# ct BRIEF

@campbelltickel1 Campbell Tickell





#### John Hannigan

Chief executive, Circle Voluntary Housing Association

### Surviving Ireland's classification storm



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reland is facing a housing crisis that shows no sign of abating and approved housing bodies (AHBs) are the strong and willing choice for partnership with the government and local authorities. This is echoed by the government's Social Housing Strategy 2020 (Rebuilding Ireland), which states AHBs are: "Expanding significantly and playing a

lead role in the delivery and supply of new social and affordable housing."

Currently 32,000 homes are managed by independent and not-for-profit AHBs. The government has set a target for AHBs to deliver 15,000 new homes by the end of 2021, so how is work progressing?

For more than a decade Circle Voluntary Housing Association has been providing quality housing to families and individuals in need. We work with our tenants, statutory and community-based agencies to

promote socially responsible, highquality environments in which our tenants can flourish.

With management provided on a professional not-for-profit basis, Circle VHA has arrears at less than 5%, void rates at lower than 10% and an average void turnaround rate of less than nine weeks. Crucially, our annual tenant satisfaction score runs above

90 per cent.

AHBs are solely focused on relieving housing needs in Ireland: a central on the horizon that partnership to could put the 15,000meeting Rebuilding Ireland targets. Despite this, there is a significant cloud on the horizon that could put the 15,000-home target at risk.

#### Reclassification

"There is a

significant cloud

home target

at risk."

The Central Statistics Office's (CSO) decision to reclassify the largest housing associations ('Tier 3' in regulatory parlance) from private Continued on page 2  $\rightarrow$ 

Reclassification of Ireland's largest approved housing bodies threatens to scupper affordable housing supply

09 Make hay: prospects for England's housing sector

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Continued from page 1 non-profit institutions, to effectively government bodies, has the potential to be a significant game changer.

In March 2018 the classification by Eurostat (the EU body with the final say on these matters) became a reality. All expenditure by Tier 3 AHBs will now be accounted for as public expenditure and public debt.

Historically AHBs received 95% of their funding from government. While there is currently a substantial proportion from government, this has been reducing over the past 10 years, with the introduction of private funding.

The reclassification of AHBs threatens to dilute independence and limit operations. We will be subject to overall EU limits on state borrowing levels. Every Euro spent on capital will have to compete with hospitals, roads, and other significant infrastructure projects. Additionally, each decision will need to be considered and agreed by at least one, if not two, government departments, slowing down housing provision. Private developers may not want to wait for a government decision on their sites.

Until now, AHBs were able to 'gear up' the money received from the state. For every €1 received, the sector was able to generate a further €3 from private finance. This option is now gone. Even if AHBs raise the funding from a bank, the debt will be counted as public, rendering the 'gearing-up' process null and void.

#### Private sector reliance

The implications will be a very real challenge in delivering the homes required and will lead to an almost exclusive reliance on the private sector.

House builders and developers have effectively been asked to provide 72,000 homes using the Housing Assistance Payment (HAP) scheme, which pays money (rent) to the tenant, who pays the private landlord. Meant to be a short-term solution, until a state-provided home (local authority or AHB) is found, the scheme has become a long-term funding stream for the private sector, which makes a significant return on investment. Further, there is no guarantee the "This is not a storm to be weathered but climate change. Denying its existence will bring significant long-term damage to the provision of social and affordable housing in Ireland."

property will remain in the social housing sector.

#### Meeting the challenge

Circle VHA, acting with The Housing Alliance (a collaboration of large Tier 3 AHBs focused on the delivery of homes in the best interests of their stakeholders), have been working with advisors, including Campbell Tickell, to find solutions to this very difficult issue.

A key requirement is a clear and unambiguous statement and policy from the government to take AHBs off the public balance sheet. While the solutions are complex legal and regulatory changes, they are not unusual and have been utilised in other jurisdictions to achieve the exact outcome. The expertise of AHBs must be harnessed to prepare a mitigating response and divert the threatening storm.

Initial research suggests some of the parameters considered controlling, may be altered to secure reclassification. This includes the removal of existing debt off the balance sheet and introducing riskmitigating features.

The potential impact of reclassification can be mitigated through contractual changes to agreements and changes in default

#### In numbers: reclassification

### 32,000

Homes managed by independent and not-forprofit approved housing bodies (AHBs) in Ireland

#### 18

Tier 3 AHBs reclassified from non-profit institutions into the local government sub-sector

#### 15,000

Homes to be delivered by AHBs by the end of 2021



Circle Voluntary Housing Association's development, The Old Chocolate Factory responses, coupled with changes in controls in rent systems. For example, allowing choice-based lettings and focusing on the strong regulation of the sector (with a more independent regulator with different 'step-in and hand-off' obligations) would move the sector into a different status bracket. This is similar to other semi-state corporates that exist.

#### Safeguarding

To ensure AHBs can achieve the 15,000-home target, government support is required and necessary both nationally and in Europe.

A consolidated and targeted advance on the European approach to reclassification, as well as with the CSO by a solid partnership between the government and AHBs, will see a force that is prepared and focused in achieving the targeted delivery of homes.

To banish the clouds of reclassification, AHBs and the government must face the storm head on. This is not a storm to be weathered but climate change. Denying its existence will bring significant long-term damage to the provision of social and affordable housing in Ireland.

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**Cedric Boston** Chief executive, Arhag Housing Association

# Arhag's migrant and refugee hub – the story so far



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rhag's social purpose is to develop the potential of many migrants and refugees (M&Rs) living in London. They are discriminated against, disadvantaged and deprived in our society. Our organisation began as a campaigning group, helping them to improve their life chances.

In 2016 our board decided that being a housing association was not enough for us. They wanted the organisation to return to its social purpose and do more for M&Rs not living in our properties. This led to the birth of our plan to become the 'go to' organisation for M&Rs in London.

#### Supporting integration

One element of that plan is to enable M&Rs to integrate successfully into their community. This means enabling them to have access not just to housing but to a range of other services. This is what is unique about us.

We are developing a community hub. A place where M&Rs in London can receive a range of services such as health, employment, education, legal representation and training. It brings together a number of specialist service providers dedicated to providing a range of integrated services to M&Rs.

Specialist M&R organisations are under threat. Government policy to create a "hostile environment" has made it difficult for them to obtain funding and their clients are in no position to pay their way.

The organisations still standing are constantly at risk without a guaranteed long-term source of income. This limits their ability to



plan ahead and be really creative. Most operate from poor office premises; often a leaking church building without modern office equipment.

Despite the fact that many of these organisations provide a good and useful service

"In 2016 our board decided that being a housing association was not enough for us."

to undoubtedly the most deprived, it is possible that due to the challenging environment, none of them will be around in five years.

#### Working together

At the hub we will accommodate up to nine of these organisations, offering low rent and the opportunity to work in partnership to enhance, sustain and grow their services.

Arhag has purchased a building in Stratford, East London. It consists of 8,700 sq. ft. of office space and refugees will be able to access health, employment, education, and legal services at the new community hub in east London

Migrants and

• The hub will be a one-stopshop of high-quality, accessible services to M&Rs in London.

- Organisations operating from the hub will share the office space and communal facilities.
- They will also combine backroom services such as IT, HR and facilities management, where this will reduce costs.
- Organisations will collaborate in competing for new business and growth opportunities, exploiting the added value of the partnership.
- They will design and sell services to other organisations and undertake and co-fund research.

was bought on a 999-year lease. We are working with the partners to design and fit it out so it is ready in January 2019. Among the services it will provide is a health clinic.

Working together the partners have defined a compelling vision for the hub (see box: Community hub: the vision).

As proof of concept the partnership recently bid successfully to the government's Tampon Tax Fund, securing  $\pounds 1$  million over two years to provide new services for black and minority ethnic (BME) women and girls.

The hub will enable providers to improve their services and there will be opportunities to make more of an impact by working with and alongside other hub partners.

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**Terry Fuller** Head of strategic land, planning and estates, Homes England

# Strategic land – delivering the biggest housing sites



t Homes England, we have exceptional teams delivering residential land into the housing market in order to contribute to the 300,000 homes annual target that has been set by the government.

I have the pleasure of leading the experienced and highly creative Strategic Land team. Strategic land tends to be large sites without planning consent but with great potential (see box).

#### **De-risking development**

My team acts as the 'intelligent client' as they are all qualified in surveying, planning, engineering, design and project management. Our objective is to de-risk a site through de-contamination, resolving the outline planning and Section 106 obligations, including policy compliant affordable housing provision, and investing in the onsite and off-site infrastructure.

To do this we first engage the team of consultants with the skills necessary to the particular site. Then, promote the site through the local planning process, undertaking a range of surveys and public engagements, and working with myriad public and private partners. Each scheme has its own unique set of challenges and risks. These range from the discovery of WWII bombs (in Northstowe); provision of mitigation land for protected species; extensive archaeological concerns; heritage and conservation; major engineering solutions on flooding, infrastructure and provision of utilities. Oh and the minor issue of also trying to future proof the project.

The developments and homes on all of our strategic sites must be well-designed, with an emphasis on modern methods of construction, and a high-quality product, together with encouraging apprenticeships in the supply chain.

#### Speeding up the process

'Prepare' is our team's mantra. On one site alone we currently have 70 work-streams before the first brick is laid.

We are creating a development platform that allows house builders to secure detailed planning consent and build homes at a greatly accelerated pace, to double or triple the speed of build and occupation of the new homes.

In my extensive private sector experience, strategic sites could

#### Homes England strategic land portfolio

- Northstowe in Cambridge (10,000 homes)
- Chalgrove in Oxford (3,000 homes)
- Two schemes in Sussex (more than 6,000 homes)
- A number of other sites amounting to 25,000 plots of land and a gross development value of £8.5 billion



To watch a video of progress at Northstowe, click <u>here</u> take anything up to 15 years from securing the site to first homes being built, and at an average cost of  $\pounds 1$  million per acre in fees.

No two sites are identical, each requires a bespoke solution. However, they all require schools, leisure, employment space, retail, transport, design codes, and much more besides if they are to become the legacy of sustainable communities we need to create.

At Homes England, we are achieving much shorter timescales than 15 years, yet still delivering all of the above objectives.

To discuss the issues raised in this article, contact

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# THE DIARY

#### How can councils and housing associations work together to deliver more homes? 27 June | Manchester

CT and Bevan Brittan are hosting a breakfast seminar chaired by CT director Maggie Rafalowicz exploring this topic at the Chartered Institute of Housing's annual conference. Space is limited, reserve your place now!

#### Board member briefing: understanding risk and effective assurance 17 July | London

CT partner Sue Harvey will be speaking at this session, which will explore the role of board members in managing risk and equip them with new approaches, ideas and best practice to ensure they have effective assurance frameworks in place.

#### EFL Expertise Strategy, Finance & Growth Summit 13 September | Hamburg

Meet the leaders of the European housing industry and discover how they identify strategies, find the best financing, and follow a path of growth between external pressure and internal capabilities.

To find out more, visit www.campbelltickell.com/ events-listing







**Stewart Murray** Strategic director of economic growth, Waltham Forest Council

# Regeneration: what difference can a council make?



ocal authorities have a broad role, whether by selective design or statutory requirement. We act as decision makers, lobbyists, corporate parents, entertainers, social workers, inspectors, guardians, and increasingly, planners and developers.

We are responsible for the delivery of services to meet the needs of residents. Through planning and developing roles, we are becoming the driving force behind place-making and creating liveable communities. The London Borough of Waltham Forest recognises that regeneration is a key part of improving the borough, increasing life chances, enhancing the local economy and attracting inward investment. So how are we approaching this crucial task?

#### Metamorphosis of a borough

This is an important time for the council, and through my role as strategic director for economic growth the team and I have a critical role to play in setting the regeneration

Forest has bold regeneration plans that will improve the life chances of its residents and transform it into a thriving n borough

Waltham

agenda and steering future growth. We may not have the huge development sites available to other London boroughs, but our offer packs a punch. It's an exciting place to be: bold plans, shovel-ready sites and a visionary team. We don't call ourselves the 'Creative Choice' for nothing.

Waltham Forest, like all of London, is growing fast (see box, overleaf: In numbers: Waltham Forest). Current borough forecasts indicate that our population will grow by 7% to 2019, and a further 12% to 2024. This is good news for London. It is fuelled by economic growth, cementing our city's position as a global hub, creative engine and magnet for talent and skills.

Earlier this year, we were named London's first Borough of Culture by mayor Sadiq Khan: a huge accolade that will shine the spotlight on Waltham Forest and is supported with £1.34 million prize money to further invest in culture locally. This will be match-funded by the council and partners, and will leave a lasting legacy with investment in cultural institutions, programmes and careers.

We aim to have 85% of households involved in this once-ina-lifetime opportunity. This means more visitors, more spend in the local economy, burgeoning town centres, and increasing house prices as the borough's profile grows.

#### "Selling a regeneration vision is increasingly challenging, especially in an environment that is becoming more dubious towards government intentions."

Our focus will continue to integrate culture into our regeneration plans to maximise shared value out of public realm, creating spaces that promote people's health, happiness and wellbeing, while capitalising on the local community's assets and potential.

#### **Challenging times**

These are challenging times for local government. Expectations are rising but budgets are getting tighter; services are better, but trust is falling. Selling a regeneration vision is increasingly challenging, especially in an environment that is becoming more dubious towards government intentions and the threat many feel it places on the area's heritage and history.

In 30 years in the public and private sectors, I have seen London change significantly. However, it always comes down to the same question: how do we work in partnership with communities to make sure they feel part of the plans?

Our role as a council is all about synergy and inclusivity. We need to understand our residents and their concerns, and use insight from regular engagement to drive decisions. Local authorities need to shift away from a paternalistic Big Brother mentality and address the shortcomings of the past Continued on page 6 →





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Continued from page 5 by actively harnessing local people's motivation and capacity to participate in decision-making. This will strengthen resident choice and build on assets, networks and local identity through economic participation for all, so we create places that people want. This was key to our winning bid to become the Borough of Culture: it was inclusive and driven by the community.

#### **Different** approach

To harness the scale of the opportunity and achieve inclusive growth, we must do things differently. We alone cannot deliver everything we want and that our community deserves. In this mature phase of regeneration, we act as an enabler for development driven by the private sector.

Our ambitious vision is a new neighbourhood at Lea Bridge and Leyton (an area the size of the City of London, ripe for development) and 17,000 new homes in 10 years with supporting infrastructure.

We have to lay solid foundations

### In numbers: Waltham Forest

# **271,200** people live in

Waltham Forest

#### 48%

are from minority ethnic backgrounds

#### 73.1%

of working-age residents are in employment 35th

most deprived borough in the country

# £30,900

average annual earnings for full-time working residents

#### £424,700

average house price as of April 2016

that attract investment from other agencies and private developers, building strong partnerships to help the borough thrive. As a local authority, we also take on the role of house builder in response to the challenges the housing industry faces in London.

This means seeking innovative solutions to hasten delivery of new homes in Waltham Forest, including our council house building programme, our housing development company Sixty Bricks, and other creative models.

#### **Bold vision**

We've set a bold vision for our borough and have a dynamic plan to achieve it. I am determined that the local authority will show leadership and put in place robust and workable policies and standards that demand high quality. Attracting investment to make things happen and provide the context in which services such as schools and housing will successfully deliver, is a logical progression.

As the link between citizen and state, councils are in a unique position to listen and lead in creating places that regenerate and reinvigorate. Like most authorities, we must tread the fine line between what residents want and what the borough needs economically to flourish.

To discuss the issues raised in this article, contact

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Maggie Rafalowicz Director, Campbell Tickell

# Sadiq Khan's council house building programme – will it be effective?

#### CAMPBELL TICKELL

ouncils have increased their role in house building over recent years. In the capital, this has received a further boost with the recent announcement by the London mayor that he will take steps to help councils build 10,000 homes over four years. So what does this mean for the potential of a continued renaissance of council house building and what are the key elements of Sadiq Khan's scheme?

In recent years, development approaches by councils have ranged across direct delivery, joint venture, wholly-owned companies and partnerships. Many have set up development companies, yet few have so far delivered significant numbers of new homes. So why seek to build themselves rather than using experienced developer partners?

The answers are typically about building what they need (more social rent) rather than what others want, speedier delivery "For councils with existing development teams, this will be an opportunity to deliver even more."

and benefiting themselves from appreciating assets.

Funding for direct delivery has come from a mixture of councils' own capital resources, Public Works Loan Board borrowing, using their own land, bond finance, private sector loans and Homes England/ Greater London Authority grant bidding alongside registered providers and developers. But resources are tight and with housing revenue account caps at their limit, funding has proven a significant stumbling block - together with access to the specialist skills needed to deliver what councils have not done at scale in more than 30 years.

Some of London's most iconic buildings are council-built housing estates, like the Grade II listed Alexandra and Ainsworth estate in Camden



Mr Khan hopes his plan <u>Building</u> <u>Council Homes for Londoners</u> can address this and continue the progress many town halls have made. Funding is for schemes at social rent at or below the London affordable rent, though bids for 'intermediate' products will be considered. There are three main elements:

- $\bullet$  grant at £100,000 per social rent unit;
- right to buy ring fence offer;
- delivery support.

Grant

This stand-alone fund offers £100,000 per unit for social rent homes. Grant will also be available for intermediate products (London living rent, shared ownership) with an uplift for schemes starting within two years.

It is many years since that level of grant has been available. Councils will need programmes of at least 100 homes outside existing programmes. Authorities like Lewisham, Newham and Waltham Forest have already been identified for large programmes. But not all London boroughs are geared up for programmes of this size, in terms of land ownership or the ability to move quickly.

**Right to buy ring fence** The mayor's Greater London Authority will act as a custodian of right to buy receipts, and councils will be able to opt in to this arrangement, with their receipts ring-fenced.

Unlike GLA grant, councils will make the spending decisions about the use of their receipts. However, we shouldn't get too excited as boroughs will still have to operate in line with existing right to buy regulations (i.e. only for lowcost rent; not funding more than 30% of development costs; not in conjunction with other grant for the Continued on page 8 ->





#### Continued from page 7

same home; use within three years). All the same, by agreeing credible plans with the GLA, councils should have greater scope to manage the programme flexibly.

#### **Delivery support** Although some councils

have large development programmes, others do not have the skills or resources to progress schemes. The GLA is offering a range of support: regular seniorlevel meetings (though best practice suggests this should already be happening); secondments of GLA staff; help with clarifying technical issues; the Future of London forum of best practice; and opportunities to learn from housing associations.

It is important to have a range of players delivering new homes, especially homes that are truly affordable, so this initiative is welcome. It focuses on social rent and replacement for homes lost under right to buy, hence the higher grant levels. This is what London (and other parts of the country) desperately needs: any attempt to address this must be applauded.

London mayor Sadiq Khan wants to help councils build more than 10,000 homes over four years



#### Capacity to participate

Although the mayor has invited all London boroughs to put in bids, the question remains whether all will have the capacity to take up the offer.

Housing associations are also expressing concerns about losing staff to private developers. With all the will in the world, there is a limit to how much delivery support the GLA's limited resources can

provide, but for councils with existing development teams, this will be an opportunity to deliver even more.

Especially welcome is the attempt to make better use of right to buy receipts, which is open to all London boroughs, even if they do not bid for this programme.

However, given that existing regulations will still apply, this will need to be monitored carefully and flexibility used so that development opportunities are not hamstrung by artificial deadlines.

Particularly interesting is the GLA's assertion that it can make grant including reallocated right to buy receipts available to bodies in which a council has a controlling interest.

Legal advisors will be kept busy. All in all, the programme is a positive start and very welcome for that.

A version of this article previously appeared on insidehousing.co.uk.

To discuss the issues raised in this article, contact

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Nick Atkin Chief executive, Halton Housing Trust

# The housing sector should make hay while the sun shines



fter what felt like a never-ending winter, summer has arrived. This means we can guarantee thunderstorms and accompanying heavy downpours every time the mercury goes past 20°C. You know the food on the barbecue will never quite get eaten without having to take cover from the rain. In the same way, it has felt like housing is basking in the warm glow of positive words and supportive actions from the government and all the main political parties.

#### **Good foundations**

Our relationship with the government has shifted markedly. For the first time in several years, it feels like the housing sector is viewed as an integral part of the solution, rather than as part of the problem. We now need to build upon these foundations, unless we want to be on the receiving end of some heavy weather from Whitehall.

The last few housing ministers (over the now customary brief period!) have been keen to listen, understand, and remove the barriers to delivery we have been pleading to be sorted for years.

We have returned to a housing programme that includes affordable rented housing. Housing associations are being offered more flexibility, and Homes England clearly has a desire to increase the pace

of delivery of new homes. In some cases, there are increased grant rates, to either unlock sites or build homes of mixed tenure.

Uncertainty over future rent settlements has, until recently, been a significant barrier in the confidence to build more homes. This has also largely been addressed, alongside the local housing allowance (LHA) cap and the future funding framework for supported housing.

While 'regeneration' was once a taboo word, it is now viewed as one of the ingredients to balance housing markets. Despite this, there is still not enough investment to fully support its holistic delivery and, as has been recognised elsewhere, the way residents are engaged from the outset in regeneration schemes is critical.

The deregulatory measures needed to remove the classification as a public body have been implemented. The roll-out of the voluntary right to buy scheme has slowed down and may not even happen.

#### **Challenges remain**

We have travelled a long way since those dark days in late summer/early autumn of 2015, when, at one point, it looked

like the writing could

housing sector.

several other

challenges still

exist. Universal

the single biggest

credit remains

operating model in the

past 30 years. But isn't that

change to our

our role? As a sector we deliver

some of our best responses when

With this new-found freedom and

flexibility comes a much stronger

focus on the need to deliver a

greater pipeline of new homes.

the challenges are considerable.

Pressure to deliver

"It feels like the housing sector is viewed as an integral part of the solution, rather than as part of the problem."

thanks to recent positive words and actions from the government be on the wall for the Yes, of course

The sun is finally shining on the housing sector,

Fast-forward four years to 5 May 2022 and the next general election, all eyes will understandably be on the housing sector.

Having removed many of the barriers to delivering homes, if we are then asked the question, "So, what stopped you building more homes?", we need to have a very clear and legitimate answer.

While some of the details have undoubtedly shifted, the overriding need for the housing sector to deliver is even more relevant now than at any time since the post-war building boom. For the first time in several years, we are very much in the driving seat and can directly influence what impact we make to address the housing crisis. We need to have our foot flat to the floor if we are to make that fastapproaching finishing line.

#### To discuss the issues raised in this article, contact

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**Fulfilling Lives:** five years on - what have we learned?





Alison Bearn Programme lead, Fulfilling Lives Islington and Camden

In July 2012, the Big Lottery Fund announced an eight-year investment of up to  $\pounds 112$  million in the Fulfilling Lives initiative, which aims to improve the capability of people with multiple and complex needs to lead better lives as a result of timely, supportive and coordinated services.

Islington and Camden were chosen as one of 12 areas across England to deliver a Fulfilling Lives project, with London-wide homeless charity Single Homeless Project (SHP) appointed the lead partner.

We asked Alison Bearn, programme lead at Fulfilling Lives in Islington Camden (FLIC), how the work is progressing.

#### Q: What was your original proposal for the service, how has the service changed since it was set up and why?

A: We pledged to use the funding from the Big Lottery over the next eight years to work intensively with 120 people each year, who have a long history of untreated mental health issues, alcohol or drug misuse, criminal activity and homelessness. To date, these clients have fallen through the cracks between services because no one



A service user talks to his mentor. The **Fulfilling Lives** programme aims to help people with long histories of untreated mental health issues, alcohol or drug misuse

takes overall responsibility for helping them to deal with all their problems systematically.

We wanted people with multiple and complex needs to be able to manage their lives better, through access to more person-centred and co-ordinated services. We also committed to developing a body of shared learning and measurable outcomes, so we could demonstrate the impact of these service models to stakeholders.

As the work has progressed, we've found that system change is not linear and there is no easy to follow 'road map' to effect change. Instead our approach has been iterative, building on what we are learning and responding to opportunities.

We initially focused much of our attention on building our Strategic Board and developing relationships with decision makers and commissioners. However, in doing so, we realised we hadn't made best use of the expertise and ideas of our frontline workers. We've now re-drawn our approach so our client-facing workers can have a much more active role in effecting

"We've seen an enormously positive impact from supporting clients to do the things so many of us take for granted."

local change and informing service delivery and design.

#### Q: What has been the biggest learning from running the service?

A: The majority of our clients have lived through years of trauma and abuse and have rarely been able to access psychological or therapeutic interventions. Until these underlying issues can be safely addressed, it is hard for the client to move forwards. To address this we've developed an in-house psychology service to enable clients to build the stability and confidence to start addressing their emotional needs.

One area we underestimated was physical health. Most of our clients have very poor health, but have problems accessing consistent and appropriate treatment. With the average age of death for homeless people currently at 47 years for men and 43 for women, it was clear that this demanded attention. We're now looking at ways the system can intervene earlier to help clients access healthcare, and whether in doing so, the costs both to the individual and to services can be reduced.

Another key lesson has been the importance of positive social networks and meaningful use of time. This can often be the last thing that gets discussed, but we've seen an enormously positive impact from supporting clients to do the

Continued on page 12  $\rightarrow$ 





Continued from page 11 things so many of us take for granted – social activities, making friends and having fun!

To build on this, we're focusing on developing strengths-based approaches across the sector in collaboration with our clients. Their role in co-producing these solutions is essential. Clients know what works – we just need to find ways to support them so their voices are heard.

# **Q**: What have been the biggest challenges and how have you overcome them?

A: Mainstream providers often lack the resources to undertake outreach, but we see this as the stepping stone that will bring clients into support. Our workers provide the resource to bridge this gap but, as a programme, we are looking at ways to make existing provision more accessible through initiatives

such as satellite surgeries, co-location of support workers and shared learning activities.

Our clients are a very stigmatised group and at times we have to challenge perceptions and myths about the behaviours of some of the people we work with.

Sometimes opinions of our clients are based on things that happened years ago – or may never have happened – and we are often told they 'do not want to engage'.

We've found that flexible support and partnership work with other services enables us to address this in a positive way. It means we can support our clients to take better control of their lives and write their own narrative.

### Q: What have been the best achievements?

A: Accessing housing remains one of the biggest challenges for our clients. To tackle this we've used the Housing First approach, which is based on placing people with complex needs in a stable home, with no pre-conditions or expectations of abstinence.

Applying this approach in the

private rented sector has proven highly effective for clients who would not respond well to the hostel environment but would also struggle to access or maintain tenancies without intensive support. More than 85% of clients in our Housing First properties have sustained their tenancies, often moving in straight from the street.

After launching the service we found that the proportion of clients who are women was much higher than we anticipated, which suggests we're reaching women with complex needs who have fallen through the gaps of other services.

About 90% have experienced domestic abuse and/or sexual violence, but they were not accessing specialist support. To tackle this we've done a lot of successful work on bringing together the housing and homelessness sectors with domestic violence and women's services to better support vulnerable women

"We found that

the proportion

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working closely with the police, the probation service and clients to break the cycle of offending. As a result, offending has more than halved among our

clients. Through our support work we've also seen significant reductions in substance misuse, and we've drawn on this learning to shape and enhance the commissioning of services.

# Q: What has it been like working as part of a larger national programme?

A: It is great to be able to share learning, ideas and resources on a national basis. It stops us 'reinventing the wheel' and enables us to motivate and inspire each other when the going gets tough! The Big Lottery has been incredibly supportive in allowing us to test approaches and this has enabled us to respond positively to the system challenges we see around us.

Q: The programme was established to test innovative service delivery and to influence



Two FLIC mentors in discussion policy and strategy around reducing entrenched rough sleeping and complex needs – how far has this happened?

A: Given the high proportion of clients with complex trauma going back to childhood, a traumainformed approach is essential and we're influencing sector peers to embed this in their services, including the development of a trauma-informed and genderinformed approach across our local hostel pathways.

We've successfully advocated for Housing First to be adopted in Islington and we've joined up with Public Health to fund initiatives addressing dual diagnosis and frequent attenders at A&E. We're also developing a shared programme of work in Camden to improve primary care access for clients with multiple needs.

Our over-arching objective is for the boroughs of Camden and Islington to have a published strategy as to how they will meet the needs of people experiencing multiple disadvantage.

With cuts to funding in local services nationally, collaboration and partnership work is imperative, and messages regarding the need for a trauma-informed, multiagency approach are now commonly accepted. The challenge remains as to how these approaches can be embedded in service design and delivery, so we're focusing our remaining four years on embedding these models into commissioning and practice.

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Alice Smith Consultant, Campbell Tickell

# Happy first birthday to the Charity Governance Code

#### CAMPBELL TICKELL

n July 2017 the revised Charity Governance Code was launched. It was designed as a tool to support continuous improvement and it sets a high bar for charity boards. The success of the Code will be defined by how and to what extent charities apply its principles to improve their governance arrangements (and ultimately the way in which they meet their charitable objectives).

With the Code's first birthday fast approaching, it seemed a good time to catch up with Rosie Chapman, chair of the Charity Governance Code's steering group and senior associate at Campbell Tickell, to find out how it's been received, adopted and put into practice.

#### A positive response

Rosie reports that the reception has been very positive. The Charity Commission has fully endorsed the revised Code, and people report that they've found it clear, easy to understand, and a relatively quick read (it's a fraction of the length of the UK Corporate Code).

The format is simple – seven principles building on a foundation of basic expectations, with key outcomes and recommended practice for each principle – and there is a separate version of the Code for larger charities.

In such a varied sector, it is hard to capture the level of take-up. Early adopters of the Code include wellknown organisations such as NSPCC and Breast Cancer Now, as well as a swathe of smaller charities. A leading accountancy firm plans to audit the

#### The CT view: what should come next?

- Make assessment against the Code a standard item in board effectiveness reviews (CT already does this for the charities it works with)
- Create tools to help smaller charities progress with Code compliance
- Hold a cross-sector workshop on board culture and behaviours

The Charity Code of Governance has been positively received since its launch a year ago accounts of the top 100 charities this summer to assess take-up. When it surveyed its clients last autumn it found 48% were planning to adopt the Code this year.

#### Work in progress

Fully adopting the Code is a work in progress for most of the charities Rosie has talked to, and its practical application varies according to a charity's size, model and activities, but also its governance culture. For example, the Code recommends all boards adopt a Code of Conduct for trustees. Some charities have had one in place for years, but for others this is new. Another recommendation that boards should review key policies and procedures presents a challenge for boards to make the best use of their time without becoming overburdened with governance work.

The Code takes an 'apply or explain' approach, and some charities have found it tricky to supply the right kind of evidence. They know the practice is being applied, but don't have the evidence to hand. Some are using their nominations or governance committees to look at what needs to be done

before taking an action plan to the board for approval.

#### Sticking points

It is impossible to make sweeping statements about governance issues in the charity sector, but there are some areas where many charities could improve, and where the Code makes stretching demands: particularly around board culture, risk and diversity.

The Code places an emphasis on boards reflecting on how they work together and promoting constructive challenge. These are new areas of focus for some boards, although the National Housing Federation Code of Governance and the Code for Sports Governance both have significant requirements in these areas. Will the new UK Corporate Code (due to be published this summer) draw out similar themes?

Developing a mature risk approach is a work in progress for many charities. Elements involved include understanding the dangers of being risk-averse, being clear about what risks are acceptable, and having an awareness of how risks can coalesce.

Another of the key principles of the Code is diversity. This is a big issue for a sector where the average trustee is white, male and aged 55 to 64. Diversity is used here in its widest meaning: for example the Code suggests boards regularly review not just the skills and experience of those on the board, but also the diversity of the backgrounds of its members. It also recommends boards try to recruit trustees in a way which attracts a diverse pool of candidates.

In practice however, recruiting a diverse board appears hard to achieve, and is something that charities (and indeed private companies) are still working on. Continued on page 14 →



# Case Study

#### Sports Governance

#### CAMPBELL TICKELL



**Radojka Miljevic** Partner, Campbell Tickell

Since the introduction of a new government strategy at the end of 2015, the past few years have heralded substantial change in the strategic direction and governance arrangements of organisations operating in the sports sector.

Part of our work in this sector has focused on governance standards and board efficacy. As a leader in governance, we are well versed in the Code for Sports Governance and the challenges membership bodies have in controlling governance arrangements, and we have been helping sport and leisure organisations meet the new threshold of excellence required of them. We set out below one way in which we consider we've had some positive impact.

**Our work with the County Sports Partnership Network** From September 2015 to June 2017, CT was appointed to support

#### Our approach

The programme comprised:

- Five 'supa-regional' workshops: one-day events made up of keynote speakers, topical workshops, and peer-to-peer action learning groups.
- Seven webinars: topics included sports governance code; effective stakeholder relationships; driving efficiency and business sustainability; and board effectiveness.
- Five thought-pieces published on the CSP member-only online forum.
- **One-to-one individual surgeries** with board members at the CSPN Annual Convention.
- Authoring documents to help CSPs comply with the Code for Sports Governance.
- **Two pilot** 'light touch' governance health checks with CSPs.
- Two seminars at the CSPN Annual Convention.
- Ongoing support to the CSPN team.

the County Sports Partnership Network's 'Good to Great Board Training and Development Programme'.

We worked with County Sports Partnership (CSP) board members from across the 44 nationwide county sports organisations, If you would like to read more of our case studies, click <u>here</u> to improve their skills and knowledge of governance issues (see box: Our approach).

#### Outcomes

CSPN noted progress overall in raising standards in board performance.

Action taken by CSP boards included: improving the quality of strategic discussions; holding regular meetings between CEOs and chairs; reviewing and refreshing policies; developing board-driven agendas; better utilisation of the board skill set; and increased selfreflection alongside a culture of improvement.

All of these improvements sat alongside practical steps to introduce appraisal and succession planning processes.

This project has been a catalyst for CT's involvement in the wider network and we have assisted individual CSPs with a wide range of governance related issues, as well as assisting with options appraisals and recruitment to nonexecutive and executive roles. For example, we have assisted CSPN in recruiting its whole board. We have also recruited chairs to three CSPs and are currently working on a new chair recruitment exercise.

To find out how we can help your organisation, email

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#### Continued from page 13

Some of the potentially more controversial elements of the Code – while reflective of accepted best practice – were the suggested limits for trustee tenure (nine years) and board size (up to 12).

Anecdotally these points have helped organisations have difficult conversations – though the size limit remains a challenge for some. As for the future of the Code, there is discussion about whether to create a simplified version for the vast majority of charities that don't employ any paid staff.

#### Keeping up the good work

For now, however, the priority is securing funding to maintain and develop the Code and to promote its take-up and use. While taking up the Code is not in itself a way

to avoid things going wrong, it is a tool for charities to use to ensure their governance arrangements are in good shape. Ultimately this will contribute towards strengthening public trust in the important work charities undertake.

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Darren Hartley Chief executive, TAROE

Establishing

genuine and

engagement

priority for all

social landlords

should be a

effective tenant

### Building confidence and trust with tenants



ollowing several years of regulatory focus on economic matters, in the wake of the Grenfell Tower tragedy, the housing pendulum has swung back to highlight the importance of effective tenant engagement. Housing is high on the political agenda, and the need to rebuild trust and confidence among residents is front and centre.

Many consultations are taking place asking fundamental questions about the role and purpose of social housing. TAROE Trust is clear about the role we think the sector should have, and we have set this out in our *Manifesto for Change*.

I recently chaired the Residents' Working Group as part of the Hackitt Review. The final report has recently been published, and it is clear fundamental change of the building safety regime is required. The work caused me to reflect on wider questions of what effective tenant engagement should involve. Here are my top five:

#### Openness and transparency

Landlords need to engage with residents to establish what kind of information they would like to receive. It is often possible to share a lot more information. For instance, do you routinely share Fire Risk Assessments with residents? Following the Grenfell Tower fire, this routinely occurs in places like Camden. It provides an opportunity to have an open dialogue, and residents are a valuable source of information.

Prescriptive standards and strong regulation While many landlords understand the value of effective engagement, with so many competing demands it is possible to take your eye off the ball. With some matters, such as health and safety, that simply can't be allowed to happen.

That is why we believe minimum prescriptive standards are essential, and act as a clear reminder of their importance. We have called for a statutory enforcement body for fire safety matters. We also expect a strengthening of the Tenant Involvement and Empowerment Standard and for consumer regulatory standards to be equivalent to economic ones in future.

We also believe there is a role for a national tenant body, recognised and funded by the government, to represent tenant interests at the policy-making table and to sign-post tenants directly as to the options available to them.

> Genuine empowerment – honesty and partnership

There is no single blueprint for effective tenant engagement. For many landlords, the value of effective engagement is clear, as evidenced in the National Tenant Organisation's publication <u>An</u> <u>Investment not a Cost</u>. However, a



key feature is the need to maintain a "sensible dialogue".

This is a two-way process. Social media and online platforms provide the opportunity to reach much wider groups and access richer information – in short it can be a game changer. But it is important not to neglect more traditional methods. There will always be a place for face-to-face conversations and, when engagement is done well, your residents can often be your strongest advocates.

Tenant Panels have also offered opportunities for genuine and powerful change as one of a range of engagement routes. However, these need to be properly serviced and supported. They also need to remain on the journey with you. If a Tenant Panel makes recommendations for change, ensure they are informed when actions are implemented and that you are accountable to them.

**Clear lines of communication** It is critical to maintain healthy channels of communication. Some landlords prepare Investing in Involvement Statements to demonstrate their work in this area, which provide a good opportunity for collaboration, reflection and improvement.

**5 Crystal ball gazing** As attention moves to what might be included in the forthcoming Social Housing Green Paper, it would appear highly likely that the need for effective tenant engagement will be central to future reform if the first tentative steps to rebuilding trust and confidence among tenants is to be made.

## To discuss the issues raised in this article, contact

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