



CABINET REPORT

Report Title	Services to Be Delivered by Northampton Partnership Homes
---------------------	--

AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	July 09 2014
Key Decision:	YES
Within Policy:	NO
Policy Document:	YES
Directorate:	Housing
Accountable Cabinet Member:	Cllr Mary Markham
Ward(s)	All

1. Purpose

- 1.1 This report sets out which of the services currently provided by the Housing Directorate should be delivered by Northampton Partnership Homes (NPH), from January 2015, and which should remain with the Council's in-house service delivery teams.
- 1.2 It is necessary to make a decision on which services will transfer, in order to allow for detailed service planning for NPH; formal consultation with staff affected by TUPE, and service planning and restructuring of Council services.

2. Recommendations

- 2.1 To approve the principles that have been applied in consulting on services to transfer, namely:
 - 1) Services to Council tenants should be managed by the ALMO. This is the core purpose of the ALMO to manage Council homes, and provide services to tenants.

- 2) Housing Services to people who are not Council tenants should remain with the Council. The council has a legal responsibility to provide many of these services.
- 2.2 To approve that the following services should be delivered by Northampton Partnership Homes from its inception date (planned to be January 2015):
- 1) Looking after Council Homes – repairs, maintenance, Decent Homes, adaptations to Council homes
 - 2) Tenancy management including letting properties, managing tenancies, rent and income management
 - 3) Managing the Choice Based Lettings Scheme and Allocations to Council Housing (in accordance with Council policy), as well as nominations to other social landlords.
 - 4) Supporting tenants who need it, because they are elderly or vulnerable in another way. This includes services currently provided by Independent Living and those Gateway Services that support people who have become Council tenants. It also includes help and advice to tenants who need to move, or need support in keeping up with their rent (basic debt advice).
 - 5) Tenant Involvement
 - 6) Managing the Ecton Lane Traveller site
- 2.3 To approve that the following services should continue to be delivered by Northampton Borough Council's own in-house teams:
- 1) Housing advice, homelessness prevention,
 - 2) Private sector housing advice, enforcement and licensing
 - 3) Enabling new affordable housing
 - 4) Disabled facilities grants
 - 5) Working with partners to promote housing, health and wellbeing.
- 2.4 To delegate to the Chief Executive, the Leader of the Council and the Cabinet Member for Housing, the responsibility for the necessary consultations with affected staff, and any decisions arising from this.

3. Issues and Choices

3.1 Report Background

- 3.1.1 NBC has decided to form an ALMO, now registered as Northampton Partnership Homes, to deliver its core housing management functions from January 2015. This decision was based on a full consultation exercise with

tenants, and that consultation continued into planning the details of which services should be delivered by NPH.

- 3.1.2 In March, tenant- and employee-focus groups were asked to consider which services should be delivered by the ALMO, and which by the Council –but were not steered with advice on what is statutory, or the implications of any decisions. In many areas, the groups reached the same decisions, but there were key differences around Independent Living, Gateway, CBL, and building new Council Homes.
- 3.1.3 Following this, senior officers developed a consultation paper which took account of best practice elsewhere, and set out the key principles outlines in 2.1. This paper was shared with all housing staff by email on May 8th, the start of a month long consultation exercise on which *services* should transfer (as opposed to which *individual staff members*).
- 3.1.4 On May 15th, all housing staff attended one of two employee briefing sessions, at which the proposals were outlined, and discussion in groups facilitated. Over 120 comments, questions and concerns were registered, which meant not all could be answered on the day, but responses were then published on the intranet.
- 3.1.5 Managers from other Council services were briefed on the proposals and invited to comment.
- 3.1.6 Seven written responses to the consultation were lodged before the consultation end date of June 6th, six of which were from Housing and Wellbeing, and one from outside of the Housing service. No written responses were received from Landlord Services.
- 3.1.7 In considering the responses to consultation, it is necessary to balance: detailed written feedback; numerous comments raised at events, from a wide range of perspectives and expressing widely differing views; the need to ensure that NPH is set up with the best possible chance of succeeding in its core purpose; and the need for the Council to ensure that it can deliver on its key statutory functions.
- 3.1.8 The Council is currently proposing to transfer key services to NPH for a period of fifteen years. If NPH performs well, the Council may choose to ask it to take on more Council services during that period, or to develop new services on behalf of (or in partnership with) NBC.

3.2 Issues

- 3.2.1 During the consultation, some areas raised a considerable number of questions. These included areas not strictly subject to consultation including concerns about the ALMO budget, management arrangements and staffing structure, where staff will be based, the impact on individual staff including TUPE and pensions, terms and conditions, permanent contracts, the relationship of NPH to repairs contractors, back officer support services and to the call centre, and similar matters.

3.2.2 Service areas which caused debate and questions included:

- i. Adaptations to Council Homes – some concern that this lead to an inequitable service. There is indeed a risk that Council tenants could be denied adaptations by NPH, but managing adaptations with the improvement programme would allow NPH to be more creative in adapting homes proactively, and also in implementing a more flexible approach to supporting tenants. Either way, the two services will need to continue to work closely together, not least as part of a county-wide partnership approach to transforming service delivery.
- ii. Allocating Council Housing – large numbers of concerns were raised at events about the risk of NPH “cherry picking” tenants, and not supporting the wider aims of NBC in the long-run, but contrary comments were submitted suggesting that allocating Council Homes should be integrated with housing management. The advantages of integration with NPH are around services to those people who become tenants, and the counter arguments focus on the fact that the majority of applicants do not become NBC tenants, and need to receive integrated housing advice on their realistic options, including private sector options, at the outset. In response to the consultation, the Council is now recommended to transfer this service to NPH, but to ensure that customers can access front-line housing advice about their chances of a successful move alongside other housing advice at the Guildhall, and also to ensure that the specification for services and ongoing monitoring check that allocations deliver the policy intentions of the authority.
- iii. Money advice – the proposal suggested NPH should provide advice to tenants, but this does not mean that the MA service for the wider population will transfer to NPH, so this is an area where perhaps the consultation was not as clear as it should have been. The Money Advice team provide important help to private sector occupiers at risk of homelessness and there is no proposal to transfer this to NPH.
- iv. Independent Living – respondents were overwhelmingly supportive of a transfer to NPH, but with questions about future funding, due to uncertainty around external grant funding, with the ending of Prevention Grant and significant cut in budgets at NCC. Within NPH, there is the scope to provide support to tenants through the HRA, which does further increase the inequity for those who are not tenants – something that needs to be addressed through work on community wellbeing.
- v. Gateway services, with concerns primarily about whether there will be ongoing funding for services which are supporting non-tenants. These are the same concerns as described for independent living, but the argument here is that preventing people from losing tenancies should be a key part of an enhanced housing management function at NPH.

3.2.3 As a result of the consultation, many points have been clarified to staff. The proposal for transfer of services has been amended to reflect staff concerns about the allocations process.

3.2.4 In considering staff responses, officers carefully considered the issues raised, and the key principles outlined.

3.3 Choices (Options)

3.3.1 **Option 1:** modify the proposals in the light of consultation, to transfer the management of the Choice Based Lettings process to NPH, whilst leaving the housing advice function, including advice about housing applications with the Council. Thus NPH will manage allocation of Council housing, but the Council will offer all enquirers a holistic housing advice service that considers an application to the register alongside other alternative options.

3.3.2 **Option 2:** implement the proposals as outlined at the start of the consultation. This option sought to balance the statutory requirements of the Council, the need to establish an effective ALMO, and the concerns of staff and tenants, whilst allowing for the development of an integrated housing advice service.

3.3.3 **Option 3:** modify the proposals in the light of consultation, to transfer the management of the entire housing applications, CBL and allocations process to NPH

3.3.4 **Call Care** has already transferred from housing to the Customer services Team, and it is proposed that it should continue to be managed by the Council, through this team. There are some Emergency Response Coordinator posts in the Independent Living Team who deal only with Call care responses, and these posts will now transfer to call care. Call care services could transfer to NPH, but this has not been proposed as part of this consultation.

3.3.5 **Building New Council Homes** – the employee consultation asked about the role of NPH in building and managing new Council Homes and there were mixed views, with some strong responses against the proposal, in the interests of taking a holistic view of developments in local communities. As this is not yet a function delivered by the Council, there is no need to decide at this stage whether the Council wants NPH to perform it on its behalf, and a more detailed assessment of options is required, considering in detail issues such as sources of finance (including the split between Housing Revenue Account (HRA) and General Fund), skills available, the need for effective planning and for quality management of the homes once completed.

3.4 Impact on Services

3.4.1 Summary of services which will change as a result of this proposal are:

- *Adaptations to Council Homes* – currently managed by the Disabled Facilities Grants Team, to transfer to NPH
- *Support to Council tenants* – Independent Living Team (excluding emergency Response co-coordinators) to transfer to landlord Services,

ready for inclusion in NPH; some Gateway support to applicants and tenants to transfer to NPH (Gateway services to rough sleepers and single homeless to remain with the Council).

- *Housing Allocations and CBL* – to transfer to NPH
- *Emergency Response Coordinators* to transfer to Call care

4. Implications (including financial implications)

4.1 Policy

4.1.1 The Report sets expectations of NPH which will need to be worked through in detailed specifications and agreements, to be drafted by the Council's legal advisors over the coming weeks. These agreements will specify clearly what outcomes NBC expects, and how it will monitor delivery by NPH.

4.2 Resources and Risk

4.2.1 There will be financial implications of the transfer of services to from NBC to NPH. These include the determination of the level of the management fee paid to NPH, the split of funding between the HRA and General Fund and any impact on the residual services remaining with the Council. As part of the work being undertaken to implement this change there is a detailed review of the Business Plan and the financial impact of this on both the Council and NPH.

4.2.2 It should be noted some services will remain with the Council which currently receive an element of HRA funding, for example call care. The detail of ongoing HRA contributions will be worked out in the financial agreement, and in budgeting for all services.

4.2.3 Services which remain in the Housing and Wellbeing team will be restructured, to improve service delivery and identify efficiencies, as well as to take account of new responsibilities around health and wellbeing. There will be an ongoing requirement for the Council to fund key strategic housing work, after the formation of NPH.

4.3 Legal

4.3.1 The drafting of detailed specifications and agreements will be undertaken shortly, as explained in 4.1.1.

4.3 Equality and Health

4.4 The principles applied here will protect the interests of tenants, many of whom are vulnerable or in poor health. We have considered the impact of transferring services to NPH on protected groups, and following this, we do not believe there will be a negative impact on any groups.

4.5 Specifically, we believe that

- the transfer of allocations to NPH will allow a more holistic service to vulnerable tenants, including those who are elderly or disabled;

- delivery of adaptations by NPH will improve the service to disabled tenants, by integration of works with decent homes, and through an early consideration of options, including moving home;
- developing a clearer housing advice role at the Council will protect the interests of those who are vulnerable due to homelessness.

4.6 Services will continue to work to the council's existing policies for services, such as the Allocation policy or Financial inclusion strategy, which have been subject to scrutiny for equalities and health implications.

4.7 Continuing planning for the transfer of services will include further work on equalities and health impact issues, both for services transferring to NPH and for the reconfiguration of Council services.

4.8 There is however an ongoing need to ensure that the Housing and Wellbeing service is adequately resourced to address the needs of the wider community.

5 Following this cabinet report, there will be a formal process of consultation with affected staff, about their rights. We have not identified any specific equalities considerations concerning which staff are proposed to transfer to NPH and which are not.

4.5 Consultees (Internal and External)

4.5.1 ALMO Tenant and Employee Focus Groups, all Housing Staff, all Council managers.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 The proposals support the Corporate plan in several key areas, especially in terms of "Better Homes for the future" and "Creating empowered communities" through supporting the development of an Arm's Length Management organisation that is really responsive to the needs of tenants and leaseholders.

Focussing key services in the Council on developing an excellent housing and wellbeing service, will also support the key objective of "promoting health and wellbeing", whilst improving front-line housing advice to not only deliver better services to customers ("responding to your needs") but also to deliver services within constrained resources ("making every £ go further").

David Kennedy
Chief Executive
0300 330 7000