Economy, Regeneration & Climate Change Scrutiny Committee scrutiny review

Scrutiny Review Panel –

The accountability of social housing providers to the council and residents of Stockport

September 2023 to January 2025

Foreword by Councillor Dena Ryness, Chair of the Scrutiny Review Panel

This review was initiated in recognition of the vital role social housing providers play in the lives of residents across Stockport and

the importance of ensuring robust mechanisms of accountability. With the publication of Deloitte's independent review of Stockport's housing management arrangements during this review, the urgency of addressing these issues has been brought into sharper focus.

Over the course of our work, the panel has explored how social housing providers can better serve both the Council and our communities. We have scrutinised existing governance arrangements, considered innovative accountability models from other areas, and sought to identify opportunities for strengthening partnerships and improving outcomes for tenants.

I would like to thank my fellow panel members, Council officers, and external contributors for their invaluable input, which has been critical in shaping the findings and recommendations within this report.

This review highlights the opportunities to build on Stockport's unique partnership model and introduces practical steps for fostering greater transparency, tenant engagement, and democratic oversight. I commend the report's recommendations to the Cabinet and hope they will serve as a blueprint for ensuring that our social housing system works effectively for all stakeholders.

Councillor Dena Ryness, Chair of the Scrutiny Review Panel



1.0 Introduction – the local context and background to the review

1.1 Background

The report outlines the historical context of social housing in Stockport. A previous review in 2002 led to the establishment of Stockport Housing Partnership III, which set the framework for current partnership arrangements. Social housing providers, termed Housing Associations (HAs), Registered Social Landlords (RSLs), or Registered Providers (RPs), must comply with regulations by the Government's Homes England agency. Stockport Homes, the Council's Arms-Length Management Organisation (ALMO), was formed in 2005 to meet the Decent Homes Standard. It later became a Registered Provider, enabling access to grants for affordable housing. Governance measures, including management agreements and Council oversight, ensure accountability for Council-owned and Stockport Homes-managed properties, though these fall outside the scope of this review.

1.2 Governance and Powers

RPs are autonomous entities regulated by Homes England and the National Regulator of Social Housing. Their governance covers financial resilience, tenancy control, and compliance with emerging regulations, including those introduced post-Grenfell and Awaab Ishak tragedies. Councils have limited enforcement powers over RPs, primarily addressing property conditions under the Housing Act 2004, as decent homes requirements do not extend to the private rented sector. Cooperation between councils and RPs has become more challenging due to financial pressures and increased competition among RPs.

1.3 Stockport Housing Partnership (SHP)

The SHP, initiated in 1992, fosters collaboration with RPs to increase and improve social housing stock. Current partners collectively own over 95% of RP housing in Stockport, comprising 7,733 units, and have varying focuses, including regeneration and specialized housing for older adults or the BAME community. Key partnership commitments include offering 50% of relets as nominations for council housing, contributing to homelessness initiatives, and financially supporting adaptations for disabled residents. The partnership also facilitates collaborative development planning, reducing competition among RPs and aligning projects with local needs.

By leveraging these cooperative frameworks, Stockport has maintained a robust housing strategy that addresses local challenges and optimises resources. However, financial and regulatory pressures continue to test the effectiveness and sustainability of these arrangements.

2.0 Scope of the review

When deciding the scope of the review, members of the Scrutiny Review Panel considered a number of key points:

- What are the social housing providers in Stockport, and how are they currently accountable to the council and to residents?
- Are we satisfied with the current arrangements for accountability? Are there gaps in accountability?
- What, more broadly, are the risks associated with lack of sufficient accountability?
- How are social housing providers held to account elsewhere? Are there any models that seem to work better?
- Do we want to make recommendations for changes in the accountability of social housing providers in Stockport?

Members of the panel then agreed the following scope for the review at their meeting held on 21 September 2023:

- To gain an understanding of where social housing providers are accountable and the current mechanisms for this accountability for each of the different types of social housing providers in Stockport. It was suggested that a simplified table would enable members to see where accountability was strong, and any gaps across the piece that could be scrutinised further.
- o To gain an understanding the risks of lack of accountability.
- Examples of social housing providers operating in three other local authority areas to gather learning.
- Over the course of the review, to invite other stakeholders such as Greater Manchester Police (GMP) (who worked closely with housing teams) to speak to the panel to get their views on the accountability of social housing providers to residents.

3.0 Methodology

- 3.1 The Economy, Regeneration & Climate Change Scrutiny Committee appointed a Scrutiny Review Panel to carry out the review, comprising of the following members:
 - Councillor Dena Ryness (Chair)
 - Councillor Claire Vibert
 - Councillor John Taylor
 - Councillor Ian Powney
 - Councillor David Meller
- 3.2 As part of the review, the panel had the support and assistance of:
 - Mark Glynn, Director of Place Management
 - Andy Kippax, Strategic Housing Lead
 - Charlotte Douglass, Senior Democratic Services Officer
- 3.3 The panel met on six occasions between September 2023 and January 2025, and followed the timetable set out below:
 - Meeting one (21 September 2023) scope the review
 - Meeting two (16 January 2024) focus on evidence gathering
 - Meeting three (2 February 2024) meeting with members of Member Committee
 - Meeting four (29 August 2024) meeting to refocus the review
 - Meeting five (27 November 2024) meeting to discuss and agree recommendations for final report
 - Meeting six (21 January 2025) final meeting to discuss the draft final report

4.0 Member Committee

Questions asked of Member Committee representatives on their work in relation to Stockport Homes Group:

- What is the remit of Member Committee?
- What is your experience of participating in Member Committee?
- Do you feel equipped to fully scrutinise SHG via Member Committee?
- What do you think are the strengths and weaknesses of Member Committee?
- Do members have an input into the setting and delivery of objectives for SH?
- If a report comes before the committee about performance targets, what authority do members have to take action into unmet targets?
- What information comes before the committee in terms of ASB/litter/repair work?
- Does MC conduct reviews into the function/efficacy/performance of SH? Should it?

Feedback from Councillors Matt Wynne and Rachel Wise can be summarised as:

- With the agenda compiled between the Cabinet and SHG, the structure is very top down. "A feeling of marking one's own homework."
- It feels that there is limited democratic accountability of the organisation.
- Meetings only take place 4 times a year, which feels infrequent.
- The sense was that scrutiny feels more about watching the finances of the organisation than how it delivers for tenants, in terms of building and maintaining council housing.
- Members felt that there should be more focus on day-to-day running of SHG.
- While it was noted that there is a Communities and Housing Committee, housing is such a challenging area of policy, that scrutiny itself cannot provide the time this portfolio needs.
- It was suggested that there should be a tenant and resident representative on the committee.
- Members can add items to the agenda at the Chair's discretion.
- Members can take action on unmet KPIs in accordance with the constitution.
- It was felt that there could be more of a focus on homelessness, in terms of what can realistically be (and not be) done.

5.0 Report on accountability mechanisms of social housing providers in Stockport (16 January 2024)

The report considered by the panel focused on three main areas:

- The condition of social housing stock in Stockport.
- Mechanisms for residents to seek help in addressing housing problems.
- How social housing providers respond to complaints.

Key findings of the report dated 16 January 2024

- 1. Housing Stock Condition: Social housing in Stockport outperforms private and owner-occupied housing in condition and energy efficiency.
- 2. Complaint Resolution: Social tenants experience quicker resolutions to issues compared to private renters.
- **3. Partnership Strength:** Stockport's unique partnership model with housing associations supports effective problem resolution.
- **4. Council Tenant Oversight:** Council tenants lack access to the Housing Standards team for complaints, suggesting a need for better SHG oversight.
- **5. Integrated Services:** The consolidation of ASB and CCTV services under SHG improves operational efficiency, but further evaluation is recommended.
- **6. Governance:** Members may need to evaluate SHG's delivery plan and oversight mechanisms to align with council objectives.

Recommendations for Cabinet consideration arising from this report:

- Retain and strengthen the housing association partnership model.
- Conduct deeper reviews into SHG's handling of repairs, complaints, and neighbourhood services.
- Evaluate how SHG integrates with broader council policies and objectives.

6.0 Comparative study of mechanisms of accountability in other local authorities

The panel decided to look at examples of other local authorities with ALMOs as follows:

- o Another ALMO in the North West Blackpool Coastal Homes is considerably smaller, but regionally close.
- An ALMO of a similar size elsewhere in the country. Barnet Homes is in Greater London and has a similar housing stock size to that of Stockport Homes.

In the comparative study of the accountability of social housing providers in other local authorities, positive models identified by members of the panel were:

- A resident board which provides scrutiny and strategic direction, incentivised by a payment of £75 for each meeting attended
- Resident satisfaction surveys
- Resident newsletter, published four times a year
- Resident support group, which feeds directly into the Resident Board. Through the support group, members are invited to be involved in a range of opportunities including focus groups, mystery shopping, and service improvement projects
- The opportunity to form a Tenant Management Organisation to manage an estate/block
- Resident Procurement Group, in which residents can be involved in appointing contractors to carry out a range of external repairs and improvements to homes
- Telephone surveys
- A programme providing free knowledge, guidance, training and regular free webinars on resident rights
- Opportunity to become an "involved customer volunteer", helping to improve services by providing the ALMO with lived experiences. Training and financial support (for transport and childcare) are offered alongside this

Challenges

Although the panel were able to identify positive models from this piece of work, members recognised the challenges this evidence presented. Panel members found it difficult from the evidence to determine how successful resident engagement and involvement was, given that the evidence was desk-top research undertaken by panel members and officers. A number of local authorities had been contacted as part of this evidence-gathering work; however, no information had been forthcoming.

7.0 Key findings

The panel's key findings from the comparative evidence were as follows:

Councillor involvement

Councillors were previously appointed as board members at Stockport Homes Group, providing a link between the council and the housing provider. This was replaced by a Member Committee due to governance concerns at the time. The panel suggests reinstating councillor board membership, with proper training provided and clear responsibilities, though without payment.

Resident engagement

Resident involvement initiatives, like those at Blackpool Coastal Housing and Barnet Homes, were noted as potential models. SHG has tried various methods to engage residents, but effectiveness remains unclear. Payments to residents for participation were discussed but could impact benefits; reimbursing expenses was suggested instead.

8.0 Independent review of Stockport's housing management arrangements

The Scrutiny Review Panel were aware that Deloitte conducted an independent review of Stockport's housing management arrangements during autumn/winter 2024. The panel were able to consider the published report, its findings and recommendations on Thursday 16 January 2025. The panel believes that the report complements the panel's review and should be considered alongside it.

9.0 Recommendations

Following consideration of all of the evidence gathered throughout the review, the panel made the following recommendations for Cabinet to consider:

- The panel recognises the value of Stockport's current housing management arrangements and asks that Cabinet retain and strengthen the housing association partnership model.
- Increase oversight of Stockport's housing management arrangements by evaluating how Stockport Homes Group integrates
 with broader council policies and objectives and conducting in-depth reviews into SHG's handling of repairs, complaints and
 neighbourhood services.
- Approach Stockport Homes Group to request the compilation of a good-practice guide for tenant engagement and ask that they
 assess SHG's strategies against it. Further, that this piece of work be done in conjunction with tenants. The aim of this piece of
 work being that SHG could make any recommendations and/or changes to their engagement strategy going forward arising
 from this piece of work.
- Approach Stockport Homes Group to work with tenants to improve engagement and accountability mechanisms by considering
 further initiatives like those set out in section 6 of this report. By way of example, consider the setting up of a Resident
 Procurement Group (Barnet Homes model), which involves residents in contractor selection and service monitoring thereby
 providing shared accountability and upskilling opportunities for tenants.
- Consider, in liaison with Stockport Homes Group, the reinstating of (unpaid) councillor membership to the Board of Stockport Homes Group, with proper training provided and clear board member role and responsibilities denoted.

Next steps

The panel may refine their recommendations to Cabinet, taking into account the broader review of Stockport's housing management arrangements and the views of the Economy, Regeneration & Climate Change Scrutiny Committee at their meeting scheduled 6 March 2025. It is expected that Cabinet considers the final report and recommendations at their meeting scheduled 18 March 2025.

Appendices and background documents

Agendas and minutes of the Scrutiny Review Panel - the accountability of social housing providers to the council and residents of Stockport (September 2023 – January 2025)

<u>Deloitte independent review of Stockport's housing management arrangements - report of the Economy, Regeneration & Climate Change Scrutiny Committee (meeting 23 January 2025) (pages 105 – 189)</u>