


Non-Executive Report of the: Housing & Regeneration Scrutiny Sub-Committee 20 th October 2022	 TOWER HAMLETS
Report Cllr Abdul Mannan Chair Housing & Regeneration Scrutiny Sub Committee	Classification: Unrestricted
Challenge Session Recommendations – proposed consultation on the future of housing management services including the option to bring housing management services back in house.	

Proposed Decision Path (indicate) – Delete Section Before Publication:

	Step [Delete as applicable]	Date
DLT Level (Tier One)	DLT / CD	N/A
CLT Level (Tier Two)	CLT / CE	N/A
Member Level (Tier Three)	MAB / 121	N/A
Decision (Tier Four)	Formal Committees	N/A

Proposed Decision Path (indicate) – Delete Section Before Publication:

Originating Officer(s)	Mark Slowikowski, Senior Strategy and Policy Officer
Wards affected	All Wards

Executive Summary

The Housing and Regeneration Scrutiny Subcommittee (H&RSSC) held a challenge session on the 15th September 2022 open to all Members to review the proposed consultation on the future of housing management services, including the option to bring housing management service, currently provided by Tower Hamlets Homes, (THH) back in house.

This report sets out the recommendations from the challenge session and contains a number of wider recommendations that Members considered were pertinent to the overall proposal to bring housing management services back in house.

Recommendations:

The H&RSSC is recommended to:

Agree the recommendations from the H&RSSC challenge session held on the 15th September to review the proposed consultation to bring housing management services back in house.

THIS SECTION TO BE DELETED BEFORE PUBLICATION

Directorate Leadership Team
Corporate Leadership Team
Mayor's Advisory Board
Communications

1. REASONS FOR THE DECISIONS

- 1.1 The Housing & Regeneration Scrutiny Sub Committee Scrutiny Sub held a challenge to review the proposed consultation to bring housing management services back in house. This report presents the findings and recommendations from the challenge session which the Sub-Committee needs to agree.

2. ALTERNATIVE OPTIONS

- 2.1 The alternative option is not to agree the recommendations from the challenge session. This is not recommended as the recommendations from the challenge sessions provide insight in how we can improve the consultation process.

3. DETAILS OF THE REPORT

Background and Context

- 3.1 Tower Hamlets Homes (THH) was set up in 2008 to deliver the Council's Decent Homes Programme, which was successfully achieved in 2017. In 2016, the then Mayor decided to extend the Management Agreement (MA) by two years to July 2020.

On 31 July 2019, the then Mayor resolved to proceed with the extension of the council's MA with Tower Hamlets Homes for four years (to 2024), with a possible extension of a further four years (to 2028).

- 3.2 In November 2020, the Government published "The charter for social housing residents: social housing white paper" which set out proposals to change the role of the Regulator of Social Housing so that it would include inspection of local authority landlords.
- 3.3 The Social Housing Regulation Bill is currently progressing through Parliament. Additionally, the Fire Safety Act 2021 and Building Safety Act 2022 has come into force. All impact on the provision of housing management services to residents.
- 3.4 The council's strategic plan sets out a pledge to "consult residents immediately on bringing THH back in-house". Insourcing the housing management functions is one option for the future of housing management services, alongside extending the MA.

Key Considerations for the Consultation

- 3.5 The council is committed to listening to residents and stakeholders, and to ensuring that decisions are properly informed by public opinion and our key stakeholders.
- 3.6 This includes clearly communicating to residents what we are consulting on and what the potential proposals might be, ensuring that the consultation is accessible to a wide range of groups, explaining how people will be affected by the proposal, and communicating the results of the consultation and the decision to participants and stakeholders.
- 3.7 It is proposed that a range of methods are used, namely:
- Survey of all tenants and leaseholders with a questionnaire available online (via Let's Talk Tower Hamlets) and posted out to all tenants and leaseholders for those who may find it difficult to access digital surveys.
 - Drop-in sessions in community centres.
 - Dedicated email address for residents to send comments to.

Proposed Consultation Recommendations

- 3.8 Five Members attended the challenge session and considered the 3 proposed questions to be asked of residents and made the following recommendations:
- (the actual questions are not included in this report)

Question 1

No specific recommendations were made as the finalised draft pack was not available to members at the challenge session.

Question 2

Members recommended that the term "tenancy" be added before "conditions" to make it clear to residents that there will be no change to their tenancy conditions.

Question 3

In relation to this question specifically, but also applied to all the questions to be asked of residents, Members recommended that the addition of a third possible response, either: "Don't Know", "Not Sure" or "Undecided" be considered.

- 3.9 Members also recommended that the Frequently Asked Questions (FAQ) should emphasise the accountability for continuous improvement of service delivery in the new proposals, that consultation with the staff of THH will need to be part of this process and to get the most out of the consultation, the council should consider using telephone surveys to garner residents views.

- 3.10 In response to these further recommendations, officers have emphasised, in the consultation pack, how important accountability is. However, performance is not a reason for the review of the future of housing management services or the proposal to bring services back in-house.
- 3.11 Furthermore, THH staff will be able to share their views during the wider consultation via talk.housingmanagement@towerhamlets.gov.uk. If a decision is taken to in-source, a full staff consultation will take place.
- 3.12 Officers considered the use of telephone surveys, however due to the resource required, and difficulties in this operationally, telephone surveys will not be conducted initially. This will be reevaluated at the half-way point if there is a low response rate or lack of views from residents if it would be beneficial (bearing in mind the costs) to conduct telephone surveys.
- 3.13 Additionally, to ensure people can share their comments anonymously, officers will provide a comments box during drop-in sessions.
- 3.14 Subsequent to the challenge session, all Members were offered a further opportunity to challenge the consultation questions and methodology by submitting written questions or comments to the project manager. No further comments were received.
- 3.15 Members were unable to consider the draft consultation pack at the challenge session as it had not been finalised. Instead Members were presented with a summary document and a finalised draft pack was sent out to those Members who attended the challenge session and Members of the sub-committee on Friday 23rd September. No comments on the information contained in the pack were received.

Wider Recommendations

- 3.16 The recommendations made by Members, contained in section 3.9 above, focussed on the specific reason for the challenge session: for Members to scrutinise the proposed questions and the information contained in the information pack.
- 3.17 However, the discussion at the session also touched on other issues that Members considered were pertinent to the overall proposal and these wider recommendations are given below:
1. Need to bear in mind residents may have a memory of poor-quality service when the housing management was under the council's direct control. This might have been the case with repairs and achieving the decent home standard.
 2. It was acknowledged that the service had improved under THH and that the decent homes standard was achieved but that some concerns with the housing management service persist especially around repairs and the engagement with residents.

3. There is a need to define who in the council will be managing the service. And that there is a proper plan as to how management will be improved.
 4. We need to ensure that risks being properly explained to residents.
 5. We should be clear about where any new in-house organisation will sit within the council, particularly the management level.
- 3.18 In response to these wider recommendations, officers will summarise all feedback from residents provided during the consultation, including any comments about performance. An Engagement Plan will be developed to run alongside the consultation and beyond (regardless of the decision taken) to listen to what residents' feel is important in their housing services, including via a Tenants & Leaseholders Housing Forum (TLHF).
- 3.19 Furthermore, the consultation pack now includes details on what will change under each option and what the associated risks might be.
- 3.20 A full review of how housing management services could be managed organisationally will be undertaken, including consideration of the management of an in-house service and how this will sit within the council.
- 3.21 Finally, the sub-committee is scheduled to consider a pre-Cabinet report on the results of the consultation exercise at its meeting on the 16th February 2023. Members are keen to remain actively engaged in this process beyond this year and throughout the duration of the project.

4. EQUALITIES IMPLICATIONS

- 4.1 The scrutiny challenge sessions considered how we ensure the consultation reaches a diverse range of residents and those seldom heard. The recommendations from the session should support our equality duty.

5. COMMENTS OF THE CHIEF FINANCE OFFICER

- 5.1 The report is seeking approval to consult tenants and leaseholders on whether to continue operating an ALMO model for housing management and maintenance services or to insource the service, with it being provided directly by LBTH.
- 5.2 There is a cost associated with undertaking this consultation. This cost must be borne in full by the Housing Revenue Account (HRA). There is no budgetary provision within the HRA revenue budget to meet this cost and as a result a growth bid totalling £463k will be proposed in year to complete the consultation, strategic review and cost benefit analysis of the options.
- 5.3 At present the growth bid has not been considered by Members and funding has therefore not been secured. If successful, the growth will be met from HRA reserves.

6. COMMENTS OF LEGAL SERVICES

- 6.1 Under Section 105 of the Housing Act 1985, the council has a legal obligation to consult its secure tenants on matters of housing management such as changes to the management, maintenance, improvement or demolition of houses let by them or changes in the provision of amenities.
- 6.2 If the ALMO is brought in-house there will also be rights for the staff employed by THH to transfer to the Council's employment under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended). Any changes which are proposed to terms and conditions must be considered in line with the requirements and restrictions of these regulations.

Linked Reports, Appendices and Background Documents

Linked Reports

- None.

Appendices

None.

Local Government Act, 1972 Section 100D (As amended) List of "Background Papers" used in the preparation of this report

- None

Officer contact details for documents:

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