

BABERGH DISTRICT COUNCIL

From: Housing Integration Group	Report Number: L78
To: Strategy Committee	Date of meeting: 6 October 2011

PROPOSALS FOR A JOINT HOUSING BOARD

1. Purpose of Report

- 1.1 To seek approval for the establishment of a Joint Housing Board comprising both Members and Tenants to run the Housing Revenue Account (HRA) element of the Housing Services of Babergh District Council and Mid Suffolk District Council
- 1.2 These proposals have been developed by the Housing Integration Group (HIG), an officer group set up to create a shared service model for the BDC/MSDC Landlord and Housing Service Grouping.
- 1.3 The proposals for a Joint Housing Board have been considered and are supported by BDC/MSDC's Joint Management Board, Babergh's Housing Panel, MSDC's Community Policy Panel and the Joint Tenant Group.
- 1.4 The proposal to establish a Board of this nature requires the approval of full Council at both BDC and MSDC.
- 1.5 All references throughout the report to 'tenant(s)' include both tenants and leaseholders.

2. Recommendations

- 2.1 That a Joint Housing Board be established by 1st April 2012.
- 2.2 That the Constitutional Details for the operation of the Board, as set out in Section 9 of this report, be approved.
- 2.3 That the Schemes of Delegation at BDC and MSDC be amended (and any consequential amendments be made to the respective Constitutions of the two Councils) to reflect the details in Section 9.2 of this report.
- 2.4 That full Council be asked to appoint three Babergh Councillors to serve on the Board for the remainder of the current term of office.

The Committee is asked to make recommendations to Full Council on the above matters.

3. Financial Implications

3.1 There are cost implications associated with setting up the Board and with the operational changes that will follow. All the costs that arise will be funded from the HRA. There will be no impact on the General Fund. The new integrated staff structure for both Councils will include sufficient capacity to ensure that the Board receives the administrative support it needs, so this is not regarded as an extra cost. While more work needs to be done on this, it is estimated that the new Board will cost an additional £6k a year to run (£3k p.a from each Council) over and above the current budgets for tenant participation, but still within the existing overall HRA budgets. This is made up as follows:

- Total of annual expenses for Tenant Board members - £3,000
- Servicing the meetings - refreshments, printing etc - £3,000

3.2 An additional £6,000 will be necessary to fund the process of electing tenants to the Board every four years. An extra £10k is also expected to be needed during the first year for Member/Tenant training. These costs will be divided equally between both Councils.

3.3 It is estimated that the additional costs of creating the Board will be recouped as a result of the range of the decision making streamlining and efficiency savings expected to be realised from the partnership. In this respect the creation of the Board should be seen as an 'Invest to Save' initiative as well as a tenant empowerment tool.

4. Risk Management

4.1 This report is most closely linked with the Council's Corporate / Significant Business Risks Nos. 1 (political and management leadership) 3a (shared services) 6 (Performance and cost management) and 7 (localism and community engagement). Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Members do not approve the establishment of a Joint Board	Low	Critical	Strong and coherent case for the establishment of a Board presented to Council
Board is established but fails to function correctly	Low	Critical	Early selection of Board Members. Identify and deliver training and development needs.
No tenants stand for election	Low	Critical	Put effective campaign in place to explain the role
Failure to reach agreement at Executive / Strategy Committee level to policy / strategy recommendations from the Board	Low	Critical	JHB will provide opportunity for Members and tenants to debate the subject, in itself mitigating the risk of disagreement

5. Consultations

- 5.1 Babergh's Housing Panel considered the proposals in this report on 26th August and supported them. The joint tenants group representing MSDC and BDC also welcomed the proposals as does the Joint Management Board. MSDC's Community Policy Panel considered the report at its meeting on 13 September and intends to unanimously endorse the recommendations to MSDC Executive Committee on the 3rd October. It is intended to present the report to both full Councils in October. All the staff concerned have been consulted.

6. Equality and Diversity Impact

- 6.1 It will be important to ensure that the tenant election process makes it clear that tenants with any of the protected characteristics (age, disability, gender etc) will be given whatever support is necessary to allow them to serve on the new Board should they wish to stand for election. There are no other equality and diversity issues of any significance apart from the over-arching equality achievement of bringing tenants and Members together in a power-sharing role which has the potential to transform the service.

7. Shared Service/Partnership

- 7.1 The Landlord function is the biggest service area for BDC and MSDC, comprising more staff than any other Council service and with a budget that is greater than any other. Putting a Joint Housing Board in direct charge of the operation of this service area will be a major step forward in the integration process and will bring Councillors and tenants closer to the service.

8. Key Information

- 8.1 The Government's commitment to localism, the devolution of power to communities and the HRA reforms are all factors that mean we must transform the way we involve our service users. The new Joint Housing Board is part of that change and will provide the capacity and flexibility to meet these challenges.
- 8.2 The Government's new guidance expands the requirement for Council landlords to support and develop tenant empowerment. The new Joint Housing Board proposals will enable tenants to work with Members to oversee all operational services and develop plans and procedures for all Landlord Services on an equal basis.
- 8.3 While it is proposed that the Joint Housing Board is to deal with all operational HRA matters including the development of new policies, it needs to be made clear, as an overriding principle, that the responsibility for setting the HRA budget and the strategic direction of the Councils' Landlord Services will continue to rest with the Executive and Strategy Committees/Full Councils of MSDC and BDC respectively.
- 8.4 BDC and MSDC run their respective housing services differently. The challenge of drawing together a single integrated housing service that builds on the 'best of the best' practice in both Councils will be considerable. As well as different structures in each Council, there are also different HRA systems and processes in place at each.

- 8.5 The creation of a single HRA across both Councils would have made integration easier but is not possible. This would only have been permitted if a constitutional merger had taken place. Both Councils must now continue with separate HRAs and separate investment/service levels for Landlord Services. This represents a barrier to full integration for this service area.
- 8.6 The creation of a Joint Housing Board, dealing with matters relating to the Landlord Services of both Councils, will help to overcome this barrier. A transformation of this nature will also reduce bureaucracy, streamline decision making, support tenant participation and promote a Landlord Service that is truly shared by both Councils.
- 8.7 For the new Board to be fully operational by April 2012, work on the election of Tenant Board Members, the selection of Councillors to serve on the Board, setting up the Board's 2012/13 work plan and identification of the training and development needs of the new Board Members must start before the end of 2011.

9. Constitutional Details

Terms of Reference

- 9.1 The Joint Housing Board will deal with the following:
 - The review and development of the HRA Business Plans
 - Housing landlord strategy and policy development issues
 - Tenant services/housing management functions
 - Housing maintenance and improvement programmes
 - Leasehold property management
 - Compliance with the Tenant Services Authority (TSA) regulatory framework
 - A monitoring role relating to operational HRA issues

Delegation issues

- 9.2 Currently BDC and MSDC have delegated different levels of authority to their respective Heads of Service regarding Landlord duties. It is proposed that these powers are brought into alignment on the principle that the level of Officer delegation will be at the lowest level already in place at either Council (i.e. the maximum level of delegation possible). This will avoid the confusing position for the Board of having a new joint Head of Housing being able to make decisions about certain things for one Council but having to go to Committee for a decision about the same issue for the other Council. The new delegation levels would be on the basis that all the activities in question are within the agreed HRA budget and do not impact on any General Fund services.
- 9.3 Budget setting, rents and other financial matters will still require resolution by the respective Executive/Strategy Committees/Full Councils, although the Joint Housing Board will have a consultative role on these issues.
- 9.4 The new Board will have a monitoring role in relation to the Landlord activities of both Councils. It will have the right to review any aspect of the landlord function it wishes to examine in detail, changing plans and procedures as necessary. The normal scrutiny and call-in arrangements of both Councils will be unaffected. The Board itself will be subject to scrutiny by both Councils.

Membership of the Board

9.5 The Joint Housing Board will consist of twelve people, comprising:

- Six Members - three from each Council
- Six Tenants - three from each Council

Officers of both Councils will support the Joint Housing Board. The new Head of Housing will lead and co-ordinate this support.

Governance

9.6 The key principles on which the Board will operate are as follows:

- All twelve Board members will have equal voting rights.
- All matters will be decided by a simple majority of those Board members present at the meeting.
- If there are equal numbers of votes for and against, the Chair will have a second or casting vote.
- The Chair will be determined annually by the Joint Housing Board (to alternate Tenant/Member on an annual basis).
- The Quorum of a meeting will be two Members and two tenants (with one tenant and one Member being from each Council).
- The Board will determine which matters are solely to be voted on by MSDC Board Members and which matters are solely to be voted on by BDC Board Members.
- Meetings will be held monthly in the early evening.
- All Tenant Members of the Board will be entitled to claim an annual expenses payment of £500.
- Venue for meetings will alternate between the two Councils.
- The Code of Practice for the Joint Housing Board will be based on BDC and MSDC's respective Codes and will include conflict resolution measures.
- The Joint Housing Board will report to BDC's Strategy Committee and MSDC's Executive Committee.
- The term of office for Tenant Board Members will coincide with that for Council Members and will mirror the current 4 year term.

9.7 HIG has considered what operational issues the Joint Housing Board may have to deal with and has identified the following issues and solutions:

- **Dealing with different priorities** - there will be some areas of work which are a greater concern for one Council than the other. For example, the management of Very Sheltered Housing Schemes is a priority for BDC but does not affect MSDC. The Joint Housing Board will still deal with such issues, pooling knowledge and expertise across both Councils, even if the issue only relates to one of the Councils. In these instances there will be particular quorum and voting rights issues that will apply.

- **Overlap of HRA and non-HRA work** - there will be areas of work which include both HRA activities and non-landlord housing activities. An example is the new duty that all local authorities must produce a Strategic Tenancy Policy. In these instances the Joint Housing Board will be able to make decisions about the HRA aspects of that policy (i.e. length of tenancies for new council house tenants) and will have a purely consultative role in respect of the wider non-landlord aspects of the Strategic Tenancy Policy.
- **Capacity issues** - the Joint Housing Board will be able to establish task and finish groups (and agree membership) for specific pieces of work.
- **Overlap with other bodies** - it is proposed that the Joint Housing Board will take on the HRA work currently dealt with by Babergh's Housing Panel and MSDC's Community Policy Panel. The new Joint Housing Board is not a substitute for these Panels, which will continue to deliver resolutions on non-HRA housing matters such as; affordable and strategic housing; homelessness; and private sector housing as well as other non-housing General Fund matters.
- **Other tenant groups** - Babergh's Tenants' Forum and Mid Suffolk's Tenants' Forum will continue as separate and independent bodies. If Members of these groups do not become Tenant Members of the Board they will be able to support the Board by joining the task and finish groups the Board may wish to set up for specific pieces of work.
- **Current work** - the development of the Tenant Services Authority (TSA) Standards is currently being undertaken by MSDC's TSA Standards Steering Group, which has been operating for over a year. This work cannot wait until the creation of the new Board so this Group will continue until the new Joint Housing Board is established, at which point it will disband and its work will be subsumed into the work of the Board. The Group now includes BDC Members and tenant representatives on an informal basis.
- **The wider context** - although the new Board's focus will be on the joint Landlord Service it will need to ensure that this service is delivered in such a way that the corporate objectives of both Councils are supported, e.g. working with other delivery streams such as the Health and Well-Being Partnership, area based regeneration and wider community development initiatives. It will be important for the Board to embed everything it does within a corporate context. This aspect will form part of the training programme for Board Members.

Election of Tenant Board Members

9.8 All tenants will be given the opportunity to stand for election to the Board. Every tenant will have the right to elect their Board representatives in a formal ballot. The following plan for the election of Tenant Board Members is proposed:

- All tenants will be formally asked in November by newsletter and individual letters if they are interested in standing for election.
- Each candidate will then be helped to write a manifesto, which will tell other tenants about them and their ideas for assisting with managing the Landlord Service.
- A postal election will be held in January and February.
- Every tenant will be invited to vote for his/her preferred candidate.

10. Appendices

None

11. Background Documents

None

HIG Members

David Clarke - Housing Services Manager BDC
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