

HOMES & COMMUNITIES COMMITTEE

25 NOVEMBER 2019

HOUSING MANAGEMENT IMPLEMENTATION – PROJECT UPDATE

1.0 Purpose of Report

1.1 To provide Members with an update on the progress of the housing management implementation project.

2.0 Background Information

2.1 On 26 September 2019, the Policy & Finance Committee made the decision, following an extensive tenant consultation, to bring the housing management service in-house for direct service provision by the Council. This included the decision to dissolve the Council's housing management company, Newark and Sherwood Homes Ltd.

2.2 A project team, consisting of Council officers and officers from Newark and Sherwood Homes, has been established and the team have developed a project plan to manage the transfer of the service back to the Council. Key workstreams have been identified and project tasks are being delivered and projects risks are being monitored.

3.0 Project Update

3.1 TUPE

TUPE (Transfer of Undertakings (Protection of Employment)) is the legislative process required to protect employees' rights when the organisation or service they work for transfers to a new employer. The TUPE process has begun and individual consultation sessions have been made available to affected staff over a 3 week period commencing 21 October as required by the Regulations.

Work is underway to develop a revised organisational structure for the Council, which will incorporate the housing landlord service as well as other related Council functions, to ensure that there is a retained focus upon housing functions.

3.2 Staff Engagement

A timetable of staff engagement activities has been developed and a number of staff briefings and roadshows have already taken place. The primary focus of the staff engagement activities is to ensure that the transition is smooth so that staff feel part of the Council once they transfer across. Activities include:-

- Welcome Week – to be held during the first week of the transfer. Activities will include a welcome by the Senior Leadership Team, introduction to Council policies and procedures, team meetings and other essential activities that need to take place as quickly as possible following the transfer date.
- Welcome Pack – to be given out in preparation for the first day of staff transfer. The Welcome Pack will include staff ID badges, Council lanyard, floor plans of Castle House, details regarding new email address etc.
- Workshops – to be held as and when required. Topics will include staff uniform (eg. for trades staff) to seek their views on any proposed changes.

- Frequently Asked Questions (FAQ) – FAQ's have been created on the shared intranet page for both Company and Council staff to access.

3.3 Operational

Several work streams have been identified in the project plan. Key updates on workstreams include:-

- **Staffing:** It is important that there should be no dip in service delivery experienced by tenants throughout the transition process. The Council are committed to supporting service delivery and where the Company have held vacancies that have been difficult to recruit to due to the transition, the Council have committed to recruiting to these posts.
- **Finance:** The Business Manager - Financial Services is leading on the preparation to ensure that all relevant financial systems and arrangements are operating on or as soon as reasonably practicable after the date of the transfer.
- **Contracts:** Work has begun on identifying contracts and determining whether contracts are to be novated or assigned. Template letters have been created and are ready to send to suppliers to notify of the impending novation/assignments.
- **ICT:** The Business Manager – ICT has identified core systems that the Company use and plans are underway to ensure the systems are continually supported to maintain service delivery. Council email addresses for Company staff are being developed, ready to go live post transfer.
- **Branding:** An inventory is underway to identify all items that are Company branded, e.g. website, external signage and vehicles. A scoping exercise of branding options is currently being undertaken. An initial benchmarking exercise has shown that all councils who have transferred their housing management service in house have all reverted to Council branding. An update report to the next Committee meeting will give further details on branding.

3.4 Governance

Governance arrangements are being developed which will incorporate appropriate Member decision-making and officer delegations for the housing service. The proposals will include a strong tenant consultation and engagement mechanism to ensure that tenants have an opportunity to be involved in the development and oversight of the housing management service. The proposals will need to be considered and approved by Full Council.

3.5 Tenants

Tenants were notified of the Council's decision to bring the housing management service back in-house via letter. The outcome of this decision does not affect current tenancy agreements as the Council remains the landlord. The core focus of the project is to ensure that the service delivered to tenants is maintained to its current high standard and continuous improvement is achieved going forward.

3.6 Risk Register

The project risk register is constantly under review, to ensure that the risks identified have mitigation actions in place and are regularly assessed and monitored throughout the project. The highest risks identified include:

- Loss of key members of Company staff
- Migration of historic legacy data from the Company
- Reduction in performance levels in the transition phase.

4.0 Equalities Implications

4.1 There are no direct equalities implications arising from this report. Any proposed changes to operations and any consequential impact upon tenants and staff will need to be considered in terms of any possible negative impacts upon persons with protected characteristics, but none are envisaged at present.

5.0 Financial Implications (FIN19-20/8431)

5.1 There are no direct financial implications arising from this report. As previously reported in the Policy & Finance Committee Report dated 26 September 2019, the re-integration of the housing service will enable a more joined up service delivery with the rest of the Council and will deliver significant efficiencies identified for the Housing Revenue Account of £0.950m, which will be reinvested back into housing services for tenants.

5.2 The report presented to Policy & Finance Committee on 4 April 2019 approved a budget of £150,000 in order to fund the independent tenant consultation exercise and other transitional arrangements. To date £90,381 has been incurred in relation to the consultation exercise, HR and legal advice and obtaining a closure valuation report from Local Government Pension Scheme. It is anticipated that this budget will be fully expended.

6.0 Community Plan – Alignment to Objectives

6.1 These proposals align with the Council’s Community Plan objective to “Generate more income, improve value for money and increase residents’ satisfaction with the Council”. There is a specific action under this objective to undertake a review and implement the option that delivers the management of the Council’s housing stock in the most cost effective and appropriate way. It is considered that the reintegration of the Housing Service back with the Council will deliver the most cost effective and appropriate delivery of the service for tenants and leaseholders.

7.0 Comments of Director

7.1 This is a major project for the Council to implement the reintegration of the housing management service back in-house. However, there is a comprehensive project plan in place that sets out all the detailed actions required to achieve the reintegration with timescales for delivery and identifies the key risks and actions to mitigate those risks. It is anticipated that the project will be delivered within the intended timescale of bringing the service back in-house no later than 1 April 2020.

8.0 RECOMMENDATION

That the project update be noted;

Reason for Recommendation

To provide an update to Committee on project progress.

Background Papers

26 September 2019 - Policy & Finance Committee - Housing Management Review

4 April 2019 – Policy & Finance Committee – Housing Management Review

For further information please contact Deborah Johnson, Business Manager – Commercialisation & Major Projects on ext 5800/Natalie Cook, Projects Officer, Commercialisation & Major Projects Unit on ext 5275.

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