



Our Council Scrutiny Panel

29 September 2021

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| Report title | Housing Strategy – Landlord Services Report | |
| Cabinet member with lead responsibility | Councillor Bhupinder Gakhal City Assets and Housing | |
| Wards affected | All | |
| Accountable director | Ross Cook, Director of City Housing and Environment | |
| Originating service | Housing | |
| Accountable employee(s) | Jenny Lewington | Service Manager – Housing Strategy & Policy |
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| Report to be/has been considered by | City Housing & Environment Leadership Team | 31 August 2021 |

Recommendation(s) for action or decision:

The Scrutiny Panel is recommended to:

1. Consider the report and provide comment and feedback to the Council's Housing Strategy Landlord Services Team.
2. Receive an annual report to provide continued oversight of the housing management functions carried out by the Housing Managing Agents on behalf of the City of Wolverhampton Council.

1.0 Purpose

- 1.1 The report has been produced to provide oversight of the monitoring arrangements of the management of the Council's housing stock carried out by the Housing Managing Agents, Wolverhampton Homes and three Tenant Management Organisations, under the management agreements and to outline the steps being taken to ensure the Council is able to respond to increasing regulation and inspection by the Regulator of Social Housing.
- 1.2 The report outlines the steps being taken by Housing Strategy Landlord Services to ensure the City of Wolverhampton Council has the necessary oversight and monitoring of the housing management functions carried out on their behalf by its Housing Management Agents, Wolverhampton Homes, Bushbury Hill Estate Management Board, Dovecotes Tenant Management Organisation and New Park Village Tenant Management Cooperative in order to respond to the Government's Charter for Social Housing White Paper, including the Consumer Standards and any inspection that the Regulator of Social Housing carries out of the City of Wolverhampton Council as landlord of its housing stock.

2.0 Background

- 2.1 The management of the Council's housing stock was transferred to its newly formed Arms Length Management Organisation (ALMO), Wolverhampton Homes in 2005 to help with the delivery of the Decent Homes programme, to improve the condition of council housing in the City. Tenant Management Organisations (TMOs) were also formed; New Park Village in 1993, Bushbury Hill Estate Management Board in 1998 and Dovecotes in 2006. The management functions carried out by the managing agents is governed by the Management Agreements (Modular Management Agreements in the case of the TMOs) that exist between the Council and the managing agents. The next break clause in the management agreement between the Council and Wolverhampton Homes, who manage the majority of the Council's housing stock is in 2023.
- 2.2 The areas of management that are covered by the management agreements include: tenancy management, estate management, repairs, maintenance and concierge services, lettings and voids, collection of rents, leasehold and other charges, housing advice, right to buy, tenant participation and asset management. A number of other services are delivered by Wolverhampton Homes on behalf of the Council, under separate service level agreements rather than under the management agreement. This includes the city-wide anti-social behaviour service, Housing Options (homelessness services), housing assistance including the delivery of disabled facilities grants, telecare and the out of hours service.
- 2.3 In November 2020 the Government published its White Paper, The Charter for Social Housing Residents. This document followed the release of the Social Housing Green Paper in 2018, which was developed in the wake of the Grenfell Tower tragedy, as the

Government sought to set out the issues facing social housing tenants and the actions that could be taken to ensure they are safe, protected, listened to and able to influence how their homes are managed.

- 2.4 One of the most significant commitments within the White Paper is the strengthening of the Regulator of Social Housing, moving from a reactive service to a proactive consumer regulatory regime.

The changes set out to deliver proactive oversight of Consumer standards and will provide the Regulator with greater oversight of the performance of local authorities' landlord function. The Regulator will introduce mandatory periodic inspection of landlords with 4000+ homes, in relation to performance against the Consumer Standards. This will include the City of Wolverhampton Council, which has close to 22,000 units.

- 2.5 Whilst it has always been important for the Council's landlord service to ensure the homes we manage and tenants we serve are safe and receive a good quality service, for the reasons set out in point 2.4, it is timely to review the monitoring arrangements between the Council, Wolverhampton Homes and the TMOs. It is important that there is sufficient assurance on the delivery of core services to tenants, especially where safety is a feature, commensurate with the risk to the local authority if something goes wrong for which it is held accountable.
- 2.6 The responsibility for monitoring and ensuring this compliance needs to be led by the landlord; the Council. It should also be noted that specifically Councillors are responsible for ensuring that the landlords services are managed effectively and comply with the regulatory requirements. Much of what has been outlined in the Bill will be dependent on the passing of primary legislation, which the White Paper commits the Government to do as soon as parliamentary time allows. Nevertheless, the Regulator of Social Housing has been very clear that this increased regulation is coming and that landlords need to act now to ensure they are compliant.

3.0 Progress

3.1 The Consumer Standards

The Consumer Standards are set out in chapter five of The Regulatory Framework for Social Housing in England from April 2012 and the Housing Strategy team have always monitored performance against these Consumer Standards.

The four consumer standards set by the Regulator of Social Housing (RSH) are the:

- Home Standard
- Tenancy Standard
- Neighbourhood and Community Standard
- Tenant Involvement and Empowerment Standard

Housing Provider Boards, and in the case of a local authority, Councillors are responsible for ensuring that registered housing providers meet the Consumer Standards. This is a fundamental part of a registered provider's commitment to co-regulation. Registered providers should have the systems and processes in place to provide assurance to their Boards and Councillors that the standards are being met, with the responsibility remaining solely with the Council, not the managing agents that are delivering services.

3.2 Current scrutiny and monitoring by the Council of its Housing Managing Agents

The Council currently has oversight of the performance of its managing agents through a number of means, which include:

- Wolverhampton Homes Delivery Plan Quarterly Monitoring Group
- Asset Management Group
- Financial Issues Group
- Delivery Plan Technical Officers Group
- Annual Delivery Plan and annual performance and outturn report
- Reporting to Fire Safety Compliance Scrutiny
- Councillors form part of the Wolverhampton Homes and Dovecotes TMO Boards.
- Monthly monitoring meetings on performance between the Council's Client Relationship Manager and Wolverhampton Homes Performance Officers, reporting on agreed key performance indicators (appendix 1).
- Monthly monitoring meetings between the Council's Client Relationship Manager and TMO Chief Officers.
- Quarterly performance meeting between the Council's Client Relationship Manager and TMO Chief Officers.
- Quarterly Managing Agents forum bringing together the Council, Wolverhampton Homes and TMO officers.
- The Council's Client Relationship Manager attendance at WH and TMO board meetings, AGMs and receiving copies of board reports.
- Internal audits from the Council's Audit team and governance audits from the Housing Strategy team.
- Quarterly report of managing agents' performance presented to Cabinet

3.3 Each Managing Agent has been required to complete a self-assessment of its complaint's procedures against the Housing Ombudsman's Complaint Handling Code. This has been published on the Council's website and will be reviewed at least annually to ensure that the Managing Agents and the Council as Landlords are equipped to respond to tenant complaints effectively and fairly. The key areas that the Code expects complaints processes to cover are:

- To include a universal definition of a complaint
- Provide easy access to the complaints procedure and ensuring residents are aware of it, including their right to access the Housing Ombudsman Service
- The structure of the complaint's procedure, there are only two stages necessary and clear timeframes set out for responses within that

- Ensuring fairness in complaint handling with a resident-focused process
- Taking action to put things right and appropriate remedies
- Creating a positive complaint handling culture through continuous learning and improvement
- Demonstrating learning in Annual Reports.

To improve and strengthen the Council's understanding of the housing managing agents' compliance with the Consumer Standards, the Housing Strategy Team commissioned Savills to undertake a review. The review began in February 2021 and concluded in May 2021. The review focus mainly on those services delivered by Wolverhampton Homes (WH), being the primary deliverer of housing management services Savills have provided advice and assurance on the Council's performance against the Consumer Standards and any potential breaches of standards which could be deemed as meeting the 'serious detriment' threshold.

The review included:

1. Contextual Analysis and Accountability - an initial summary overview of the standards, previous cases of breaches and serious detriment and underlying causes. The aim is to ensure full understanding of the purpose of the Consumer Standards and how this relates to service delivery and accountability to properly discharge landlord obligations and meet the standards through third parties.
2. Risk Based Assessment and Gap Analysis - a high level assessment of gaps or weaknesses across the four standards which might lead to regulatory breaches and the possibility of serious detriment. The approach will ensure greatest focus and depth on areas of highest risk.
3. Home Standard Compliance Review - including stock investment/Asset Management and compliance.
4. Tenancy Standard / Neighbourhood and Community Standard / Tenant Involvement and Empowerment Standard compliance review

Findings of the Review

The review broadly aimed to consider this key question, from the perspective of the regulator:

To what extent can CWC demonstrate that it has assurance that it complies with the RSH Consumer Standards in respect of Council-owned homes which are managed on its behalf by WH?

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 primarily Repairs (part of the Home Standard) and Tenant Involvement and Empowerment.

Notably and arguably the most important, the Home Standard (Landlord Compliance), which covers the health and safety element of the regulations, including the 'big 6 risks' (Gas, Electrical, Fire, Asbestos*, Water, Lifts) was identified as having some very strong indications of a robust, fit-for-purpose approach to Landlord Compliance and tenants Health and Safety operating at Wolverhampton Homes – with performance in this area the strongest of the 3 'strands' under the Homes Standard.

The review also completed an evidence map against the required outcomes and specific expectations of the four standards.

Next Steps

The findings of the review will be included in an action plan for the Council and Wolverhampton Homes along with the TMOs to work through. Internal Audit will review compliance against the consumer standards and progress against the action plan during 2022-23.

A City of Wolverhampton Council Director will be required to be named as the person responsible for Building Safety.

An annual report will be produced and presented to the Council's Our Council Scrutiny Panel.

4.0 Questions for Scrutiny to consider

- 4.1 The Panel are asked to consider the measures that have been taken and outlined in this report by the Housing Strategy Landlord Services Team to provide oversight of the housing management functions on its behalf by the Housing Managing Agents to ensure it provides sufficient assurance of compliance with the requirements of the Regulator of Social Housing's Consumer Standards and the Social Housing White Paper.
- 4.2 The panel are also recommended to note the responsibilities of Councillors with regard to the Consumer Standards, in particular the requirements to:
- Maintain an oversight of the housing stock
 - Understand the performance of the managing agents
 - Understand the compliance and legislative requirements
 - Receive annual reports on performance and compliance
 - Quarterly monitoring to Cabinet

And to raise any concerns regarding performance or compliance with Housing Strategy.

5.0 Financial implications

- 5.1 There are no direct financial implications associated with this report. Housing Management services are funded through existing Housing Revenue Account budgets. [JM/02092021/H]

6.0 Legal implications

- 6.1 Failure to comply with the Regulator of Social Housing's Consumer Standards may lead to the Regulator taking intervention and enforcement action including penalties against the Council. [TC/14092021/D]

7.0 Equalities implications

- 7.1 This report has no direct equalities implications.

8.1 Climate change and environmental implications

- 8.1 There are no direct climate change or environmental implications for this report, however, the delivery of estate and property-based programmes by the Housing Managing Agents will contribute to the improvement of living conditions and enhance the visual appearance of neighbourhoods. Improvements to the energy efficiency of Council owned housing stock will contribute to the Council's Climate Change Net Zero Agenda.

9.0 Health and Wellbeing Implications

- 9.1 There are no direct health and wellbeing implications for the report, however the Housing Managing Agents and the Council's Housing Strategy team account for and work to improve the health and wellbeing of the tenants whose homes they manage, as part of their day to day delivery of housing management services and their interactions with the Council services and other statutory organisations with whom they may work in partnership, make referrals to and sign post tenants to.

10.0 All other implications

- 10.1 There are no other implications associated with this report.

11.0 Schedule of background papers

- 11.1 The Charter for Social Housing Residents White Paper (2020)