

Governance arrangements between Housing & Regeneration

There are three cross-council boards established to ensure clear governance between Housing and Regeneration and support the successful delivery of the council's ambitious housing commitments.

- The Housing Investment Board
- The New Homes Steering Group
- The Delivery Programme Board

Appendix #1 contains a diagram setting out the governance model in full.

1. Housing Investment Board

The Housing Investment Board was established to provide strategic-level financial direction for the council's Housing Investment Programme. This covers both spending on existing stock and the delivery of new homes.

The Board has two key objectives:

- Monitoring the overall financial picture of the Housing Investment Programme (balancing resources against expenditure); and
- Approving investment for specific projects on a scheme by scheme basis.

These decisions are made with regard to the council's Asset Management Strategy and Housing Revenue Account Business Plan, as well as the Southwark Plan and Housing Strategy.

The Board is co-chaired by the Strategic Director of Finance and Governance and the Strategic Director of Housing and Modernisation. It is attended by a number of Directors including the Directors of Asset Management, Planning and Regeneration.

2. New Homes Steering Group

The New Homes Steering Group is responsible for overseeing the successful delivery of the council's new build programme, including 2,500 new council homes by 2022 and 11,000 new council homes by 2043.

The Group considers the entire delivery programme, as opposed to specific projects. A standard agenda includes:

- High level summary of progress, identifying near and medium term decisions
- Programme risk and issue register
- Forecast of funding for the programme
- Summary of decisions taken by the Delivery Programme Board
- Issues or decisions escalated to the Board for strategic guidance

The Board is chaired by the Leader of the Council and attended by Members and senior managers across the council with either an operational or strategic role in the delivery of new homes.

3. Delivery Programme Board

The Delivery Programme Board reports to the New Homes Steering Group. It considers the overall delivery pipeline but has responsibility for supervising individual schemes. This includes considering options for high-investment needs estates, where the council may need to consider refurbishment or demolition and new build.

For individual projects, the Board approves key milestone reports allowing schemes to progress to the next stage, mitigates project risks and oversees engagement with the community, including the Future Steering Board. The Board also makes recommendations to cabinet on individual projects that are politically sensitive or of significant value or risk to the council.

The Board is chaired by the Strategic Director of Housing and Modernisation and attended by senior managers across the council that have a strategic or operational role in the delivery of new homes.

The Board has led to improved communication between Housing and Regeneration and as such, it has become an ideal forum to discuss cross-departmental issues and agree a mutually agreeable solution.

4. Challenges

Procurement process

Officers have identified the council's current procurement processes as a particular challenge in the delivery of the Housing Investment Programme.

It is fully understood that the current process has been implemented to ensure high quality procurement but there are now three separate Gateway reports and two Contract Review Boards (please note, the second contract review board is only for schemes over £15m).

This creates a considerable amount of bureaucracy – arguably more so than in other local authorities – which can contribute to delays in the delivery of new homes and improvements to existing stock. It also uses a significant amount of senior officer time.

In general, it is felt that the current approach focuses too much on following a prescribed process, as opposed to ensuring high quality schemes that provide value for money. It may be preferable to consider streamlining the contract review board process and pass more responsibility to Managers, who could then be held accountable for the successful delivery of schemes.

Decision making

The Housing Investment Board is part of the council's formal decision making structure but the role of the Delivery Programme Board is not as clearly defined. The minutes from the Delivery Programme Board go to the Housing Investment Board but the relationship between the two Boards could be better delineated.

Appendix 1: Governance Model

