

**Manchester City Council
Report for Information**

Report to: Resources and Governance Scrutiny Committee – 7 December 2021

Subject: Council Housing Stock – Governance Arrangements

Report of: Strategic Director (Neighbourhoods) and City Solicitor

Summary

This report provides a further briefing to the Committee on the proposed governance arrangements in respect of Council housing stock. 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 Committee is asked to note and comment on the report.

Wards Affected: Ancoats & Beswick, Charlestown, Cheetham, Crumpsall, Harpurhey, Higher Blackley, Moston, Ardwick, Clayton & Openshaw, Miles Platting & Newton Heath and Piccadilly

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 to meet zero carbon objectives is at the heart of the revision of the HRA.

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	Access to appropriate affordable housing and services will support residents to achieve and contribute to the city's ambitions.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The council's housing service is one of the largest single community influencer in. 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 and regeneration.

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Background documents (available for public inspection): None

1.0 Introduction

- 1.1 On 9 November 2021 a report was brought to the Committee concerning the Housing Revenue Account Business Plan following the bringing back in house of Northwards Housing, the arm's length management organisation that had previously managed the Council's housing stock. That report included a section on the governance arrangements that are proposed, in particular the establishment of a Board responsible for overseeing the delivery of housing services to the Council's housing stock.
- 1.2 The Committee sought additional information on the governance arrangements and asked that officers report back at the next meeting to provide this. In particular, clarification was requested in relation to the following:
- The scope of the Board's remit in relation to housing stock in different areas of the City – would it be limited solely to Northwards stock or potentially be broadened.
 - The scope of the Board's remit in terms of subject matter covered, including in relation to fire safety matters.
 - The composition of the Board.
 - Engagement with Members.
 - The timeline for recruitment to the Board.

2.0 Background – the Board

- 2.1 As set out in the 9 November report, the Board is to be an advisory committee of the Council. The Board would have no decision-making powers of its own, but would be able to make recommendations to the Council or the Council's Executive on matters relating to the discharge of their housing functions, insofar as those functions relate to the Council's housing stock. It is proposed that the Board will be known as the "Northwards Housing Services Advisory Committee" (although for the purposes of this report it shall continue to be referred to as "the Board"). The Board's draft terms of reference, which have been endorsed by the Northwards Shadow Board, are appended to this report as Appendix 1. The final terms of reference will be agreed by the Council when it formally establishes the Board.

3.0 Scope of Board's Remit – Housing Stock and Subject Matters Within Scope

- 3.1 As noted in the Board's terms of reference, it would be responsible for overseeing the delivery of housing services to the Council's housing stock primarily in, but not limited to, North Manchester.

The Council continues to own and manage approximately 15,500 properties within the HRA under various arrangements. These include three PFI schemes (c.2,600) and Northwards Housing Operations (c.12,700) or other Registered Providers (RP's) (c200).

The proposed governance arrangements set out focus on Northwards properties and exclude the three PFI schemes, This City and RP properties. The PFI schemes have their own governance arrangements and once This City is formally established it too will have its own governance framework.

While recognising that the bulk of Council-owned housing stock is within the North Manchester area, the terms of reference are designed to recognise that some stock does sit outside that area, for example 55 properties in Piccadilly and to be flexible so as to accommodate future changes in stock levels.

However, in practice it is envisaged that if any such expansion were to be significant in scale and/or location, there would be review of the Board's terms of reference, including in relation to elected member representation, with revised terms of reference being taken to the Council for approval.

3.2 The draft terms of reference give a general description of the Board's role as overseeing the delivery of the housing services to the Council's housing stock, including the monitoring of the performance of all housing functions and the engagement of residents in the effective delivery of services, and the making of recommendations to the Council or the Council's Executive on matters relating to the discharge of the Council's or the Executive's housing functions, insofar as those functions relate to the Council's housing stock. The terms of reference go on to particularise the responsibilities of the Board in more detail, as follows:

- Monitor performance and delivery of the consumer standard (Residents' Charter) including the new satisfaction measures.
- Promote equalities and the diverse interest of residents and leaseholders.
- Monitor the impacts of investment in ensuring the Council maintains decent homes, fire and building safety and customer satisfaction.
- Provide reports to the Council's Executive and to relevant Scrutiny Committees.
- Review draft reports on significant decisions to be taken by the Council in relation to the housing function.
- Be consulted on and advise on key changes to strategy, key policies, significant service changes and development proposals.
- Aim for the composition of the Committee and Resident Groups to be reflective of the diverse communities within North Manchester (and the city).
- Have sight of any scrutiny reports that are produced from any service audits or reviews that are carried out.

- Provide 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.
- Have oversight of the risk register for the housing service.
- Review the connectivity of the core housing provision with neighbourhoods and other community delivery impacts. 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.
- Act in accordance with the Council's powers and responsibilities and its Constitution.

3.3 Given the above, the Board might potentially consider a wide range of matters relating to the Council's housing stock. However, as an advisory committee the Board will have no decision-making powers. Any substantive decisions relating to housing matters considered by the Board will be taken in line with the council's constitution.

4.0 Composition of the Board

4.1 As per the draft terms of reference the composition of the Board is proposed to be as follows:

- Six elected councillors - The Committee will be chaired by the Executive Member with portfolio responsibility for Housing Management and the remaining five elected councillors will ordinarily represent North Manchester Wards (i.e. Charlestown, Crumpsall, Harpurhey, Higher Blackley, Moston, Cheetham and Miles Platting and Newton Heath).
- Five co-opted residents from the Council's housing stock - Residents will be appointed to the Committee by the Council. Elections may need to be used to decide which nominees are put forward to the Council for consideration. Resident appointees will serve a maximum two-year term.
- Up to three co-opted non-resident members - Co-optees can be appointed to the Committee by the Council, following recommendations from the Board. Co-optees will provide independent specialist support and advice when required.

4.2 It is to be noted that the terms of reference state that in addition to the Executive Member with portfolio responsibility for Housing Management there will be five other elected councillors who will "ordinarily" represent North Manchester Wards. It was necessary to provide for the possibility that, in limited circumstances, not all five members would represent North Manchester

Wards. For example, if an opposition group was to form on the Council, political balance rules would entitle it to representation on the Board (regardless of whether it had any North Manchester councillors). While it would be possible to establish the Board as an “area” advisory committee covering just the North Manchester wards, which would be exempt from political balance requirements, this would require the Board membership to be extended to all councillors for the wards concerned and would also result in the Executive Member with portfolio responsibility for Housing Management only being able to sit on the Board if the member concerned was a North Manchester Councillor. For this reason, along with the fact that not all Council housing stock may be in North Manchester, the area advisory committee model was not considered to be appropriate.

- 4.3 In the event that there was a significant expansion to the Council’s housing stock into areas outside of North Manchester there may be a desire to extend Board membership to include councillor representation from those areas. However, as noted at paragraph 3.1 above, in such circumstances a review of the Board’s terms of reference would be expected, with revised terms of reference being taken to Council for approval.

5.0 Member Engagement

- 5.1 The importance of member engagement with the housing stock governance arrangements is recognised. The Board may wish to consider extending a standing invitation to meetings of the Board to all relevant ward members (regardless of whether they are members of the Board or not), including access to all relevant Board papers.

6.0 The timeline for recruitment to the Board.

- 6.1 A Timetable for Recruitment to the Northwards Housing Services Advisory Committee is appended to this report as Appendix 2.

7.0 Recommendations

- 7.1 The recommendations are set out at the beginning of the report.