

South Cambridgeshire District Council New Landlord Selection Panel

Notes of Training Day – 17th April 2008
Held at Marketing Suite
Cambourne Business Park
At 10am

Attending:

Elected Tenant Representatives

Joan Spencer
Dave Kelleway
Helen Kember
Jim Watson
Clifford Moffatt

Council Representatives

Cllr Sally Hatton (until 3.30pm)
Cllr Richard Barrett (until 3pm)

Staff Representatives

Kate Swan
Anita Goddard
Tracey Cassidy
Uzma Ali (until 12pm)
Brent O'Halloran

Steve Hampson	SCDC
Stephen Hills	SCDC
Denise Lewis	SCDC
Dr Steve Sharples	PS Consultants
Katrina Laud	Savills
Jo Greenbank	Savills

Welcome and Introductions

Steve Hampson welcomed everyone to the training day and all present introduced themselves. The purpose of the Panel is to give tenants, Members and staff the chance to work together to think about a good potential landlord option for tenants to consider, alongside the retention alternative, in the transfer ballot some time next Spring. All views were welcome, although the focus of the Panel would be on examining the types of Registered Social Landlord (RSL) structures that may suit South Cambs, rather than debating the case for or against transfer. It was confirmed that tenants would determine in a ballot whether transfer could happen and the Council cannot and has not predetermined this.

Aims of the Day

Katrina Laud introduced Savills and explained how they would support the Panel in its role. She explained the aims of the training day which were to:-

- Consider the Draft Terms of Reference for the Panel
- Understand how the process fits within the wider pre-ballot process

- Look at what local people want to achieve for, and from, the potential new landlord
- Consider how the models can be tested
- Look at how the Panel's work will be shared, and how the views of other tenants, staff, and members can feed into the conclusions
- Agree what the next steps in the process would be

The day would be very participative. The Panel would be asked to take part in several tasks and all of the information gathered would be used within the process.

Terms of Reference

A draft had previously been circulated to Panel members. Jo Greenbank of Savills highlighted key points and all present agreed the draft terms as acceptable. It was noted that the Panel would submit a report of its conclusions to the Housing Options Portfolio Holder. Recommendations to Cabinet would be made by the Portfolio Holder.

The Wider Transfer Process

Jo explained the main stages within the pre-ballot process and stressed that selection of the model of landlord is a key issue. The Panel is asked to ensure that the models are tested and evaluated, that wider stakeholder views are identified and considered and that the conclusions of the Panel are justified. Work is underway with staff via the Communications Group, with tenants via the TPG and the new Transfer Advisory Group (TAG), and with Members at briefing events so that there are good opportunities to share information and seek views.

The Panel was asked to work in two groups to consider what is different, or key to South Cambs under a number of headings. The feedback from the groups was then shared and discussed. The points made by the groups are shown below.

About South Cambridgeshire

Context

- Not a central point, no main town; no central focus
- Market/urban villages
- Large/rural
- Boundaries – rural/urban
- Spread out – logistical challenge

Homes

- Well maintained/good condition; kept to high standard
- Well built traditional housing
- Lack of accommodation for single people/small families
- Sheltered housing
- Change to standards may worry tenants

Tenants

- High expectations/aspirations
- Tenants proud to be South Cambridgeshire tenants – village identity

- Demographics – 60+/sheltered
- Generally happy with Council. Survey shows high satisfaction

Members/staff

- Local knowledge
- Staff structure/experience
- Continuity of people is important
- Councillors to listen to staff and tenants
- Staff – happy in recent years but uncertainty of future no matter what happens
- Must maintain homes and must reassure tenants and staff
- Two scenarios being tested – LSVT, Retention

Performance/Record

- Caring council
- Tenant focuses/orientated – tenant participation
- High satisfaction – repairs
- General opinion it has performed well, but maybe not. Media reporting is that Council is awful, chaos
- Complaints resolved, but do we try to improve?
- Pockets of where it could improve - not enough care, poor organisation, same old complaints, not joined up

Culture

- Village identity
- Strong communication links between staff/members and community
- Hampered/debilitated by money. No feel good factor
- Tenants dispirited. There is false economy/service delivery
- Council remote, villages isolated. Sheltered – no community room – isolation

Aspirations

- Same staff delivering the same
- Grounds maintenance – higher quality service
- Day-to-day maintenance – cleanliness, sheltered housing
- More affordable homes – rent, buy
- Less isolation, being out in communities, accessible
- Tenants – greater involvement/empowerment, transparency.
- Reassure tenants that things are not already decided

Models of RSLs

Katrina Laud explained the four typical models of RSLs. This included:-

- A new stand alone RSL (with/without a partnership for some services)
- A new local RSL that would establish a new Group Structure with an existing RSL
- A new local RSL that would join an existing Group Structure at second tier level
- A new local RSL that would join an existing Group Structure as part of a three tier regionalised structure

Katrina explained what the key characteristics may be, potential benefits/dis-benefits, how Governance functions vary, where tenants may be represented, where local decisions are taken and typically where support services may be located. Katrina explained that there is variation between RSLs and the models are not straight jackets. Culture of the organisations also plays a key role. The Panel was therefore asked to focus at this point on what outcomes they would want to achieve, rather than which structure was felt to be most appropriate.

Katrina outlined the areas which typically Panels may test in considering the merits of models or potential partner RSLs. These included:-

- Governance and independence
- Management and partnerships
- Finance and resource
- Strategic direction
- Tenant empowerment
- Affordable housing
- Tenant satisfaction
- Performance and efficiency
- Staff security, training and development
- Sustaining and expanding services
- Culture and values
- Management of change
- Approach to valuation

The Panel was invited to work in small groups to think about whether these criteria were relevant to South Cambs, which were most important, whether anything important was missing, and how we may want to test the agreed criteria.

Thoughts About Criteria for Testing Models

- Governance and Independence – a strong local say
- Tenant Empowerment & Accountability – how do tenants get on Board
- Local decision making
- Location – where a new landlord and any potential partner would be based
- Others experience is important
- Board must be balanced and equitable
- Another Group may detract from local issues
- Different rural cultures depending where you are
- Tenant Management Organisation – understand more
- Accountable to leaseholders
- Economical? Combine services. Can achieve without formal partnership
- Need a get out clause
- Size is viable
- Formal not essential
- Long term local independence
- Sustainability – independence
- Retention of direct provision of services not Contracts
- Delivering promises
- Growth
- New Build
- Village development

- Quality of environment – don't build in gardens
- RSL must take account of local views
- Provide services to tenants by RSL staff – not contract it. Possible efficiencies
- Accountability – local service delivery

Following discussion of the above, the Panel agreed to think about the following as key opening questions to test the models.

Testing & Evaluation

- How does your model offer LOCAL INDEPENDENCE? What decisions are taken locally?
- How are tenants genuinely empowered in shaping services and delivery of services?
- How does your model deliver financial efficiencies?
- In your model, how are you influenced by others – internally and externally?
- To what extent does your model determine how services are delivered locally?
- What pressures would drive or force you to change your structure?
- How does your model provide the best security and opportunities for staff?
- To what extent does your model influence the local culture?
- What or who would drive the location of your local and corporate service base?
- How would your model help the growth of local services?
- If you aren't happy, how do you get out of your current model? Is there a real say for tenants in this?
- How does your model help deliver local service excellence? How is this measured?
- Why did you choose your model?
- What would your model bring to help a new LSVT deliver quality services?
- How does your model help to deliver more affordable homes?
- What does your model offer the LA – relationship with Councillors? (check their LA outcomes via references)
- How does resident and self regulation or evaluation work in your model?

It was agreed that the Panel would reflect on the above before the next meeting. Subject to any refinement of the questions then the Panel will also think about the

best mechanism to test outcomes. This could be via questions, by references, by looking at key performance indicators, and/or by reality checks on visits.

An Inclusive Approach

Denise Lewis reminded the Panel of the need to involve the wider stakeholders in the work of the Panel. She explained how the Communications Group would link with the Panel through the staff representatives of the Panel, how meetings with TPG/TAG and drop in events for tenants would fit with the process, and how members may engage as the process moves forward.

Next Steps & Process

Jo Greenbank talked about the suggested approach for the next few weeks to ensure the Panel can be inclusive, thorough, and also meet the timetable for completion of this work. This can be summarised as follows:

<p>Next NLSP meeting</p> <ul style="list-style-type: none"> ▪ Refine criteria & process ▪ Feedback from Tenants Group (TAG) ▪ Agree questions for model RSLs 	29th April
<p>Open Day / NLSP meeting with models RSLs</p> <ul style="list-style-type: none"> ▪ Presentation/ Q&A with NLSP ▪ Open session – other tenants; staff; members 	15th May
<p>NLSP meeting to review Open Day outcomes</p>	3rd June
<p>Visits to model RSLs – early June (some core members of the panel to attend plus options for additional stakeholders to attend)</p> <ul style="list-style-type: none"> ▪ Seeing RSLs in locality ▪ Meeting stakeholders and testing questions 	4th-11th June
<p>NLSP Meetings</p> <ul style="list-style-type: none"> ▪ Review outcome of events ▪ Feed in- views of all stakeholders ▪ Reach conclusions 	12th June and 27th June

Subject to agreement on the timing of meetings on these dates, the Panel felt this to be acceptable.

Model RSL Suggestions for Open Day and Visits

Jo Greenbank suggested organisations that may be able to act as models. They have been chosen because of their rural nature, they have a fair proportion of sheltered housing, some have DSOs, their relative proximity to South Cambs and

none would be bidders if South Cambs opts to select an RSL partner. Other suggestions were welcome. The following were agreed, and Savills are to approach them to seek their participation:

Stand Alone Model

Wellingborough Homes
Saffron – (South Norfolk transfer)
Watford – a tenant led stand alone model.

Creating a New Group

Acclaim – includes Dales Housing; an established transfer RSL that has set up a new Group with Seven Locks Housing (the new Harborough transfer)

Existing Group

Longhurst Group – 4 RSLs, one Development Company and one charity. Spire Homes; one of the RSLs is a transfer organisation.

Katrina Laud and Steve Hampson thanked all present for their input.

The next meeting was agreed for 29th April 2008; time to be confirmed. Denise Lewis agreed to check the availability of the marketing suite for future Panel meetings, although the Open Day will be in the Council Chamber.

The meeting closed at 3.50pm.

South Cambridgeshire District Council New Landlord Selection Panel

Notes of Panel Meeting 29th April 2008
Held at Marketing Suite
Cambourne Business Park
At 4pm

Attending:

Elected Tenant Representatives

Jim Watson (JW)
Helen Kember (HK)
Joan Spencer (JS)
Clifford Moffatt (CM)
Dave Kelleway (DK)

Council Representatives

Cllr Richard Barrett (RB)
Cllr Stephen Harangozo (SHar)
Cllr David McCraith (DM)
Cllr Sally Hatton (until 4.45pm) (SH)
Cllr Tony Orgee (TO)

Staff Representatives

Brent O'Halloran (BO)
Kate Swan (until 5pm) (KS)
Uzma Ali (UA)
Anita Goddard (AG)

Steve Hampson	SCDC (SHam)
Stephen Hills	SCDC (SHi)
Denise Lewis	SCDC (DL)
Dr Steve Sharples	PS Consultants (SS)
Katrina Laud	Savills (KL)
Sarah Cox	Savills (SC)

Apologies:

Tracey Cassidy
Jo Greenbank

1. Welcome and Apologies for Absence

S Ham welcomed everyone to the meeting and all present introduced themselves. Apologies of absence were received.

2. Notes of Meeting held on 17.4.08 & points arising

The Panel were asked for any comments on the notes of the previous meeting. The following comments were received -

- Page 2 of notes – Terms of Reference – should read report conclusions to Council (not Cabinet).
- Page 4 – definition of sustainability – queried how this relates to independence. Agreed viability would be more appropriate.

It was agreed that the notes were a correct record of the meeting.

3. Feedback from TPG/TAG meeting held on 28.4.08

SHi explained that the group had endorsed what had come out of the discussion at the meeting on 17.4.08, but pointed out that early attention was needed to the location of offices. AG pointed out that location is an important factor in South Cambridgeshire and it is bound up in other factors, and UA noted that location is also important to staff.

AG clarified what TPG is and their role. DK raised the issue of who agrees the offer document. KL clarified that tenants views would influence the content of the Offer Document, but that the final decision on content lies with the Council and the Shadow Board.

DK raised his concern that there are too many tenant groups who don't fully understand the process and who are not elected to make decisions, and that the Offer Document should be decided from an elected group, such as the NLSP. SHam clarified that this group was formed to select the potential landlord vehicle to take the process forward. HK pointed out that any tenant can join the TPG to have a voice.

SHar asked when the Shadow Board would be established. KL explained the process and that recruitment would begin in May 2008 with the first Shadow Board meeting likely to be at the end of June.

4. Review of Criteria and Questions

Papers were distributed suggesting the questions to ask RSLs and the Draft Criteria based on the work of the panel on 17 April. KL asked the group to divide into two to discuss the criteria and to agree on the proposed definitions.

The group discussions raised the following points:

Criteria	Proposed Definition	Points arising from discussion
1. Local Autonomy	Local people will take decisions about the local landlord service and will be locally based	<ul style="list-style-type: none"> • What does 'local' really mean? • People – should be amended to reflect an inclusive approach and include tenants/stakeholders/leaseholders
2. Local accountability & partnership	The local housing association will work in an accountable partnership with SCDC, and with its tenants	<ul style="list-style-type: none"> • Accountability shouldn't be used lightly • Need to make clear that it's not just tenants but also leaseholders • Agreed to use this criteria to focus on work with the Council and the relationship with tenants should be covered in criteria 3
3. Tenant participation and empowerment	Tenants are genuinely empowered to shape delivery of services, and to	<ul style="list-style-type: none"> • Agreed on proposed definition • Logistics and Governance were discussed including in

	have a effective say in the future of the local association	relation to any future change
4. Finance & Resource	The local housing association will be financially strong, & have quality support services	<ul style="list-style-type: none"> • Agreed on proposed definition
5. A fair valuation	Any transfer would create two viable organisations (Council & local housing association)	<ul style="list-style-type: none"> • Agreed that this should be included but need more detail of the impact of the model chosen
6. Service Excellence	The local housing association will be able to deliver quality services/service excellence from a local and accessible base	<ul style="list-style-type: none"> • Agreed on definition but should also include 'high' and 'comprehensive' in the wording ie high quality and comprehensive services
7. Affordable homes	Extra affordable homes will be provided in SCDC	<ul style="list-style-type: none"> • Need to specify a requirement for rented homes in village locations • Need to add 'whilst ensuring service excellence to existing tenants'
8. Staffing matters	Staff will have a good employer that can offer opportunities for training & development	<ul style="list-style-type: none"> • Need to add 'accessible' to the definition in respect of local office base
9. Culture and ethos	The local housing association will be a positive, "people first" community focused organisation	<ul style="list-style-type: none"> • Definition may need to be adjusted • Replace 'community focused' with 'village focused' • Environmental agenda needs to be added
10. Sustainable future	The local housing association can sustain and expand its business	<ul style="list-style-type: none"> • Definition to be reworded to "a strong performing organisation with a capacity to expand its business in a sustainable manner.'

Action: SHil agreed that he would redefine the culture and ethos definition, in consultation with the panel.

Following the discussion SHam clarified that these questions would tease out the answers needed to choose an RSL model.

CM questioned why the Council could not transfer to more than one RSL in order to achieve what is wanted. KL pointed out that this would lose the point of having a local, strong, district-wide service provider, and that choosing a suitable model could perhaps meet the Panel's requirements; for example the community focus offered in the Watford model under a district wide association.

5. Forward Process

- **Event on 15th May**

KL explained that she would do a desktop review of the RSLs prior to the RSL Open Day on May 15th, and that any comments on requirements for inclusion would be welcome.

Action: all Panel members to make any comments/suggestions on the proposal to KL by the end of the week.

Arrangements were discussed for the open day. It was agreed that the preferred method would be a short presentation by the RSLs followed by a Question & Answer session from the Panel. A scoring sheet with a 'traffic light' scoring system would be developed and distributed to the panel beforehand.

The afternoon will consist of an exhibition of the RSLs in the Council Chambers which panel members are welcome to visit.

It was suggested that the exhibition go on later than 5pm in order to allow people to attend after work. However, it was agreed that there are other events planned in other parts of the district out of working hours for tenants unable to attend on the 15th May.

SHil stated that transport could be provided from the sheltered housing schemes if requested, and it needs to be ensured that plenty of seating is available in the exhibition to accommodate those unable to stand for long periods of time.

It was also suggested that refreshments be available in the Council Chambers for the afternoon session.

The draft Exit Survey was distributed to the panel and KL explained that this would be used following the exhibition and open event sessions. The point was raised that the criteria on the exit survey should be in plain English and clear to tenants filling the survey in. It was agreed that there would be assistance/guidance available to those filling the surveys in if required.

Action: all Panel members to make any comments on the Exit Survey to KL by the end of the week.

- **Visit arrangements**

It was agreed that visits to the RSLs would take place on 4th, 6th and 9th June, and that a consistent core of 2 tenants, 2 councillors and 2 staff members from the Panel would attend each, with room for up to 20 members on each visit.

The Housing Futures project support team will contact people with dates once these have been confirmed with the RSLs.

- **Confirmation of meeting dates/times**

The following dates and times were agreed for future meetings:

NLSP meeting to review Open Day outcomes	Tuesday 3 rd June, 2-5pm
NLSP meeting	Thursday 12 th June, 9.15am
NLSP concluding meeting	Friday 27 th June, 4pm

Details of all meetings and papers will be circulated prior to each meeting.

The meeting closed at 6.15pm.

South Cambridgeshire District Council New Landlord Selection Panel

**Notes of Panel Meeting 3rd June 2008
Held at Marketing Suite
Cambourne Business Park
At 2pm**

Attending:

Elected Tenant Representatives

Jim Watson
Helen Kember
Joan Spencer
Clifford Moffatt
Dave Kelleway

Council Representatives

Cllr Richard Barrett
Cllr David McCraith
Cllr Tony Orgee

Staff Representatives

Brent O'Halloran
Kate Swan
Uzma Ali
Anita Goddard
Tracey Cassidy

Stephen Hills	SCDC (SHi)
Denise Lewis	SCDC (DL)
Dr Steve Sharples	PS Consultants
Katrina Laud	Savills (KL)
Jo Greenbank	Savills (JG)

Apologies:

Cllr Stephen Harangozo
Cllr Sally Hatton
Steve Hampson SCDC

1. Welcome and Apologies for Absence

Stephen Hills welcomed everyone to the meeting.
Apologies of absence were received.

2. Notes of Meeting held on 29.4.08 & points arising

The Panel were asked for any comments on the notes of the previous meeting. A correction was made to the notes in respect of the welcome and introductions, which had been given Stephen Hills.

It was agreed that the notes were an accurate record of the meeting.

3. General Feedback from 15th May Events

The Panel were asked for their general comments about the RSL Presentations and Open Event on 15th May. The Panel was generally happy with the outcome and felt that it had been helpful in considering the models of landlord.

It was reported that the Council were happy with the day and the level of engagement that there had been from stakeholders.

The Panel were provided with copies of the results from analysis of the Evaluation Forms completed by visitors at the Open Event on 15th May and the postcards returned following the newsletter.

Denise Lewis explained that the results from these forms help to identify the most important issues for local residents when considering any potential transfer. These are:

- Local Accountability/autonomy
- Tenant Participation and Empowerment
- Service Delivery
- Finance and Resources

Following discussion by the Panel, it was agreed that although local accountability and local autonomy were captured as separate issues on the feedback form, given the way people had scored them, they could be taken together.

4. Benefits and Risks

The meeting considered the scoring awards by the Panel in respect of the landlord models at the presentation on 15th May.

A chart had been drawn up highlighting all of the scores against the questions and key criteria. A copy of this table is attached. It was recognised that not everyone had completed a form and that the associations themselves, rather than the models, may have been scored. Comments on the forms did not always tally with the scoring given. The meeting therefore aimed to identify:-

- areas where there was consensus in the Panel's views,
- areas where there was significant divergence in the scores given together with the reasons for this, and;
- where some of the ratings indicated that further debate was necessary in order to justify future conclusions.

The Panel discussed each model and the criteria and sought to understand what key issues might be further tested through the visits and any future process.

It was noted that in respect of the key priorities identified through the tenant consultation at the 15th May event, the Panel's scoring of the models was consistent and justifiable.

There were a number of areas, however, where the outcome from the scoring required further consideration to ensure the Panel's conclusions are demonstrable.

These are:

- **Location of Services** – both the existing group and creating a group models scored low on this issue and it was felt that this may be linked to geography of the model housing associations that presented. During the visits the Panel was asked to question the model housing associations about the drivers for their choice of location.
- **Staff security and opportunities** – the stand-alone model scored highest against this issue, however it was recognised that for the existing group and creating a group model, issues of geography and business growth may have an impact on this potentially leading to higher scores for these models. In considering any potential partnership, a geographical boundary might be desirable as part of any competitive process to ensure potential gains are captured. Again, the Panel was invited to ask specific questions of the model housing associations’ staff during the visits.
- **Viability of Council and HA** – it was noted that in normal circumstances, the Group options for this model might be able to offer more security to the local housing association than the stand-alone model could achieve.
- **Affordable Housing** – although the particular example stand alone RSL had delivered new affordable housing through a development partnership, it was recognised that the Group options may be able to assist in delivering new homes from a very early stage and that a development partnership would need to be carefully selected to offer the degree of control and choice over quality standards that was quoted in this case. The strength of the stand alone association’s business plan would also dictate whether development could be delivered in the early years before peak debt is achieved. The Panel was invited to consider this further during the visits.

In conclusion, the Panel recognised that although the existing group model scored highest for amber and red lights, there were still a number of green lights for this option and therefore each model seemed to have some merits. At this stage in the process the stand alone model scored the most green lights, creating a new local association and a new group was second highest and joining an existing group scored the least green lights.

5. Risks and Mitigation

The following risks and methods for evaluating risk mitigation were identified and agreed by the Panel in respect of each Model:

Creating a Group

Risk	Test
Protecting local autonomy	It was agreed that the Council’s legal advisers would be asked to produce a short paper which outlined what is possible within a relationship with any partner and the extent to which local autonomy can be protected.

Impact on geography on staff opportunities and culture	It was noted that these risks could be tested if the Council decided to proceed to any competitive process in finding a partner.
Partnership with Council, Affordable Housing and Strong Performance	It was noted that these risks could be tested if the Council decided to proceed to any competitive process in finding a partner by seeking evidence of what had been achieved.

Stand-Alone

Risk	Test
Pressure to Change	It was noted that this would be tested by considering what the stand-alone association in South Cambs might look like if this model was chosen but that consideration could also be given as to what tenant empowerment mechanisms could be established whereby no change to the business could be made without tenant involvement.
Staff Opportunities and Business Growth	It was noted that this would be tested by looking at the Council's business plan and therefore what any association would be able to do but that there could be an understanding gained of the extent of potential areas for improvement within the existing service range. SHi to report on key issues in the latter category.
Viability	It was noted that this would be an issue for the association's Business Plan and the funding position of any new association. A short paper will be produced by Savills to identify the issues and potential mitigation.
Affordable Housing	It was noted that this would be dependent on the arrangements that are put in place with the Council, any development partner and the funding position.

Existing Group

Risk	Test
Local Autonomy	It was agreed that the Council's legal advisers would be asked to produce a short paper which outlined what is possible within a relationship with any partner and how local autonomy can be protected.
Tenant Empowerment	It was agreed that the Legal Advisors would be asked to provide examples of the protection that tenants could be given to have an effective say in strategic decisions in such arrangements.
Pressure to Change	It was agreed that the Panel would be given information to understand what is driving organisations to merge.

6. Visits

Arrangements for the Visits on 4th, 6th, 9th and 11th June were outlined to the Panel.

It was noted that a short form had been produced that Panel members and other stakeholders on the visits would be asked to complete to capture their thoughts on the good things and things that worried them about each model. This would help feedback from the visits at the next Panel meeting on 12th June.

7. Next Meeting

The Panel will meet on 12th June at 9.15am at the Marketing Suite, Cambourne Business Park.

The meeting closed at 4pm.

South Cambridgeshire District Council New Landlord Selection Panel

**Notes of Panel Meeting 12th June 2008
Held at Marketing Suite
Cambourne Business Park
At 2pm**

Attending:

Elected Tenant Representatives

Jim Watson
Helen Kember
Joan Spencer

Council Representatives

Cllr Richard Barrett
Cllr David McCraith
Cllr Tony Orgee
Cllr Stephen Harangozo

Staff Representatives

Brent O'Halloran
Kate Swan
Uzma Ali
Anita Goddard
Tracey Cassidy

Stephen Hills	SCDC (SHi)
Denise Lewis	SCDC (DL)
Dr Steve Sharples	PS Consultants
Katrina Laud	Savills (KL)
Jo Greenbank	Savills (JG)

Apologies:

Cllr Sally Hatton
Clifford Moffatt
Dave Kelleway
Steve Hampson SCDC

1. Welcome and Apologies for Absence

Stephen Hills welcomed everyone to the meeting.
Apologies of absence were received.

2. Notes of Meeting held on 3rd June points arising

The Panel were asked for any comments on the notes of the previous meeting.

It was requested that the following table extracts be corrected from the discussion of the risks of the different models. Amendments are shown in bold type.

Creating a Group

Risk	Test
Partnership with Council, Affordable Housing and Strong Performance	It was noted that these risks could be tested if the Council decided to proceed to any competitive process in finding a partner by seeking evidence of their track record and what had been achieved by them elsewhere .

Stand-Alone

Risk	Test
Pressure to Change	It was noted that this would be tested by considering what the stand-alone association in South Cambs might look like if this model was chosen. Consideration could also be given as to what tenant empowerment mechanisms could be established in a new landlord structure , whereby no change to the business, such as a future merger , could be made without tenant involvement and approval .

It was agreed that the notes were otherwise an accurate record of the meeting.

3. Feedback from Visits

The Panel worked in two Groups capturing feedback from the recent visits to model RSLs. In providing feedback, the Groups were asked to particularly consider how the different models impacted on the issues identified at the last meeting as requiring further exploration. Those issues were – location of services, staff security and opportunities, viability of Council and HA, affordable housing.

The first Group provided feedback on the visits to the creating a Group model (Daventry & District Housing) and a stand-alone model (Wellingborough Homes). They key points they reported were:

- location of services is not affected by the model, you establish what works best for local services and accessibility for tenants. There may be issues about practicalities for staff, but this should not be the driver for a new landlord selection decision.
- Opportunities for staff – the new group appeared to offer more opportunities. The stand-alone example visited had experienced redundancies, but it was recognised that could happen at any time and by any type of organisation. It was recognised that the new Group may offer more opportunities for training and development.
- Creating a group appeared to offer a safer and better option for the viability of the organisations. For the stand-alone, it was recognised that initially there

may be a struggle, but it depends on your Business Plan and the contracts that are put in place.

- In respect of the provision of affordable housing, the new group may be able to hit the ground running because of the track record, however it was recognised that it depends on how many new homes South Cambridgeshire wants to provide and therefore in a stand-alone option, although it could take longer to deliver new homes, this might not be a problem.

The second group fed back on the visits to a stand-alone model (Saffron) and the existing group model (Spire/Longhurst).

- The stand-alone model seemed to offer a local base with accessibility for tenants. The local association within an existing group also had local office bases.
- In respect of staff, communication had been key with the stand-alone model and they had had opportunities to do new things.
- In respect of viability, the stand-alone had been able to build up its reputation and services and ensure its viability.
- In delivering new affordable homes, the stand-alone association would not be able to deliver straight away but could enter into a partnership arrangement. In the existing group, the track record and experience was recognised as being beneficial, although in the current market, even existing groups were facing difficulties in respect of finance.

4. Risks

At the last meeting of the Panel on 3rd June, a number of risks of the different models had been identified.

As a result of those discussions, independent advice had been commissioned and advice or papers were presented to the Group. These covered:

- **Drivers for Merger**

In recent years a number of housing associations have moved into, or expanded a Group structure. Size of organisation is not always the driver as many smaller traditional associations remain independent whilst some larger associations have joined together. It was noted that it is often the vision of the association and what it seeks to achieve that has led to the change, although a very few mergers have occurred because of regulatory or financial difficulty.

Drivers of change have tended to be around meeting the broader Government agenda, including:-

- Stepping up the pace of provision of additional affordable homes – scale, range of products and markets
- Striving for excellent customer services – within the context of controlled rents
- Creating efficiencies including procurement savings
- Meeting neighbourhood regeneration and social inclusion agendas – acquiring the skills for physical regeneration and a wide range of quality of life initiatives
- Increasing influence – within a local, regional and national context
- Reducing the cost/time spent on meeting the regulatory burden

In the current economic climate a few more mergers may occur if associations have liquidity issues. With a new transfer association the Business Plan would be cautious so that risks of financial exposure are minimised.

- **Assessment of Financial Criteria**

This paper from Savills outlined the position in respect of the different landlord model options against funding, central services, long term sustainability, procurement gains, pre-ballot assistance, post-ballot costs and VAT shelter. The paper concluded that with the current market conditions, the Group option was not as convincing as it once might have been in offering significant financial benefits to a new transfer association, as opposed to a stand-alone model. (Paper attached at Appendix 1)

- **Tenant Involvement and Landlord Structures**

This paper from the Council’s legal advisers, Trowers & Hamlins, identified how tenants would be involved and protected in respect of future decisions around changes to the constitution of a landlord model. It also outlined options around the community gateway model, whereby there could be greater tenant empowerment. (Paper attached at Appendix 2)

- **Legal Agreements**

A matrix from Trowers & Hamlins outlined the different positions in respect of how issues such as independence, delivery of service, appointment of the Board and parental control would be dealt with through the legal mechanisms in the different landlord models. (Paper attached at Appendix 3)

The Panel were asked to consider the papers outside of the meeting and raise any queries.

5. Scoring the Models

The Panel scored the models against the criteria that had been agreed at the beginning of the process. They were reminded of the definitions agreed and the agreed scoring mechanism of green, amber and red which meant:

- Green – fully meets the criteria
- Amber – partially meets the criteria
- Red – does not meet criteria

Criteria	Stand-Alone	Creating a Group	Existing Group
Local Autonomy	Green +	Green	Amber
Local Accountability & Partnership	Green	Amber	Amber
Finance & Resources	Green	Green	Green

Criteria	Stand-Alone	Creating a Group	Existing Group
Tenant Empowerment & Participation	Green +	Green	Amber
A Fair Valuation	Green	Green	Green
Service Excellence	Green (some concerns around speed of achieving it)	Green	Green
Affordable Homes	Amber (might be slower but would retain quality control)	Green (concerns over quality)	Green (concerns over quality)
Staffing Matters	Green	Green	Green/Amber
Culture & Ethos	Green	Amber	Red
Sustainable Future	Green	Green	Green

The Panel checked that the criteria that had been identified as a priorities from the other tenant events was still consistent with the Panel's findings.

The Panel discussed some of the issues around the criteria above in the light of questions raised by PS Consultants acting as "devil's advocate". The Panel was satisfied that if the stand-alone option was the chosen route, they could demonstrate why that conclusion had been reached. These issues would be captured in the Portfolio Holder's report to provide reassurance and show that the strengths, weaknesses, opportunities and threats of each model had been considered.

6. Portfolio Holder Report

The Panel received a copy of an outline of the report that will be produced to present the Panel's conclusions on the landlord model for South Cambridgeshire.

It was agreed that the report would be updated and a final draft circulated to the Panel before their meeting on 27th June.

The Panel were asked however to raise any queries on the existing draft paper or the outcome of the scoring within the next week.

7. Next Meeting

The next meeting will be held on **27th June, 4pm** at the Marketing Suite at the Cambourne Business Park.

The meeting closed at 12.10pm

South Cambridgeshire District Council New Landlord Selection Panel

**Notes of Panel Meeting 27th June 2008
Held at Marketing Suite
Cambourne Business Park
At 4pm**

Attending:

Elected Tenant Representatives

Jim Watson
Helen Kember
Joan Spencer
Clifford Moffatt

Council Representatives

Cllr Richard Barrett
Cllr David McCraith
Cllr Tony Orgee
Cllr Stephen Harangozo

Staff Representatives

Brent O'Halloran
Kate Swan
Uzma Ali
Anita Goddard
Tracey Cassidy

Steve Hampson	SCDC
Stephen Hills	SCDC (SHi)
Denise Lewis	SCDC (DL)
Dr Steve Sharples	PS Consultants
Katrina Laud	Savills (KL)
Jo Greenbank	Savills (JG)

Apologies:

Cllr Sally Hatton
Dave Kelleway

1. Welcome and Apologies for Absence

Steve Hampson welcomed everyone to the meeting.

2. Notes of Meeting held on 12th June and points arising

The Panel were asked for any comments on the notes of the previous meeting.

It was noted that on page 2 of the previous notes, under 'Feedback from Visits', the reference to a stand-alone association experiencing redundancies should have been attributed to Saffron Housing Trust and not Wellingborough Homes.

It was agreed that the notes were otherwise an accurate record of the meeting.

3. NLSP Conclusions Report for Portfolio Holder

The Panel reviewed the draft Conclusions Report which had been produced.

The following issues were discussed and agreed to be amended in the final version of the report:

- Panel Members generally felt that the report reflected their assessment of the models and, in particular, the appendix showing the scoring matrix was accurate.
- It was felt that it would be helpful to include an appendix showing the feedback from stakeholder events, e.g. the 15th May Open Day and the other tenant sessions. This was noted as being important as it would reflect what tenants are saying is important locally and support the Panel's conclusions. It was suggested that the stakeholder feedback results could be presented as charts within the appendix.
- It was agreed to include the notes of the NLSP meeting as an appendix to demonstrate that an open, fair and transparent process had been followed.
- It was agreed to provide copies of the independent adviser reports that the Panel had been given throughout the process – those from Savills and Trowers & Hamblins.
- At 3.5, it was noted that the NLSP minutes themselves had not been provided at the Staff Communications Group or TPG/TAG meetings but that verbal updates had been provided, therefore the report should reflect this.
- At 4.3, it was agreed that clarity was required in respect of the traffic light scoring system to explain that the Panel had used it as structured framework for their assessment and deliberation on the models. As a result, it was agreed that reference to the total scores would be removed from the conclusions section, as it was felt that the text provided a more accurate context for the conclusions.
- At 4.9, it was noted that the Panel were confirming at their meeting on 27th June, the outcome of their meeting held on 12th June.
- It was agreed that the final two paragraphs of the report should be highlighted by pulling them out as a Conclusions section. This would help to emphasise that the outcome of the NLSP's work agrees most closely with what tenants locally have fed back through consultation.

Katrina reported to the Panel that the Housing Corporation have been told of the process and likely outcome. Steve Fox from the Stock Transfer Registration Unit had responded that the Housing Corporation were satisfied with the process followed and that stand alone is a reasonable choice. Their only comment was that "given current market conditions an existing group with an existing group finance facility may have been an easier/cheaper funding route, but this comment is based on current market conditions, who can foresee what conditions will be like in 12 months time."

Following incorporation of the above points into the report, the Panel were satisfied that the report accurately reflected their assessment and conclusion of the landlord model options for South Cambridgeshire.

4. Assessment of Process

As it was the Panel's final meeting, Steve Hampson asked members to reflect on the process and give their thoughts. The following issues were raised:

- It was felt that it had been helpful to carry out the visits to exemplar housing associations in a short space of time, as this had made it easier to compare the models.
- The process had been good and a lot of information had been provided but it would have been helpful to have a glossary of terms.
- There was some concern that it had been difficult to separate the exemplar housing associations from the models that were been considered, which did cause confusion. However, it was noted that the Panel needed to see real associations and an alternative method for testing the models within the agreed process did not appear to exist.
- Panel members felt that all stakeholder groups had worked well together, with all members focussed on achieving their task.

In summary, Steve Hampson noted that the Panel had worked very well together; that it had been unknown territory for a number of people but that everyone had made a contribution from their different perspectives and gained a collective knowledge which enabled the conclusions to be reached. Finally, he added that everyone had participated and entered into the process and had worked very hard.

Thanks was given to all Panel members, to the external consultants for their support and facilitation and for staff members at the Council for all the arrangements that had been made.

It was noted that the report would be presented to the Portfolio Holder who would report on his recommendation at the Briefing Session on 8th July. Panel members were invited to attend the meeting.

The meeting closed at 5pm.