

Attendance

Members of the Scrutiny Board

Cllr Philip Bateman MBE (Chair)
Cllr Val Evans
Cllr Rita Potter
Cllr Wendy Thompson
Cllr Simon Bennett
Cllr Susan Roberts MBE
Cllr Ellis Turrell (Vice-Chair)
Cllr Barbara McGarrity QN
Cllr Jacqueline Sweetman
Cllr Qaiser Azeem
Cllr Anwen Muston
Cllr Sally Green

In Attendance

Cllr Steve Evans (Cabinet Member for City Housing)
Cllr Louise Miles (Cabinet Member for Resources)

Employees

Martin Stevens DL (Scrutiny Team Leader)
John Roseblade (Director of Resident Services)
Charlotte Johns (Director of Strategy)
Jenny Lewington (Deputy Director of City Housing)
Alison Shannon (Chief Accountant)
Laura Collings (Head of Policy and Strategy)
James Amphlett (Head of Data and Analytics)
Laura Noonan (Electoral Services and Scrutiny Manager)
Earl Piggott-Smith (Scrutiny Officer)

Part 1 – items open to the press and public

Item No. *Title*

1 **Apologies for absence and substitutions**
An apology for absence was received from Cllr John Reynolds.

Cllr Sally Green was substituting for Cllr John Reynolds.

The Leader of the Council, whilst not a Member of the Board, sent his apologies to the meeting.

2 **Declarations of interest**

Cllr Rita Potter declared an interest in relation to item 4 - Social Housing Regulation Act 2023 - Landlord Services Review, as a Wolverhampton Homes Board Member.

Cllr Susan Roberts MBE declared an interest in relation to item 4, Social Housing Regulation Act 2023 - Landlord Services Review, as the Chair of the Wolverhampton Homes Board.

Cllr Val Evans stated she would leave the meeting for item 4, Social Housing Regulation Act 2023 - Landlord Services Review, as she was married to the Portfolio Holder. This was in accordance with the Statutory Scrutiny Guidance, which stated that you should not scrutinise your close relatives.

Cllr Phil Bateman MBE declared a non-pecuniary interest on the Devolution Deal item, as he was a Member of the Board for Birmingham International Airport

3 **Minutes of the previous meeting (20 July 2023)**

Resolved: That the minutes of the meeting held on 20 July 2023 be approved as a correct record and signed by the Chair.

4 **Social Housing Regulation Act 2023 - Landlord Services Review**

The Cabinet Member for City Housing made it clear that the item was before the Scrutiny Board as a Pre-Decision item.

The Director of Resident Services stated that the report was scheduled to be received by Cabinet in early October. The purpose of the report was to provide an overview of the Social Housing (Regulation) Act 2023 and the impact of its implementation upon the regulatory landscape for provision of Council housing. The second purpose was to provide an update on the actions taken by City Housing in preparation for the new regulatory requirements for the delivery of Council Housing. The report provided recommendations and options for the future management of Council housing that ensured compliance with the Act and readiness for inspection by the Regulator of Social Housing.

The Director of Resident Services commented that City of Wolverhampton Council owned approximately 21,600 Council Homes. Wolverhampton Homes was an arm's length management company. There were also there other managing agents, Bushbury Hill Estate Management Board, Dovecotes Tenant Management Organisation and New Park Village Tenant Management Co-operative. The tragedy at Grenfell Tower, had reported concerns about building and fire safety. It was felt that at Grenfell there had been a one-way leadership culture from the landlord that did not welcome, listen to, or fully understand tenant's views and concerns. The Social Housing Green Paper (2018) followed by The Charter for Social Housing Residents: Social Housing White Paper (2020) sought to set out the issues facing social housing tenants and the actions that could be taken so they were safe, protected, listened to and able to influence how their homes were managed.

The Director of Resident Services stated that the Act strengthened the role of the Regulator of Social Housing moving from a reactive to a proactive consumer regulatory regime. The Act placed the regulatory responsibility solely with the

Council. The Council would be subject to 4 yearly inspections by the Regulator. The Council would be required to evidence their compliance with the Regulator's 5 Consumer Standards. The Council would be required to publish the results of Tenant Satisfaction Measures (TSM) annually from Summer 2024. The Council would need to strengthen their oversight, governance and assurance to be regulation and inspection ready.

The Director of Resident Services stated that they had commissioned Savills to assess the Council's compliance against the Consumer Standards. These findings had been reported to the Council in July 2021. Savills concluded that, "For most areas CWC / WH has an adequate policy framework in place to ensure compliance against the RSH Consumer Standards, however, there are discrete areas that require material improvement primary Repairs (Part of the Home Standard) and Tenant Involvement and Empowerment."

The Director of Resident Services commented that an Internal Audit Review of Wolverhampton Homes progress against Savills recommendations had taken place. Wolverhampton Homes acknowledged 37 workstreams where areas for improvement had been identified followed by an action plan and project group to monitor the improvements identified to fully meet compliance. In July 2022 the Audit had taken place. They observed that *"overall, recommendations regarding improvements to documentation / policy revisions are substantially improved"*. In addition:-

"Improvements to the existing repair and maintenance system are also advancing but implementation of a multifaceted improvement project in respect of quality of accommodation will involve implementing a new IT system and improved data collection, it is accepted that this project requires a longer timeframe to implement."

The Director of Resident Services remarked that the Council was not aware of the presence of RAAC (Reinforced Autoclaved Aerated Concrete) in the housing stock. A clause in the new Act, "Awaab's Law required social landlords to investigate reports of damp mould and condensation (DMC) within specific timescales. The Council's Landlord Services Department had reviewed each of the TMO's compliance with the Consumer Standards. Some areas for improvement had been identified and action plans had been put in place and would be regularly monitored. A follow up review would be carried out in 12 months. He referred to the big 7 compliance indicators and spoke on them. He also spoke in detail on the requirements to meet the Home Standard.

The Director of Resident Services spoke on Tenant Satisfaction Measures. The overall satisfaction score was 68%. The areas which required the most focus was on complaints handling which scored at 31%. In general the satisfaction levels, other than complaints, were reassuring.

The Director of Resident remarked that City Housing has commissioned Campbell Tickell to review City of Wolverhampton Council's future revenue Housing Account (HRA) and the management agreement between City of Wolverhampton Council and Wolverhampton Homes. The review was carried out between September 2022 and January 2023. In summary Campbell Tickell found Wolverhampton Homes to be a focussed and effective housing manager. Campbell Tickell had found Wolverhampton Homes to be:-

- Maintaining Service Delivery Standards
- Tenants generally trust and value the services provided
- Wolverhampton Homes benchmarks as a solid performer against its peers
- Stakeholders view Wolverhampton Homes as a safe pair of hands
- Although day to day focus was needed to restore performance and satisfaction to pre pandemic levels, and ensure services remain fit for purpose in an increasingly challenging operating environment

The Director of Resident Services stated that the Campbell Tickell review had four areas of focus.

On the question of whether the service was performing as required, their view was that the service being delivered by Wolverhampton Homes had core underlying strengths and was being digitally enabled. However, focus had to be maintained on day to day customer service and locality based delivery, to support the most vulnerable, and to restore high levels of resident satisfaction.

On the matter of whether governance and oversight arrangements were effective, Campbell Tickell had concluded that a closer realignment of aims and objectives, refreshed governance, contract management and performance arrangements would ensure the partnership remained effective over the next five years, and able to demonstrate compliance to the Regulator.

On the subject of whether the ALMO model delivered value for tenants. Campbell Tickell had concluded the ALMO had an inbuilt layer of overheads, but Wolverhampton Homes was a relatively lean organisation, and shared service relationships worked effectively. Returning the ALMO to Council control in the current environment risked a loss of focus when external risks were high.

On the matter of what role should housing play in the Council. Campbell Tickell had formed the view that, housing could play a significant role in delivering the levelling-up objectives of Wolverhampton, in reducing inequality and building equity of outcomes for all. Wolverhampton Homes could play a pivotal role as a significant resource manager, locality-based service provider, resident and community advocate, employer, and service commissioner, working through partnerships within a whole system approach.

The Director of Resident Services stated that the Cabinet report was reporting on three possible options. Option one was to make no change to the existing Management Arrangement and Service Level Agreements. This option was not being recommended to Cabinet. Option two was for the Council to end the Management agreement with Wolverhampton Homes ahead of its end date of 2028. There was a risk to this approach as it could detract from working towards being regulation and inspection ready. The option was therefore not being recommended to Cabinet. Option three was to implement the key findings, conclusions and recommendations in the Campbell Tickell report. He detailed these as follows:-

- An overarching Shareholder Board as a focus for housing governance.

- Amend the Management Agreement and Partnership Pledge to reflect the Regulatory landscape and strengthen CWC's ability to lead on improvements where necessary.
- Align WH business planning cycles with those of CWC, including the objectives of the refreshed housing strategy.
- Strengthen the clienting arrangements with defined roles and responsibilities, accountabilities for demonstrating assurance and re-assurance, and clear reporting structures.
- Develop a shared evidence base to demonstrate Regulatory compliance, to support re-assurance testing, a clear line of sight and single view of the truth. CWC lead on creating a Data Process Strategy that ensures data is being recorded consistently across all teams with associated automated Data Quality and reporting.
- Review all SLAs and functions delivered to ensure services are fit for purpose, that adequate monitoring and oversight is in place across CWC which provides assurance to the Council and value for money for residents.
- Following the implementation of the recommended governance changes, review the effectiveness of the new Management Agreement in strengthening CWC expectations, providing sufficient oversight and whether this has provided the direct line of sight required for Regulatory compliance.

Members debated the report. A Member commented that bringing the responsibilities of Wolverhampton Homes back into the Council would cause less confusion for the public, where sometimes it was the Council responsible and other times Wolverhampton Homes for services such as hedge and grass cutting. There could also be savings as only one management team would be required.

A Member welcomed the detailed report and effort that had been put into the report before the Board. She could see the value in Option 3. She raised that some of her constituents had communicated the importance of being able to talk face to face with someone from Wolverhampton Homes, rather than just relying on digital means. She asked where the current challenges were.

The Cabinet Member for Housing sympathised with the views on different Service Level Agreements leading to people being frustrated and confused about what standard of service had been agreed would be delivered and who was responsible for the contract. Option 3, meant that the Council could revisit at a later date, before 2028 the possibility of bringing things inhouse to the Council. He felt Option 3 would bring improvement in governance which was needed. A new Shareholders Board would bring a greater level of accountability for Wolverhampton Homes to the Council. This was needed given the new regulations and inspections that would take place in the future. He stressed the importance of face-to-face contact still being an option for residents. It was particularly important for Wolverhampton Homes to have a base in the Civic Centre, if the Cabinet approved Option 3.

The Director of Resident Services spoke on the challenges. He cited tenant satisfaction levels as an example. Surveys had to be followed with an improvement in service delivery on areas identified requiring improvement, which could need a shift in capital investment programmes.

The Vice-Chair spoke about consumer standards and the fact that KPIs had been recommended. The review had pointed out that a report on consumer standards had not been to Cabinet on a regular basis which had caused some concern. He asked for a commitment that these two areas would be resolved moving forward. He asked for some more information on how the Council managed the risk of asbestos. He raised the question of whether Cabinet would consider whether it was good governance for the Chair of Wolverhampton Homes Board and the potential new Shareholders Board to both be from the controlling group. He felt this point needed to be addressed to maintain independence and have proper oversight.

A Member raised the importance of scrutiny and transparency when reviewing housing matters and agreed with the Vice-Chair's point about the Shareholders Board. He seconded the motion.

The Cabinet Member responded that he would consider the Vice-Chair proposal about the Chairmanship of the Shareholders Board. He gave an assurance that no Chair of the Shareholders Board would be obstructive. The Shareholders Board would ensure accountability of Wolverhampton Homes to the Council. The tenants were the most importance concern. He would also seek legal advice from the Chief Operating Officer. The Council were taking a proactive approach to resolving damp and mould issues and collecting data, which was much better than other areas. The Cabinet Member assured Panel Members that asbestos was checked. The Director of Residents confirmed that houses requiring asbestos inspection were at a 100% compliance rate currently. Other safety checks such as, electrical and gas inspections, were also completed. Data on these checks were reported on a quarterly basis to Performance Board.

A Member commented that a fellow Member had reported to her that the standard of financial reports coming to the Wolverhampton Homes Board could be improved. They were not as detailed as they would have liked. She referred to the issues which Campbell Tickell had raised about Governance in the report. She felt the issues raised were very important and the Council needed to take note and in particular when they were setting up the proposed new Shareholders Board. It was important to ensure the rights skills and advice came to the new Board Members.

A Member raised the importance of improving the customer service level at Wolverhampton Homes. He hoped Option 3 would improve the customer service level.

There was a discussion about the importance of data and Wolverhampton Homes staff using the data team at the Council. It was confirmed that some Wolverhampton Homes staff were now co-located at the Council.

The Chair commented that Tenants would see an improvement in the future given the new regulations and the advent of new technologies.

Resolved:

- a) To recommend to Cabinet that, Scrutiny Board supports Option 3 to implement the key findings, conclusions and recommendations in the Campbell Tickell report.
- b) For Cabinet to consider whether it is good governance for the Chair of Wolverhampton Homes Board and the potential new Shareholders Board to both be from the controlling group.

- 5 **Performance and Budget Monitoring 2023-2024 and Budget Update 2023-2024**
The Cabinet Member for Resources introduced the Performance and Budget Monitoring 2023-2024 and Budget Update 2023 -2024 report. The report provided an overview and update on the Budget and Performance. It also outlined the Office for Local Government new initiative on data analysis.

The Chief Accountant stated that it was the first report of the new financial year on finance, performance and the Strategic Risk Register. It highlighted where the cost pressures were, which included Adults and Children's social care, temporary accommodation and SEND Passenger transport.

A Member asked about the problems at Birmingham City Council given the Council's relationship with them and partnership arrangements. She asked what risks were emerging as a consequence of the financial problems faced by Birmingham City Council. The Cabinet Member for Resources responded that as a result of the problems faced by Birmingham City Council, the Council's Auditors had asked the Council to explore in depth whether the same issues faced by Birmingham, in particular on equal pay and single status, would be relevant to the Council. The Council had responded to the Auditors to explain that they did not face the same difficulties. The Council were continuing to monitor their own budget, given the situation faced by many Councils across the UK.

A Member asked if the Council taxes which had been written off, whether that was a permanent position or if the Council would try and pursue the debt at a future stage. The Chief Accountant responded that Cabinet had written off the debts indefinitely.

A Member queried why there was only a single line regarding the Communications and Events Budget, when other areas had a much more detailed explanation of the budget position. This caused him some concern.

The Cabinet Member for Resources responded that she would ensure there was more detail in future reports. The Director of Communications and Visit Experience offered to provide more information on the Communications and Events Budget if Members requested.

The Vice-Chair asked what the total Communications and Events Budget was for the financial year. The Chief Accountant responded it was £2.4 million for the Directorate.

Resolved: That the points raised in the Performance and Budget Monitoring 2023-2024 and Budget Update 2023-2024 be noted.

- 6 **West Midlands Combined Authority Trailblazer Deeper Devolution Deal**
The Head of Policy and Strategy opened the presentation by commenting that the West Midlands had been at the forefront of Devolution since 2015. The first Devolution deal saw the establishment of a directly elected Mayor for the region and also introduced a number of powers in relation to skills, transport and productivity. In 2017 Devolution was deepened with a particular focus on transport and infrastructure. In the Spring statement earlier in the year, the Government had announced a new Trailblazer Deeper Devolution Deal. It had been, The Levelling Up White Paper, published on the 2 February 2022 which announced a Trailblazer Devolution deal for the West Midlands. Over the last 12 months the WMCA and local

authorities had worked alongside Government to develop the best deal for the region.

The Head of Policy and Strategy remarked that the Deeper Devolution Deal was agreed in principle by the Mayor and Portfolio Leaders on 10 March 2023 and announced in the Chancellor's Budget on 15 March 2023. Wolverhampton Council's Cabinet considered the deal on 26 September 2023. The WMCA would seek to formally ratify the deal on 13 October 2023. Some of the key highlights which would have the biggest impact on the region included:-

- Fiscal Devolution: Extension of the 10 year business rates retention pilot for the region.
- Levelling up Zones: Priority areas identified jointly by the WMCA and its partner authorities that would attract 25 years business rate retention, to accelerate growth, development and regeneration.
- Housing and Regeneration: Local leadership of the Affordable Homes Programme for the first time outside of London, which was worth at least £200 million to the West Midlands, possible rising to £400 million. There was also devolution of £100 million Brownfield land funding.
- Adult Skills and Employment: Greater responsibility and oversight of post 16 and post 19 education and skills and over careers advice, and the establishment of a unique partnership with Department for Work and Pensions to target employment support.
- Business and Productivity: A stronger role in supporting business productivity, trade and investment and innovation through a new strategic partnership.
- Retrofit: Commitment to devolving retrofit funding (from 2025).
- The Head of Policy and Strategy commented that one of the key points of the deal was a single department style settlement for the WMCA area from 2025. This would be set at the next spending review and set against thematic functions covering five pillars:
 - Local growth and place
 - Transport
 - Housing and Regeneration
 - Adult Skills
 - Net Zero

It would be supported by new accountability arrangements and an outcomes framework. It was a significant opportunity to move away from 'one off' funding pots and streams to move towards a more holistic approach which supported medium and long term planning.

The Head of Policy and Strategy stated that the majority of the deal was made up of provisions which related to existing functions held by the WMCA. There was only one provision which required further statutory processes, this was the devolution of the Bus Services Operators Grant. To support the process a Governance Review

and Scheme had been developed by the WMCA which would be considered by the WMCA Board on 13 October 2023. If Board approved the scheme and review these would be submitted to the Secretary of State for Transport to start the formal statutory process to devolve the function.

The Head of Policy and Strategy commented that there was a significant Implementation Plan, which was attached to the Cabinet report. This set out how Local Authorities would work with the WMCA. She stated that a Wolverhampton Place Plan was what they hoped to develop. The plan would set out how the maximum benefit and leverage could be achieved to benefit the City. Ultimately it was about developing a golden thread between the opportunities of devolution to create change for local people and the City of Wolverhampton.

The Head of Policy and Strategy on the matter of the Single Statement stated that a Memorandum of Understanding was being developed between the WMCA and the Government. The detail of the settlement would be brought back to Cabinet. On the Bus Services Operator Grant, following the submission of the Governance review and Scheme to the Secretary of State, the WMCA Constituent Authorities would be requested to give formal consent to the making of the Order. On the West Midlands Investment Zone and Levelling Up Zones, Officers were working with the WMCA to develop a proposition for the City.

The Chair commented that the WMCA Overview and Scrutiny Committee had raised some concerns on how the sessions with the MPs in the Region and the Mayor of the WMCA would work on a practical level. The sessions were intended to be held four times a year. He described the new Devolution deal as a step change for Local Government and something that Members need to have full awareness on.

A Board Member asked about how the Council would ensure that it was not just Birmingham which felt the benefit of the Devolution deal, it was important for the benefits to Wolverhampton to be maximised. She asked about the implications on the Devolution deal following Birmingham City Council having recently issued a Section 114 notice. It was important that Scrutiny Members had a full understanding of the implications. She added a critical point was to understand the question of what was meant by innovation and its parameters within the new Devolution deal. There was no mention in the deal of the impact of entrepreneurs on innovation. She felt entrepreneurs were critical to innovation and innovation was critical to entrepreneurs. She was of the firm view that innovation had to be rooted in entrepreneurial activity.

The Vice-Chair welcomed the new Devolution deal adding that it was a huge vote of confidence within the region and for the West Midlands Mayor and his leadership. He asked if the Wolverhampton corridor was going to be a great innovation corridor as had been talked about in the past. On the matter of the £100 million Brownfield funding that had been awarded, he asked what discussions were taking place with the WMCA to try and obtain some of the funding to target the many Brownfield sites in Wolverhampton. A Member added would the money from the Devolution deal be equally divided among the authorities and would it be a Service Level Agreement.

The Director of Strategy confirmed that there were active discussions with the WMCA on Brownfield funding. This was very much linked to the Wolverhampton Place Plan, which would highlight clearly how the Devolution Deal could deliver the

priorities for Wolverhampton. These Local Plans would also help to ensure that the money given to the Combined Authority as part of the single settlement would be appropriately distributed as part of a long-term strategic plan.

A Member echoed the Vice-Chair's comments describing the Devolution deal as an excellent piece of work by the Mayor Andy Street, the WMCA, the Member authorities and the Government. He was pleased the City would be able to benefit from Levelling Up Zones and Investment Zones. He felt data sharing amongst the WMCA Members and to Government would be key. Any future Devolution deal could be better informed with good information.

The Chair stated that he had asked for the Overview and Scrutiny WMCA Committee Chair to attend the Scrutiny Board in December 2023.

A Member added that reports back from the representation from Wolverhampton on the WMCA and the Police and Crime Panel were important. The Chair confirmed that he and his substitute were happy to report back from the WMCA Overview and Scrutiny Committee.

Resolved: That the West Midlands Combined Authority Trailblazer Deeper Devolution Deal report be noted.

7 **Scrutiny Task and Finish Group Draft Proposals**

The Electoral Services and Scrutiny Manager spoke on the proposed Scrutiny Task and Finish Group protocol. The Scrutiny Team Leader detailed the draft terms of reference for the Flooding Scrutiny Review Group, and the Night-time Economy.

A Member asked for Wolverhampton Wanders to be included as a stakeholder in the Night-time Economy Scrutiny Review Group. The Chair confirmed that the draft terms of reference stated local businesses would be included as part of the work of the group.

The Vice-Chair gave his full support for the Scrutiny Review Group on the Night-time Economy. He hoped it would conclude with a solid set of recommendations for Cabinet. The WMCA Night-time economy advisor he was particularly looking forward to hearing evidence from.

The Chair gave his full support for both Scrutiny Review Groups and spoke about the previous work of a Night-time Economy Scrutiny Group which had taken place in the past.

No comments or amendments were suggested to the Scrutiny Task and Finish Group protocol.

8 **Scrutiny Work programme**

The Vice-Chair encouraged Members to consider additional items to be added to the Scrutiny Work Programme.

9 **Forward Plan of Key Decisions**

The Vice-Chair referred to the Wolverhampton Local Plan on the Forward Plan of Key Decisions which was listed as coming before Cabinet in October 2023. He asked if this item could be considered by the Scrutiny Board.

It was agreed that the Wolverhampton Local Plan be added to the Work Programme for Scrutiny Board.

The meeting closed at 8:35pm.