

Cheltenham Borough Council

Cabinet - 11th March 2008

The Future of Tenant Involvement in Cheltenham

Report of the A.D. Community Services and

Cabinet Member Quality of Life

1. Executive Summary and recommendation

1.1 The issue

At their meeting on 30th October 2007 Cabinet requested further information on future tenant representation post April 2008, after the ending of funding to the current Tenants Federation in light of the negative report from the grant review body. Non renewal of funding was the view taken by both Cabinet and Social and Community Overview and Scrutiny Committee.

1.1.1 It was agreed to return to Cabinet with recommendations for the future direction for tenant involvement in the borough post April 2008.

1.2 I therefore recommend that:

1.2.1 That the recommendations of the summary report (Appendix A) be adopted and delegate authority to the AD Community Services to enter into an appropriate arrangement to achieve this end.

1.2.2 That a progress report be brought to Cabinet, after the completion of Stage One, in July 2008.

1.2.3 That options for the future accommodation of any emerging organisation be explored and appraised.

1.3 Summary of implications

1.3.1 Financial Around £86k p.a. of Housing Revenue Account funding was paid towards tenant and leaseholder representational activity in the borough. It is recommended that during the first year of change a sum of £20k be made available from the HRA to facilitate training and communication activity in this field. When a new sustainable structure is evidenced the then running costs should be revisited.

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1.3.2 Legal

The COG for the Tenants Federation comes to an end on 31 March 2008 and does not need to be terminated by formal notice. Appropriate legal agreements will be put in place to cover whatever arrangements are agreed in due course for facilitating tenants' participation after 31 March 2008.

Neither the freehold nor the leasehold interests in 350 High Street are in the Council's name and it is for the Federation to surrender its existing lease. Appropriate legal documentation would be needed if the Council (or CBH) were to pursue a new lease at 350 High Street

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1.4 Implications on corporate and community plan priorities

1.4.1 None as a direct result of this report

1.5 Statement on Risk

1.5.1 It is the opinion of the commissioning officer and the O&S Review Group that to continue funding the current organisation, in its present form, would have inherent dangers, be counter productive and against the best interests of the Council and its tenants and leaseholders. There is a likelihood of detrimental public relations should this termination prove confrontational. It is important to develop an alternative form of sustainable representation and involvement on housing issues for tenants and leaseholders and this cause is being actively pursued.

2. Introduction

2.1 Following meetings with members of the original Tenants Umbrella Group, the fore runner of the Federation, Leaseholders rep, Cabinet Member, senior officers and stakeholders in December it was agreed the best way forward was to take time out, review the current situation and future options.

3. Background

3.1 It was agreed to commission an independent expert reviewer who had previously worked with the Federation and could both build on a local knowledge and undertake a timely piece of work. Ian McDougal has worked nationally on tenant involvement for both the Tenant Participation Advisory Service (TPAS) and Tribal Tenant Participation. His summary report and recommendations are appended to this report.

3.2 In terms of accommodation, both during this process and beyond, the Community House at St Paul's and space at the Lower High Street Resource Centre have been identified as possibly more affordable options to the current building at 350 High Street.

4. Consultation

4.1 In preparing his report the consultant has been in discussion with:

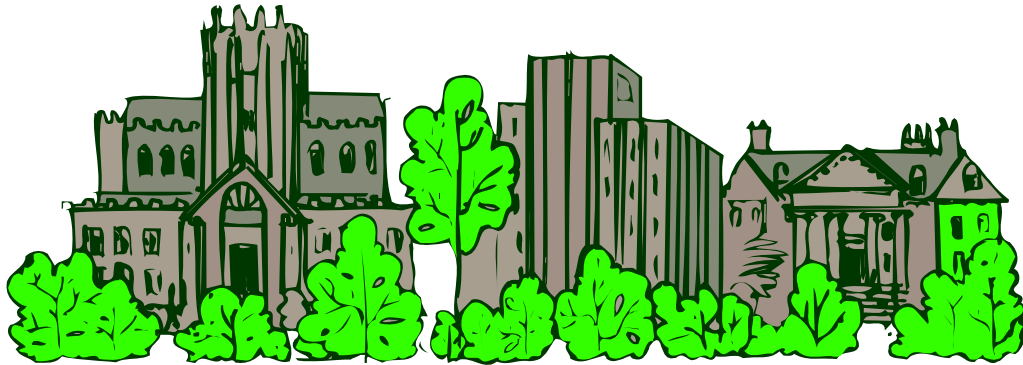
- Current Federation of Tenants and Leaseholders
- Past members and representatives of residents and leaseholders
- Cheltenham Borough Homes stakeholders
- CBC stakeholders

Background Papers	Report to Cabinet 18 th December 2007 Report to Cabinet 30 th October 2007
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Accountability	Cllr Chris Ryder
Scrutiny Function	Social and Community

Future Developments for Tenant Participation in Cheltenham

Moving forward in partnership

Summary Report and Recommendations for the development of Tenant Involvement in Cheltenham



Background

A key issue identified at a Joint Consumer Panel meeting in January 1997 was ways to help tenants become more involved in housing management services. The main issue discussed was ways to effectively co-ordinate and disseminate information.

Following this a steering group, made up of Chairs and Secretaries of fully constituted Tenants Associations, led to the formation of the Tenants Umbrella Group in March 1998.

The Cheltenham Federation of Tenants and Leaseholders was developed from the Tenants Umbrella Group. This group changed its name to The Cheltenham Federation in 2001 when it became an independent limited company.

In 2006 concerns regarding the effectiveness and governance of the Federation led to an independent review of its management by the Tenant Participation Advisory Service (TPAS.) Given the cost of funding the Federation, it also came under increasing scrutiny regarding its value for money.

The review highlighted:

- Breakdown in working relationships between Directors and the Directors and the Development Officer

- Performance management failures across many areas including appraisal and discipline
- Strategies and priorities not being adequately updated or reviewed
- Little or no training or development of new Directors. This was markedly different from the activity and focus at the launch of CFTL in 2001
- Frustration from funding sources and a feeling CFTL was failing.
- Lack of capacity building within the Federation.

The final report and presentation in April 2006 highlighted the risks to the Federation of not implementing the report recommendations. It was made clear that unless performance levels, management and relations with stakeholders were better managed the Federation would risk losing its funding.

A much more robust approach to the management and strategic direction of the Federation was required.

The hoped for turn around failed, in the main, to materialise and the decision to end funding was made in autumn 2007. This decision was endorsed by Cabinet and Social and Community Overview and Scrutiny Committee.

It was agreed that to continue in its present form would not be in the best interests of the Council and its Tenants and Leaseholders. It was also identified that developing at the earliest opportunity an alternative form of representation should be pursued actively.

Cabinet required that a report be commissioned on the future options and this be made available in February 2008

To this end the required report was commissioned. This involved Interviews and face to face meetings with:

- Independent tenant representatives
- Leaseholder forum representative
- Cheltenham Borough Homes- staff
- Internal stakeholders and Cabinet member
- Cheltenham Federation- Chair, Development Officer and Directors
- Martin Horwood M.P.
- Independent consultants who had worked with Cheltenham Borough Homes pre-audit 2007

In addition research was conducted on:

- Existing arrangements for Involvement and participation in Cheltenham
- Reviews of how Federations have evolved in ALMO's and Transfers
- Analysis of best practise in Resident involvement
- Audit Commission report on CBH 2007
- Audit Commission KLOE's
- Housing Corporation best practise reviews
- Literature reviews of Cabinet reports, constitutions, CFTL- newsletters,
- Facebook and website

Summary of current situation

Grant funding ceases on March 31 2008. The Federation would be unable to trade while insolvent and this is fully recognised by its Directors. They are keen that the High Street location continues as a centre for Cheltenham tenants. They hope the Council/CBH will take over control of the lease. This is approximately £7.5K pa. This idea was also supported by ex-directors who felt the new site had just begun to perform well.

The Federation understands that they may have done “too little, too late”. In the last six months they have bedded into the new premises, launched a website and even included a “Facebook” link. The high street offices are beginning to attract more tenants. I also met with 3 new directors and was very impressed by their commitment and desire to see the Federation succeed.

However, progress over the last two years, since the last review and the deterioration of working relationships with other tenants and the Council has meant them becoming increasingly isolated. There has also been little development work to expand the organisations base.

While there is still a sense of shock about the complete withdrawal of funding a strong sense of realism was displayed during the interviews. Most obvious during the interviews was the desire expressed that the “Fed” be replaced at the earliest opportunity.

Finally, the costs (£86K) in an era of value for money had to come under increasing scrutiny. It is inevitable that outputs and impact from the “Fed” be compared with outputs and impact from the CBH community involvement team. Both in terms of organisation and impact the “Fed” have lagged behind.

The most frequent phrase used to describe the value for money from the “Fed” was “It’s a lot of money for a garden competition!”

While there is still some negative feeling following the decision to end funding, members were keen to be involved in any new initiative proposed and were open and helpful during interviews. They acknowledge discussions may be difficult initially but are keen to see a new body operating as soon as possible.

Previous Directors of the Federation are also keen to be involved in any discussions regarding a new body to represent Tenants. They also acknowledge that discussions may be initially difficult when current and past directors meet. They also highlighted the importance of retaining the High Street location, which is seen as a high value resource for tenants. They also highlighted the good work of the Community Involvement Team at CBH.

Their wish was that any discussions should be managed and facilitated by an independent consultant.

MP for Cheltenham Martin Horwood, felt strongly that the Federation had been more effective than many of the parties involved realised. They were the “only game in town” and their advocacy role should not have gone unrecognised. He also believed that retaining the base and the administration Staff in the High street would be a valuable way ahead.

He also identified the challenge the volunteers have in taking on the role of Company Director with little business experience or training.

Staff at Cheltenham Borough Homes are aware of the situation with the Federation. They believe that now may be the time to bring together staff and tenants so that investment in resident Involvement creates maximum impact and value for money.

CBH were awarded 3 stars in the 2007 Audit. The commission praised the work of the Community Involvement Team.

The way forward

The recommendation for the best way forward, as a matter of some urgency, is to form a “Strategic Tenants Group”.

“Tenant empowerment is at the heart of the Governments drive to ensure that decent homes are available to all who rent from social housing landlords. Ministers expect tenants to have meaningful opportunities to participate in the day to day management of their properties and to be involved in their landlord’s strategic decision making processes”

Department of Communities and Local Government, 2007

The current structures in CBH follow best practise closely. Many smaller focus groups allow tenants to have input on the key day to day issues. These groups focus on service, communication, repairs and maintenance, older people and people with disabilities etc. The use of these groups is well established in CBH. Following on from these initiatives tenants of some social landlords get involved in mystery shopping, resident auditing, tenants scrutiny groups and strategic business planning. Participation can be much more than ‘tea and biscuits’.

Where many landlords struggle is getting tenants involved in their strategic decision making processes. The main problem is where to start?

First requirement is to allow tenants access to higher level operational council/CBH meetings where strategy is discussed and agreed. Both the Council and CBH have indicated that this is something they already do and are prepared to extend.

Second is to identify and involve tenants who can add value and are comfortable being involved in meetings and working groups of this sort. Both the new Directors of CFTL (who I found to be able and very committed, though not long in post) and previous Directors would be an ideal start point. However new blood should not be ignored. The focus groups and Residents associations are great recruitment grounds for a strategy group.

Thirdly training and development are vital. Typical agendas can cover Business Plans, Risk, KLOE’s, Impact Assessment and Evidence, KRA’s, KPI’s etc. One of the reasons for the initial success of the CFTL was the early identification of training for the directors. This, after launch, gradually faded and the organisation lost focus on key issues.

As stated in the 2006 report the directors of CFTL were volunteers not trained professional managers up to date with the latest performance management requirements. The requirements in housing are extremely demanding.

Finally, it should be recognised that the strategy group will become a feeder group for the Board of Cheltenham Borough Homes. This forms a good training and development ground for tenants and they often want to progress not only to higher positions but, often with new skills, into suitable or alternative employment.

Independent tenant groups or not?

Though this question must be answered by future working groups it is worth commenting on background changes to tenant’s rights which have affected the role of Tenant Federations.

Many federations were founded to resist transfer of stock. The mind set was to provide an independent voice to fight for tenants rights. Consequently many Federations started as separate and independent organisations. They often saw their role as opposition to the Landlord.

Looking back at tenants concerns during options appraisals the same themes occur. Tenants want to know is my:

- Tenancy safe?
- Rent controlled?
- Repair getting done?

Since the early days of options appraisal and transfers, tenant's rights have become even more secure. Landlords have to comply with legislation controlling tenancy and rents. In addition the introduction of audit tools such as KLOE's, impact assessment and evidencing have made it essential for landlords to put tenants at the centre of service delivery. These measures and assessments now ensure landlords have to work with tenants to deliver first class service.

Working together in partnership is the way forward. While researching Federations I came across Epping Forest's Tenants and Leaseholders Federation newsletter from summer 2007.

It states:

"Your Tenants and Leaseholders Federation continues to work closely with the Council."

Topics discussed recently include:

- Choice based lettings
- Housing Service strategies
- Tenant satisfaction survey 2006
- "Housemark" Benchmarking
- HRA Business plan
- Repairs and maintenance Business plan.

These are business development issues to be tackled in partnership rather than confrontational campaigning issues.

Recommendations

Stage 1

Initial working group to identify the way forward

- It is recommended a new Resident Strategy Group be formed as a matter of some urgency
- An initial meeting/working group be arranged for early April which will give time for advertisement of the new group
- Invites to these working groups should include all key and interested parties
- Previous and present directors have expressed a wish to attend
- Key officers from Resident associations and focus groups must also be invited

- Every effort must be made to ensure any new group is fully representative of CBH
- Initial meetings/working groups should be limited to Tenants and Leaseholders
- Inevitably there is a risk, history and disappointment may cause friction in early meetings. It is therefore vital that Tenants accept that the focus of this initial meeting is to identify ways forward not become embroiled in the past
- The meetings/working groups should initially have independent facilitation

Cheltenham Borough Homes and Council working Group

- Parallel to the Tenants and Leaseholders working group CBH and Council officers should meet and decide how they would see a strategy group integrating with and supplementing the existing involvement structures
- This group should formulate their view of where a Resident Strategy Group would integrate into the existing structures.

Stage 2

A Combined working group, to decide on the detailed objectives and remit of the new Tenants and Leaseholders group

- Following the initial meetings a combined working party should meet to formulate objectives , approach, visions and recruitment process etc
- This group should agree clear terms of reference for the new group. This is much more important than detailed constitutions
- Members of the new strategy group will need to understand clearly what is expected of them. Clear role profiles and person specifications must be produced
- Following this an independent selection process would take place. This would be composed of two stages:
 - A visionary/taster day to introduce potential candidates to the role and requirements of the new strategy group
 - A selection day where candidates present their ideas and what they could bring to the new group
- Selection process such as the one outlined have proved highly successful in recruiting mystery shoppers and resident auditors.
- The selection panel would be composed of tenants, staff members CBH, council and independent members
- The selection process should be seen as an opportunity to attract new people. The role should be advertised by multiple methods- press, advertisement on the back of rent statements etc

- The importance of the new group and the complexity of subjects it will tackle should be recognised by:
 - a rigorous training development schedule put in place and this must be applied
 - the time and difficulty of representing the group being recognised in its expenses policy. Reasonable levels of expenses, broadband charges, stationary etc should be provided
- As stated earlier group members will develop transferable skills
- The aim of this group should be to present its recommendations to Cabinet in July 2008.