

# Policy Gazing ALMO Governance and Board Leadership

HDN Board Mentoring Programme  
22 April 2021

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# Objectives of presentation

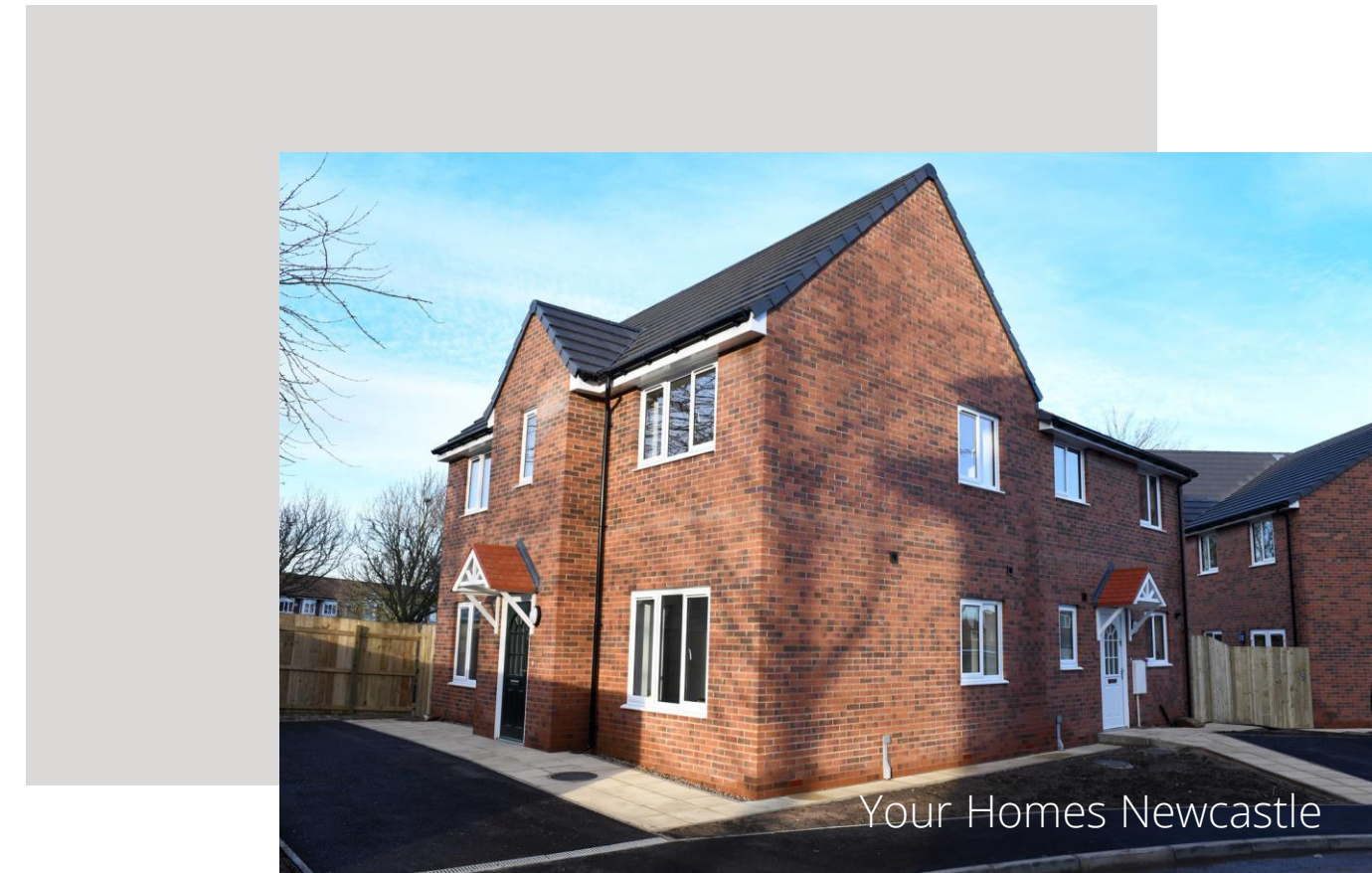
- Describe governance models in Council owned social housing
- Outline ingredients for successful governance and management
- Outline current national policy context and impacts of COVID-19 on governance and management
- Stimulate debate and provide food for thought



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# Housing Management Models

- 3.8m social rented homes
- Councils own 1.6m
  - 1.2m directly managed
  - 0.4m managed via ALMOs
- Housing associations own 2.2m



# Council Management Models

## ALMO/ Housing Company

- 27 Council owned organisations
- Increasingly diversifying
- **Board** - Combination of Council nominees, independents, residents and staff - all Company Directors
- **Management Agreement** - formal document
- **Executive Team** - MD will have strong housing/ customer services background



Tower Hamlets  
Homes



# Common Objectives

- Meet objectives in Management Agreement or key strategic documents
- Deliver excellent services
- Meet performance targets
- Demonstrate VFM
- Meet regulatory and legislative requirements
- Involve and listen to customers
- Ensure all residents and staff are safe



Lewisham  
Homes



# Governance - keys to success

- Relationship between Councils, ALMO Boards and Exec Teams is crucial
- Must be robust challenge with respect
- No dominant characters!
- Exec Teams must 'know their onions' - a major challenge in housing
- Boards and Exec Teams need to be aware of their operating environment



Stockport Homes



# National Policy Landscape

A lot going on despite the pandemic...

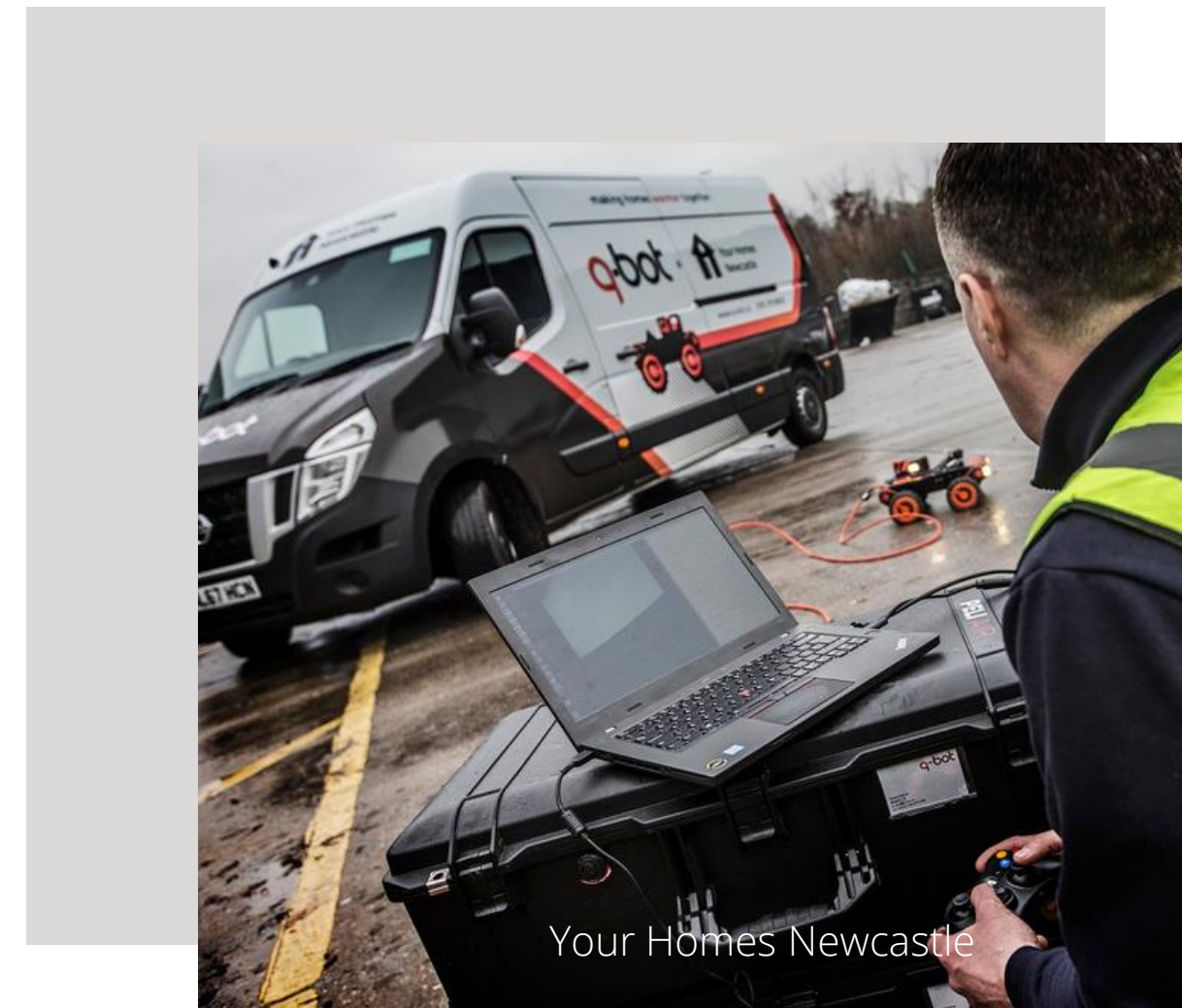
Changes are

- Grenfell related
- Manifesto commitments
- Created/ accelerated by pandemic
- Global issues



# Climate change/ Building Safety

- Big focus on Zero Carbon
- Decarbonisation pilots underway
- New Building Safety Regulator
- Resident engagement will need to be evidenced
- Personal Evacuation Plans
- More frequent fire door inspections





# Housing Ombudsman

- Housing Ombudsman more accessible
- Naming and Shaming Landlords
- More focus on sharing best practice
- Will have formal links with Regulator of Social Housing
- RSH will work cross sector with revised consumer standards and Tenant Satisfaction Measures



## New Build/ Planning

- Still looking to build 300,000 homes a year
  - £11.5bn Affordable Housing Programme
  - Homeownership takes 50% of above
  - London's share reduced from 50% to 35%
  - Planning reforms may hit levels of affordable housing
- increased thresholds for developers
- Section 106 may be scrapped



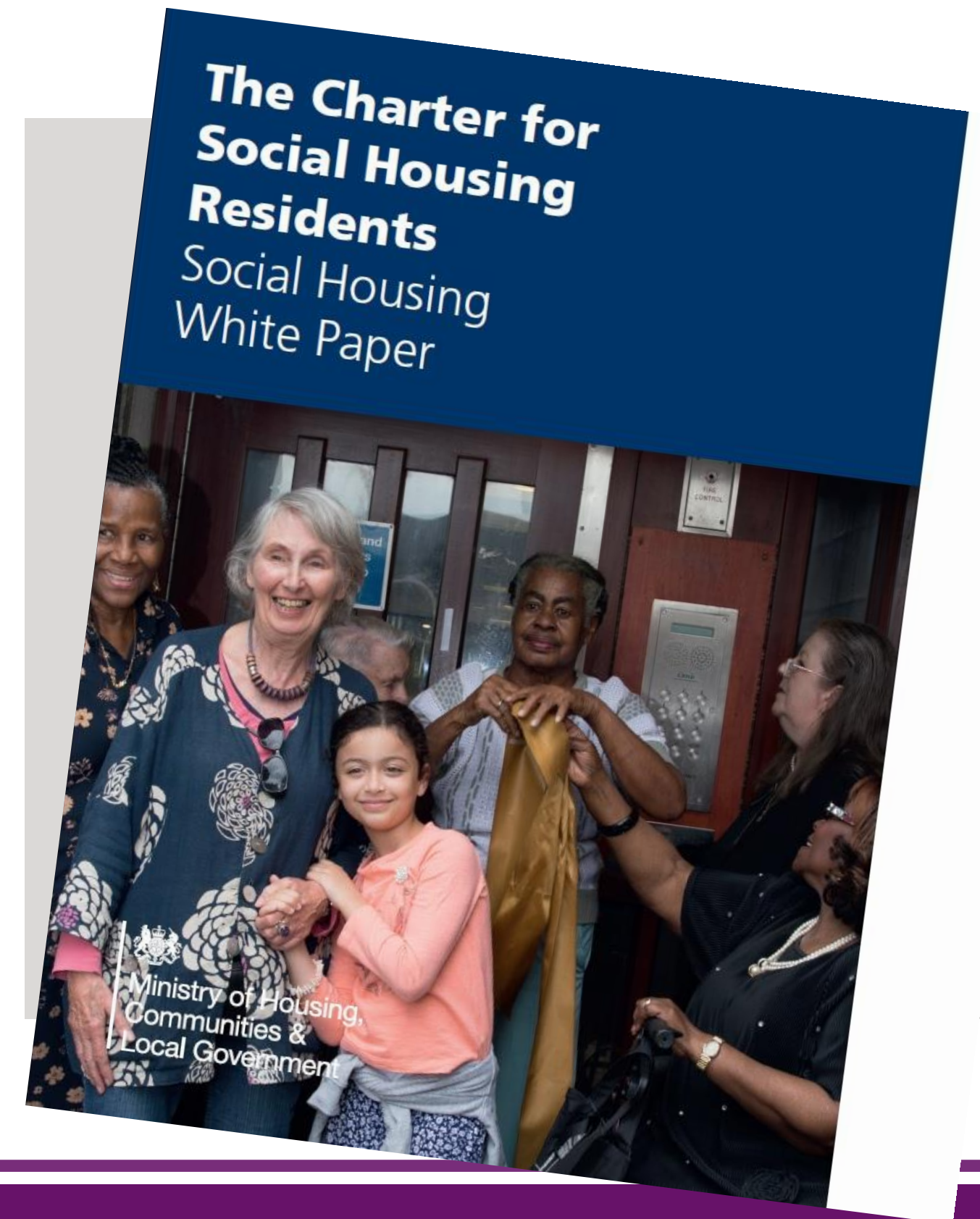
Solihull Community  
Housing



# Social Housing White Paper

## The Charter for Social Housing Residents

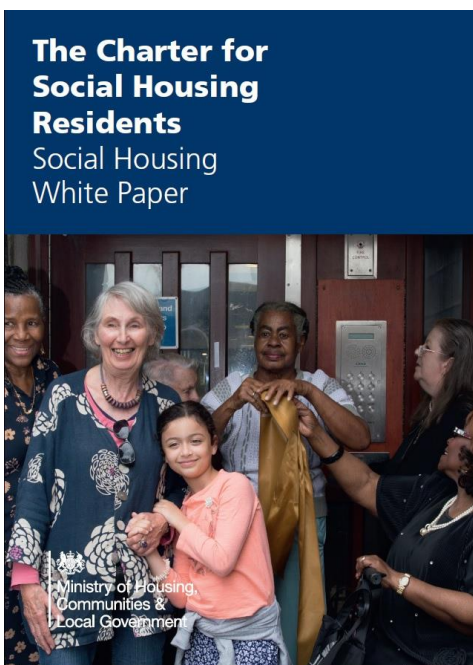
- *"The proposals will make clear the standards that every social tenant is entitled to expect from their landlord..."*
- *"It will give social housing tenants a voice and ensure it is listened to..."*





# Social Housing White Paper

- It is a response to the **Green Paper consultation** and ministerial roadshows held in 2017/2018
- It is also a response to **Grenfell**
- It is not a consultation document
- It is a 'to do list' - over a number of future years
- Seven chapters as follows



- 1 - to be safe in your home

- Consumer standards to be strengthened to include safety
- Landlords to identify a named person for all health and safety issues
- Information to be shared between HSE, Regulator for Social Housing and new Building Safety Regulator
- New regulations on carbon monoxide alarms, smoke detectors and electric testing on the way



Poole Housing Partnership

**The Charter for Social Housing Residents**  
Social Housing White Paper





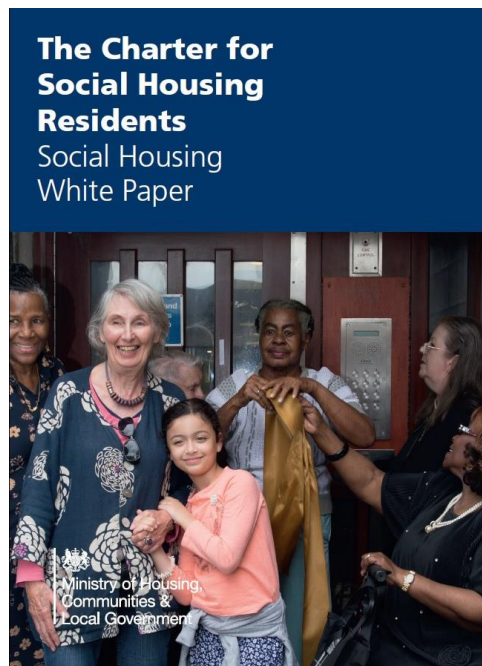
- 2 - to know how your landlord is performing

This is a high profile chapter and work already underway:

- Regulator to bring in a set of Tenant Satisfaction Measures (TSMs), to cover all areas important to tenants
- Could be a mixture of quantitative and qualitative measures
- Regulator will lead on this work including consultation - April 2021?



Nottingham City  
Homes





- 2 - Landlord performance continued

- New access to information scheme for housing association tenants
- Landlords to show clearly where their income is spent - to be published alongside TSMs
- Landlords to identify a named person who will ensure compliance with new Consumer Standards
- Landlords to report on issues above to all tenants, at least once a year

**The Charter for  
Social Housing  
Residents**  
Social Housing  
White Paper



Nottingham City  
Homes



### 3 - to have complaints dealt with promptly and fairly

- Builds on work already done by Housing Ombudsman
- MHCLG running campaign to let tenants know how to complain - Make Things Right
- Removal of democratic filter (in Building Safety Bill)
- Duty on Housing Ombudsman and Regulator to co-operate
- HO self-assessment to have been completed by all landlords by end of Dec 2020



**The Charter for Social Housing Residents**  
Social Housing White Paper



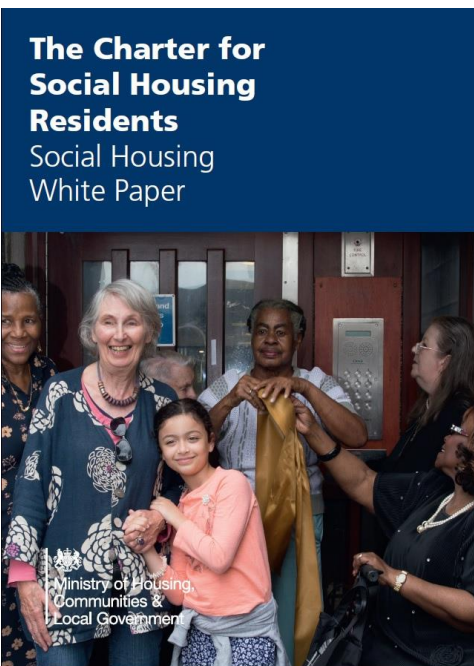
## 4 - to be treated with respect

Stronger Consumer Regulation - this is "jewel in the crown"

- Removal of serious detriment test
- New risk-based inspections for all landlords with over 1,000 homes
- RSH to publish new code of practice and review Consumer Standards
- RSH will have new arm and staff resources



St Leger Homes



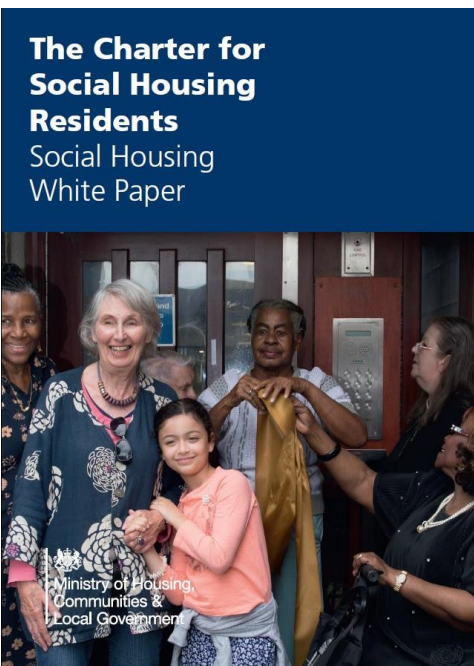


## 4 - to be treated with respect - continued

- RSH to lift cap on fines they can impose
- Councils will be fully answerable for actions of any contracted service providers, including ALMOs and TMOs



St Leger Homes



## 5 - to have your voice heard

- RSH to require landlords to demonstrate how they are improving resident engagement and adopting best practice
- New programme to support tenant engagement and empowerment
- MHCLG will work with National Tenant Organisations, including scrutiny and holding landlords to account
- Increased professionalisation in sector



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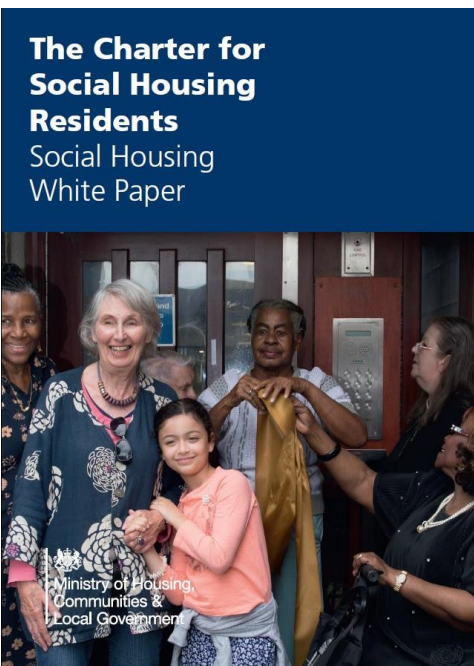


## 6 - to have a good quality home and neighbourhood to live in

- Review of Decent Homes Standard has started
- Future work will include climate change targets, review of ASB and 'greening' communal areas
- ASB - tenants could trigger a multi-agency review where they feel persistent problems not being addressed
- Allocations Review consultation outcomes to be published shortly



Rykneld  
Homes





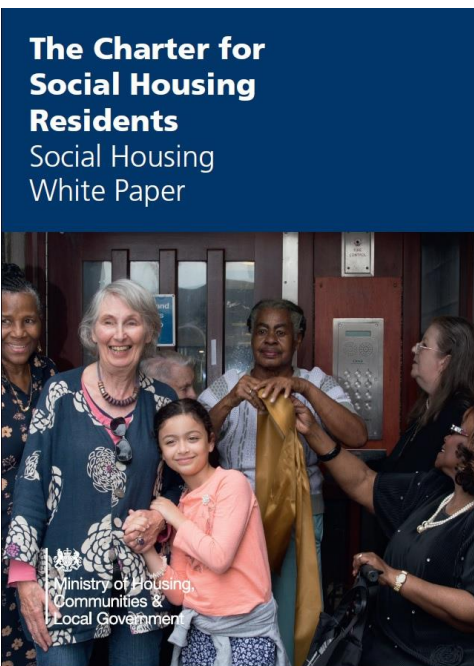
7 - to be supported to take your first step to ownership

## No surprise but not sure it fits neatly with rest of SHWP!

- Repeats announcements already made on Affordable Housing Programme
- New shared ownership model with 1% staircasing
- Further roll out of the Voluntary RTB scheme for HA tenants following Midlands pilot?



Northampton Partnership  
Homes



**The Charter for  
Social Housing  
Residents**  
Social Housing  
White Paper

Ministry of Housing,  
Communities &  
Local Government



# How have ALMOs responded?

- Doing emergency/ safety/ compliance works
- Following Government guidance
- Communicating with residents, staff and partners
- Reviewing risk registers
- Adjusting Financial & Business Plans
- Sharing and learning
- Highlighting positive practice
- Influencing policy agenda



Northampton  
Partnership Homes

# Board Governance and Leadership

- Meetings more focused
- Questions sent in advance
- Some relaxation of Delegated Authority and decision-making processes
- Some new COVID-19 KPIs
- COVID-19 risk registers set up
- More electronic board papers
- Board messages to staff important at this time



# Governance challenges

- Must restore some face to face contact
- Can you run Away Days, induction and appraisals virtually?
- What if temporary changes become permanent? Will Board members feel their roles have been downgraded?
- How do you allow public to access meetings?
- Don't forget resident involvement and scrutiny!

# Governance challenges

- Are all your Board colleagues confident with this new world?
- Is Cyber security a concern? Zoom or Teams?
- Live streaming Board meetings?
- Are you building up any other Board business backlogs?
- Does your Business Continuity Plan cover absence of Board personnel?



# Questions for ALMO Boards

## **Resident Engagement**

- Are we listening to residents?
- How are they involved in decision making when the agenda is fast moving?

## **Regulation**

- Are we prepared for further scrutiny/ regulation?

## **Management**

- Are Board members involved in shaping 'new normal' and future ways of working?

# Questions for ALMO Boards

## Health/ Safety/ Compliance

- How do we know if our residents are safe?
- Do you know who is regulating you?

## Finances

- What is the impact of COVID-19 on our Business Plans?
- Have we thought of all the cost/ income pressures?



# Questions for ALMO Boards

## **Communications**

- What did we learn from COVID-19 communications that could be retained?

## **Stakeholder/ Partnership Working**

- Who stepped up? New opportunities?

## **Governance Review**

- Have experiences of pandemic triggered any thoughts for change in Governance arrangements?

# Summary

- Diversity of governance models is good and none have inherent flaws
- Councils, ALMOs and Exec Teams have common objectives but different roles
- Management and governance arrangements must be regularly reviewed
- A lot of challenges in current operating environment - a good reason to learn from each other and share best practice.



Thank you for listening

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