



GETTING MANAGEMENT RIGHT

APSE Conference

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Objectives of Presentation

- Describe governance models in social housing
- Outline ingredients for successful management
- Provide examples of good practice (and the not so good!)
- Outline Grenfell impacts on governance and management
- Stimulate debate and provide food for thought

Housing Management Models

Stock Numbers

- 3.8m Social rented homes in England
- Council owned 1.6m
 - 1.1m directly managed
 - 0.5m managed via ALMO's
- Housing Association owned 2.2m

Council Management Models

Direct Management

- **Board** – Council / Cabinet / Portfolio holder
- **Management Agreement** – N/A but could use Corporate Plan, Housing Strategy or HRA Business Plan
- **Executive Team** – increasingly difficult to find a Housing Director! Usually part of a wider Corporate brief

Council Management Models

ALMO / Housing Company

- 34 Council owned organisations
- Increasingly diversifying
- **Board** - Combination of Council nominees, independents and residents – all Company Directors
- **Management Agreement** – Formal document
- **Executive Team** – MD will have strong housing / customer services background

Council Management Models

Tenant Management Organisations (TMOs)

- Set up under Right to Manage legislation
- Usually take on limited functions
- Kensington & Chelsea TMO was unique
- **Board** – Resident led committee
- **Management Agreement** – Formal CLG
Modular Management Agreement
- **Executive Team** – often one worker and could be part time

Common Objectives

- Meet objectives in Management Agreement or key strategic documents
- Deliver excellent services
- Meet performance targets
- Demonstrate VFM
- Meet regulatory and legislative requirements
- Involve and listen to customers

Key Ingredients to success

- Fit for purpose Business / Delivery Plans
- Challenging and effective monitoring / clienting arrangements
- Has your Board got the right skills mix?
 - ALMO governance models evolving
 - Major challenge for Councils and TMO's!
- Training and mentoring

Key ingredients to success

- Relationship between Boards and Exec Team crucial
- Must be robust challenge with respect – Cosmopolitan HA
- No dominant figures – Arsenal FC!
- Exec Teams must “know their onions” – a major challenge in housing
- Boards and Exec teams to be aware of operating environment – BBC

ALMO Good Practice

- Regular formal and informal meetings between Council and ALMO leaders
- Council Corporate Plan and ALMO Delivery Plan aligned
- Joint Council Cabinet and ALMO Board sessions
- ALMO Board and Executive Team Away Days
- Staff Conferences with Board and Exec Team members present

Grenfell Future Impacts

- Building regulations
- Fire safety management
 - Inspections regime
 - Stay Put policy
- Government regulation
- Future of some tower blocks?
- Housing management
- Emergency Plans?
- Governance models

Grenfell Governance Impacts

- Complete change of Council political leadership
- Two Chief Executive resignations
- Demise of KCTMO announced last week
- Questions to be answered
 - governance within TMO?
 - Council control?
 - where did residents really fit in?
- There will be lessons for all organisations that manage all public services

Summary

- Diversity of governance models is good and none have inherent flaws
- Management and governance arrangements must be regularly reviewed
- A lot of challenges in current operating environment – a good reason to learn from each other and share best practice

Thank You For Listening

NATIONAL FEDERATION OF ALMOs

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