homes to meet zero carbon objectives is at the heart of the decision to transfer the management of the services.

7.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 7.1 As the largest landlord in the City it is critical that the Council's own tenants get as good as, if not better, service and investment, as any other social housing tenant.

(b) A highly skilled city

- 8.2 As a major employer we can ensure that the housing management and maintenance service provides work and training opportunities to the Manchester community.

(c) A progressive and equitable city

- 8.3 The investment programme taking account of new and emerging programmes and projects.

(d) A liveable and low carbon city

- 8.4 The presumption of a largescale fabric-based retrofitting programme is featured in the revision of the 30-year business plan.

(e) A connected city

- 8.5 The housing service is a major contributor to the North Manchester infrastructure.

9.0 Key Policies and Considerations

(a) Equal Opportunities

- 9.1 The process to refresh and develop a wider range of activity for tenants and leaseholders will specifically seek to ensure proper and diverse representation.

(b) Risk Management

- 9.2 To be developed.

(c) Legal Considerations

The Northwards housing Board will need to be properly constituted and compliant with the structures adopted by Manchester City Council.