

**Committee Name and Date of Committee Meeting**

Cabinet – 18 March 2019

**Report Title**

Area Housing Panel Review

**Is this a Key Decision and has it been included on the Forward Plan?**

Yes

**Strategic Director Approving Submission of the Report**

Anne Marie Lubanski, Strategic Director of Adult Care, Housing and Public Health

**Report Author(s)**

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**Ward(s) Affected**

Borough-Wide

**Report Summary**

The report sets out the basis for a review of the current Area Housing Panel arrangements, in the context of the new neighbourhood working approach. It proposes that the current geographical arrangements for Area Housing Panels are reviewed and recommendations brought forward for Cabinet consideration later in the year. The report also refers to the current arrangements for the allocation and governance of the annual Area Housing Panel budget and the options considered for the structuring of the budget from 2019/20, including revised governance processes

**Recommendations**

1. That the annual Area Housing Panel budget for 2019/20 be allocated at Ward level.
2. That a base budget of £8k be set per Ward, with the remaining annual budget provision then to be allocated to Wards, based upon the percentage of Council homes within each Ward.
3. That a further report setting out recommendations for the new organisational and budget arrangements for Area Housing Panels from 2020/21, be presented to Cabinet.

**List of Appendices Included**

Appendix 1 Area Housing Panel Budgets - Current Ward Arrangements 2019/20  
Appendix 2 Equality Impact Analysis

**Background Papers**

None

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**

Overview and Scrutiny Management Board – 13 March 2019

**Council Approval Required**

No

**Exempt from the Press and Public**

No

## **Area Housing Panel Review**

### **1. Background**

- 1.1 Area Housing Panels have existed as an integral part of Housing Services' tenant and resident engagement framework for over 20 years.
- 1.2 There are currently seven Area Housing Panels, which remain geographically aligned to the boundaries of (and also still bear the names of) the former Area Assemblies.
- 1.3 Each Area Housing Panel receives a revenue budget of £29,025 per annum, funded from the Housing Revenue Account, to support the identification and delivery of local neighbourhood environmental projects. The total budget provision is £203,175 per annum. The budget is set annually and there is no roll forward.
- 1.4 Decisions regarding the allocation of funding to support identified projects is devolved to the Panel's tenant membership, with advice and support from Council officers and Elected Members in attendance at Panel meetings.
- 1.5 Under the current budget and project delivery arrangements, projects are identified and approved by the Area Housing Panels. The projects brought forward could fall within any of the constituent Ward's within the Area Housing Panel geographical area. There is no designated budget commitment per Ward.
- 1.6 Projects delivered by the Panels support both community and corporate objectives, such as creating safe, clean and attractive neighbourhoods and align with the Housing Services' general housing and estate management functions.
- 1.7 Tenant representatives on the Panels also support the wider customer engagement and service development framework within Housing Services. This includes the over-arching Housing Involvement Panel, Quality and Standards Challenge Group and service area specific focus groups. Area Housing Panels nominate representatives from the Panels to attend these additional forums.
- 1.8 The implementation of new ward based neighbourhood working arrangements has prompted a review of the current geographical Area Housing Panel arrangements, in order to ensure that the Panels align with and fully complement wider thriving neighbourhoods based activity.

### **2. Key Issues**

#### **2.1 Geographical Arrangements.**

- 2.1.1 The launch of the Thriving Neighbourhoods Strategy and the move towards a new neighbourhood working model, with electoral Wards as the principal building blocks, has resulted in the existing Area Housing Panel geography becoming obsolete and out of step with the new arrangements. The implementation of new electoral Ward

arrangements in 2020 is also a further driver for change. This necessitates that any new geographical arrangements for Area Housing Panels are developed and implemented in line with Ward boundary changes in 2020. Discussions have commenced with the Housing Involvement Panel, Area Housing Panel representatives and key partners such as Rotherfed, with regard to the potential shape and form of future Panel arrangements and budget setting. Discussions to date have focussed upon the development of a diverse Ward level tenant engagement framework, as the foundation for a broader service specific offer, which could include the retention of Area Housing Panels at a higher geographical level. These are early discussions and significant further work is required to construct what the new tenant engagement offer will look like overall. This includes how it will be resourced, ensuring that we continue to enhance our engagement framework whilst at the same time fully integrating with the broader neighbourhood working approach.

## **2.2 Budget Setting Arrangements**

2.2.1 Whilst looking at new geographical arrangements, it is also necessary to review corresponding budget setting arrangements. Each of the seven existing Panels receives the same level of funding regardless of the size of the Panels' area of coverage or the number of Council homes within that area. Panels currently vary in both geographical size and the number of Council homes within their area.

2.2.2 Taking these issues into consideration, options and recommendations for a new Ward level budget setting model for Area Housing Panels have been developed, which, subject to approval, could be implemented from April 2019.

## **3 Options considered and recommended proposal**

### **3.1 Budget Setting Arrangements**

3.1.1 Appendix 1 - illustrates a number of budget setting scenarios which have been considered based upon the existing Wards in 2019/20.

- **Option A)** An equal split of the £203,700 Area Housing Panel budget across all Wards. This would reflect the current budget setting arrangement, but would not reflect variations in Council stock numbers.
- **Option B)** A budget setting approach based upon the level of Council stock within each Ward, as a percentage of the overall Council housing stock. For example, if Ward A had 25% of the Council's housing stock, it would receive 25% of the annual AHP budget. This option would reflect the level of Council tenancies within each Ward generating income which supports the Area Housing Panel budget, through the Housing Revenue Account, but would create very significant variations in funding across individual Wards.

- **Option C)** A base budget offer of £8,000 per Ward, with an enhancement to reflect the percentage of Council homes within each Ward. This would ensure that no Ward is disadvantaged by any new arrangements, reflects the level of Council homes within each Ward and is containable within the existing annual budget provision.

3.1.2 Having considered each of the options above, Option C is recommended for implementation in the new financial year 2019/20. This would be based upon the Area Housing Panel budget being allocated by Ward, with a minimum base budget allocation of £8,000 per Ward (totalling £168K) and the remaining budget provision of £35,700 being allocated to each Ward based upon the percentage of Council homes in each area. This would ensure that each Ward receives a guaranteed designated budget, to address the issue raised in 1.5 above. For illustration:

- Ward A would receive a base budget of £8,000. The Ward contains 6% of the Council's housing stock. It would receive an enhancement to the base budget equal to 6% of £35,700. The Ward would therefore receive a total budget of £10,142
- Ward B would receive a base budget of £8,000. The Ward contains 12% of the Council's housing stock. It would receive an enhancement to the base budget equal to 12% of £35,700. The Ward would therefore receive a total budget of £12,284

3.1.3 Currently the annual Area Housing Panel budget is split equally across the seven Area Housing Panels and has been for many years. Whilst this provides parity of budget allocation:

- It does not align with the Council's new neighbourhood working model.
- Current arrangements provide no guarantee that individual Wards will benefit from projects and this budget, as this is dependent upon the projects and locations that are brought forward.
- The current budget allocation does not reflect the differential in Council tenancy numbers within each area, bearing in mind that the budget is funded from the Housing Revenue Account.
- The budget allocation does not reflect areas of high deprivation.

The proposed budget arrangement set out in 3.1.2 above would address these issues by:

- Providing a guaranteed minimum annual Area Housing Panel budget to each Ward.
- Better align with the new neighbourhood working model and the approach being adopted with regard to other Ward based budgeting.

- Provide a better opportunity to align this budget with other Ward level budgets and funding opportunities, to improve the potential for joint funding, to address local priorities and maximise local outcomes.
- The budget enhancement above the base Ward budget of £8k will be allocated based upon the level of Council homes in the Wards, with those wards with higher numbers of Council homes receiving more.
- These arrangements will also ensure that many of the most deprived areas of the Borough receive a proportionately higher budget.

It is worth noting that the proposed budget allocation arrangements will not result in any reduction in the overall annual Area Housing Panel budget allocation.

- 3.1.4 The budget setting arrangements for 2020/21 onwards will be further considered as part of the Area Housing Panel review process and reflecting the learning and outcomes arising from the 2019/20 proposed budget setting arrangements.

## **3.2 Governance**

- 3.2.1 In addition to reviewing budget arrangements and structural matters, consideration has also been given to aligning governance arrangements with the new neighbourhood working model. To this end, the following changes are recommended for implementation from 2019/20:

- The Area Housing Panel funding application form will be reformatted to include reference in project and funding proposals to Ward plans and priorities, Housing Service key themes and Corporate and wider partnership priorities.
- That projects be submitted to and ratified by the respective Ward Members, once agreed and supported in principle by Area Housing Panels.

- 3.2.2 Whilst there is a potential risk that this change to governance arrangements may be perceived as reducing tenant empowerment, the proposed changes would:

- Still ensure that tenants have a defined budget allocated for investment in their local areas.
- Ensure that tenants still have an important say in how the budget is spent and on what.
- Strengthen Ward Member engagement and involvement with Area Housing Panels and in turn connectivity with other local initiatives and forums.

- Through the involvement of Ward Members, bring the opportunity for alignment with other Ward based budgets and Ward priorities, to address issues of most concern to local communities and improve local outcomes
- Align with the Ward Members community leadership.

3.2.3 The proposed arrangements will be reviewed, as part of the consultation on the overall Area Housing Panel Review, to inform proposals for future budget setting and governance arrangements

3.2.4 A further report setting out recommendations for the new organisational and budget arrangements for Area Housing Panels from 2020/21, will be presented to Cabinet later in the year, following consultation. In the meantime, it is proposed that Area Housing Panels continue to operate within the existing geographical arrangements during 2019/20.

#### **4 Consultation on proposal**

4.1 Consultation in respect of the substance of Recommendation 1 and Recommendation 2 has been undertaken with the Area Housing Panels and the Housing Involvement Panel, who are in agreement with the proposals.

4.2 Further a formal consultation programme is being undertaken which commenced in December 2018. The process will engage tenant representatives, ward members and key stakeholders, in developing a new geographical model for tenant engagement and the broader Housing Service engagement arrangements, including future Area Housing Panel budgeting arrangements. This would inform recommendations for Cabinet.

#### **5 Timetable and Accountability for Implementing this Decision**

5.1 Subject to approval, the new ward budgeting framework would commence on 1 April 2019.

5.2 A further report to Cabinet outlining recommendations for the new geographical arrangements for Area Housing Panels, including future budget setting and governance arrangements, will be presented later in the year.

#### **6 Financial and Procurement Advice and Implications**

6.1 The total funding of £203,175 is provided from the Housing Revenue Account and there are no proposals to amend this amount. The recommended option seeks only to amend the current basis of budget allocation.

6.2 The estimated impact of the 3 options considered, for each ward, as outlined in paragraph 3.1.1 above, is shown in Appendices 1 and 2. Appendix 1 showing the estimated Ward level budget allocations for 2019/20 based on existing Wards.

## **7 Legal Advice and Implications**

- 7.1 There are no direct legal implications arising from the recommendations within this report.

## **8 Human Resources Advice and Implications**

- 8.1 The report has been shared with Human Resources. There are no human resource implications.

## **9 Implications for Children and Young People and Vulnerable Adults**

- 9.1 The neighbourhood based projects delivered through the Area Housing Panel budget, address local issues of concern and deliver a positive impact within the community. Projects undertaken to date have included community safety and public realm related investments, including improvements to local play provision on housing administered sites. Such projects directly and indirectly support vulnerable adults and children.

## **10 Equalities and Human Rights Advice and Implications**

- 10.1 An Equality Impact Analysis has been completed with regards to the proposals within this report.

## **11 Implications for Partners**

- 11.1 Discussions have been held with Rotherfed with regard to the proposals contained within this report. Rotherfed has indicated a willingness to provide support in progressing the proposed consultation programme.

## **12 Risks and Mitigation**

- 12.1 Area Housing Panel funding is allocated from the Housing Revenue Account. There are statutory guidelines relating to the use of Housing Revenue Account funding. These requirements are reflected within the Area Housing Panel project approval process and associated budget monitoring arrangements.
- 12.2 A Ward based approach to budget setting will generate an increase in local project delivery, but also a potential increase in associated management and administration. Project management and monitoring systems are to be amended and additional staff capacity has been identified to mitigate this.
- 12.3 Tenants may feel disempowered by the proposed changes to the governance arrangements. Initial discussions have been held with Area Housing Panel tenant representatives regarding the rationale for the proposed changes, with further dialogue planned. It has been stressed that project proposals will be very much community driven and promoted, with the changes to governance arrangements bringing additional oversight and links to local Ward priorities and plans; opportunities for added value, in terms of project funding and delivery; improved outcomes and maximising local impact.



### 13 Accountable Officer(s)

Anne Marie Lubanski, Strategic Director of Adult Care, Housing & Public Health  
Tom Bell, Assistant Director of Housing Services  
Paul Walsh, Head of Service – Housing and Estate Management

Approvals obtained on behalf of:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Sharon Kemp	03/03/19
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	28/02/19
Assistant Director of Legal Services (Monitoring Officer)	Stuart Fletcher	28/02/19
Assistant Director of Human Resources (if appropriate)	N/A	N/A
Head of Human Resources (if appropriate)	N/A	N/A

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