

Committee:	Date:
Housing Management and Almshouses Sub-Committee	24 September 2018
Subject:	Public
Review of Housing Governance	
Report of:	For Decision
Town Clerk	

Summary

The question of the City Corporation's housing governance has been raised on several occasions over the recent period. This has necessarily included discussion as to the arrangements associated with the Barbican Residential Committee, following an expression of concern by the Standards Committee in relation to the potential perception of conflicts of interest associated with resident Members serving on the Committee.

The Policy & Resources Committee considered an initial report at its July 2018 meeting (attached at Appendix A) intended to open discussion, which set out the current structures in place around housing governance, the various issues which Members and Committees had raised concerning the existing arrangements and presented an initial outline of some of the potential options which could be taken in respect of a future direction. The Policy & Resources Committee expressed a desire to consult with and receive the views of those Committees which would be affected by any change to the existing structures, so as to ensure that any decisions to be made in respect of formative proposals due course is taken on an informed basis.

The views of the Housing Management and Almshouses Sub-Committee are sought on the various options outlined in this report, in advance of the meeting the Grand Committee which is taking place on 10 October 2018.

Recommendation

The view of the Sub-Committee is sought on the future of the City's Corporation's housing governance and any potential amendments that might be made, particularly in relation to the future of the Barbican Residential Committee.

Main Report

Background

1. The City Corporation's housing governance arrangements were last reviewed in 2011, as part of the comprehensive Governance Review process which took place at that time. As part of that Review, it was specifically asked that consideration be given to the question of whether oversight of the entirety of the City Corporation's housing activities,

including the Barbican Estate, should be undertaken by a single Committee.

2. Ultimately, the decision was made to create a standalone Housing Sub-Committee, dedicated to the management of the City's eleven (non-Barbican) housing estates, designed give focused attention to engagement with residents. The City of London Almshouse Trust was also subsumed and merged with the new Housing Sub-Committee (to create the Housing Management and Almshouses Sub-Committee).
3. The Barbican Residential Committee (BRC) was retained as a discrete grand committee, with responsibility for oversight of the management of the Barbican Estate, including the management of all completed residential premises and ancillary accommodation on the Barbican Estate, as well as the disposal of interests in the Barbican Estate.
4. It is a non-ward committee appointed by the Court of Common Council which acts on behalf of the City Corporation as landlord of the Barbican Estate and is not to be confused with the Barbican Estate Residents' Consultation Committee, which is an independent body which exists to represent the views of the Barbican Estate residents. In carrying out its management functions, the BRC must have regard to any representations made to it by the Barbican Estate Residents' Consultation Committee.
5. The City Corporation's Standards Committee, at its 26 January 2018 meeting, resolved its belief that the present operation of the BRC - and particularly the association of the two distinct roles of managing agent and landlord - gives rise to a perception of a conflict of interest.
6. There is no doubt that the current arrangements are lawful. The BRC is covered by the rules on disclosable pecuniary interests in the Localism Act 2011 in the same way as any other Committee. Members of the BRC can deal with any disclosable pecuniary interests that arise by not participating in the discussion and vote on that item, or by seeking an appropriate dispensation from the Standards Committee.
7. However, some concerns have been expressed about the number of dispensations that have been applied for by the resident Members of the BRC, and resident Members have also highlighted the implications which they feel the dispensations regime has on their ability to fully represent residents' interests.

Current Composition

8. The composition of the BRC has, for many years, been such that there are nine resident Members: three from Aldersgate Ward and six from Cripplegate Ward (three from each side of that Ward).
9. When the Committee first included resident Members (initially, resident Members were excluded), Aldersgate as a Ward was represented by six elected Members, with Cripplegate represented by twelve Members. The

representation on the Committee from those Wards was therefore half the elected Members. Although eligible, the Aldermen for the two Wards traditionally are not appointed to serve.

10. Following the reduction in the number of Common Councilmen from 130 to 100 during the latter part of the twentieth century, as well as the 2013 Ward Boundary Review, Aldersgate representation has changed to six Members and Cripplegate to eight Members. The composition of the BRC did not alter with either change in the number of Ward Members.
11. Although the non-resident members (when all vacancies are filled) form a majority of the Committee, resident Members arguably have a greater interest in the Committee's business and have tended to be more regular attendees. As a consequence, they are sometimes a majority of the Members present at a meeting. This adds to the sentiment (whether right or wrong) expressed by the Standards Committee that resident Members might be perceived to have an undue influence or dominate the Committee.

Options

12. The report to the Policy & Resources Committee outlined five potential options in relation to future arrangements, in summary:-
 - (i) Maintain the status quo.
 - (ii) Disband the Barbican Residential Committee and transfer its responsibilities to the Community & Children's Services Committee.
 - (iii) Disband the committee and transfer its responsibilities to the Property Investment Board.
 - (iv) Reconfigure the Barbican Residential Committee.
 - (v) Establish a new, non-Ward based Housing Committee.
13. Within each these options, there are of course a range of issues which would need to be considered. For instance, there would need to remain a clear delineation and separation between the management of the Barbican Estate and the City Corporation's Social Housing Estates, given the requirements around the management of Housing Revenue Accounts monies.
14. This report does not advance arguments for any of these options, each of which (to a greater or lesser degree) could be argued to have advantages and disadvantages. These issues will be captured, together with the comments of relevant Committees, following consultation. However, all views from Members are welcomed in relation to any of the potential options referenced in the appended report, as well as other possibilities which might occur, in order to inform future thinking.

Options (ii) and (v): Disband the Barbican Residential Committee and Transfer Responsibilities to the Community and Children's Services Committee or Establish a new non-Ward based Housing Committee

15. It has been suggested that consideration should be given transferring the responsibilities of the BRC to the Community and Children's Services Committee (CCSC) or that a new non-ward-based Housing Committee should be created.
16. In 2011 the Court considered whether there was merit in merging the CCSC's housing responsibilities with those of the BRC but did not pursue it as an option (particularly as the Barbican Estate did not come within the financial and regulatory arrangements for local authority housing). It did, however, propose that oversight of the City Corporation's housing management activities (excluding the Barbican Estate) could, in future, be undertaken by a sub-committee of the CCSC (with power to act) to enable greater focus in that area. The Housing Management and Almshouses Sub-Committee was subsequently created and is currently responsible for:-
 - a. the management of the City Corporation's existing social housing stock (with the Grand Committee retaining responsibility over policies affecting the City's Strategic Housing responsibilities);
 - b. approving schemes affecting the City's existing social housing and proposed stock in accordance with the policies and strategies for investment agreed by the Grand Committee and having regard to the City Corporation's Project Approval Procedure;
 - c. approve policies in relation to the management of housing services to tenants and leaseholders in City estates and review them as necessary;
 - d. the management of the City of London Almshouses (registered charity no 1005857) in accordance with the charity's discharging the City of London Corporation's function in respect of governing instruments; and
 - e. advising the Grand Committee on:-
 - the general performance of the Social Housing Service and the Almshouses; and
 - its recommendations concerning the Allocation Scheme in the City's Housing Registration process.
17. The Property Investment Board (PIB), Barbican Residential Estates Consultative Committee (RCC) and the BRC have already given some initial thought to the proposals. PIB indicated that it would not be keen to take on the responsibilities of the BRC, given its primary focus was on commercial investments. The RCC was keen for the BRC to be retained and whilst the BRC subsequently supported this, it also concluded that the

number of resident Members on the Committee should be reduced from nine to six, two from Aldersgate and two from each side of Cripplegate, with the number of non-resident Members being retained at 11.

18. It should also be noted that a number of Barbican Residents, including the Chairman of the Barbican Association, have written to express their firm view that they would expect to continue to have their interests represented by their Ward Members on any committee considering matters involving the management of the Barbican Estate and that they too would be firmly opposed to any transfer of responsibilities to PIB, given the differing characteristics of commercial and residential property and the focus of that Board.

Conclusion

19. The views of the Housing Managements and Almshouses Sub-Committee are sought as to the potential options outlined in both this report and the original report to Policy & Resources attached as an appendix, prior to the issue of housing governance being considered by the Grand Committee.

Appendices

- Appendix A: Report to Policy & Resources, July 2018