



Wolverhampton Homes Open Board

10 July 2020

Time 9.30 am **Public Meeting?** YES **Type of meeting** Wolverhampton Homes
Venue Virtual Meeting via Microsoft Teams

Membership

Derek Allen
Parveen Brigue
Victor Browne
Angela Davies
Hajrija Dergic
Steve Finegan
Joy McLaren
Linda Middleton
Councillor Lynne Moran
Councillor Rita Potter
Councillor Zee Russell
Councillor Paul Singh

Information

If you have any queries about this meeting, please contact Maya Dhanda:

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Agenda

- | <i>Item No.</i> | <i>Title</i> |
|-----------------|--|
| 1 | Apologies |
| 2 | Declarations of interest |
| 3 | Minutes of previous meeting - 24 April 2020 (Pages 3 - 8) |
| 4 | Matters arising |

FOR INFORMATION

- | | |
|---|---|
| 5 | Revenue Out-turn position - 2019 - 2020 - Jo McCoy, Head of Financial Management, City of Wolverhampton Council (Pages 9 - 14) |
| 6 | Capital Programme Out-turn Report 2019 - 2020 - Simon Bamfield, Head of Commercial Services and Stock Investment (Pages 15 - 20) |
| 7 | Apprenticeship Schemes - Sarah Butcher - Organisational Development Manager (Pages 21 - 30) |
| 8 | A.O.B |

M INUTES



Meeting: OPEN BOARD MEETING
Date: FRIDAY 24 APRIL 2020
Venue: VIRTUAL COMMUNICATION – MICROSOFT TEAMS
Time: 9:30 AM

MEMBERS IN ATTENDANCE: -

Angela Davies	-	Chair
Steve Finegan	-	Vice-Chair
Derek Allen	-	Board Member
Hajrija Dergic	-	Board Member
Parveen Brigue	-	Board Member
Victor Browne	-	Board Member
Councillor Lynne Moran	-	Board Member
Councillor Zareena Russell	-	Board Member
Councillor Paul Singh	-	Board Member

STAFF IN ATTENDANCE: -

Shaun Aldis	-	Chief Executive
Darren Baggs	-	Assistant Director – Housing
Angela Barnes	-	Assistant Director – Housing Options
Ian Gardner	-	Assistant Director – Building Services
Julia Haydon	-	Assistant Director – Corporate Services
Nicky Devey	-	Head of Business Services

CWC STAFF IN ATTENDANCE: -

Henry Gregory	-	Housing Customer Insight Manager, CWC
Lynda Eaton	-	Client Relationship Manager – Housing Management Agents, CWC

1.0	Apologies <ul style="list-style-type: none">- Joy McLaren – Board Member- Linda Middleton – Board Member- Councillor Rita Potter – Board Member	
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2.0	Declaration of Interest <ul style="list-style-type: none"> - Angela Davies, Tenant Member - Victor Browne, Tenant Member 	
3.0	Minutes of the previous meeting – 31 January 2020	
3.1	Agreed as true record.	
4.0	Matters arising	
4.1	There were no matters arising.	
For Decision		
5.0	Health and Safety Policy 2020 – 2021 – Julie Haydon, Assistant Director – Corporate Services	
5.1	Board were provided with an overview of the Health and Safety Policy including: <ul style="list-style-type: none"> - the importance of the Risk and Method statements to ensure safe ways of working - staff being able to read and understand their responsibilities under the policy and how staff can support and maintain a safer environment - input on the development of the policy via the H&S lead at CWC - consultation via Health, Safety and Wellbeing Committee and the Health and Safety Champions meeting <p>Resolved: Board members approved the Wolverhampton Homes Health and Safety Policy 2020 – 2021 with the structure to be updated to reflect Board on the organogram.</p>	
6.0	People Development Update – Julie Haydon, Assistant Director – Corporate Services	
6.1	Board were provided with an update on the implementation of the People Deal and advised this was with a caveat that the report was written pre COVID-19 and that any impact would be considered in the final plan. An overview of key areas was provided to Board including: <ul style="list-style-type: none"> - the plans to implement a HR Business Partner approach including new ways of working and developing both HR and Skills Team to support and challenge the business delivery models across the company - Employability – the supporting of tenants into provision and the approach being taken working more closely with the City of 	

	<p>Wolverhampton Council (funding agreed up until December 2022 – which incorporates a phased end to the project)</p> <ul style="list-style-type: none"> - 8 development priorities to be delivered through various packages and linked to the action plan for the Inclusive Futures campaign and how the aim is to support WH to become an employer of choice - Apprenticeship programme – WH will aim to continue with existing apprenticeships, with future thinking in relation to how the framework is changing to a standard 3 years to 4 years (supporting workforce profiling) to support the company to grow its own workforce supporting succession planning, reflecting on the positive success stories we have already seen with individual apprentices - Additional Health and Wellbeing support for staff via webinars and messages throughout this situation - Utilisation of additional staff skills in providing volunteer support across the business and in conjunction with CWC - The pace of change in mobilising the company into new ways of working during the response to the unprecedented COVID-19 situation with the aim to keep staff at the forefront of what WH do will feature as part of the recovery phase and as the landscape changes in housing over the next 6 to 12 months and what this means to our customers which will bring opportunities such as the prioritisation of a different set of customer service or workforce skills <p>Resolved: Board members:</p> <ul style="list-style-type: none"> • Noted the content of the report • Agreed the high-level overview of the Organisational Development (OD) Strategy 	
<p>7.0</p> <p>7.1</p> <p>7.2</p> <p>7.3</p>	<p>Business Continuity Planning Strategy 2020 – 2021 - Nicky Devey, Head of Business Services</p> <p>Board were provided with details of the approach to Business Continuity Strategy – 2020 – 2022 and advised this is a fundamental part of Wolverhampton Homes incident and response planning.</p> <p>An overview was shared with Board on how the strategy and associated plans have been structured in a way that staff can quickly find and understand what is expected from them, including how the responds to emergency incidents, periods of prolonged disruptive challenge, and how the company can support the recovery and return to new normality as quickly as possible.</p> <p>It was confirmed to Board that this document has been developed in conjunction with CWC Resilience Unit with the objectives to:</p>	

	<ul style="list-style-type: none"> - Improve resilience and response mechanisms - That staff through understanding the business are able to identify and manage varied operational risks - To ensure resources are maximised during periods of disruptive challenge or a major incident - To demonstrate the company’s commitment to continually review all BCP arrangements to ensure they reflect the operational needs of Wolverhampton Homes. <p>Resolved: Board members:</p> <ul style="list-style-type: none"> • Agreed the strategy detailed at Appendix 1 – with the specific reference to testing the Business Assurance Strategy (on page 39 linked to training) • Noted the steps being taken to improve our approach to the management of major emergencies or periods of disruptive challenge 	
For Information		
<p>8.0</p> <p>8.1</p> <p>8.2</p>	<p>Allocations Policy Briefing Report – Henry Gregory, Housing Customer Insight Manager, CWC</p> <p>Board were provided with an overview of the Allocations Policy and details of the implementation being undertaken in a phased approach as follows:</p> <ul style="list-style-type: none"> - full policy implementation requires a rebuild of the Northgate system (over a 12-month period) and a requirement to re-register all customers on the register - Areas detailed at Point 2.9 of the report have been implemented from April 2020 (except point 4 HMO – this has been pushed back until next year). - All other changes have been updated in the policy at Appendix 1 - Current timeline for Northgate work to be completed is April 2021 - WH / CWC have worked closely to ensure this policy is fit for purpose to ensure this policy aligns to the strategy and operation delivery <p>Board raised a specific query in relation to public consultation and in response information was provided on the number of steps undertaken including hosting an online survey on Homes in the City, and writing out to people on the register, press releases and a presentation to the Wolverhampton Federation of Tenants Association.</p>	

	Resolved: Board Members noted the approved changes to the Housing Allocations Policy	
9.0	Date of Next Open Board meeting:	
9.1	Friday 10 July 2020 @ 9:30 am – Virtual meeting	

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Board Report

	Agenda Item 5
	10 July 2020 Revenue Out-turn position 2019 - 2020
	Open Report
Status:	For Information
Author and job title:	Jo McCoy, Head of Financial Management, City of Wolverhampton Council
Contact No:	01902 554415
Recommendations:	Board members are asked to note the Revenue out-turn position for the financial year 2019 - 2020.
Key risks and contentious issues:	<p>The out-turn position for 2019 - 2020 is a slight underspend against the Quarter 3 approved budget of £87,000.</p> <p>This results in a contribution from reserves of £1.9 million against a budget contribution of £1.8 million.</p> <p>This out-turn position is draft, subject to the external audit of the accounts.</p>

Management Summary

1.0 Purpose

1.1 This report is to inform the Board of the revenue out-turn for the 2019 - 2020 financial year.

2.0 Revenue Out-turn 2019 - 2020

2.1 Wolverhampton Homes has achieved an overall overspend of £87,000 against budgets at the end of March 2020. Total Income of £49.6 million is £1.9 million lower than expenditure of £51.4 million, resulting in a contribution from reserves of £1.9 million. The budgeted contribution was for £1.8 million. A breakdown of the figures is shown in Tables 1 and 2. The tables also illustrate the variance from the Quarter 3 forecast position.

Table 1 – Income and Expenditure Budget Position at 31 March 2020

	Actual 31 March 2020			Variance from Q3 Forecast	
	Budget	Actual	Variance	Quarter 3 Forecast	Variance
	£000	£000	£000	£000	£000
Expenditure					
Employees	26,331	26,370	39	26,008	362
Premises related – housing stock	14,855	15,287	432	15,162	125
Private Sector Leasing Payments to landlords	410	524	114	530	(6)
Facilities Costs	1,318	1,393	75	1,447	(54)
Transport Related	1,763	1,432	(331)	1,540	(108)
Supplies & Services	3,174	3,654	480	3,627	27
Support Services	2,832	2,795	(37)	2,850	(55)
Total Expenditure	50,683	51,454	771	51,164	290
Income					
Management Fee	(39,509)	(39,523)	(14)	(39,509)	(14)
Trading Income	(7,803)	(8,196)	(393)	(8,148)	48
Private Sector Leasing Rental Income	(480)	(612)	(132)	(597)	(15)
Other Income	(1,091)	(1,235)	(144)	(1,445)	(90)
Total Income	(48,883)	(49,567)	(684)	(49,399)	(168)
Balancing Contribution from Reserves	1,800	1,887	87	1,765	122

Table 2 – Directorate Budget Position at 31 March 2020

Directorate	Actual 31 March 2020			Variance from Q3 Forecast	
	Budget	Actual	Variance	Q3 Forecast	Variance
	£000	£000	£000	£000	£000
Business Support	7,764	7,664	(100)	7,591	73
Property Services	21,696	21,920	224	21,820	100
Housing Management	9,225	9,183	(42)	9,160	23
Housing Options	2,624	2,644	20	2,703	(59)
Management Fee	(39,509)	(39,523)	(14)	(39,509)	(14)
Total	1,800	1,887	87	1,765	122

- 2.2 The out-turn position has decreased slightly by £122,000 compared to the out-turn position forecast at Quarter 3, when the overall forecast was for a contribution to reserves of £1.77 million. The budget and forecast variations are discussed in the following paragraphs.
- 2.3 Employee budgets were underspent by £39,000. This position reflects the £1.3 million one off virement approved at Q3. The out-turn is around £0.4 m higher than the Q3 forecast spend due some restructuring costs that were not factored into the forecast (£0.2 million) and some recruitment in Q3.
- 2.4 The final position for the year for Repairs and Maintenance non-pay budgets was an overspend of £0.4 million. This is mostly made up of a planned increase in expenditure on adaptations to HRA properties (£0.3 million) in the last quarter of the year. These costs are recharged to the capital programme and therefore fully recovered from additional income.
- 2.5 Payments to landlords as part of the private sector leasing scheme were £0.1 million higher than the budget, this was due to an increased number of leasehold properties since the budget was calculated and is offset by an increase in rental income from the private sector tenants.
- 2.6 Transport related costs were under spent by £0.3 million. This was due to budget being set aside for expected increased costs for new vehicles in the process of being re-procured by the council. As not all vehicles are yet in service the full additional costs were not incurred. The underspend is higher than forecast at Q3 because at this point additional costs were assumed.
- 2.7 The Budget for supplies and services was over spent by £0.5 million. This includes spend on ASB legal costs and financial assistance related to Housing Options of around £0.2 million that the council have indicated that they may contribute some HRA and grant

funding towards. Due to the impact of COVID-19 it was not possible to get approvals in place to include this income in the 2019 - 2020 accounts. Should the income be received in 2020 - 2021 it can be contributed back to reserves. There was also some spend on professional fees for procurement and survey work that was not built into the budget.

- 2.8 An additional £0.4 million over the budget for trading income was achieved in 2019 - 2020. This includes the £0.3 million income to offset the expenditure on adaptations referred to in 2.4 above. Additional rental income from PSL properties of £0.1 was achieved, offsetting the additional rent payments referred to in 2.5 above.

3.0 Summary of Financial Position

- 3.1 The overall position is of a slight revenue overspend of £87,000 against the budget for 2019-2020 and is a change of £0.1 million from the position reported at Q3. This demonstrates Wolverhampton Homes' track record of controlling expenditure and maximising income. The budget included an approved contribution from reserves of £1.8 million to support the budget, with £1.88 million being required.

- 3.2 In January as part of the Q3 revenue monitoring report, the Board approved virements of £1.3 million from an underspend against the salaries budget; £0.7 million to the Facilities budget, £0.2 million to ICT and £0.4 million to the Repairs budget. These were additional costs approved by the Board in July 2020 and the initial expectation was that they would be funded from reserves. It has been possible to fund this spend from this year's base budget through the virement from the salaries budget. Therefore, to achieve a slight overspend on the contribution of £1.8 million from reserves planned at the start of the year is a good result.

- 3.3 Reserves balances now total £9.1 million. This leaves funding available as planned for one off investment as the company looks to decrease costs overall in line with the Medium-Term Financial Strategy.

4.0 Financial and value for money implications

- 4.1 Wolverhampton Homes has a long-term record of effective budgetary control and retains reserve balances of £9.1 million.

5.0 Legal implications

- 5.1 There are no legal implications of the contents of this report.

6.0 Health and safety implications

- 6.1 There are no proposals within this report with Human Resource implications.

7.0 Health and safety implications

- 7.1 There are no proposals within this report with health and safety implications.

8.0 Equalities implications

8.1 Has an equality impact assessment been carried out. **NO**

8.2 Explanation: There are no proposals within this report.

9.0 Impact on the environment and community

9.1 The report does not contain any proposals that affect the environment or the community.

10.0 Long term consequences for the company

10.1 Tight control of budgets and getting the best use of our cash reserves is essential to ensure we have sufficient resources in the long term.

11.0 Impact on business relationships with suppliers, customers and others

11.1 Careful financial planning is required to ensure we can continue to provide the same level of service for customers and support local suppliers.

12.0 Impact on the Wolverhampton Homes' Management System

12.1 Will any new policy or policy updates have an impact on the management system. **NO**

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Board Report

	Agenda Item 6
	10 July 2020 Capital Programme Out-turn Report 2019 - 2020
	Open Report
Status:	For Information
Author and job title:	Simon Bamfield, Head of Commercial Services & Stock Investment
Contact No:	07717 732 984
Recommendations:	Board members are asked to note the out-turn figures and performance achieved in the delivery of the Housing Revenue Account (HRA) Capital Programme.
Key risks and contentious issues:	<p>This report is confirming performance for the work completed during financial year 2019 – 2020. Risks and issues have been addressed.</p> <p>There will be future pressures on the project budgets due to the amount of remedial work required. This is due to the poor condition of the existing components. Primarily, the affect will be to the cost of delivering the Heath Town and Infrastructure Projects. This is being compounded by the changes to fire safety standards, which is increasing the scope of improvement work required.</p> <p>There is also the commercial impact of COVID-19, which has yet to be fully understood.</p> <p>Options to mitigate some of these costs will be progressed over the coming months, with details of these financial impacts included within the report on the medium-term strategy for the HRA Capital Programme.</p>

Management Summary

1.0 Purpose

- 1.1 To confirm the level of capital investment into the existing social housing portfolio during the financial year 2019 - 2020.

2.0 Background

- 2.1 The Housing Revenue Account (HRA) Capital Programme for the financial year 2019 - 2020 was approved by the City of Wolverhampton Council's Cabinet on 23 January 2019. The Council delegated £50.49m of this to Wolverhampton Homes to manage and deliver. In addition, there were also some projects delivered by Wolverhampton Homes on behalf of Council budget holders (disabled adaptations and infill new build); the value of this work was £6m, bringing the total to £56.49m.
- 2.2 The HRA Capital budgets are subject to an on-going refinement, through quarterly reviews that are endorsed by the Council's Cabinet Resources Panel. This ensures that the necessary funds allocated to the relevant budgets and public borrowing to support the capital programme is minimised.
- 2.3 The changes to the HRA Capital Programme budgets are summarised below:

Budget Period	Delegated to WH	Managed by WH	Combined Value
Original Budget (Jan 2019)	£50.490m	£6.000m	£56.490m
Quarter-1 Review	£52.292m	£7.065m	£59.357m
Quarter-2 Review	£41.802m	£7.065m	£48.867m
Quarter-3 Review	£41.449m	£6.365m	£47.814m

- 2.4 As reported at the Audit and Service Delivery (ASD) Committee meeting on 20 July 2019, the review of the budgets following the Quarter-2 Review was deemed necessary due to the lack of available specialist design resource. The procurement of the contracts specifically for designers had been delayed by six months, due to resource pressures experienced by the City of Wolverhampton Council (CWC).
- 2.5 For clarity, where Appendix 1 to this report identifies variance to the budget, this is a comparison against the budgets approved following the Quarter-3 review.

3.0 Financial and value for money implications

- 3.1 The out-turn for the HRA Capital Programme delegated to Wolverhampton Homes was £41,511,000. This is an overspend of £62,000, which represents expenditure of 101.15% of the revised budget.
- 3.2 The out-turn for the budgets managed on behalf of Council budget holders was £5.444m. This is an underspend of £0.921m, which represents expenditure of 85.53% budget. When combined, the total out-turn is £46.955m, an underspend of £0.859m (98.20% of the allocated budgets were expended).

3.3 In terms of project delivery, all projects were delivered in accordance with both programme and agreed budget. The key issues to note are:

- During 2019 - 2020 a total of 172 voids properties were completed, which represented 23% more than had been budgeted for. This resulted in the voids budget being exceeded by £392k. The major voids undertaken by the SCP require extensive works including complex structural remedial repairs with 39 of these properties costing more than £23k each
- There was an underspend on the Internal Improvements budget due to the ability to gain access. The majority of properties that do not currently meet the Decent Homes Standard, are those where work was originally refused due to an individual in the household being extremely vulnerable. When issues with the property are identified, for example following a visit from a Tenancy Officer, then WH will attempt to gain access to do the work, but if the vulnerabilities still exist, access is often denied
- The pathway improvement programme is a risk-based remedial works programme that addresses problems with non-adopted footways, roadways and other such hard-paved areas. If the condition of these assets falls below the minimum standard, then work is undertaken to remedy the situation and as such, this year, the budget has been overspent by 34%
- There was acceleration of the programme, which increased expenditure by £2.20m on the Heath Town Refurbishment Project. This was achieved through more efficient programming of the work-streams and as the supply chain have become more efficient as the project continues
- The Infrastructure Project, which includes the fire safety improvements (including sprinkler installation) and the replacement of the mechanical and electrical infrastructure to high-rise blocks is progressing well. The second-phase started in April 2019 at the Boscobel Estate, however, there are numerous challenges and additional cost pressures due mainly due to the nature of the original construction (the blocks weren't designed to allow the easy replacement of these services). There are also issues due to the presence of asbestos, the poor condition of the existing services and the original fire compartmentation.

4.0 Legal implications

4.1 There are no legal implications identified within this report.

5.0 Human resources implications

5.1 There are no human resource implications identified within this report.

6.0 Health and safety implications

6.1 There are no specific health and safety implications identified within this report.

7.0 Equalities implications

7.1 Has an equality impact assessment been carried out? **Yes**

7.2 Explanation:

An Equalities Impact Assessments (EIA) is carried out during the pre-construction phase of each individual project.

8.0 Impact on the environment and community

8.1 The capital programme has created a positive impact on the environment and the local communities through the employment of local people (with circa 45% of the people employed living within Wolverhampton).

9.0 Long term consequences for the company

9.1 Adequate investment into the maintenance of the housing stock portfolio is essential to ensure the properties remain decent and thereby offset the risk of litigation and lost revenue (because of being unable to let properties due to their poor condition e.g. roof leaks etc). The desire to invest must be tempered with the need to ensure the investment demands are balanced with the need to maintain the viability of the HRA.

10.0 Impact on business relationships with suppliers, customers and others

10.1 Having a strong capital programme and the ability to deliver against promises will strengthen business relationships with the Strategic Construction Partners, their sub-contractors and key suppliers.

10.2 There is regular engagement with customers throughout the design-phase on each new capital project, to ensure that their views and concerns are understood and can be addressed as the designs develop.

11.0 Impact of COVID-19

11.1 Due to the impact of COVID-19 the decision was taken to suspend the Capital Programme; all sites closed between the 23 - 27 March 2019. The financial impact of this was minimal for the financial year 2019 - 2020, but there will be a more substantial impact felt in 2020 - 2021. This will be reported to Board under separate cover.

12.0 Impact on Wolverhampton Homes' Management System

12.1 Will any new policy or policy updates have an impact on the management system?

12.2 Not applicable; there are no new policy or policy updates proposed.

13.0 List of Appendices

13.1 Appendix 1: Capital Programme Report - Out-turn for Financial Year 2019 - 2020

Appendix 1: Capital Programme Report - Out-turn for Financial Year 2019 – 2020

Item	Name of Project	Approved Budget 2019 – 2020 (Q3)	Total Expenditure	Variance to budget (Q3)
DELEGATED PROJECTS (DELIVERED & MANAGED BY WOLVERHAMPTON HOMES)				
A	Internal Improvements			
A1	Refurbishment of voids	£3,940,000	£4,332,000	(£392,000)
A2	Boiler Replacement Programme	£746,000	£746,000	£0
A3	Internal Improvements	£1,580,000	£1,016,000	£564,000
B	Refurbishment of the External Fabric (individual dwellings)			
B1	Structural Repair Works (ad-hoc, City-wide)	£1,240,000	£1,284,000	(£44,000)
B2	Roof Replacement Programme (City-wide)	£5,400,000	£5,268,000	£132,000
B3	External Improvement Programme	£1,100,000	£1,039,000	£61,000
B4	Pathway improvement and safety programme	£271,000	£364,000	(£93,000)
C	Refurbishment of Flatted Estates (Building Fabric, Mechanical & Electrical Infrastructure)			
C1	Heath Town Estate: refurbishment of the retained blocks	£13,900,000	£16,109,000	(£2,209,000)
C3	Sustainable Estates Programme:	£500,000	£102,000	£398,000
C4	Renewal of High-Rise Infrastructure (City-wide)	£5,000,000	£4,743,000	£257,000
C5	High Rise Sprinkler Programme	£2,350,000	£1,818,000	£532,000
C7	Lift & DDA Improvements	£670,000	£436,000	£234,000
C8	Door Entry / CCTV Security Programme	£370,000	£293,000	£77,000
C9	Fire Safety Improvements	£2,230,000	£2,354,000	(£124,000)
C10	Surveys of non-traditional housing (including high-rise)	£392,000	£110,000	£282,000
D	Miscellaneous Items			
D1	Capital Programme Management (Wolverhampton Homes salaries)	£1,700,000	£1,437,000	£263,000
D2	Sale of Council Houses Administration (RTB)	£60,000	£60,000	£0
PROJECTS MANAGED & DELIVERED BY WOLVERHAMPTON HOMES ON BEHALF OF THE COUNCIL BUDGET HOLDER				
E	Internal Works			
E1	Disabled Adaptations	£1,300,000	£1,252,000	£48,000
G	Development Works			
G1	New build (infill sites)	£4,893,000	£4,020,000	£873,000
G1.3	Small sites 3	£271,000	£3,000	
G1.4	Small sites 4	£4,622,000	£3,948,000	
G1.5	Small sites 5	£0	£69,000	
G2	Conversion of commercial to residential	£172,000	£172,000	£0
G2.1	Conversion at 29 Gower St (£72k plus Boscobel's £100k)	£172,000	£172,000	
H	Other Projects			
Summary				
	Delegated Projects (Delivered & Managed by Wolverhampton Homes)	£41,449,000	£41,511,000	(£62,000)
	Projects Managed & Delivered by Wolverhampton Homes on Behalf of the Council Budget Holder	£6,365,000	£5,444,000	£921,000
	Total Expenditure	£47,814,000	£46,955,000	£859,000

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Board Report

	Agenda Item 7
	10 July 2020 Apprenticeship Schemes
	Open Report
Status:	For Information
Author and job title:	Sarah Butcher, Organisational Development Manager
Contact No:	07890 397694
Recommendations:	Board members are asked to: <ul style="list-style-type: none"> • Note the update following the report presented on 24 May 2019, written by Oliver Herrmann • Note the indication of the full revised proposal regarding early careers at Wolverhampton Homes, which will be presented to Board members in September
Key risks and contentious issues:	<p>Failing to recruit apprentices presents risks to the future workforce profiles of Wolverhampton Homes (WH)</p> <p>Challenges of recruiting skilled trade operatives in the current workforce market have been evident recently. Investing in apprentices allows the organisation to develop a future stream of operatives into key areas such as gas.</p> <p>Failing to support the City of Wolverhampton Council's vision of supporting young residents into apprenticeships.</p> <p>The impact of COVID-19 is detailed within the report.</p>

Management Summary

1.0 Purpose

- 1.1 To provide an update on the progress of the two 2019 apprenticeship cohorts (construction and office) and an outline of Wolverhampton Homes plans to present a revised proposed apprenticeship model for 2021 – 2023.

2.0 Apprentice Intake – 2019

- 2.1 There were eight apprentices recruited into the 2019 cohorts: four office apprentices and four construction apprentices, of which, one office apprentice has secured a permanent position with Wolverhampton Homes (WH). One construction apprentice has been dismissed.
- 2.2 The three office apprentices are due to complete their Customer Service Practitioner Level 2 Standard in November 2020. The management team has also agreed for the office apprentice who has secured permanent employment with WH to continue with their studies on the Level 2 Customer Service Practitioner standard.
- 2.3 The construction apprentices are due to finish their apprenticeship in September 2021 (plastering) and November 2021 (carpentry).
- 2.4 The apprentices attend formal reviews each quarter with the People Development Manager, TU convenor, their supervisor / manager and a representative from the college, during which a full review is undertaken of their progress including; development in their trade or office placement service area; behaviour; attendance; sickness absence and consideration of any personal issues or additional support requirements.
- 2.5 Of the six remaining apprentices, their performance scores from both the College and their WH manager for Quarter 1 – 2020, are shown below:

Name of Apprentice	College performance score Qtr. 1 April – June 2020	WH performance score Qtr. 1 April – June 2020
Office Apprentice 1	5	4
Office Apprentice 2	5	4
Office Apprentice 3	5	4
Apprentice Plasterer 1	5	3
Apprentice Carpenter 1	1	1
Apprentice Carpenter 2	4	4

(Key: 1 = Extremely poor, 2 = Poor, 3 = Satisfactory, 4 = Good, 5 = Great)

- 2.6 The probationary period for one of the construction apprentices has been extended; this is being closely monitored due to underperformance both at college and in the workplace.

3.0 Impact of COVID-19

- 3.1 Since lockdown was announced by the U.K. Government on 23 March 2020, the WH apprentices have remained at home. The office apprentices have been able to complete some elements of their daily work remotely; this has not been the case for the construction apprentices.
- 3.2 Wolverhampton College remains closed and WH are yet to receive confirmation of when they intend to fully re-open, although recent notification of plans for some existing students to visit the college for specific timeslots has been received; further details are awaited. During this period, the college has been working with the apprentices via digital and telephone contact.
- 3.3 In line with current WH working arrangements, the office apprentices are continuing to work from home. This is under review as services are restored.
- 3.4 One of the construction apprentices is due to return to work on 29 June 2020. The People Development Manager is working with managers in Building Services to best support the other three apprentices return to work. The challenge is that they travel to work by public transport in the main, and their journeys require them to catch more than one bus each way.
- 3.5 WH is working with the college to address the challenges ahead for these two cohorts, with a likely delay to their apprenticeship completion dates due to:
- Extended college closure
 - Longer wait times for any assessments due to limitations on class sizes (if there is no online option available)
 - Practicalities and feasibility of on-the-job observation elements of the end point assessment
- 3.6 The impact of the COVID-19 pandemic will be felt in all countries and in all sectors for years to come. The pandemic and subsequent global lockdown has meant that WH has had to work to a different operating model during the height of the crisis to keep our business-critical services operating, whilst keeping our workforce and our tenants safe.
- 3.7 Whilst now in a recovery planning phase, this will lead to the company operating in different ways in the future as we build our new normal. We are working to understand our new ways of working and what that means for our workforce, which will enable our forward planning for our apprenticeship recruitment. Revisions to the proposals presented to Board members on 24 May 2019 will be inevitable.
- 3.8 The impact has also meant that our apprenticeship training providers have been closed for a number of months and one provider is still unable to give a clear indication of what their operating model will be from September 2020 when the new academic year starts. Without clarity of what is on offer from training providers, and when it will become available, it is not prudent or responsible to proceed with our original apprentice recruitment plans.

4.0 Apprenticeship Intake 2019 – Comments

4.1 The office apprenticeship scheme was proposed as a pilot in the 24 May 2019 Apprenticeship Schemes report to Board members. These apprentices have spent their time with WH rotating across directorates, spending three months in each service area.

- **Apprentice Plasterer** – “I am really enjoying my time at Wolverhampton Homes and am very grateful for the opportunity I have been given. I am taking full advantage of this opportunity and can’t wait to be back on the tools.”

- **Office Apprentice** – “Throughout my apprenticeship with Wolverhampton Homes, I have grown in many different ways and improved upon so many different skills such as: customer service skills, time keeping, confidence and an overall insight into work and what it is like. Before working with Wolverhampton Homes, I had no people skills and had very low confidence. Throughout my time I am able to fluently speak with customers and it’s like a second nature to be able to create a conversation and help out our tenants. Before starting my apprenticeship, I had never worked before this was the first time I was opened up to the world of work, the beginning to my working life and without Wolverhampton Homes and the help and support I wouldn’t be where I am today with the skills I have learnt. With us being able to move around the company and see all the different teams and different jobs that Wolverhampton Homes has to offer it has given me a huge insight into where I want to be in the future, it has given me a whole load of enthusiasm and an amazing work ethic. Wolverhampton Homes has opened up such a huge book for me and has given me so many opportunities and chances to better myself with what I do. I have liked all the support and the help we have got all along the way, Wolverhampton Homes has given us such a huge opportunity and with the help of every person in the organisation it has made our journey a whole lot easier. As a whole my apprenticeship with Wolverhampton Homes has given me the chance to grow as a person and develop upon so many new skills. My apprenticeship has set me on my path for my future.”

- **Office Apprentice** – “I believe my apprenticeship has been going good so far I have enjoyed seeing the different areas of the company and getting to learn about the different teams and how they work. One of the challenges I faced in my apprenticeship was learning how to work from home due to lockdown as it was challenging at first when trying to setup a workstation and create a new working schedule whilst getting used to not being in an office with an office atmosphere, but also during this time of change. My colleagues were very helpful and were there to help me when I was stuck or needed help with understanding certain pieces of work and how to use Microsoft Teams, so that we could all stay connected. I have also been doing many training sessions that has enabled me to grow my skill set and knowledge about a variety of things such as how to use Northgate, how to use Information at Work, and others such as personal safety and manual handling and many more. This apprenticeship has given me the understanding of how a housing provider works and all areas that Wolverhampton Homes can offer and that there is not just trades jobs available such as bricklayers, plasterers, electricians, there is also housing administration, letting officers, property inspectors and many more job opportunities than the common perception. I am glad that I have been given the

opportunity to grow as a person and to gain more knowledge and I am looking forward to learning more and seeing more areas of the company and learning how to assist them.”

5.0 Apprenticeship Managers (Office) - Comments

5.1 The original proposal recommended that the apprentices would be able to choose a directorate in which to spend their final six months. This has been put on hold due to the COVID-19 pandemic and the need to work from home for all service areas that could possibly do so. The office apprentices continue to work from home for the service area that they were allocated to prior to lockdown commencing on 23 March 2020; this was deemed to be the most supportive option to take.

5.2 Tenancy Management – Comments

- “In my Tenancy Management team, we had an apprentice for a short period. The experience was very positive, she was very ready, willing, able and enthusiastic to learn and support the team. I think this was a great opportunity for people to enter the business and start a career in housing. My only slight reservation is the supervisory demands that apprentices can place on first line managers when they already have a large team to manage.”
- “I had an apprentice for three months and it was a very positive experience for them and the Bilston team. One of the highlights was seeing the apprentice learn and gain confidence within the team.

They shadowed only a couple of Tenancy Officers and not the whole team, as this way the two officers could plan exactly what the apprentice was learning, and if there was anything in particular the apprentice needed to learn or fill any gaps in that learning.

The only concerns now and moving forward would be with the mobile / home working – the Tenancy Officer supporting the apprentice would have to work at an office, rather than from home. This could put pressure on individuals, forcing them to not work as agile as they like, and could also put pressure on line managers to arrange rotas, so this doesn't fall on any one particular Tenancy Officer.”

- “I would echo what has already been said about it being a positive experience for both the apprentice and the team they are placed with. I would also add to the point about mobile working / working from home due to apprentices having to be supervised at all times.”

5.3 Customer Service – Comments:

- My team has had two apprentices; Two very different people but both very keen to learn and very willing to participate with both staff and customers.

Customer Services is a difficult place to work as we deal with a lot of angry, upset and confrontational customers and initially this was very daunting for the apprentices,

however both of them have grown in confidence and by the end of their journey with us they were dealing with customers on their own with little supervision from my staff.

It does put a bit of pressure on the team as a whole as it's a very busy service, however, it has enabled the apprentices to flourish in their journey with us and has given them confidence, hands on experience, and they have learnt to work as part of a team, which is a huge factor in any service area going forward.

One of the apprentices is now a full-time member of staff in my team and they have only been with us since September as an apprentice, which has proven that the scheme will work if the apprentice is willing to learn and the staff invest the time in training. The individual has grown so much confidence since working with the public face-to-face.

My only concern is that they are moved around after three months, so just as they are getting to know their role and are feeling confident in their work, they are then moved to a completely different service area. I think both apprentice and team would benefit from having them for a longer period to enable better learning and prevent the need to start from scratch with a new apprentice every three months.”

- 5.4 The feedback from WH managers has been wholly positive for this pilot intake. The challenges and concerns raised by managers will be taken into consideration as we conduct a formal review of this pilot and define our future plans regarding apprenticeships.

6.0 Apprentice Intake - 2017

- 6.1 There are two electrical apprentices from the 2017 intake who are due to complete their apprenticeship in the new Level 3 Installation and Maintenance Electrical standard in August 2021. Both apprentices have the ability and behaviours to be a real asset to Wolverhampton Homes in the future.

7.0 Future plans

- 7.1 Wolverhampton Homes is currently devising its post-Covid-19 recovery plans. These plans will include details of how WH use lessons learnt from working remotely through lockdown to inform how we are structured and how we operate in the future. This includes an analysis of the age and skills profile of the current trade workforce, together with an estimate of our future workforce profile demands.
- 7.2 Information we have received from Wolverhampton College regarding their construction apprenticeship offer from September 2020 is:
- Bricklayer - Level 2
 - Carpentry and Joinery - Level 2
 - Plumbing and Heating - Level 2 (**Note:** there is no new apprenticeship standard available at Level 2. The college is currently offering the old-style framework for Plumbing, which is likely to be withdrawn nationally from September 2020)
 - Painter and Decorator - Level 2

- Advanced Carpentry and Joinery - Level 3
- Installation Maintenance Electrician - Level 3

7.3 Wolverhampton College is not offering:

- Plastering – Level 2 or Level 3
- Plumbing and Gas – Level 3 (**Note:** this apprenticeship is available at Dudley College)
- Property Maintenance

7.4 WH have not yet received an update from Wolverhampton College regarding their plans for re-opening and the next academic year. They have confirmed that they will accept WH registering a new intake of apprentices with them for September 2020, but they cannot give clarity around their timeline for reopening, or how the training will be delivered in the future (i.e. face-to-face, online or a combination).

7.5 Wolverhampton College traditionally has only one intake of apprentices per year in September.

7.6 Dudley College have also not given a firm date for re-opening; however, they have confirmed that they have two intakes of apprentices per year; September and January.

7.7 Our proposal is to not recruit an intake of apprentices for September 2020.

7.8 WH will complete the workforce profiling to identify our current age and skills position for the trades workforce and determine our future needs and ways of working. This will enable us to have clarity over the number of construction apprentices, and in which trades, we will want to recruit for our next intake.

7.9 WH will also conduct a formal review of the office apprenticeship scheme, including how more mobile and agile working arrangements could impact any future intakes, and what mitigating actions we can put in place to maintain the positive learning experience for our office apprentices. We will also review the apprenticeship standards available to determine whether or not to offer a wider choice of apprenticeship schemes in the future.

7.10 WH will review the provision of apprenticeship training available and work to procure such training that best suits to meet the needs of Wolverhampton Homes.

7.11 WH will submit our proposals and recommendations to Board members at the Board meeting following the one being held on 10 July 2020, with a view to being able to move into apprentice recruitment speedily thereafter. Our next intake of apprentices, therefore, will commence in January 2021.

7.12 Finally, the report will encompass our Early Careers Strategy, of which apprenticeships is only one element. Other areas to be considered and proposals made on are:

- School work experience
- T-levels
- Graduate development

8.0 Financial and value for money implications

- 8.1 WH will need to ensure that succession planning includes recruitment to a number of apprentices to fully utilise the apprenticeship levy.

9.0 Legal implications

- 9.1 There are no legal implications identified within this report.

10.0 Human resources implications

- 10.1 All Learning and Development team members have full DBS checks in place along with allocated supervisors. Supervisors have also been on training to work with young people as well as safeguarding training. Human Resources will ensure that all apprentices are employed on consistent terms and conditions. All apprentices will be employed on fixed term contracts.

11.0 Health and safety implications

- 11.1 All apprentices will receive thorough health and safety inductions and qualifications. Further training will be provided throughout specific projects. The Learning & Development team will work closely with the Health & Safety team to ensure a programme is in place for each apprentice. Each apprentice role has been risk assessed and individual site inductions are in place for each programme. Apprentices will be supervised at all times.

12.0 Equalities implications

- 12.1 Has an equality impact assessment been carried out? **No**
- 12.2 Explanation: A full equality impact assessment will be carried out as part of the work being undertaken to develop an Early Careers strategy for Wolverhampton Homes.

13.0 Impact on the environment and community

- 13.1 Local residents will be encouraged to apply for apprenticeships. Young people who are unsuccessful in the recruitment stages will be offered the chance to enrol on Wolverhampton Homes' employability programmes.
- 13.2 Wolverhampton Homes, partners and supply chain organisations will provide opportunities to improve communities with improvement projects.

14.0 Long term consequences for the company

- 14.1 The proposal will ensure that Wolverhampton Homes are actively working on their succession planning to alleviate future skills gaps.

- 14.2 The proposal allows Wolverhampton Homes to continue their vision of creating 'home grown' well rounded apprentices. It allows Operations to resource future improvement/maintenance needs effectively.
- 14.3 Losing opportunities to 'grow our own talent' with embedded values of the organisation.
- 15.0 Impact on business relationships with suppliers, customers and others**
- 15.1 Wolverhampton Homes' partners and supply chain have given support to the apprenticeship model and will continue to provide training opportunities. Partners have a commitment to ensuring apprentices are supervised, trained and reviewed.
- 16.0 Impact on Wolverhampton Homes' Management System**
- 16.1 Will any new policy or policy updates have an impact on the management system? **No**

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