

ECONOMY, REGENERATION & CLIMATE CHANGE SCRUTINY COMMITTEE

Meeting: 3 February 2025
At: 6.00 pm

PRESENT

Councillor Claire Vibert (Chair) in the chair; Councillor James Frizzell (Vice-Chair); Councillors Jake Austin, Ian Hunter, Micheala Meikle, David Meller, Dan Oliver (substitute), Dena Ryness and Aron Thornley.

ALSO IN ATTENDANCE

Councillors Anna Charles-Jones, Peter Crossen and Matt Wynne.

1. DECLARATIONS OF INTEREST

Councillors and officers were invited to declare any interests they had in any of the items on the agenda for the meeting. The following interests were declared:

Personal interests

Councillor

Interest

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| Aron Thornley | Agenda items 3 'Independent Review of Stockport's Housing Management Arrangements' and 4 'Draft Final Report of the Scrutiny Review Panel' as a former social prescriber in Stockport that had worked with clients of Stockport Homes Group (SHG). |
| Matt Wynne | Agenda items 3 'Independent Review of Stockport's Housing Management Arrangements' and 4 'Draft Final Report of the Scrutiny Review Panel' as a tenant of a Stockport Homes Group shared ownership property. |

Personal interests

Officer

Interest

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| Paul Richards | Agenda items 3 'Independent Review of Stockport's Housing Management Arrangements' and 4 'Draft Final Report of the Scrutiny Review Panel' as Chief Executive Officer of Stockport Mayoral Development Corporation (MDC). Stockport MDC was referred to during the meeting discussion. |
| Mark Glynn | Agenda items 3 'Independent Review of Stockport's Housing Management Arrangements' and 4 'Draft Final Report of the Scrutiny Review Panel' as Chair of Totally Local Company and a Director of Life Leisure Community Interest Company. These companies were referred to during the meeting discussion. |

2. CALL-IN

There were no call-in items to consider.

3. INDEPENDENT REVIEW OF STOCKPORT'S HOUSING MANAGEMENT ARRANGEMENTS AND DRAFT FINAL REPORT OF THE SCRUTINY REVIEW PANEL

The Director of Place Management submitted a report (copies of which had been circulated) which provided a summary of the findings and recommendations of the independent review of Stockport's housing management arrangements, commissioned following a Council Meeting resolution in February 2024. The Chair of the Scrutiny Review Panel submitted the Draft Final Report of the panel for consideration by the Scrutiny Committee. The two reports were considered together at the meeting.

The Cabinet Member for Climate Change & Environment (Councillor Mark Roberts) attended the meeting to respond to questions from the Scrutiny Committee.

Helen McHale (Chief Executive, SHG) and Carmel Chambers (Deputy Chief Executive, SHG) also attended the meeting to respond to questions from the Scrutiny Committee.

In relation to the Draft Final Report of the Scrutiny Review Panel, the Chair of the Panel advised members that the scrutiny review into the mechanisms for accountability for social housing providers complemented the independent review of Stockport's housing management arrangements. Further, that the recommendations of both reports were largely aligned and were confident in the need to maintain and strengthen the current Arms-Length Management Organisation (ALMO) model, with a divergence in relation to proposed governance arrangements for both SHG and the council. Namely, the proposed reinstatement of councillors to the SHG board, and a separate scrutiny mechanism for scrutinising the business of SHG. Both sets of recommendations reached the conclusion that stronger democratic oversight was needed in relation to the business of SHG. It was noted that information previously requested for the review was published in a supplementary agenda for the meeting, and thanks were expressed to the officers at SHG for providing the information.

In relation to the report on the Independent Review of Stockport's Housing Management Arrangements, the report, carried out by external consultant Deloitte, provided the findings and recommendations of an independent review of Stockport's housing management arrangements. It found that SHG was a high performing organisation generally, but there were some identified areas for improvement.

The Director of Place Management then introduced the covering report and referred to the additional recommendations proposed intended for the council to carry out to address the priority recommendations of the review. Members were advised that the review had come at an opportune moment, given the challenging times facing the world of housing and context that the council was operating in.

The Chief Executive of SHG felt that the report offered a roadmap forward as to how the council and SHG could work better together and were keen to see further integration and collaboration between the organisations. SHG were also keen to work within the governance arrangements set by the council, and SHG's focus was to comply with the

good governance code. SHG wanted to see more of a focus on problem areas e.g., data in neighbourhoods and issues with high rise buildings. SHG welcomed the opportunity for further collaboration with the council, and to attend Area Committee meetings. Members were urged to reach out to SHG officers with any queries they might have, and were reassured that officers were available and accessible in the same way that officers of the council were. It was noted that SHG had not previously received the request for information to input into the work of the Scrutiny Review Panel.

The Chair proposed that members considered the key draft priority actions in order, which were:

1. Ensure strategic alignment between Council and SHG to deliver One Stockport, One Future ambitions
2. Identify resource from HRA for Council to work with SHG and lead wider strategic review of portfolio and investment requirements ensuring that the Housing Capital Programme complements investment needs of the Borough
3. Strengthen Member Direction & Oversight At All Levels
 - a) At strategic and boroughwide operational level
 - Introduce a Cabinet Sub Committee
 - Further detailed oversight for Scrutiny Committee
 - Discontinue Member Committee (replaced with Cabinet Sub Committee)
 - b) Establish mechanisms for Member scrutiny at Area Committee and neighbourhood level
 - c) Conduct neighbourhood 'deep dives'
4. Build upon existing strong SHG Board Governance through introduction of appropriate arrangements to increase Council influence
5. Increase Housing & SHG Visibility at Council CLT
6. Support the ongoing work to develop Shared Services Arrangements & Improve Integration as part of the Council's MTFP proposals

The following comments were made/issues raised in relation to each key draft priority action:

1. Ensure strategic alignment between Council and SHG to deliver One Stockport, One Future ambitions

Members felt that this was a sound recommendation stating direction of travel, which recognised that housing was the 'spine' that ran through many areas of the work of the council. It was felt important to strengthen strategic alignment, given that SHG was a council-owned company and the role of the council to direct the work of the company. It was noted that how this would work in practice would be to ensure that senior officers at SHG were closely linked into and engaged with the 'One Stockport, One Future' work.

2. Identify resource from HRA for Council to work with SHG and lead wider strategic review of portfolio and investment requirements ensuring that the Housing Capital Programme complements investment needs of the Borough
- Members sought reassurance in relation to the current impact on residents of Lancashire Hill whilst waiting for a masterplan for Lancashire Hill. The need to review the neighbourhood was recognised and the council would be working with tenants and members over the next 12 months with options and solutions for the neighbourhood. It

was noted that the aim of this recommendation was to help identify funding to address challenges faced by residents at Lancashire Hill. SHG gave their commitment to 'do all they could' to support residents at Lancashire Hill whilst awaiting the council's support and investment for the neighbourhood.

- Members praised the good work regarding some of the new sheltered housing sites and the positive impact these sites would have on the council's budget. The Deloitte report encouraged the council to explore Greater Manchester Combined Authority and Homes England funding avenues, which members supported. Members also suggested that the council explore closer working between SHG and the Mayoral Development Corporation (MDC).
 - Members supported the development of key estate plans and asked that residents not only be involved in their development but shown the results of the work.
 - It was reported that this recommendation supported the proposal to bring strategic decisions e.g., sheltered schemes to members in ensuring greater involvement of members in strategic decisions.
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 - b) Establish mechanisms for Member scrutiny at Area Committee and neighbourhood level
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- The Cabinet Member introduced the proposals as denoting clear lines of responsibility; namely, for the Cabinet Sub Committee to set strategic direction and for the strengthened Scrutiny Committee to give strategic scrutiny, as well as enhancing the role of Area Committee in overview and scrutiny at the most local level. Further, the importance of the Scrutiny Co-ordination Committee in focussing the council's scrutiny function was stressed.
 - It was clarified that the business currently considered by the Member Committee, and that of the proposed Cabinet Sub Committee, would be presented to the Scrutiny Committee in the first instance. Members were reassured that the pre-decision model of scrutiny at Stockport would operate for the proposed Cabinet Sub Committee.
 - All members recognised that the Member Committee did not provide the democratic oversight that was needed in relation to the business of SHG, and that change was needed to improve the current governance arrangements. Members agreed that the Member Committee felt siloed from the council's current decision-making processes, and that, on occasion, there were a duplication of reports considered by the Member Committee and Scrutiny Committee. Further, that local issues were currently considered at meetings of the Member Committee, which was felt an inappropriate forum for local matters.
 - A suggestion was made that the Member Committee in its current form be revised, as opposed to dissolved. This could include but was not limited to, a higher frequency of meetings, and a review of its scope.
 - Some members raised concerns with regards to the proposed dissolution of Member Committee and its replacement with a Cabinet Sub Committee to consider the business of SHG. At present, the Member Committee's membership comprised of members from all political groups on the council, and it was felt that the proposed

model would invite less input from all members in SHG matters. Members stressed the need for council business to continue in a manner that strongly enabled and encouraged cross-party partnership working. It was felt that the proposed model could limit rather than enhance member engagement, contrary to the recommendations of the Scrutiny Review Panel.

- It was suggested that a separate Scrutiny Committee dedicated to all housing matters would be preferable to the current scrutiny arrangement, which covered a wide range of council activities within its scope. A Housing Scrutiny Committee would enable members to consider housing matters in much greater depth and put housing matters at the forefront of the scrutiny agenda. This dedicated Scrutiny Committee could be temporary to enable a greater focus on housing matters for a set period of time. It was noted that the current remit of the Economy, Regeneration & Climate Change Scrutiny Committee had too large a scope to enable comprehensive consideration of housing matters, and that agenda packs tended to be lengthy.
- However, concerns were also raised in relation to value of a separate Scrutiny Committee, given that the current arrangements enabled members to scrutinise housing matters in greater depth through optimal utilisation of the current cycle of meetings and other mechanisms, such as the ability to hold extraordinary meetings and question Cabinet Members at Full Council meetings. Further, members were able to put forward recommendations for areas of scrutiny to the Scrutiny Co-ordination Committee to consider. Members of the Scrutiny Co-ordination Committee were able to identify particular areas where they felt additional scrutiny was needed.
- Some members felt that the proposals as a whole provided a fairer level of access for all councillors to provide scrutiny and have greater oversight of business relating to SHG.
- It was noted that the scope of the Scrutiny Review Panel sought to review the accountability of social housing providers in Stockport, but the recommendations focussed on SHG. It was felt that SHG were more accountable than other social housing providers in Stockport.
- Members were supportive of and welcomed recommendations 3b and 3c and stressed the importance of multi-agency partnership working in relation to the conduct of neighbourhood 'deep dives'. SHG welcomed the opportunity to provide reports to Area Committee, and to provide the relevant data in the right forum. It was suggested that cases could be brought to Area Committee meetings and considered by a multi-disciplinary team, with clear actions taken away for resolution and thought be given as to the tracking of actions.

ADJOURNMENT

At 7.53pm, it was

RESOLVED – That the meeting be adjourned.

The meeting reconvened at 8.01pm.

**INDEPENDENT REVIEW OF STOCKPORT'S HOUSING MANAGEMENT
ARRANGEMENTS AND DRAFT FINAL REPORT OF THE SCRUTINY REVIEW PANEL
(CONTINUED)**

4. Build upon existing strong SHG Board Governance through introduction of appropriate arrangements to increase Council influence
 - It was felt that this recommendation aligned with the Scrutiny Review Panel's call for greater democratic oversight.
 - It was asked that Cabinet consideration be given to reinstating councillors to the board of SHG in some capacity as a mechanism to increase democratic oversight of the work of SHG and provide greater representation of the council to the board. It was suggested that an observer role could be appropriate and it was noted that SHG board meetings were open to the public and members could attend board meetings as observers.
 - It was advised that board membership could inhibit a member's ability to scrutinise matters relating to SHG, and that a conflict of interest would remain even if the role was unremunerated. There would also be the challenge to easily reflect the representation of the council on the board. It was felt that important lessons could be learnt in relation to governance around Totally Local Company (TLC) and the success experienced since senior officers of the council were appointed to the TLC board.
 - There was a desire for the Scrutiny Committee to consider options on this matter, as well as how any potential decision could be made.
5. Increase Housing & SHG Visibility at Council CLT
 - It was felt that this recommendation provided an important opportunity for improvement, namely, SHG representation at Corporate Leadership Team (CLT) meetings. The importance of ensuring residents voices were heard was stressed, regardless of the forum.
6. Support the ongoing work to develop Shared Services Arrangements & Improve Integration as part of the Council's MTFP proposals
 - It was noted that this recommendation formalised some of the work already taking place through the Medium-Term Financial Plan (MTFP) in maximising efficiencies for the work of the council.

The following other key points were highlighted:

- It was asked that learning from these reviews be applied as widely as possible to all social housing providers in Stockport; this was recognised through the proposed implementation of a 'good practice' guide for tenant communication and engagement arising from the work of the Scrutiny Review Panel.
- It was suggested that the separate communications strategies for the council and SHG be reviewed to ensure their alignment.
- It was asked that tenant representation and involvement be kept in sharp focus throughout the work, and that tenant experience and perception be more strongly reflected in the action plan.

- Members asked that progress be reported on work to implement the key priority actions within 6 to 12 months. It was suggested that a review of governance arrangements be scheduled between 12 to 18 months' time in ensuring the appropriate checks and balances were in place.
- It was reported that the Edgeley Community Association had submitted the group's views in relation to SHG as an ALMO to the Cabinet Member.
- It was suggested that the scope of a Housing Scrutiny Committee be explored further.

Thanks were expressed to members for contributions to the meeting and review of Stockport's housing management arrangements.

RESOLVED – (1) that the report of the Independent Review of Stockport's Housing Management Arrangements be noted and that the Scrutiny Committee's comments be submitted to Cabinet for consideration; and

(2) that the Draft Final Report of the Scrutiny Review Panel be noted and endorsed for onward submission to Cabinet.

The meeting closed at 8.41 pm