

Meeting:	Overview and Scrutiny Committee
Date:	10 th February 2009
Subject:	Right to Manage
Responsible Officer:	Tom Whiting Assistant Chief Executive
Exempt:	No
Enclosures:	Final report of the Right to Manage Challenge Panel.

Section 1 – Summary and Recommendations

This report sets out the findings and recommendations of the Scrutiny Challenge Panel on the Right to Manage in Harrow. The Challenge Panel conducted its enquiries between November 2008 and January 2009.

Recommendations:

1. Endorse the report and its recommendations;
2. For Performance and Finance to monitor the continuing progress of the Right to Manage process in six months and receive the first progress update in six months; and
3. To forward the report on to the Portfolio Holder for information.

Reason: (For recommendation)

The completion of the Scrutiny Challenge Panel on the Right to Manage addresses the needs of the scrutiny work programme.

Section 2 – Report

The Right to Manage process stems from *The Housing (Right to Manage) Regulations 1994* which allow tenants' or residents' organisations to set up Tenant Management Organisations (TMOs) and to take on the responsibility for the day-to-day management of their estates. There is an Initial Pre-Feasibility Study which is to prepare for the setting up of a TMO. If tenants vote in favour, an approved body will carry out a Feasibility Study to prepare the tenants' group for its chosen role in housing management. The TMO, with the help of their Independent Tenant Advisor (ITA) will list the responsibilities, management and maintenance of the properties, within a management agreement. At the end of the process tenants will be asked to vote on whether to proceed with the management agreement. The intention is that the TMO becomes a partner with the council in providing services to the local community.

In November 2008 the Overview and Scrutiny Committee commissioned a Challenge Panel to investigate a number of concerns which had been raised at committee by the Portfolio Holder regarding the Right to Manage process and the Independent Tenant Advisor.

The Scrutiny Challenge Panel conducted its investigations between late November 2008 and January 2009. Enquiries were conducted through requests for information and meetings with residents, resident groups, the HFTRA, members of the existing Tenants Management Organisations, the Independent Tenant Advisor and the Housing Department.

The terms of reference for the Challenge Panel are:

- (i) To investigate some of the concerns raised by residents regarding the handling / practice of the Right to Manage process;
- (ii) To provide an impartial view on how the process has been conducted within Harrow thus far; and
- (iii) To make recommendations, where appropriate, for a more robust system to be put in place.

The Challenge Panel's report contains observations, findings and a number of recommendations. The Overview and Scrutiny Committee is asked to endorse these recommendations which are further detailed in the recommendation matrix.

Current situation

Not appropriate to this report.

Why a change is needed

Not appropriate to this report.

Main options

Not appropriate to this report.

Other options considered

Not appropriate to this report

Recommendation:

To consider and endorse the report from the Right to Manage Challenge Panel and the recommendations contained therein.

Considerations

Resources, costs and risks

Any costs associated with these recommendations will have to be met from within existing resources.

Staffing/workforce

There are no staffing or workforce considerations specific to this report.

Equalities impact

The Challenge Panel incorporated equalities concerns in this investigation to ensure the Right to Manage Process is inclusive.

Legal Implications

None

Financial Implications

Any costs arising from the recommendations will have to be contained from existing budgets.

Performance Issues

There are no performance considerations specific to this report.

Risk Management Implications

There are none specific to this report.

Section 3 - Statutory Officer Clearance

This is not required for this report. No comments from legal.

Section 4 - Contact Details and Background Papers

Contact: Ofordi Nabokei, Scrutiny Officer, 020 8420 9205 or ofordi.nabokei@harrow.gov.uk

Background Papers: None

If appropriate, does the report include the following considerations?

1.	Consultation	YES / NO
2.	Corporate Priorities	YES / NO

CHAIRMAN'S INTRODUCTION & ACKNOWLEDGEMENTS

The Overview and Scrutiny committee was pleased to have been asked to conduct a Challenge Panel regarding the Right to Manage and we are delighted to have been able to chair this investigation. The Right to Manage process stems from the 1994 *The Housing (Right to Manage) Regulations* and is designed to allow tenants' and / or residents' to set up Tenant Management Organisations (TMOs) which then take on the responsibility for the day-to-day management of their estates.

The Challenge Panel met on 16th December 2008 and 8th January 2009 and we are grateful to those who have assisted the panel in providing the information upon which we based our challenge and for their frank and open responses:

- Residents of Harrow, the members of Harrows various residents' groups including the HFTRA.
- Members of the Tenant Management Organisations.
- FIRST Call officers, Independent Tenant Advisor.
- Gwyneth Allen, Divisional Director of Housing
- Carol Yarde, Service Development Manager

We have looked at evidence ranging from documents, to surveys carried out by the Independent Tenant Advisor with residents, as well as meetings with Housing Officers, residents and various residents' groups, the Tenant Management Organisations and the Independent Tenant Advisor.

The aim of this Challenge Panel has been (i) to investigate some of the concerns raised by residents regarding the handling / practice of the Right to Manage process; (ii) to provide an impartial view on how the process has been conducted within Harrow thus far; (iii) to make recommendations, where appropriate, for a more robust system to be put in place.

With this in mind we intend to make a number of recommendations to the Overview and Scrutiny Committee. These are included in the report below.

Cllr Jerry Miles & Cllr Dinesh Solanki, Joint Chairs Right to Manage Challenge Panel.

BACKGROUND

Following the conclusion of the Housing Stock Options Appraisal, Cabinet agreed in June 2005 to investigate the potential for establishing a Tenants' Management Board (TMB) with a view to setting up a Tenant Management Organisations (TMO), supported by an Independent Tenants' Advisor Service and other resources as necessary. In December 2006 FIRST Call were appointed as Independent Tenant Advisor (ITA). The ITA was selected by resident groups / association representatives, supported by officers, from a list of accredited companies experienced in resident empowerment.

With local authority and resident support, FIRST Call were successful in applying for Section 16 funding, from the Housing Corporation, for a borough wide Option Study based on an investigation of the " Right to Manage" this is also known as the Pre-Feasibility Stage. In the summer of 2007 FIRST Call engaged with tenants and leaseholders to gauge the level of interest in a TMO managing part or all of the council's housing stock.

On 4th November 2008 the issue of the Right to Manage (RTM) process was raised by the portfolio holder and was brought to the Overview and Scrutiny Committee. Members of the Committee agreed that Scrutiny should examine the concerns raised and discussed how this ought to be done. On the 9th December 2008 the Overview and Scrutiny committee agreed the format of the challenge panel: The panel would be in four parts and run across two days.

The day one of the challenge panel was held on 16th December 2008 part one was a discussion and a question and answer session with residents and members of Harrow's various housing bodies. Part two was a discussion and question and answer session with members of the three existing Tenant Management Organisations. After considering the information and evidence given in parts one & two there was a request for information from FIRST Call and Housing and a formal invitation to attend the second day of the challenge panel which was held on 8th January 2009. Following on from the meetings with Housing and FIRST Call. Further clarification was sought from both parties and provided. The notes of individual meetings are held within the Scrutiny Unit.

The panel comprised of:

- Cllr Jerry Miles (Co-Chair)
- Cllr Dinesh Solanki (Co-Chair)
- Cllr Bob Currie
- Cllr Mark Versallion
- Cllr Stanley Sheinwald
- Ms Linda Robinson

Prior to the challenge panel meetings Cllr Currie declared an interest as he had a long standing involvement with a number of the Tenant Resident Associations.

The scope for the investigation is attached as Appendix 1.
A detailed breakdown of the recommendations is contained within the Recommendation Matrix which is attached as Appendix 2

The panel's findings and recommendations are included in the pages that follow.

OBSERVATIONS AND FINDINGS

The challenge panel's observations and findings are summarised in the paragraphs below:

Historical impact:

- From talking to both tenants and residents housing groups and to FIRST Call it became clear that there is a history behind FIRST Call's relationship with certain residents of Harrow which dates back to a split amongst tenant bodies before this process began. This historical issue was not part of the remit of this challenge panel. Nevertheless, it was clear that remnants of what had taken place historically have seeped into the present process on both sides: Certain residents and Tenant and Resident Associations are wary of FIRST Call and what they perceive to be their 'agenda' and therefore do not have a great deal of time for FIRST Call.
- To further add to the above observation, the panel gained the impression from speaking to FIRST Call that FIRST Call did not have a great deal of time for the Harrow Federation of Tenants and Residents Association (HFTRA) due to what happened historically and that they believe that certain residents are '*paying them back*' for what has happened previously.
- The panel are of the view that neither certain Tenant Resident Associations, nor FIRST Call (the ITA) have been able to adequately separate what happened historically from the current piece of work and this has had an impact on it. **The panel suggests that if possible, some relationship building work is done by both parties in order to remove pre-conceptions about the other side.**

Complaints:

From meeting with residents, housing groups, the Tenant Management Organisations and FIRST Call as well as documentation provided by FIRST Call and residents:

- The issue of cold calling - a number of groups had complained that FIRST Call had gone cold calling. However, FIRST Call's newsletters clearly stated that a member of their staff would be knocking on doors to discuss the Right to Manage process. Therefore the panel did not find there to be instances of cold calling.
- Lack of understanding of the process – from discussions with residents, housing groups and TMOs there was a distinct lack of understanding from all parties of what the Right to Manage process means and entails. **More work in explaining or deepening understanding of the Right to Manage process needs to be undertaken across the board, it is understood that work on the Right to Manage process has ceased since the matter has come to overview and scrutiny but once it resumes the level of this work should be monitored, where possible.**

- TMOs non-properly constituted TMOs, lack of TMO meetings and duly elected Chairs of the TMOs – the process had not been duly followed due to time and funding constraints and to an extent due to a request of work with TMOs to cease. The panel is of the view that **as work with the TMO groups has been halted, once the ITA recommences work TMOs will need to be properly constituted, meet regularly and the Chairs of the TMOs must be duly elected in line with governmental guidance. This action should be a priority and (if possible) be monitored to ensure that it takes place.**
- The panel, having spoken to FIRST Call, are of the view that FIRST Call are under a misapprehension as to the types of people who have voiced complaints and to the nature of those complaints which FIRST Call view as being tied into the historical issues mentioned above. After having gathered evidence from various sources the panel are of the view that *not all complaints are tied to historical issues.*

Communication:

- One of the most important issues affecting this process seems to be the lack of effective communication and dialogue between residents, resident groups, the HFTRA, the Housing Department and FIRST Call. FIRST Call have categorically stated that they have only received one complaint regarding the Right to Manage. Residents have stated that they have complained to their ward councillors and to the Housing Department. The Housing Department has stated that it has passed on the complaints yet FIRST Call say they have not received them. We have not been able to resolve this but are of the view that **there needs to be more effective lines of communication between all parties to ensure that issues are conveyed and matters are dealt with as quickly and effectively as possible.** This includes the communication of FIRST Call's cessation of work on the Right to Manage. Residents were not aware that their work has ceased whilst this investigation is being conducted.
- The panel is of the view that **more effective communication about the process and of information regarding the process to all residents from the ITA would be useful.** Whilst we are aware that FIRST Call has tried very hard to engage residents we are of the view that more effective communication of information may increase satisfaction with the process and for all those involved in it.
- Whilst we are aware that the Housing department is essentially not a party to the Right to Manage process it became clear throughout the challenge panel that in the minds of many residents the council are involved in the process. Therefore **there needs to be effective communication on behalf of the Housing department to clarify its position to residents regarding this process.**

Overall Finding:

- From the information presented the panel are of the view that there has been a lack of clear and effective communication / passing on of matters to the parties concerned and in turn them being dealt with or explained.
- At times the panel felt that they did not receive direct answers to some of the questions that were asked.
- Historical issues that should not influence this piece of work have nevertheless done so on both the side of the Independent Tenant Advisor FIRST Call, the HFTRA and some Tenants and Resident's Organisations. However it should be pointed out that these historical issues are beyond the scope of the challenge panel.
- The panel is of the view that these historical issues coupled and the lack of clear and effective communication is having an adverse impact on the piece of work.

RECOMMENDATIONS

These findings have led the Right to Manage challenge panel to recommend the following:

1. Relationship building work to be done by the Independent Tenant Advisor (ITA), the Harrow Federation of Tenants and Residents Association (HFTRA), residents and the various residents' groups in order to remove pre-conceptions about the other side.
2. More work in explaining or deepening understanding of the Right to Manage process to be undertaken across the board.
3. Once the Right to Manage process resumes, priority should be given to ensuring that TMOs are properly constituted, meet regularly and the Chairs of the TMOs must be duly elected in line with governmental guidance. In addition the ITA should facilitate the development of new committees in terms of training and further recruitment. This action should be a priority and (if possible) be monitored to ensure that it takes place
4. More effective lines of communication to be developed between all parties to ensure that issues are conveyed and matters are dealt with as quickly and effectively as possible.
5. More effective communication to be developed about the process and of information regarding the process to all residents, resident groups and the HFTRA from the ITA.
6. More effective communication on behalf of the Housing Department to clarify its position to residents regarding this process.

In addition to the above, the Panel also recommends that:

7. The Overview and Scrutiny Committee endorse the report and its recommendations;
8. For Performance and Finance to monitor the continuing progress of the Right to Manage process in six months and receive the first progress update in six months time; and
9. That this report be forwarded on to the Portfolio Holder.

CONCLUSION

The panel wishes to stress that our observations are not meant as criticisms but hopefully as comments that will help support the ongoing development of the Right to Manage process and generate more positive response amongst residents within Harrow.

The methodology of a Challenge Panel is that in terms of time and resources it is a short piece of work which aims to identify and highlight the main issues and make recommendations on the findings, it cannot go into as much depth as other forms of review.

If any further work is undertaken regarding the Right to Manage the panel suggests that the following people should be consulted:

- Ward Councillors whose residents are affected by the Right to Manage
- Chair and officers / Executive Committee of the HFTRA in post at the time FIRST Call started working in Harrow.

Where we have made suggestions for a more robust process to be put in place, we hope they are helpful

Right to Manage Challenge Panel

January 2009

APPENDIX 1

HARROW COUNCIL OVERVIEW AND SCRUTINY COMMITTEE

DATE: 25TH NOVEMBER 2008

REVIEW OF RIGHT TO MANAGE - DRAFT SCOPE

1	SUBJECT	Right to Manage, Housing
2	COMMITTEE	O&S
3	REVIEW GROUP	Cllr Miles Cllr Solanki Cllr Sheinwald Cllr Currie Cllr Seymour Cllr Versallion Linda Robinson
4	AIMS/ OBJECTIVES/ OUTCOMES	AIMS/ OBJECTIVES: To investigate the concerns raised by tenants and leaseholders regarding FIRST Call's handling / practice of the Right to Manage Process. OUTCOME: There is a robust process in place for tenants and residents.
5	MEASURES OF SUCCESS OF REVIEW	The residents feel there has been a successful outcome. Housing Department feels that there has been a successful outcome.
6	SCOPE	To evaluate how FIRST Call has conducted the Right to Manage Process so far and their consultations with residents that have already taken place, given that a number of concerns have been raised by residents To make recommendations, where appropriate, for a more robust system to be put in place.
7	SERVICE PRIORITIES (Corporate/Dept)	Building Stronger Communities (09/10)
8	REVIEW SPONSOR	
9	ACCOUNTABLE MANAGER	Lynne Margetts, Service Manager Scrutiny
10	SUPPORT OFFICER	Ofordi Nabokei, Scrutiny Officer
11	ADMINISTRATIVE SUPPORT	None
12	EXTERNAL INPUT	Tenant Bodies, The HFTRA, Tenant Management Organisations, FIRST Call
13	METHODOLOGY	Investigation into the Right to Manage involves 5 component parts: 1. Ascertaining exactly what residents concerns regarding

		<p>FIRST call are, by hearing their views and complaints.</p> <p>2. Ascertaining and establishing the validity of existing TMOs within the borough by investigating who is in attendance, how it operates and what it actually accomplishes</p> <p>Parts 1 & 2 will be investigated and evidence gathered on Day 1 of the Challenge Panel</p> <p>3. Gathered from FIRST Call about their processes in terms of communicating with residents, the nature and method of their consultation process.</p> <p>4. Question FIRST Call about their practices and the concerns raised by residents.</p> <p>5. Analyse and evaluate the information received and the evidence gathered and make a recommendation to O&S.</p> <p>Beginning in mid-November, it is expected that the review will report to O&S in February 2009</p>
14	EQUALITY IMPLICATIONS	None
15	ASSUMPTIONS/ CONSTRAINTS	2- Day Challenge Panel therefore will not be able to go into as much depth as other forms of review.
16	SECTION 17 IMPLICATIONS	None
17	TIMESCALE	<p>16th December 2008 Day 1 of Challenge Panel with TMO, HFTRA and TLCF</p> <p>8th January 2009 Day 2 of Challenge Panel</p> <p>Mid-late January Consultation on report with Officers and those who gave evidence.</p> <p>Report to be submitted to O&S on 10th February 2009</p>
18	RESOURCE COMMITMENTS	Scrutiny Officer
19	REPORT AUTHOR	Ofordi Nabokei with Chairs and Review Group
20	REPORTING ARRANGEMENTS	<p>Outline of formal reporting process:</p> <p>To Service Director [] TBC but prior to 10th February</p> <p>To Portfolio Holder [] TBC but prior to 10th February</p> <p>To CMT [] When.....N/A.....</p> <p>To Cabinet [] When.....N/A.....</p>
21	FOLLOW UP ARRANGEMENTS (proposals)	

**APPENDIX 2
RECOMMENDATION ACTION SHEET**

Key:

CD = Corporate Director(s)

PH = Portfolio Holder

Prioritisation – Requiring action immediately: ST.

Requiring action in medium term: MT

Requiring action in long term: LT

Incorporated information –

Evidence received from officers O

Evidence received from Independent Tenant Advisor ITA

Evidence received from local people LP

Recommendation	Prior	Identified officer/member/group to action	Incorp info	P'ship? (Y/N)	Action taken (for completion at six month period)	Measure of success
1. Relationship building work to be done by both the ITA and the various residents' groups in order to remove pre-conceptions about the other side	ST MT	ITA, Residents' HFTRA and Residents	O, ITA LP	N	Relationship building – facilitating discussions and attempting to remove pre-conceptions each side may have about the other	A visibly better relationship between the ITA and the Housing groups which are currently wary of each other.
2. More work in explaining or deepening understanding of	ST MT	ITA	ITA, LP	N	More engagement with residents, more newsletters / information leaflets,	Greater resident understanding and awareness of the process.

<p>the Right to Manage process to be undertaken across the board.</p>					<p>discussion forums and training sessions</p>	
<p>3. Once the Right to Manage process resumes, priority should be given to ensuring that TMOs are properly constituted, meet regularly and the Chairs of the TMOs must be duly elected in line with governmental guidance. In addition the ITA should facilitate the development of new committees in terms of training and further recruitment. This action should be a priority and (if possible) be monitored to</p>	<p>MT, ASAP</p>	<p>ITA, Members of the TMOs</p>	<p>ITA, LP</p>	<p>N</p>	<p>Developing the new TMO committees by providing training and actively attempting to further recruit new members. Duly electing Chairs of the TMOs</p>	<p>These processes are implemented and documented as having taken place.</p>

ensure that it takes place							
4. More effective lines of communication to be developed between all parties to ensure that issues are conveyed and matters are dealt with as quickly and effectively as possible	ST, MT	Housing Department, ITA, Various Residents' Groups, HFTRA Residents and TMOs	ITA, LP, O	N	N	Ensuring that matters / complaints are passed on directly to the relevant party and that said party deals with the matter in a timely manner. Where needed and external check to ensure this has taken place.	Greater resident satisfaction that their concerns are being met and dealt with.
5. More effective communication to be developed about the process and of information regarding the process to all residents from the ITA.	ST, MT	ITA	LP, ITA	N	N	More engagement with residents, more newsletters / information leaflets, discussion forums and training sessions to ensure the information is passed on.	Greater resident satisfaction.
6. More effectively communication on behalf of the Housing	ST	Housing, LP	O, LP	N	N		

department to clarify its position to residents regarding this process.							
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