

MUNICIPAL YEAR 2015/2016 REPORT NO. **207**

**MEETING TITLE AND DATE:**

Council – 23 March 2016

**REPORT OF: Ian Davis**

Director of Regeneration and Environment

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**Agenda - Part: 1**

**Item: 11**

**Subject: Enfield's Housing Board - Changes to Terms of Reference**

**Cabinet Member consulted: Cllr Oykenor**

**1. EXECUTIVE SUMMARY**

- 1.1 This report seeks approval to change the Terms of Reference for Enfield's Housing Board. The Group is chaired by the Cabinet Member for Housing and Housing Regeneration and also includes the Deputy Leader and the Shadow Cabinet Member for Housing.
- 1.2 The proposed changes will increase the number of tenant and leaseholder representatives (from three to four), increase independent representation (from one to three), delete the Chair of Enfield Homes Board as a member of Housing Board, and create three sub-groups which will sit below the main Board.
- 1.3 The changes have been considered and agreed by Housing Board and also cleared via Members & Democratic Services Group and are needed following the dissolution of Enfield Homes, to ensure that workstreams which were previously reported into Enfield Homes Board continue to be reported at an appropriate level, and to ensure that strong links between residents, officers and Council Members are maintained. It is also deemed important to continue to maintain independent representation given that the Council Housing service is now required to operate on a more commercial footing.

## **2. RECOMMENDATIONS**

That the proposals to increase the representation of tenants and leaseholders (from three to four), increase the representation of independent members (from one to three), delete the Chair of Enfield Homes, and to create three sub-groups to sit below the main Board, are approved, as detailed in the Terms of Reference attached as Appendix 1.

## **3. BACKGROUND**

3.1 Following the reintegration of Enfield Homes back into the Council, Housing Board has discussed how to update its Terms of Reference throughout the 2015/16 year and has agreed the following:

- That the number of resident members on the Housing Board should be increased to three tenants and one leaseholder and that there should be three independent members of the Housing Board
- That the resident members should be nominated by the Customer Voice (the HRA tenant and leaseholder representative body) , using a process agreed by them, and that the independent members should be recruited via advertisement and interview
- That the Board should have an overarching, strategic role in managing the Council Homes business, with three sub groups operating below it looking in more depth at Finance, Performance and new policy. These three sub-groups will be as follows:
  - a. HRA sub-group (Policy Development and Review) – different subjects will require different people for consultation, advice and decision-making
  - b. Performance – this will be managed through the current Customer Voice and Customer Senate processes
  - c. Finance & Audit – Council officers will look at the membership of this group

## **4. ALTERNATIVE OPTIONS CONSIDERED**

An alternative option identified in March 2015 was to extend the role of the current Housing Board to include the additional elements identified above but with a flat rather than Sub Group structure. The Sub Group structure has been identified as the preferred option as it is felt that this will better enable the Board to maintain its key strategic focus around the Council Housing Business, whilst also providing a mechanism to oversee management of the wider Council housing function, allowing more detailed input to be provided by the Sub Groups.

## **5. REASONS FOR RECOMMENDATIONS**

- 5.1 To enable the Housing Board to maintain its strategic oversight of the Council Housing business, whilst allowing the sub groups to have more detailed involvement in important aspects of the business such as Finance, performance and policy development.
- 5.2 To ensure strong links are maintained between the Customer Voice, the Customer Senate, officers and Members of the Council. This will enable residents to be part of, and influence, decision making.
- 5.3 To maintain an independent involvement on the Board, allowing for good challenge and a wider understanding of the approaches being used elsewhere in the Housing sector.

## **6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

### **6.1 Financial Implications**

The HRA is a significant business with an annual revenue income of £65m. The HRA manages some 16,000 properties and has a capital programme totalling £238m over the next five years. In addition, the HRA has borrowing of £159m and this will rise to £198m over the next five years.

The proposed governance arrangements have been designed to reflect the significance of the HRA business and will be managed within existing resources and adhering to financial regulations.

### **6.2 Legal Implications**

The recommendations contained within this report are in compliance with the Council's existing governance arrangements under the Local Government Act 2000 (as amended).

In accordance with the Localism Act 2011 the Council must ensure compliance with the statutory guidance for social landlords - The Regulatory Framework for Social Housing in England 2012. The framework requires boards and councillors governing the service delivery of housing management provisions to be responsible for ensuring that the Council meets certain standards. One of these standards is that tenant panels, elected councillors and MPs have a role in scrutinising the Local Authority as a landlord.

To ensure compliance with the 2012 Framework it is imperative that the Customer Voice which provides a tenant based consultative body and the Customer Senate which provides a scrutiny function both inform and are considered by the decision making body or bodies as co-regulators.

## 7. KEY RISKS

The key risks identified in relation to this review are as follows:

**Governance arrangements post reintegration not compliant with Council's existing structures** – mitigated by governance options being developed in consultation Legal & Democratic Services, Enfield Homes and the Community Engagement Team. The reintegration plan has also been included on Internal Audit Plan for additional assurance.

**Members perceive a reduced level of governance post reintegration** – this will be mitigated by the final governance option identified being subject to consultation with members prior to approval and implementation.

**Tenant concerns regarding a perceived reduction in engagement post reintegration** – this is being mitigated through consultation with the Customer Voice on the governance options being developed and representation of the Community Engagement Team on the review process.

**Confusion between the roles of the Housing Board, Customer Voice, Customer Senate and Council's scrutiny function** – this will be mitigated as all groups will operate under clearly defined Terms of Reference to ensure the necessary links are established and duplication of roles and work avoided.

- 7.2 In addition, there is an opportunity to ensure that new governance arrangements will build on existing structures and offer the potential to reinvigorate the tenant engagement function.

## 8. IMPACT ON COUNCIL PRIORITIES

### 8.1 Fairness for All

The amended Terms of Reference have been designed to ensure that transparency and openness in relation to the Council's decision making process are clearly defined and maintained.

### 8.2 Growth and Sustainability

The amended Terms of Reference have been designed to maintain the strategic focus of the Housing Board around the Housing Revenue Account 30 year Business Plan and Asset Management Strategy, which will govern the growth and sustainability of the housing stock and service.

### **8.3 Strong Communities**

The amended Terms of Reference have been designed to safeguard the tenant engagement process post reintegration and maintain an effective channel of communication between the existing tenant engagement structures and Council's Executive

## **9. EQUALITIES IMPACT IMPLICATIONS**

The amended Terms of Reference respond to recommendations from the Council's Customer Voice, the HRA tenant and leaseholder representative body. This group specifically requested that tenant and leaseholder representation should be increased on the Housing Board, to ensure that the level of input encouraged through the ALMO Board was not lost following the reintegration of Enfield Homes. The Customer Voice has also been given responsibility for nominating tenant and leaseholder representatives to the Housing Board.

## **10. PERFORMANCE MANAGEMENT IMPLICATIONS**

The options developed around the governance arrangements have been designed to assist the Council in managing its business in as efficient and effective a way as possible.

## **11. PUBLIC HEALTH IMPLICATIONS**

Housing is one of the key determinants of health. By continuing to provide high quality and effective housing management and maintenance services and a structure for engaging residents on these issues, there will be a positive impact on the health and wellbeing of residents across the borough.

Background Papers: None