WNC-NPH Governance Framework

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Prepared for

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Governance Framework

Introduction

This document outlines how West Northamptonshire Council (WNC) effectively work together with their Housing ALMO, Northampton Partnership Homes (NPH).

It explains the WNC-NPH Governance Framework model, reflecting good governance standards that support the delivery of the WNC Corporate Strategy and NPH's Corporate Plan.

Overview to the Governance Framework

The WNC-NPH Governance Framework has been co-designed and co-created by WNC and NPH representatives. It includes structures and processes to drive accountability, joint-organisational alignment, risk, and issue management, provide regulatory assurance, and opportunity exploitation.

Its purpose is to:

- Establish and inform a robust governance structure and partnership approach through WNC-NPH activities,
- Establish and maintain inter-organisational cultural values of transparency, openness, and joint-partnership within all levels of the WNC-NPH relationship levels,
- Establish and ensure clarity in decision-making, intelligence sharing, and assurance activities,
- Facilitate appropriate levels of assurance and compliance between organisations pertaining to the statutory and regulatory requirements,
- Formulise and treat shared risks and issues pertaining to the WNC-NPH relationship, and
- Establish clear lines of accountability, roles, and responsibilities between the organisations and further support collaboration and co-creation within the WNC-NPH relationship.

WNC-NPH Governance Design Principles
The following design principles have been implemented through the framework and will support good governance:

1. Partnership Approach

The partnership approach throughout the WNC-NPH framework (and relationship) emphasises a culture of collaboration, co-creation, communication, and inter-organisational development. Through these principles, it is seen that both organisations offer unique and critical insights on technical and operational areas, which allow overall business effectiveness, innovation, and delivery. The partnership approach, as depicted within figure 1, builds on the following areas:

Partnership Approach

Good Communication and Relationship

Good communication and effective relationships between NPH and WNC is critical. Clear communication and relationship nodes are essential for developing a mature relationship, trust and empowerment.

WNC–NPH Governance Framework

The Framework will be underpinned by explicit structures that set out clearly defined roles and responsibilities for both organisations and individuals. This will set out clear performance monitoring, reporting and parameters for reviewing arrangements as the relationship evolves.

NPH and WNC Strategic Alignment

Clearly alignment between WNC objectives and those of NPH are essential. This includes core housing management services and the wider portfolio of services delivered by NPH on behalf of WNC. It includes risks appetites, direction of travel and priorities.

Resourcing and Valuing Clienting Function

WNC will ensure that sufficient resources are in place for effective clienting relationship. This will both support and challenge the NPH, and commitments within WNC.

Setting Roles and Responsibilities

As the relationship continues to evolve, this will come with enhancements and ambitious delivery of services. WNC will set its overall housing strategy and wider corporate strategies. NPH is responsible for setting its own strategic priorities to support WNC and tenants needs. WNC will need to be responsible for agreeing outcomes, setting budgets to achieve outcomes, and monitoring performance. Establishing roles and responsibilities is therefore critical.

Figure 1: WNC-NPH Partnership Approach

2.   'No Surprises' and 'No Judgement'

A fundamental principle underpinning the WNC-NPH Framework is openness and transparency in intelligence sharing, reporting assurance, and risks/issues/opportunities reporting. This principle is a two-way relationship between both WNC and NPH to allow the relationship to maturely develop and help manage potential difficult conversations.

At the heart of this principle is the emphasis on **co-regulatory** approach to regulatory and statutory requirements. Both WNC and NPH self-police and self-report data and issues and risks within or between the organisations. The co-regulation emphasis of 'no surprises' and 'no judgement' reflects the Regulator of Social Housing's co-regulatory approach to assurance and compliance.

3.   Accountabilities, Roles, and Responsibilities

Fundamental to all effective governance models is the principle of clear accountability, roles, and responsibilities. Within the WNC-NPH relationship and Governance Framework, accountability is referenced both within and across both organisations.

4.   Assurance, Actions and Activities

Through the partnership approach, both WNC and NPH are expected to promote two-way assurance actions and activities within Governance Forums to ensure the development of a mature relationship. This reflects the partnership approach, whilst respecting the 'arms-length' nature of NPH, and WNC's need for assurance in its landlord and stock-holding role.

This is fundamental to the good governance procedures and established through National Federation of ALMOs (NFA) /Councils with ALMOs Group (CWAG) best practice Governance Report.

Activities and actions may vary, but in general this includes the following:

Figure 2: WNC-NPH Assurance Activities & Actions

Assurance activities and actions are a positive mechanism and ensure value-added work, validate evidence-based decision-making, and provide a greater holistic view of planned improvements and products.

5. Business Intelligence and Information Sharing

Interlinked with the previous good governance principles is the critical importance and need for accurate and timely business intelligence and information sharing. This ensures that decision making is evidence-based, supports risk and issue management, and supports both organisations with assurance against legislative and regulatory requirements.

For the WNC-NPH Governance Framework to be effective, each Forum should determine the appropriate topics that require business intelligence and information.

Section 2: WNC-NPH Governance Framework

WNC-NPH Governance Framework

The following sections establish the WNC-NPH Governance Framework purpose, principles, processes, and procedures.

WNC-NPH Governance Purpose
An effective Governance Framework is paramount to the WNC-NPH relationship. It supports the delivery of WNC and NPH strategies and drives accountability, addressing statutory and regulatory assurance. In this light, the WNC-NPH Governance Framework purpose is to:

- Establish and inform a robust governance structure and partnership approach through WNC-NPH activities.
- Establish and create inter-organisational cultural values of transparency, openness, joint-partnership, and accountability within all levels of the WNC-NPH relationship levels.
- Establish and ensure accountability in decision-making, intelligence sharing, and assurance activities which will provide an infrastructure for greater timeliness approval.

Overview of WNC-NPH Governance Framework

The WNC-NPH Governance Framework will be structured through three areas of the WNC-NPH relationship, as outline in Figure 3. The following section outlines the function of each level, including key responsibilities and roles.
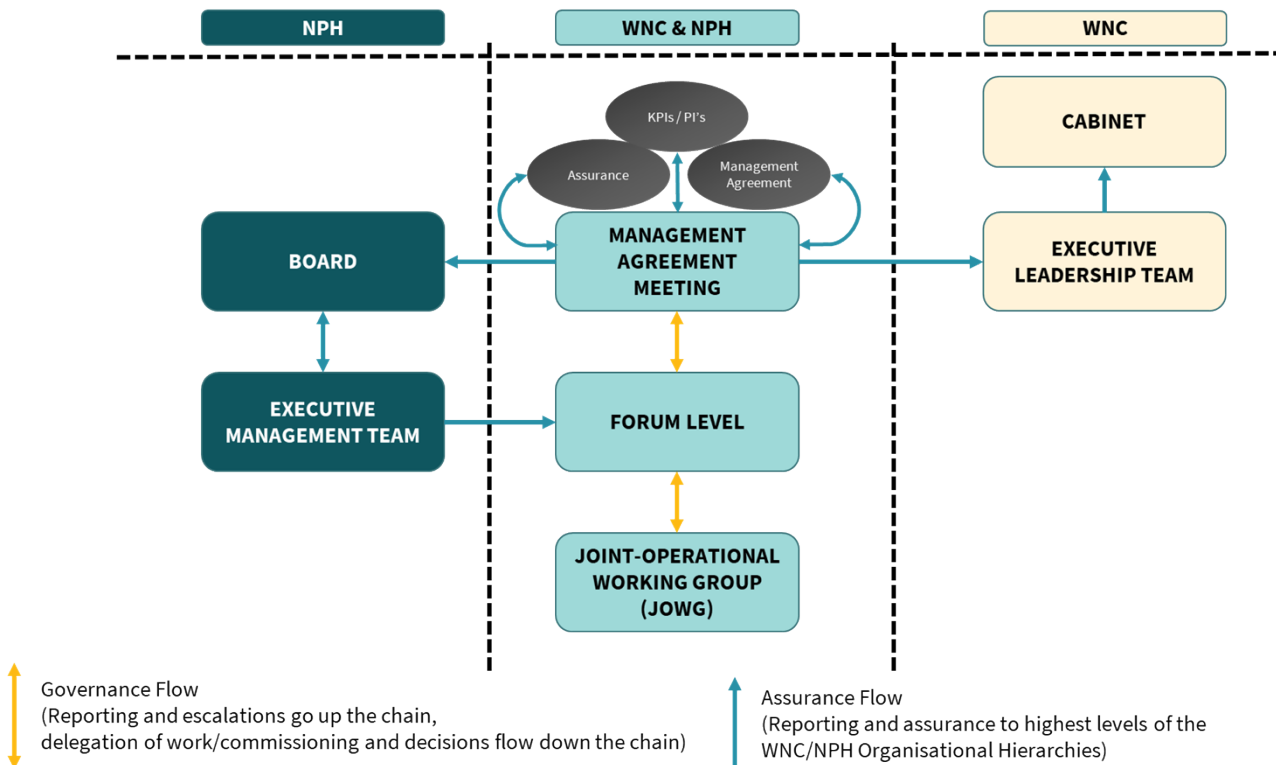
NPH	WNC & NPH	WNC

KPIs / PI's
Assurance
Management Agreement

BOARD

MANAGEMENT AGREEMENT MEETING

CABINET

EXECUTIVE LEADERSHIP TEAM

EXECUTIVE MANAGEMENT TEAM

FORUM LEVEL

JOINT-OPERATIONAL WORKING GROUP (JOWG)

Governance Flow
(Reporting and escalations go up the chain, delegation of work/commissioning and decisions flow down the chain)

Assurance Flow
(Reporting and assurance to highest levels of the WNC/NPH Organisational Hierarchies)

Figure 3: WNC-NPH Governance Framework Structured Areas

1. Joint-Operational Working Groups (JOWG)

The JOWG refers to NPH and WNC groups that are structured around the day-to-day management of service areas within the WNC-NPH relationship e.g., customer service engagement working group. They allow NPH and WNC representatives to discuss specific problems, day-to-day risk and issues, and progress joint operational activities.

The groups support timely and effective operational management between WNC and NPH but are not formally included in the WNC-NPH Governance Framework. Reporting and escalations from the groups may be included in the Forum meetings if required, and delegation, work and decisions may flow down from the Forums to the groups if necessary. The Forums may wish to periodically review the JOWGs to ensure that they are working effectively.

2. Forum Level

The Place/People/Finance and Resource Forums are formal elements of the WNC-NPH Governance Framework for sharing information. They allow the strategic alignment between the organisations and cover high-level discussions, assurance monitoring and, where appropriate, approvals and escalations on the relevant areas.

The Forums will have a specific focus on the following areas of the WNC-NPH Relationship:
- Assurance and compliance oversight (e.g., pertaining to Regulatory and Statutory requirements),
- Assurance pertaining to specific Management Agreement PIs
- Risks and issue management, monitoring and escalations,
- Opportunity discussions, action plans and strategies,
- Activities pertaining to assurance, compliance, policies, strategies, and business improvement mechanisms,
- Providing the Management Agreement Meeting with quarterly highlight report on the points above

In principle, the above focus areas may vary between the Forums and can be flexible throughout the gained maturity and assurances demonstrated within the WNC-NPH relationship.

There will be three Forums. The Place Forum's scope is homes, properties, and the built environment. The People Forum's scope is residents and tenants. The Finance and Resource forum scope is the financial and resource management between WNC and NPH.

Where there are topics that impact on more than one area – for example, responsive repairs affects both residents and homes – the Forums will work together to decide under which remit it sits. The below table represents the topics each Forum will discuss:

Place Forum	People Forum	Finance and Resource Forum
- WNC Housing Strategy - NPH Development Strategy - Development Programmes - NPH Asset Strategy - Health and Safety - Building Safety - Affordable Housing Development - Sustainability Strategy/Policies	- Customer and Resident experience - Tenant Engagement - Complaints - Cases & Severe Casework - Allocation services - Public Health Strategies - Income & Rental collection impact - Traveller Site Activities	- Financial Performance - HRA Fund - Capital Fund - General Fund - Budget Variances - Aids and Adaption Budgets - Disaster Recovery & Business Continuity Plans - Rental Increases - Income & Rental collection - Right-to-Buy - Service Charges

▪ Regeneration Activities ▪ Traveller Site Investment		

3. Management Agreement Meeting

The Management Agreement Meetings of the WNC-NPH Governance Framework have a specific, long-standing remit surrounding the oversight and development of the WNC-NPH Management Agreement. They are quarterly meetings to enable monitoring of NPH's performance against the Management Agreement, including its regulatory and legal requirements.

The meetings consist of the following specific focal points:
- ▪ Performance Monitoring and Analysis through Management Agreement PIs including key deliverables in WNC and NPH corporate plans and against regulatory and legal requirements[1]
- ▪ Financial performance and income and rent collection performance
- ▪ Complaints
- ▪ RSH requirements
- ▪ Quarterly highlight report reflecting the high-level risks and issues that have a material impact on either the Management Agreement or Management Agreement PIs from the Forums[2].

Other strategic topics covered include:
- ▪ Key priorities for members
- ▪ Development of, and changes to, relevant WNC or NPH strategies and Corporate / Delivery Plans
- ▪ Feedback from the WNC Officer representative on the NPH Board

To ensure the meetings are effective, the meeting may be split in two, with the performance and highlight reports covered by the following:

- ▪ WNC Lead Officer for the NPH relationship
- ▪ WNC Asst Dir (Jo's role)
- ▪ NPH Chief Executive
- ▪ Chairs of the Forums

with a wider group of attendees who have responsibility for the areas being covered as required.

The strategic discussions should include the following:
- ▪ WNC Cabinet Member for Housing
- ▪ WNC Lead Officer for the NPH relationship
- ▪ NPH Chair
- ▪ NPH Chief Executive

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[1] Detailed reports are presented by NPH specifying their performance against the KPIs that are agreed with the Council at the beginning of each year.

[2] Issues and risks may first be highlighted in the Forum(s) and then reported to the Management Agreement through the Quarterly Highlight Report.

Inputs, Activities, and Outputs of the Forums

The WNC-NPH Governance Framework is built on shared information (e.g., reports, business intelligence data, etc), communication, and assurance between WNC and NPH. The information requirements will be determined by each Forum and should be aligned with the remit and responsibilities. The following is a brief description of the inputs and outputs of each Forum.

Associated Inputs to the Forums
The Forums will determine the frequency and level required for the associated inputs. The 'inputs' into the Forums will include, but not limited to:
- Forum Agenda
- Forum Papers, which may include:
  - Assurance data as required for KPIs and PIs (e.g., regulatory measures)
  - Associated evidence and/or information to address agenda items, (e.g., Internal audit findings and/or external audit findings).
  - Proposed, emerging and/or new organisational strategies,
  - Escalations of risks and issues from Joint-Operational Working Groups, and
  - Delegation of Management Agreement Meeting activities and investigations.

Associated activities within the Forums
The Forums will conduct the following activities. This may vary between Management Forums as required.
- Address issues, risks, and opportunities which may include use of action plans.
- Review and provide assurance for both WNC and NPH based on their contractual and legal responsibilities
- Agree actions and activities that reflect the existing decision-making authorities of WNC and NPH and the arms-length nature of the relationship.
- Use business intelligence and insight to help meet WNC and NPH strategies and objectives

Associated outputs from the Forums
The Forums are required to record and maintain accurate records and decisions, to confirm with best practice and audit requirements. This may include:
- Forum RAID Log (Risks, Assumptions, Issues, and Dependencies)
- Opportunity/Priorities Log
- Actions, Decision Making and Approval Records
- Delegation and Commission logs and activities
- Quarterly Highlight Report (to Management Agreement Meeting) including Forum highlight activities, Forum lessons learnt and redressing, Risk and Issues Register, and KPIs/PIs assurance and issues.

Associated outcomes of the Forums
The Forums will have outcomes which will be interconnected with the other Forums, Management Agreement Meeting, and Joint-Operational Level. Through the consolidation of inputs, activities,
and outputs, the outcome of the Management Forum will be:

Forum Organisation, Delegation & Risk Management

Forum Organisation

This section sets out how the People, Place and Finance and Resource Forums will work. The Forums will operate and enforce the principles of good governance.

Purpose and Scope
All Forums will have a clear, functional purpose in relation to a specific portfolio area – Place. People and Finance and Resources. The purpose and scope should be periodically assessed within the WNC-NPH Governance Framework to ensure they are working effectively.

Responsibilities
Best practice in governance requires clear responsibilities and accountabilities across the Forums. Each Forum's scope, responsibilities, and remit will be set corporately ensuring that all relevant topics are included and there is limited duplication of discussion points. I.e., Terms of Reference

Forum members will be responsible for their respective governed area and responsible for providing timely, accurate business intelligence to the Forum and enable appropriate levels of assurance.

Forums will oversee the assurance that WNC and NPH need to meet regulatory, legal, and contractual requirements.

Membership Principles and Roles
As a core principle of the Governance Framework, Forum members shall generally comprise of WNC and NPH staff members who are equivalent in roles, authority powers, and decision-making authority within and between organisations. This principle has been established as best practice and will ensure that Forums have appropriate and broadly equivalent delegated power and authority for decision-making.

The Forum's Terms of Reference (ToR) will include the roles and responsibilities of each Forum member. Despite Forum's membership varying in membership type, membership size and membership responsibilities, the following roles (Forum Chair, Forum Vice Chair, and Forum Secretary) will be identified for each Forum.

Forum Chair
The Forum Chair will be established within each Forum. This position will hold the delegated power and authority of the Forum to ensure that duties, tasks, and scope are adhered to and achieved. The Forum Chair will also be critical for providing leadership over contentious or novel discussions the Forum will discuss. The following responsibilities will include:
- Establish the Forums Annual agenda through direct discussion and collaboration with Forum members.
- Own the discussion of agenda items and ensure the agenda is accurate, timely and required information is available to appropriately inform evidence-based decision-making.
- Ensure that sufficient time is allowed for complex or contentious issues to be discussed and encourage engagement of all Forum members.
- Ensure and facilitate upwards escalation of decision-making, risks, and issues to the Management Agreement, and/or Director (WNC)-CEO (NPH) discussions.

- Ensure and inform appropriate delegation of commissioned activities between Forums or JWOG to address, investigate, and resolve various ongoing development needs.
- Ensure the Forum's decision-making, approvals and associated outputs are communicated within and outside of the Forum to relevant stakeholders.
- Periodically evaluate the Forums membership, Forums remit and Forum responsibilities to ensure that the Forum has the appropriate skills and experience, accountability, and scope to achieve effective assurance and decision-making.
- Hold ultimate responsibility for coordination, planning and conducting the Quarterly Highlight Report for the Management Agreement Meeting.
- Hold ultimate decision-making authority over the forward annual planning of the Forum's Agenda.
- Hold ultimate responsibility for the assessment and evaluation of the Forum's performance, and coordinating with other Forum members the lessons learnt, proposed responsibility changes, and improvement action plans.
- Oversees the decision-making process of the Forum and assess decision-making parameters and processes are appropriate.
- To seek and establish Command Meetings for significant and urgent risks and issues outside of the Forum's cascading events.

Forum Administration
The Forum administration will need the following activities:
- Schedule Forum meetings, venues, and equipment which may be required.
- Develop agenda and Forum paper items within the given timeframe
- Record keeping of key risks, issues, actions, and opportunities
- Circulate outputs of the Forums to key stakeholders

All other responsibilities pertaining to the individual Forums will be delegated within the respective Terms of Reference.

Membership Conduct
It is the requirement of all Forum members to comply with their respected organisations policies relating to business conduct, misconduct procedures, business ethics policies, and contractual obligations. The membership conduct pertaining to the Management Forum will not interfere or supersede these policies, but rather outline the general relationship principles that shall exist to inform good practice. This will include:
- All members should conduct themselves will professionalism and aim for the highest standards within the administration and performance as a Forum Member.
- All members shall act with transparency, openness, and partnership principles to ensure the effectiveness in addressing the Forums remit.
- All members are expected to represent and be in attendance (virtually or face to face) for each meeting unless exceptional circumstances are represented. In the event of an individual's unavailability, the members can send a deputy to the Forum and may have appropriate level of thematic oversight, delegated authority, and has approval for decision-making for the organisation in the management meeting.
- In the event of a disagreement, complaint or dissatisfaction pertaining to the Forums functioning, decision-making and/or administration, the Forum member should escalate the query within the Forum. If this is not appropriate and/or possible, the Forum member should approach the Vice Chair and Chair of the Forum for a discussion and potential improvements. If further escalation is required, this can be escalated to the organisations focal point (e.g., relationship manager, NPH CEO or WNC Director) for discussion.

Contributors and Guests
All Forums can invite organisational representatives as observers, subject matter experts and appropriate project managers which can appropriately support discussions of activities,

planned programmes, and risks or issues pertaining to the scope of the Forum. Prior to guest members attendance, the Forum Secretary should be informed to allow the appropriate notification and agenda planning of the Forum meeting. Guest contributors will have no delegated authorities or power during these sessions.

Frequency

Through the delegated authority of the Forums, the Forum members will be able to determine the frequency and scheduling of the Forums. Each Forum will establish a forward planned annual agenda for the Forum, which will include number and frequency in accordance with the effective monitoring and assurance required by the WNC-NPH relationship.

As a principle however, the Forums should demonstrate the following mechanisms to obtain to a Good Governance structure:

1. The Forum shall meet:
    a. People Forum will be established as a quarterly session
    b. Place Forum will be established as a monthly session
    c. Finance and Resource Forum will be established as a monthly session
2. The Forum should establish a higher frequency of meetings should Legislative and Regulatory requirements fall under its remit.
3. The Forum will have standing items (e.g., monthly, bi-monthly, quarterly) and ad-hoc items, which can allow flexibility in forum attendance and monitoring.
4. New Forums should first establish monthly scheduling until the Forum has determined a baseline level of assurance, information standards, and shared organisational standards have been established at the Joint-Operational Level.

Information Requirements

It is critical that all Forums continuously review sources of information which are required to inform business intelligence sharing, assurance information, compliance, and upwards reporting. It is the responsibility of each Forum to demonstrate effective accountability through this mechanism.

The principles and procedures for Forum's information requirements will be demonstrated in the 'Inputs and Outputs of the Forum'.

Reporting Requirements

A critical function of the Forum is the requirement for upwards Quarterly reporting to the Management Agreement Meeting in the Highlight report - pertaining to the suite of KPIs and PIs assured, assurance/compliance, and key highlights relating to actions/improvements made. The principles and procedures for the reporting requirements will be further illustrated in the 'Inputs and Outputs of the Forum.'

Forum Evaluation

The Forum will conduct a periodic self-evaluation of its processes, scope/remit, and responsibilities to help establish the Forum to critical review its capacities, effectiveness, and ability to address specific focus areas. Within the best practises of the Framework, the Forums should establish and look to continuously improve.

Governance Delegation and Commissioning

The Management Agreement Meeting and Forums have delegated authority to commission specific duties, tasks or reporting either within other Forums or to the Joint-Operational

Working Group(s). The Forums should use their commissioning authority to, but not limited to:

- Investigate risks and issues impacts, mitigation/treatment measures, present recommendations, and implementation activities,
- Investigate and report business opportunities, present implementation activities planning, and/or monitoring action plans, and
- Investigate planned activities, policies, and strategies through NPH's Tenant Engagement focus groups.

The outputs of this commission work will need to be re-examined by the appropriate delegating Management Forum for evidence-based decision-making, potential further recommendations, or monitoring mechanisms, and/or upwards escalation as deemed appropriate.

If delegated authority is provided for non-financial items of investigation, the delegated Forum/group will be responsible for reporting in decision-making, progress undertaken, and monitoring mechanisms to prevent scope creep or escalation requirements.

As a rule, all initiatives with financial impacts must be reviewed and agreed by the Finance Forum before going through the existing financial approval processes.

Risk and Issues Management: Key Principles

The WNC-NPH Governance Framework provides clear roles and responsibilities for the Forums to provide and review assurance over risks and issues within their scope and remit.

The Governance Framework includes how the Forums will report risks (e.g., RAID log), monitor risk (e.g., standing agenda items), and escalate risk (e.g., risk/issue escalation process). The following are the Risk Management principles through the WNC-NPH Governance Framework:

1. JWOGs and each organisation will have authority to resolve day-to-day risks and issues which do not have wider strategic level impacts.
2. JWOG will escalate risks and issues which impacts on the wider WNC-NPH relationship, or urgent/significant risks to the appropriate Forum.
3. Forums will have delegated authority to explore options, recommend solutions and commission work to address issues, risks, and opportunities that are either escalated to them or identified by them.
4. Risks and issues with a material impact pertaining to the Management Agreement, and/or Management Agreement KPIs/PIs will need to be addressed within the Forums and reported within the Quarterly Highlight Report to the Management Agreement Meeting, and mechanisms deployed if appropriate to resolve this.
5. Urgent or significant risks and issues identified outside of the cadence of Forum meetings can be escalated to a Forum Command Meeting. Should quorum be achieved, the risks and issues can be assessed, and mitigation actions can commence without delay.
6. Urgent or significant risks and issues which cannot achieve quorum within a Management Forum will be escalated through the Forum Chair to the Director (WNC)-CEO(NPH) for assessment, and mitigation actions without delays.
7. The exemption to the principle is risks and issues which will have a financial impact or require significant financial resources for mitigation. These categorises of risks can be reported to the appropriate Forum for recommendations, but the Finance and Resource Forum must approve before escalation through the financial approval chain within NPH (e.g., through virements) or WNC.

An important clarification made within the WNC-NPH Governance Framework is WNC and NPH Corporate Risk and Issues Registers will not be managed or owned by the Forums, just that actions to address risks and issues may be worked on through them.