

# Finance and Resources Committee

10.00 am, Thursday 24 September 2015

## Review of Tenant Participation Services Procurement Options – referral from the Health, Social Care and Housing Committee

Item number	7.17
Report number	
Wards	All

### Executive summary

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The Health, Social Care and Housing Committee on 8 September 2015 considered a report from the Acting Director of Services for Communities advising that a proposed future approach to the provision of tenant participation related services.

### Links

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<b>Coalition pledges</b>	See attached report
<b>Council outcomes</b>	See attached report
<b>Single Outcome Agreement</b>	See attached report
<b>Appendices</b>	See attached report

# Terms of Referral

## Review of Tenant Participation Services Procurement Options

### Terms of referral

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- 1.1 The Housing (Scotland) Act 2001 places statutory duties on landlords to promote tenant participation. Landlords are required to consult tenants and Registered Tenants Organisations (RTOs) on proposals that affect them and take account of their views.
- 1.2 In considering the procurement options for tenant participation services, a range of activity was carried out including desktop research, discussions with experienced tenant participation practitioners, engagement with Tenants' Panel members and tenant representatives, and discussions with Council procurement officers.
- 1.3 Different options were also explored with tenants through focus groups with RTO representatives and Tenants' Panel members. There was no shared view on a preferred delivery model but the discussions highlighted some common themes that participants believed should underpin any future model. These were:
  - A good working knowledge of how Edinburgh tenants want to be supported.
  - Industrious, effective and efficient.
  - Accessible with an excellent understanding of how tenants can influence decisions successfully.
  - Able to support individual tenants as well as groups; and
  - Accountable to tenants.

There was a strongly shared view that tenants should be involved in determining the future approach to this work.

- 1.4 The procurement options available are to:
  - Maintain current arrangements.
  - Provide tenant participation services in-house.
  - Tender tenant participation services.
  - Co-produce the services working with existing providers; and
  - Co-produce the services working with existing and possible new providers.

- 1.5 Procurement options have been discussed with ETF. It would prefer to maintain current arrangements, notwithstanding the need for ongoing service improvement. However ETF supports the principle of co-production to achieve better outcomes and would like time to explore these options in more detail.
- 1.6 Based on the consultation feedback and the Council's commitment to co-producing services, it was recommended that the Health, Social Care and Housing Committee agrees further discussion on the co-production options involving ETF, the NA and other interested parties. Following this, a further report on the proposed future approach, informed by these discussions, will be provided to the Health, Social Care and Housing Committee on 26 January 2016.
- 1.7 The Committee heard a deputation from the Edinburgh Tenants' Federation in respect of the proposals.
- 1.8 The Health, Social Care and Housing Committee agreed a motion by Councillor Ricky Henderson, after the following division:-

### **Motion**

1. To further discussion on the co-production options involving Edinburgh Tenants' Federation (ETF), the Neighbourhood Alliance (NA) and other interested parties.
  2. That a further report on the proposed future approach, informed by these discussions, will be provided to the Health, Social Care and Housing Committee on 26 January 2016.
  3. To refer this report to the Finance and Resources Committee to note the approach to commissioning and to request that the ETF and NA service level agreements are extended for a period of up to 12 months, from 1 April 2016, to allow this process to be completed.
- Moved by Councillor Ricky Henderson, seconded by Councillor Work.

### **Amendment**

1. To further discussion on the co-production options involving Edinburgh Tenants' Federation (ETF), the Neighbourhood Alliance (NA) and other interested parties.
2. That a further report on the proposed future approach, informed by these discussions, will be provided to the Health, Social Care and Housing Committee on 26 January 2016.
3. To refer this report to the Finance and Resources Committee to note the approach to commissioning and to request that the ETF and NA service level agreements are extended for a period of up to 12 months, from 1 April 2016, to allow this process to be completed.
4. To note that Neighbourhood Alliance (NA) covers the East Neighbourhood area (ward 17) which according to Edinburgh's Annual Return to the Housing

Regulator and the 2011 Census accounts for less than 9% of Edinburgh's total Council housing stock, while Edinburgh Tenants Federation (ETF) provides support in the other 16 multi-member wards and therefore:

5. Given that the two organisations (ETF and NA) are providing the same service in different parts of the City from two separate offices and with two administration teams, to request information on whether there are any economies of scale in having one organisation provide the whole service city-wide.
  6. To seek clarity on current funding arrangements and specifically whether ETF are effectively currently being paid £13.29 per house and CNA £37.63 per house.
  7. To agree that in the future, report evidence will be provided of best value being sought.
- Moved by Councillor Rust, seconded by Councillor Aitken

#### **Voting**

For the motion - 11

For the amendment - 4

#### **Decision**

To approve the motion by Councillor Ricky Henderson.

### **For Decision/Action**

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- 2.1 The Finance and Resources Committee is asked to note the approach to commissioning and agree that the ETF and NA service level agreements are extended for a period of up to 12 months, from 1 April 2016, to allow this process to be completed.

### **Background reading / external references**

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Health, Social Care and Housing Committee 8 September 2015.

#### **Carol Campbell**

Head of Legal, Risk and Compliance

Contact: Blair Ritchie, Assistant Committee Clerk

E-mail: [blair.ritchie@edinburgh.gov.uk](mailto:blair.ritchie@edinburgh.gov.uk) | Tel: 0131 529 4085

## Links

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<b>Coalition pledges</b>	See attached report
<b>Council outcomes</b>	See attached report
<b>Single Outcome Agreement</b>	See attached report
<b>Appendices</b>	See attached report

# Health, Social Care and Housing

10.00am, Tuesday, 8 September 2015

## Review of Tenant Participation Services Procurement Options

Item number	7.5
Report number	
Executive/routine	Executive
Wards	All

### Executive summary

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This report seeks to discharge the commitments made when the Health, Social Care and Housing Committee approved the new Tenant Participation Strategy, at its meeting on 21 April 2015. The Strategy informs tenant participation priorities and seeks to deliver four key outcomes to ensure that tenants:

- know the different ways they can become involved;
- can take part and influence decisions if they want to;
- have the support and resources they need to take part; and
- can help to develop quality services.

The report advised that a proposed future approach to providing support for tenant participation would be reported to the Health, Social Care and Housing Committee in autumn 2015, and that the future approach to provision of tenant participation related services would be reported to the Finance and Resources Committee. This is to ensure that tenant participation services, supporting the implementation of the Tenant Participation Strategy, are efficient, effective and provide value for money.

### Links

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Coalition pledges	<a href="#">P8</a>
Council outcomes	<a href="#">C16</a> and <a href="#">C23</a>
Single Outcome Agreement	<a href="#">SO4</a>

## Review of Tenant Participation Services Procurement Options

### Recommendations

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It is recommended that the Health, Social Care and Housing Committee:

- 1.1 Agrees to further discussion on the co-production options involving Edinburgh Tenants' Federation (ETF), the Neighbourhood Alliance (NA) and other interested parties.
- 1.2 Agrees that a further report on the proposed future approach, informed by these discussions, will be provided to the Health, Social Care and Housing Committee on 26 January 2016.
- 1.3 Refers this report to the Finance and Resources Committee to note the approach to commissioning and to request that the ETF and NA service level agreements are extended for a period of up to 12 months, from 1 April 2016, to allow this process to be completed.

### Background

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- 2.1 The Housing (Scotland) Act 2001 places statutory duties on landlords to promote tenant participation. Landlords are required to consult tenants and Registered Tenants Organisations (RTOs) on proposals that affect them and take account of their views.
- 2.2 The Scottish Social Housing Charter requires landlords to ensure that tenants and customers find it easy to participate in and influence their landlord's decision making processes at every level. The Scottish Housing Regulator is responsible for ensuring that landlords meet the requirements of the Charter.
- 2.3 Tenant satisfaction with Council housing services is high compared to other social landlords but tenant satisfaction with opportunities to participate is lower than average. Each year the Council spends £47 per tenant on tenant participation compared to other landlords whose average spend is £36 per tenant (HouseMark 2012/13 benchmarking figures).
- 2.4 ETF has been Housing Revenue Account (HRA) funded since 1990 and provides (1) a representative role and (2) a service delivery role to support the Council meet its statutory tenant participation responsibilities. On 3 February

2015, the Finance and Resources Committee agreed to extend a Service Level Agreement (SLA) with ETF until 31 March 2016.

- 2.5 The NA has been HRA funded since 2000. The NA supports tenant participation and wider community engagement in East Edinburgh. On 16 June 2015, the Health, Social Care and Housing Committee agreed to extend the SLA with the NA until 31 March 2016.
- 2.6 Both of these services were continued to allow for tenant participation service requirements and procurement options to be reviewed following approval of the new Tenant Participation Strategy.
- 2.7 On 21 April 2015, the Health, Social Care and Housing Committee approved the new Tenant Participation Strategy and agreed that a proposed future approach to providing support for tenant participation should be the subject of a report in autumn 2015 which would be referred to the Finance and Resources Committee. It was agreed that a range of procurement options should be explored to ensure that tenant participation services are efficient, effective and provide value for money.

## Main report

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- 3.1 In considering the procurement options for tenant participation services, a range of activity was carried out including desktop research, discussions with experienced tenant participation practitioners, engagement with Tenants' Panel members and tenant representatives, and discussions with Council procurement officers.
- 3.2 A variety of models are used by local authorities across Scotland to support tenants to have their say on housing services including:
  - contracting independent tenant support organisations to provide ongoing support to tenants and tenants' groups (East Lothian and Stirling);
  - in-house support from Council staff (Aberdeen);
  - council staff seconded to tenant managed organisations (Dundee); and
  - buying in independent advice or training support as required (Perth and Kinross).
- 3.3 Satisfaction with opportunities to participate in these areas varies. Aberdeen is the highest with 80% and Dundee lowest with 52%. In East Lothian the figure is 77%, in Stirling 75% and in Perth and Kinross 62%. These compare with an Edinburgh figure of 66%.
- 3.4 These models informed a discussion on various options with experienced practitioners from two national tenant participation support organisations and ETF on 22 June 2015. A common view was that the different options can all work well provided key underlying principles are met; essentially that tenant participation services are provided with tenant interests to the fore. There was a

strongly shared view that tenants should be widely consulted on any new model and that tenant support for, and understanding of, new approaches being considered is essential.

3.5 Different options were also explored with tenants through focus groups with RTO representatives and Tenants' Panel members. There was no shared view on a preferred delivery model but the discussions highlighted some common themes that participants believed should underpin any future model. These were:

- A good working knowledge of how Edinburgh tenants want to be supported;
- Industrious, effective and efficient;
- Accessible with an excellent understanding of how tenants can influence decisions successfully;
- Able to support individual tenants as well as groups; and
- Accountable to tenants.

There was a strongly shared view that tenants should be involved in determining the future approach to this work.

3.6 The procurement options available are to:

- maintain current arrangements;
- provide tenant participation services in-house;
- tender tenant participation services;
- co-produce the services working with existing providers; and
- co-produce the services working with existing and possible new providers.

3.7 Procurement options have been discussed with ETF. It would prefer to maintain current arrangements, notwithstanding the need for ongoing service improvement. However ETF supports the principle of co-production to achieve better outcomes and would like time to explore these options in more detail.

3.8 On 16 June 2015, the Health, Social Care and Housing Committee noted that discussions have taken place with the NA's Manager on the likelihood of a future procurement approach for services of this nature. The NA believes that it remains in a very strong position to continue providing support for residents and community groups in the East Neighbourhood, that it has a long track record of success, and that it would intend to tender for future contract opportunities.

3.9 Based on the consultation feedback and the Council's commitment to co-producing services, it is recommended that the Health, Social Care and Housing Committee agrees further discussion on the co-production options involving ETF, the NA and other interested parties. Following this, a further report on the proposed future approach, informed by these discussions, will be provided to the Health, Social Care and Housing Committee on 26 January 2016.

## Measures of success

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- 4.1 Increased tenant satisfaction with opportunities to participate. In 2013, the Tenants' Survey found 66% of tenants were satisfied. The Scottish national average is 78%.

## Financial impact

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- 5.1 The ETF and NA SLAs 2015/16 will cost £241,083 and £67,200 respectively (HRA). The costs of any longer term arrangements have still to be determined.

## Risk, policy, compliance and governance impact

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- 6.1 The Council must ensure that any future arrangements are compliant with procurement requirements.
- 6.2 There is some risk of challenge from organisations providing tenant participation services should a decision be taken to maintain the current arrangements.
- 6.3 ETF and the NA are long established in the city and there may be some tenant concern about change. This would be mitigated by ensuring that tenants are at the heart of designing the future delivery model.
- 6.4 The Council's Contract Standing Orders (CSOs) state that, for services in excess of £25,000, a public advertisement followed by an invitation to tender should be carried out before the award of contract. Under Paragraph 9, the CSOs can be waived if justified as a legislative exemption or in the Council's best interests. It is considered that, in this circumstance, a waiver is justified in the Council's best interests to allow for co-production of services and further development of future strategy.

## Equalities impact

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- 7.1 This work is included in the Tenant Participation Strategy Equalities & Human Rights Impact Assessment. The Tenant Participation Strategy includes actions to remove barriers to participation and enhance people's ability to influence decision making. Any organisation providing tenant participation services to tenants in Edinburgh would be required to demonstrate a commitment to supporting the involvement of the diverse range of tenants living in Council homes and have a robust equality and diversity policy in place.

## Sustainability impact

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- 8.1 There are no adverse environmental implications arising from this report. The Tenant Participation Strategy contributes positively to green initiatives citywide, for example, energy efficiency information events.

## Consultation and engagement

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9.1 This report has been informed by three meetings with ETF, two focus groups – one for Tenants’ Panel members (attended by six members) and one for RTO representatives (attended by six RTOs), and a practitioners meeting (attended by two national tenant support organisations and ETF). In addition there have been early discussions with the NA manager.

## Background reading/external references

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[City of Edinburgh Council Tenant Participation Strategy 2015-2018](#)

<http://housingcharter.scotland.gov.uk/>

[www.scottishhousingregulator.gov.uk](http://www.scottishhousingregulator.gov.uk)

<http://www.edinburgh.gov.uk/tenantpanel>

### John Bury

Acting Director of Services for Communities

Contact: Samantha Reeves, Senior Officer Tenant Participation

E-mail: [sam.reeves@edinburgh.gov.uk](mailto:sam.reeves@edinburgh.gov.uk) | Tel: 0131 529 7805

## Links

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<b>Coalition pledges</b>	P8 - Make the sure the city’s people are well housed
<b>Council outcomes</b>	CO16 - Well housed – people live in a good quality home that is affordable and meets their needs in a well managed neighbourhood CO23 - Well engaged and well informed – communities and individuals are empowered and supported to improve local outcomes and foster a sense of community
<b>Single Outcome Agreement</b>	SO3 - Edinburgh’s communities are safer and have improved physical and social fabric
<b>Appendices</b>	