

## **LOCAL GOVERNMENT AND HOUSING COMMITTEE**

### **MANAGEMENT REVIEW OF THE WELSH TENANTS FEDERATION**

#### **Purpose:**

1. The Committee is invited to note and discuss the report on the management review of the Welsh Tenants' Federation (WTF).
2. The issue forms part of the Committee's agreed forward work.

#### **Summary:**

3. Hacas Chapman Hendy were appointed in November 2000 to carry out an independent management review of the WTF. The review methodology included a questionnaire to all tenant members, interviews with staff, key Committee members and the organisation's auditors and surveying of social landlords and housing representative bodies.
4. The terms of reference were subsequently extended to provide advice on a dispute between an individual and the WTF and on an appropriate framework for dispute resolution, and to make recommendations on the need for and content of a code of conduct for the WTF.

#### **Timing:**

5. The report has been submitted within the last week. The Minister for Local Government, Finance and Communities agreed to present its findings to the Committee at the earliest possible opportunity.

#### **Background:**

6. Concerns were raised during the last financial year about the leadership, management and direction of the WTF and the effective use of grant funding. It was therefore decided that a management review should be undertaken to clarify the general direction the organisation is taking and to establish whether value for money is being provided from grant funding. As the major and realistically sole funder of the WTF, the Assembly has a clear responsibility and accountability for the effective use of public money. The WTF is one of Wales' leading tenant organisations and, as such, is expected to provide the Assembly with informed opinion and advice on tenant issues. This is particularly crucial at present given the Assembly's emphasis on improved tenant involvement.

## **Consideration:**

7. In a difficult set of circumstances, the consultants have been able to unravel the background which led to the internal problems and ultimately to the instigation of the review. The report provides a realistic appraisal of the WTF's strengths and weaknesses and proposes practical solutions for the resolution of recent problems and for the organisation to move forward in a more efficient and effective way.

8. By way of example, the report includes the following recommendations:

**Governance:** e.g. update memorandum, articles of association and terms of reference of the Management Committee;

**Training and management:** adopt an annual training plan; provide annual training for Committee members in their roles and responsibilities as Directors.

**Financial management:** various improvements to budgeting and reporting procedures; invite auditors to carry out interim audit for 2000-2001 to test whether new procedures are effective;

**Ability to deliver objectives:** revisions to the current Committee structure; better promotion of the work of the WTF to potential members and to landlords.

**Dispute resolution:** establishment of dispute resolution procedure within each tenant group; early resolution of disputes where necessary using a mediator or arbitrator; improved tenant training in procedural matters and clarification of WTF's role in disputes.

9. The report finds that since the Assembly has raised its concerns, the WTF has already taken much action to address its problems. Whilst recommending a number of ways in which the WTF can strengthen its internal control processes, the consultants found that there was much to commend in the way the organisation is operating. In particular the report highlights the contribution made by the WTF to the policy agenda in Wales, the grassroots support of tenants, the training offered to its membership and to the considerable voluntary effort given by the Management Committee.

10. The report also notes that the Assembly may wish to consider any overlap between the services provided by the WTF and the Tenant Participation Advisory Service (TPAS) Cymru and any possible duplication of Assembly funding in this respect. Both organisations are in the process of updating protocols about their respective roles and we will review these. In addition we propose to carry out a review of TPAS Cymru this financial year.

11. The report has been submitted to the WTF's Management Committee for consideration. A formal response to its findings and recommendations has been sought, detailing how and by when these will be addressed, within an overall response period of 9 months. Copies of the summary report will subsequently be sent to staff and WTF members, as well as to other contributors to the review who request one. In issuing the summary report an opportunity for comment on the report's recommendations will be offered.

### **Compliance:**

12. The Assembly has powers to make grants under the Housing Act 1985 as amended by Section 16 of the Housing and Planning Act 1986) and Section 87 of the Housing Associations Act 1985 (as amended by Schedule 3 of the Housing Act 1996 and Government of Wales Act 1999). The relevant powers under both Acts have been delegated to the Assembly Minister and the relevant powers under the Housing Associations Act 1985 have also been delegated to staff.

13. The review has not found any issues of regularity or propriety.

### **Action for LGH Committee:**

14. The Committee is invited to note and comment on the report on the management review of the Welsh Tenants' Federation.

### **Contact:**

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