



Author/Lead Officer of Report:
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Report of: *Executive Director, Place*
Report to: *Cabinet Member for Neighbourhoods and Community Safety*
Date of Decision: 2nd July 2018
Subject: *Engaging with Council housing tenants and TARAs*

Is this a Key Decision? If Yes, reason Key Decision:- Yes ☒ No ☐

- Expenditure and/or savings over £500,000 ☐

- Affects 2 or more Wards ☒

Which Cabinet Member Portfolio does this relate to? *Neighbourhoods & Community Safety*

Which Scrutiny and Policy Development Committee does this relate to? *Safer and Stronger Communities*

Has an Equality Impact Assessment (EIA) been undertaken?

Yes

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No

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If YES, what EIA reference number has it been given? 237

Does the report contain confidential or exempt information?

Yes

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No

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If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

Purpose of Report:

This paper presents a proposal for refreshing the Council's approach to engaging with tenants and Tenants and Resident Associations (TARAs) across the City. Having the right engagement structure in place is important to maintain the Council's role as an effective landlord. Tenants' representatives have an advisory role for the Cabinet Member in making decisions on housing in the City. There is also a requirement for the Council to comply with the Regulator of Social Housing's 'Tenant Involvement and Empowerment' standard.

Recommendations:

It is recommended that the Cabinet Member for Neighbourhoods and Community Safety:

- (i) Approves the arrangements for Tenant Involvement and Engagement set out at paragraph 1.7(A) of this report;
- (ii) Approves the replacement of the current TARA 'Recognition Policy' with the 'Good Governance Requirements' for TARAs as described at paragraph 1.7 (B) and set out in Appendix 1;
- (iii) Approves the setting up of a new 'Community Fund' and 'Residual Levy Community Fund' to enable TARAs and other community groups to deliver projects of local benefit to tenants, and a 'start-up' grant for new TARAs of up to £1000, as described at paragraph 1.7 (C) and set out in Appendix 2 of this report;
- (iv) Authorises the Head of Neighbourhood Services or their nominee officer to determine how the Community Fund and Residual Levy Community Fund Budget for each ward is spent, subject to compliance with the agreed Community Fund process and the Council's Contracts Standing Orders and Financial Regulations, including authorising the completion of any related funding agreement or other legal documentation;.
- (v) Authorises the Director of Housing and Neighbourhoods Service to take the necessary steps to implement the changes described in this report and agree any future changes to the grant amounts set out in this report.

Background Papers:

Appendix 1 – Good Governance Requirements for TARAs
Appendix 2 – Community Fund Information Sheet
Appendix 3 – September 2017 Consultation Proposals

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Karen Jones</i>
		Legal: <i>Andrea Simpson</i>
		Equalities: <i>Louise Nunn</i>
	Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.	
2	EMT member who approved submission:	<i>Laraine Manley</i>
3	Cabinet Member consulted:	<i>Councillor Jim Steinke</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>Peter Brown</i>	Job Title: <i>Project Manager</i>
	Date: 15 th June 2018	

1. PROPOSAL

- 1.1 This paper presents a proposal for refreshing the Council's approach to engaging with tenants and Tenants and Resident Associations (TARAs) across the City. Having the right engagement structure in place is important to maintain the Council's role as an effective landlord. Tenant representatives have an advisory role for the Cabinet Member on Council housing issues in the City through the Housing and Neighbourhoods Advisory Panel (HANAP). There is also a requirement for the Council to comply with the Regulator of Social Housing's 'Tenant Involvement and Empowerment' standard.
- 1.2 The current formal arrangements for tenant governance and involvement were agreed by the Cabinet Member for Homes and Neighbourhoods in February 2014. The decision established HANAP, comprised of representatives from the local forum in each area, sheltered housing, and leaseholders, and Local Area Housing Forums. Running alongside the formal structure there is a series of service-specific Partnership Groups, each run at different frequencies and managed by a different service manager (but often with the same attendees), which were established when Council housing was managed by Sheffield Homes. These proposals aim to refine the current system of tenant involvement and engagement.
- 1.3 TARAs are currently funded by the tenant's levy – an optional 10p per week payment made by tenants and administered by the Council. Levy payments are made each quarter to recognised TARAs to support their activities. The TARA Recognition Policy sets out the arrangements for ensuring TARA probity in both financial and governance matters. This was previously reviewed in 2014 and the current Recognition Policy was approved by the Cabinet Member for Homes and Neighbourhoods in August 2014. These proposals aim to simplify the system for TARA governance requirements.
- 1.4 Tenant levy payments received from tenants where there is no active TARA are held by the Council in a 'residual levy' account. The monies in this account have accrued over the years and use of it has been the subject of Cabinet Member decisions. In 2011 following a ballot of residual levy papers as to their preferences the Cabinet Member for Housing, Regeneration and Planning made a decision whereby the residual levy pot was split into three budgets, a suspense account for areas where the TARA had been disbanded or derecognised in the previous 18 months, held for three years should the TARA be reformed or a new TARA established; a retained account to support the establishment of new TARAs; and an ongoing account to be used in line with the views of tenants. In the first instance the ongoing account was to be used in accordance with the ballot, largely contributing towards a 'Your Communities Your Choice' budget, with monies accrued in the future to supplement a 'local priorities' budget.
- 1.5 When the 'local priorities' budget ceased to exist it was necessary to revisit the decision. The current use and management of the residual levy was approved by the Cabinet Member for Housing in February 2016. There was no change to the suspense account except that money would only be held in it for 18 months. The retained and ongoing accounts were merged into one Residual Levy

account to be used to target areas with no representation to seek to establish some form of local engagement structure. The work to establish new TARAs in unrepresented areas has unfortunately not generated any increase in representation. These proposals therefore put forward a change in the use of the Residual Levy monies to create a Community Fund grant in Residual Levy areas, enabling the monies to be used again to support local priorities.

1.6 In September 2017 the Cabinet Member for Neighbourhoods and Community Safety approved proposals to consult with tenants and TARAs on a number of changes to the Council Housing engagement structures. The consultation proposals are attached to this report as Appendix 3. This report provides an overview of these changes and the feedback received from the consultation exercise and presents final proposals for approval.

1.7 The resultant detailed proposals are as follows:

A. Tenant Involvement and Engagement

- Reshape the current citywide meeting structure for engaging tenants and leaseholders by creating a single monthly service improvement meeting to replace all the existing Partnership Groups. The meeting would be themed by service area or have a mixed agenda depending on relevant topics. One of these meetings would be an annual meeting with an extended agenda and running time. Additional or extra-ordinary meetings would be scheduled if required for a particular topic or event.
- Local Housing Forums (LHFs) to replace the existing Local Area Housing Forum (LAHF) and Local Estate Services Investment Forum (LESIF) structure.
- Reduce reliance on traditional printed media and introduce on-line communications, for example, 'In Touch'. Smaller quantities of printed material will continue to be produced for those people who need them.
- Explore the increased use of social media for communicating with residents around housing issues to widen our engagement and involvement demographic.
- Provide more on-line support to encourage residents to get the benefits of being on-line. This includes introducing a 'Digital TARA' grant for TARAs of £250 per year to support them to get on-line. There will also be a package of support with help in setting up e-mails and e-communications along with access to training.

B. Tenant and Resident Association (TARA) Recognition Policy

- Replace the current Recognition Policy and 'traffic light' system with simpler 'Good Governance Requirements' for TARAs. A copy of these Requirements, Model Constitution and Code of Conduct for TARA Members is included as Appendix 1 to this report. These changes will be

phased in during 2018/19. TARAs will be required to ratify revisions to the Code of Conduct and Constitution at their AGMs. Support will also be provided to TARAs to implement the changes.

- Amend the current Levy payment schedule by moving to quarterly payments based on the completion of the individual TARA Annual Return rather than the current financial quarter date.

C. Changes to the Community Fund and Residual Levy

- The Community Fund is allocated to local area teams to fund local priorities. The Community Fund application process (excluding Supported, Temporary and Older Person Housing) is updated, making £100,000 in 2018/19 available to both TARAs and other local community groups for projects for the benefit of Council tenants. Appendix 2 to this report contains further details.
- Include funds held in the Residual Levy account into the refreshed Community Fund grant pot and allocate this through the same mechanism. The Residual Levy Community Fund will be ringfenced to the communities where it has been collected and bids must demonstrate that grants will be spent in and benefit the tenants of those communities.
- Bids will be considered by a Neighbourhood Panel, comprising of the Neighbourhood Manager, a Service Manager from the Housing and Neighbourhoods Service and an elected HANAP representative. The Panel will make recommendations to the Head of Neighbourhood Services (or their nominee officer) who will, subject to compliance with the agreed Community Fund process and the Council's Contract Standing Orders and Financial Regulations, make the final decision to determine how the Community Fund and Residual Levy Community Fund budget for each ward is spent. This will include authorising the completion of any related funding agreement or other legal documentation. The maximum amount of an individual grant will be £2,499.
- Increase the 'start-up' grant to new TARAs from the current £300 to a maximum of £1000.

- 1.8 There are no proposed changes to the way that the tenants levy is collected as part of this review and this was not part of the consultation. However the Council's Auditors have recommended further work be undertaken to understand the level of indirect subsidy that TARAs receive when levy payers are in rent arrears. This may result in further proposals during 2018/19.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The proposals for refreshing the Housing and Neighbourhoods engagement structures support the Council's ambitions to be an **In Touch Organisation**

listening, involving and empowering communities to help themselves.

2.2 The revised Good Governance Requirements are clearer and easier for TARAs to understand, helping them to meet their obligations as a representative body supporting their local communities. Sustainable communities help support the Council's **Thriving Neighbourhoods and Communities** priority.

2.3 The Community Fund proposals are consistent with the Council's ambitions for **Tackling Inequalities** across the City. The Fund will support communities to help themselves by working with partners to provide opportunities to invest in projects that will have an impact locally.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 In accordance with the decision of the Cabinet Member for Neighbourhoods and Community Safety in September 2017, extensive consultation with tenants and their representatives has been undertaken in relation to the proposed changes to community engagement structures.

- Three topic-specific meetings have been held with TARA representatives in August, October and December 2017 attended by between 20 and 45 people on each occasion
- Consultation was undertaken with the elected Housing and Neighbourhoods Advisory Panel in November 2017
- An on-line and postal consultation on the proposals was undertaken with all tenants in the autumn of 2017. This only received 11 responses
- A small number of individual comments have been received from individual TARAs, from Partnership Groups and through the Local Area Housing Forums.

3.2 Most of the feedback came from group discussions at meetings rather than through individual comments. These comments have been summarised below to show the changes that have been made to the original proposals based on feedback from consultation.

Consultation Proposal	Consultation Response	Changes made as a result of consultation
A. Tenant Involvement and Engagement		
Reshape the current citywide meeting structure for engaging customers by creating a single monthly service improvement meeting to replace all the existing Partnership Groups	There were mixed views about reducing the current number of meetings as part of the consultation – some tenants felt that there were too many meetings whilst some felt that reducing the number of meetings would adversely impact on tenants ability to influence change. There was a concern that agendas would be too long	The proposals have been amended to include a commitment for additional or extra-ordinary meetings if these are required to provide opportunities for tenants to be involved in discussions The proposals have also

	and there would not be enough opportunities to 'have a say'. TARAs were also concerned that a reduction in meetings would mean fewer networking opportunities.	been amended to include the option for additional TARA networking meetings on request.
Local Housing Forums (LHFs) to replace the existing Local Area Housing Forum (LAHF) and Estate Services/Investment (LESIF) structure	There was positive support through the consultation for an increased focus on local meetings. However there were mixed views about the focus of these meetings. Some of the current LAHFs welcomed a more flexible approach to agenda setting focussed on local needs; others felt that this would result in less information being forthcoming from the Council.	The proposals have been amended to allow local tailoring of agendas, with LHFs having flexibility to set their own agenda and meeting frequency. The potential for even more localised engagement is also being explored and will be developed further by individual Neighbourhood Teams.
Reduce reliance on traditional printed media and introduce on-line communications. Increased use of social media for communicating with residents around housing issues	Whilst there was support for more direct engagement with individual tenants through the consultation, there was concern about the increased use of on-line engagement methods which don't suit everybody.	The Council recognise this need and will continue to provide printed material and opportunities to discuss issues face to face where tenants require this.
More support to encourage residents to get the benefits of being on-line. Introducing a 'Digital TARA' of £250 per year to support TARAs to get on-line.	There was support for the introduction of a digital grant; however consultees felt that this wouldn't fully cover the costs of getting TARAs on-line.	There are no proposals to increase the level of this grant (£250) following consultation, but it will be kept under review to assess the impact.

Consultation Proposal	Consultation Response	Changes made as a result of consultation
B. TARA Recognition Policy		
Replace the current Recognition Policy and 'traffic light'	There was overall support from TARAs through the consultation for replacing the current	The consultation proposals have therefore not been

system with simpler 'Good Governance Requirements' for TARAs.	<p>Recognition Policy which has become very unpopular. In particular, TARAs welcomed the removal of the 'traffic light' system and increased flexibility on setting the AGM date.</p> <p>There were mixed views on proposals to change the 'family members rule' and relaxation on the use of debit cards. These changes were welcomed by the majority of consultees, but some TARAs didn't feel that these changes were necessary.</p>	amended still include the revisions to the 'family members rule' and debit cards. On balance it was felt that these changes will help TARAs to operate effectively
Amend the current Levy payment schedule by moving to six-monthly payments based on the completion of the individual TARA Annual Return rather than the current financial quarter date.	There was significant opposition to this consultation proposal to move to six-monthly payment of the tenant levy. TARAs unanimously opposed this change.	The recommendation in this report therefore proposes a quarterly schedule preferred by TARAs. It also includes a commitment to pay the levy within a defined timescale each month, something TARAs also requested.

Consultation Proposal	Consultation Response	Changes made as a result of consultation
C. Changes to the Community Fund and Residual Levy		
The proposals set out plans to update the Community Fund application process, making £100,000 available to both TARAs and other local community groups.	There was generally positive support from consultees around changes to the Community Fund and the use of the Residual Levy provided that money was spent in the area collected; the benefit was felt by tenants and that TARAs didn't significantly lose out as a result of the changes. TARAs asked for more support in making bids to the Community Fund and also to receive feedback locally about bid outcomes. TARAs also asked if tenants could be represented on the decision-making panels for Community Fund applications.	The requests for more support and for feedback on Community Fund bids have been incorporated into the proposals. The proposals have also been amended to include an elected HANAP representative on the Community Fund panel.
Include funds held in the Residual Levy account into the	These proposals were positively received by consultees subject to the caveats included in the box	

refreshed Community Fund grant pot and allocate this through the same mechanism	above.	
The original proposals did not suggest any changes to the 'start-up' grant for new TARAs.	However, through the consultation, tenants suggested that this should be increased.	The recommendation in this report is therefore that the 'start-up' grant to new TARAs is increased to a maximum of £1000 from the current level of £300

- 3.3 Residual Levy payers have not been specifically consulted on the proposals for the use of the Residual Levy. However, as all tenants received information about the proposals they have had an opportunity to comment, and the proposals are in line with the views expressed through the ballot of Residual Levy payers resulting in the 2011 Cabinet Member decision.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 An EIA has been undertaken in relation to the proposed changes to community engagement and no negative impacts were identified.

4.2 Financial and Commercial Implications

- 4.2.1 Funding for the engagement activities discussed in this paper is provided through the Housing Revenue Account (HRA). No changes are proposed to this funding, apart from those to the Community Fund discussed below.
- 4.2.2 Funding for the new digital grant for TARAs will be taken from a digital inclusion budget identified within the HRA Business Plan for 2018//19. The estimated cost of this in 2018/19 is expected to be £14,000.
- 4.2.3 The £100,000 Community Fund budget for 18/19 will be provided through the HRA. This will be an annual budget with no carry forward and will be reviewed each year. The Fund will be allocated by Ward based on the number of Council Housing properties and the indices of deprivation. Appendix 2 provides details of the Ward allocations for 18/19. This Community Fund allocation is a £70,000 reduction on previous years. The full Community Fund allocation has not been spent over recent years due to a lack of applications from TARAs, so the reduction should not impact on support for local communities.
- 4.2.4 The Residual Levy Community Fund budget will be allocated from the Residual Levy payments. Appendix 2 provides details of the Ward allocations for 18/19. Ward funds have been allocated based on the location of households contributing to the Residual Levy account. The full Residual Levy amount held by the Council will be available in 18/19 where this is less than the Community Fund amount in 4.2.3. Residual Levy allocations will be spread over three years in Wards where the Residual Levy is significantly larger than the Community

Fund in 4.2.3. Small amounts of Residual Levy (under £100) have not been allocated and will be retained for future years.

- 4.2.5 TARA funds held in suspense, usually for a period of 18 months once a TARA has ceased to operate, are not affected by these proposals.

4.3 Legal Implications

- 4.3.1 A local housing authority has general powers of management of its housing under section 21 of the Housing Act 1985. Community engagement, support for TARAs and the operation of the Community Fund for the benefit of the Council's tenants, as outlined in this report, facilitates the management of the Council's housing estates and so falls within the general power.
- 4.3.2 Expenditure relating to the management of the Council's housing stock (held under Part II of the Housing Act 1985) must be accounted for within the HRA as the Council's statutory landlord account pursuant to Part VI of the Housing and Local Government Act 1989.
- 4.3.3 The tenants' levy is not income or expenditure within the HRA but is collected by the Council and passed to the TARA of which the levy payer is a member. Residual Levy payments are held on trust by the Council for the benefit of those tenants who do not have a recognised TARA in their area and the Council owes a duty towards them as to how the monies are used. It is considered that the proposals in this report for the operation of a Residual Levy Community Fund do not conflict with that duty provided they are kept under review.

5. **ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 The option to continue with the current engagement and meeting structures was considered. However attendance at meetings has been reducing and the meetings are not attracting a representative selection of tenants or TARA members. Simplifying the meeting structures means that a wider range of engagement methods can be explored to improve involvement from all sections of the tenant community.
- 5.2 The option to continue with the current Recognition Policy was also considered. This was due for review in 2016 and has been unpopular with tenants for some time. It has also been difficult and time-consuming for the Council to apply the policy to a number of issues that have arisen with TARAs. The opportunity to revise the policy and provide greater clarity for all parties was therefore seen as the preferred option.
- 5.3 The option to continue managing the Residual Levy in the same way as at present was considered. The changes brought into effect in 2016 have had little impact therefore the Residual Levy balance continues to increase. These proposals are designed to encourage local groups to make use of the Residual Levy and deliver benefits for the tenants, including Residual Levy payers, within the local communities accruing it.

6. REASONS FOR RECOMMENDATIONS

- 6.1 These proposals have been developed with tenants, TARA representatives, Members and officers to improve the way that the Council currently engages with tenants and TARAs. The original proposals have been shaped by consultation with tenants and TARA representatives and a number of changes have been made as a result, as described in the report.
- 6.2 The recommendations should also ensure that the available HRA resources are used both efficiently and effectively to empower local communities across the City.