

Audit, governance and standards committee Wednesday 2 June

Governance conversation: Michael Scorer

1 Role of the Department

2 The Housing and Modernisation Department (H&M) is responsible for most housing functions across the council including day to day services for council tenants and council homeowners, improving the condition of council homes and estates, ensuring residents are safe, ensuring delivery of new affordable homes (including directly delivering council homes), preventing homelessness and providing housing solutions. The department also manages hostels, sheltered housing and extra care housing schemes for older people as well as gypsy and traveller sites.

3 The Housing and Modernisation Department is also responsible for digital and technology services, maintaining and repairing council buildings, providing customer service points, registrar services and accessible travel support.

4 The strategic priorities for the Housing and Modernisation department are:

1. Deliver 11,000 new council homes by 2043 (of which 2,500 delivered or started on site by March 2022)
2. Lead on the Repairs Improvement plan through extensive resident engagement & internal consultation
3. Prepare the council for the future building safety requirements arising from the Dame Judith Hackitt review and the Grenfell inquiry recommendations
4. Major estate renewal of Aylesbury, Ledbury and Tustin
5. Develop the district heating strategy
6. Deliver the Great Estates programme
7. Deliver the cross departmental homeowners improvement plan
8. Reduce homelessness and use of temporary accommodation
9. Deliver the resident participation framework to increase the number and diversity of people involved in shaping and scrutinising council housing services
10. Help to make our communities stronger and safer especially by prioritising and reducing domestic abuse and community harm & exploitation
11. Implement the 'smart' working programme for our staff through the introduction of new spaces, technology and ways of working.

5 Governance processes and structures in place in the Housing and Modernisation Department

6 Michael Scorer is the Strategic Director of the Housing and Modernisation Department. As Strategic Director, Michael is part of the council's Chief

Officer Team (COT), which meets weekly to ensure decisions across the council are made in a joined up way, and to jointly tackle problems and develop solutions.

- 7 The following directors report to directly to Michael and meet every week as part of the Housing and Modernisation Senior Management Team (SMT)
 - Director of New Homes
 - Director of Customer Experience
 - Director of Asset Management
 - Director of Resident Services
 - Director (Ledbury Estate)
 - Strategy and Business Support Manager
 - Senior Strategic Business Manager
- 8 Each Director holds their own Divisional Management Team (DMT) meetings with the managers that they directly line manage. Therefore if a significant decision needs to be made, the item will be discussed at DMT, SMT and then COT if required.
- 9 There are also regular briefings with the various Cabinet Members* whose portfolios cover housing services including:
 - Cllr Stephanie Cryan - Cabinet Member for Council Housing
 - Cllr Helen Dennis - Cabinet Member for Social Support & Homelessness
 - Cllr Alice Macdonald - Cabinet Member for Communities, Equalities & Neighbourhoods
 - Cllr Evelyn Akoto - Cabinet Member for Public Health & Community Safety
 - Cllr Catherine Rose - Cabinet Member for Leisure, Environment & Roads
 - Cllr Johnson Situ - Cabinet Member for Climate Emergency, Planning & Transport
 - Cllr Rebecca Lury - Cabinet Member for Finance, Business & Jobs
 - Cllr Kieron Williams - Leader
- 10 *[At the time of writing this paper, new cabinet portfolios and lead members have been proposed but not agreed].
- 11 The Councils Constitution and the Scheme of Management clearly set out who can make what type of decision and any financial authority level. The Department Scheme of Management details levels of responsibility and financial authority within the department. The Scheme of Management is regularly reviewed and agreed by the Strategic Director.
- 12 Some decisions need to be made by the lead Cabinet Member, while some decisions are required to be made by either Cabinet or by the Leader of the Council. All key decisions, (including Cabinet reports and IDMs) have sections dedicated to considering legal, financial implications and community impact statements

- 13 There are a number of boards (some of which are detailed below) which help discuss key decisions and ensure decisions are carefully considered and discussed before agreeing the proposed approach.
- 14 The department produces a departmental business plan, which is aligned with more detailed divisional business plans. These are updated annually. All staff and key Cabinet Members are consulted on these as they are developed. These are linked to officers individual work plans so that each officer is aware of how their work fits in to that of the overall departmental business plan, and the Borough Plan. Our staff performance appraisals ensure that all staff are fully aware of responsibilities in respect of the council's vision and values.

15 Procurement decisions

- 16 The council is committed to ensuring procurement achieves best value, improves the quality of services we provide, meets the needs of and brings social and economic benefits for local people and in turn supports the council in achieving its strategic and corporate priorities. The department follows the council's set procedures.
- 17 There are departmental and corporate contract review boards for review of all gateway reports. In H&M these are chaired by the strategic director on a fortnightly basis and involve a presentation of the proposal, along with advice and constructive challenge from corporate colleagues covering matters of law, finance and procurement practice, in line with our fairer futures policy. The standard report template includes section on consultation, highlighting consultation background and future plans.
- 18 Robust contract monitoring and regular performance meetings ensure contractors deliver services in line with expectations, with annual service improvement meetings chaired strategically.
- 19 The Scheme of Management sets out individual responsibilities and spending limits.

20 across the council and beyond

- 21 Many housing services impact on other sections of the council and vice versa, and there are a large number of partner organisations that help provide services like housing and legal advice, accommodation, homelessness prevention, support around tackling anti-social behaviour etc. Therefore, close joint working is essential.
- 22 There are a number of cross-departmental structures which ensure good connections across the council. At senior level this is mainly through the Chief Officer Team meetings and individual discussions.
- 23 There are many project groups and boards, which involve officers from different departments, some examples of these include:

- 24 The Housing Investment Board - (HIB)** – a cross-council group that has been set up to provide strategic financial direction to the Housing Investment programme and this includes spend on the existing stock and the delivery of a new build programme. HIB will determine the availability of capital resources to fund individual schemes within the 30 year HRA business plan. HIB will take full account of the decisions, guidance and targets coming from any other strategic groups such as the Delivery Programme Board (DPB).
- 25 Housing Investment Policy Oversight Board** – This Board comprises key members, Strategic Directors and other key officers to consider the strategic approach to the delivery of an affordable and viable new build homes programme. The affordability is determined by key financial indicators, including the 30 year HRA business plan, and the tenure mix of the properties built.
- 26 The Housing and Social Care Board** - which brings together directors from Children & Families and Housing, to consider all cross-cutting issues, including: support for young homeless people and care leavers; housing for older residents; supporting vulnerable people; support for households with complex needs.
- 27 The Housing Strategy Senior Officer Group** - this group has representatives from across the council which ensures the housing strategy contributes to other corporate objectives such as carbon reduction and improving the health and well-being of residents.
- 28 Delivery Programme Board (DPB)** – DPB is a cross-council group that has been set up to provide overall strategic direction to ensure that council priorities with regard to the delivery of new homes are met both in the short to longer term. The strategic approach will help inform the type of tenure required within the borough and also the preferred delivery vehicles to develop the provision of new homes. DPB provides programme oversight for the borough plan priority to build new council homes; 2,500 delivered or started on site by May 2022
- 29 Shared IT joint management board (with Brent and Lewisham)** – strategic oversight of the councils digital and technology services, reporting to the Joint IT Committee.
- 30 We also work closely with our trade unions on all matters of interest relating to their members employment and, separately, through regular health and safety committee meetings at divisional and departmental levels. The H&M department also provides support to the corporate health and safety meeting with unions.
- 31 Outside the council, we work with a large number of partner organisations such as housing associations, Police, London Fire Brigade, CCG, Greater London Authority (GLA), the Ministry of Housing, Communities and Local Government (MHCLG).

- 31 Good examples of external partnership working are the building safety board (BSB) and the homelessness forum. The BSB is chaired by the strategic director of Housing and Modernisation and includes the London Fire Brigade borough commander as well as observers from the MHCLG. The homelessness forum allows an opportunity to share information and hear directly from charities, voluntary agencies etc. The Forum is chaired by the Southwark Law centre and attended by senior officers in Housing Solutions as well as the Cabinet Member for Social Support & Homelessness.
- 32 If something were to go wrong, how would we know?**
- 33 The Housing and Modernisation team regularly manages risk across the service through the departmental risk register. The departmental risk register captures all department risks and this is subject to a regular programme of review. This helps officers to identify new and emerging risks, as well as ongoing risks. It helps to plan mitigating measures to reduce the risks. Fire risk assessments are open to public scrutiny and are available on the internet.
- 34 The council's cyber security strategy and investment plan draw on close work with the national cyber security centre to ensure we have early warning of any threats and to put in place layers of security that guard against serious cyber attacks, such as that experienced by Hackney Council last year.
- 35 However some risks can never be eliminated altogether, therefore the council also has emergency plans and business continuity plans for where things do go wrong so that the appropriate response can be quickly enacted. These plans are regularly updated.
- 36 Officers are encouraged and expected to report risk issues via their line managers so these can be escalated as required. A culture of "report a problem immediately, apologise if necessary, and take action to remedy and prevent repetition" is encouraged.
- 37 There is monthly KPI performance monitoring, with reports presented to SMT and the cabinet member for housing (CMH). There are also Member level performance challenge meetings.
- 38 A STAR survey of residents' views is undertaken every quarter and findings reported back to SMT which also helps to quickly identify where there are issues that need to be considered. Bespoke surveys of particular groups of residents is also undertaken, e.g. in sheltered housing.
- 39 There is also the complaints procedure. The council uses mystery shopping exercises in order to highlight what is working well and where there are areas that could be improved.
- 40 A key component of the Department's governance arrangements is working closely with the borough's residents. The council is committed to listening to

residents so that services can be improved and remedy those areas where they do go wrong.

- 41 Residents are consulted on a wide range of issues through a number of channels, including the online consultations portal and through community conversations such as the Southwark Conversation which focused on change and regeneration in the borough.
- 42 There are a range of public meetings including Local Housing Forums, Tenant Forum, Home Owner Forum, Joint Tenants and Homeowners Forum, and TMO liaison committee.
- 43 There is a new online resident's panel of over 560 residents, which all council tenants, leaseholders and freeholders can join and can choose how they want to get involved and the topics they are interested in.
- 44 The council supports democratic groups of tenants and leaseholders to take over the management of their housing services by setting up TMOs. The council provides funding to help these groups get all the training, support and expertise they need.
- 45 The council agreed a charter of principles which sets out our commitment to how the council and our partners will work with residents on our programme of investment and renewal. On the 11,000 new homes programme, Southwark residents are consulted each step of the way. Residents have worked with us to suggest where in the borough the new homes should go
- 46 The council has developed a Great Estates Programme to improve the look and feel of our estates and to make sure local residents benefit from any development in their area. The council is piloting resident led estate improvement plans. This is a way of jointly identifying what is going wrong at an estate level and to work together to resolve these issues.
- 47 **The main governance challenges in coming years**
- 48 The last year has shown that despite all the best planning, an event can come along which fundamentally changes the situation. The pandemic resulted in officers and Cabinet Members temporarily being unable to meet in person to discuss issues, develop solutions and to make decisions. However the department quickly responded, rolling out laptops and virtual meeting options such as Teams and Zoom which have ensured that governance procedures continued to be followed correctly. However, there may be new challenges deciding what services continue virtually and which return to face to face. This applies to both staff and residents. Some people will be keen to retain the new options to attend meetings virtually while others will have struggled with that, either lacking the required infrastructure, or will simply miss the chance to interact in person, and mix with others. The challenge will be how to combine the best of both methods going forward.

- 49 There are a number of challenges coming up in relation to fire safety and building safety with new requirements being introduced through government bills. This will change how fire and building safety is managed. Keeping residents safe is a key priority, but resourcing the new requirements will be a particular challenge. New procedures will be required to ensure information is recorded and shared as required, and shared with the various new safety bodies being setup.
- 50 The council also has priorities around carbon reduction. This is essential to help tackle climate change, but there will be times where our priorities may conflict with each other. Sometimes the cheapest way to improve homes or build new homes may not be the most environmentally friendly option. Therefore good governance will be essential to help identify the best solutions to these types of problems.
- 51 Another key change will be the growing role of the Regulator of Social Housing. Previously their role has been more focused around economic standards and intervention only considered where there is a serious risk of harm to tenants. In future, following the Social Housing White Paper, the regulator will begin to take a much more proactive role in regulating consumer standards. There will be at least four yearly inspections of all landlords, and social landlords will be required to publish more information on performance and expenditure in a consistent way. Therefore the council may need to adapt some of the ways of working to maintain a strong co-working relationship with the regulator.
- 52 The Housing and Modernisation Department will also need to develop new Governance arrangements to begin to let intermediate rent units within the council's housing revenue account (HRA). This will require introducing flexible fixed term tenancies, a new tenancy policy, and setting up procedures to decide any initial lengths of terms, decisions around tenancy extensions and procedures for requesting a review of both types of decisions.
- 53 Working with colleagues in the shared IT service, there will be a need for robust governance to ensure the right balance of accessible electronic information and services is maintained with the imperative to ensure we are 'cyber-secure', so that confidential information and vital services are not compromised.
- 54 Areas governance could be improved**
- 55 The department has a comprehensive internal audit work plan that covers areas of risk over a three-year programme. Areas of weakness are identified where improvements can be made. Action plans are developed arising from the audit work and are reported back to the auditors in the form of a 'signed-off' management response.
- 56 While staff are consulted on the annual business plans it was not possible to hold large meetings this year, although colleagues were able to discuss draft

plans and feed in ideas from late 2020. The hope is that next year there will be more opportunities to hold events to gain wider input into the plans.

APPENDIX – about the housing and modernisation department business plans 2021/22

- 1 The council is committed to ‘building back better’ as Covid restrictions are lifted and this year’s business plan sets out our contribution to the council’s top priorities, which are
 - Reducing inequalities
 - Tackling the climate emergency
 - Revitalising the local economy
- 2 The 2021/22 H&M Business Plan builds on the progress that has been made in recent years. It reflects the significant changes brought about by the Covid pandemic, and the new and refreshed priorities in the borough plan, to May 2022.

3 THE COVID CRISIS

- 4 The H&M department has played a critical role in Southwark council’s public health response to the pandemic, as well as keeping frontline services operating during the crisis and working with partners to develop new structures to support our residents. The community hub, which has become the community support alliance, was set up at the beginning of the first lockdown in March 2020, to assist vulnerable and shielding residents with food, medicines and other vital support. Since then the council, the NHS, local charities and community groups have continued to work together to provide essential support to thousands Southwark residents with a wide range of needs.
- 5 The response of people in Southwark has been inspiring and I am confident that together we will not just recover from the crisis, but build something better.

6 INEQUALITIES

- 7 The pandemic has also shone a light on wider inequalities, which persist in our society. Tackling inequality and injustice is a priority for the council, and we are committed to taking action identified through Southwark Stands Together, our borough-wide approach to tackling entrenched racism and injustice. The disproportionate impact of Covid on Black, Asian and Minority Ethnic communities is just one example that shows how far we still need to go.
- 8 To tackle inequality and racism, we will be taking positive action focussing on four objectives:
 1. Delivering tangible change in line with the SST pledges
 2. Addressing structural racism in a fair and fearless way
 3. Ensuring recruitment and promotion opportunities for Black, Asian and Minority Ethnic people and people with all protected characteristics
 4. Top management tiers should reflect borough diversity

9 CLIMATE EMERGENCY

10 The council is committed to becoming carbon neutral by 2030. Southwark's carbon emissions have reduced significantly since 2005, but there is much more to do and it comes with a huge £3.6 billion price tag. Our climate strategy, with themes of people, place, and planet, has five priorities, in all of which H&M will have an important role to play.

1. Buildings that work with the environment
2. Sustainable travel with petrol and diesel free roads
3. Thriving biodiversity in the heart of the city
4. A more circular economy where we consume what we need
5. Green, low carbon energy for all

11 To help the council tackle the climate emergency, we will contribute by bringing forward low waste, low energy new council homes; improving energy efficiency of council homes heat networks; retrofitting council homes to make them greener; using council land and roofs to produce clean energy; and halving emissions by council building by 2022. Time is short though - we have less than nine years before we get to 2030 and action is necessary now.

12 LOCAL ECONOMY

13 Housing plays an important role in getting the local economy going again. It provides jobs for local people to build new homes and maintain the ones we already have. Making Southwark a good place to do business encourages local commerce and employment, and our work to improve the coverage of super-fast broadband and 5G will help to make Southwark one of the best connected parts of the country.

14 As part of our corporate role, we will improve customer access to council services and focus on enhancing our digital offer and minimising digital exclusion. In addition, we will work collaboratively with colleagues to transform Southwark to create a better future for residents, for everyone working in the council, and for the environment.

15 HOUSING

16 Safety is always our top priority and this year we will publish our new Asset Management strategy, which responds to new building safety legislation and sets out our approach to investing in our homes, blocks and estates. This also includes updating and 'greening' heat networks as well as moving forward with plans agreed by residents to rebuild Tustin, Ledbury, Aylesbury and Maydew.

17 We remain on track to deliver 2,500 new council homes completed (or started on site) by 2022 and 11,000 by 2043. We will also focus on taking action to reduce the high number of empty homes in our borough so local people can move into them. We will empower residents to be at the core of all key decision making so that they can have pride and influence over the running of

their homes and neighbourhoods. And we will continue to provide support, advice and assistance to people facing homelessness. All these priorities have to be mindful of the constraints imposed by limited financial resources and careful financial management is therefore crucial to the success of the key objectives.

18 YOUNG PEOPLE

- 19 One of the council's top priorities is our 'Youth Deal' and we want to make sure the council is working as one to give young people in Southwark access to opportunities to learn, work and transition successfully to adulthood. We will be doing our bit in H&M department to support this critical council work.