



Wolverhampton Homes Open Board Meeting

09 December 2022

Time 9.30 am **Public Meeting?** YES **Type of meeting** Wolverhampton Homes
Venue Novotel Hotel, Union Street, Wolverhampton, WV1 3JN

Membership

Derek Allen
Parveen Brigue
Victor Browne
Councillor Jonathan Crofts
Angela Davies
Hajrija Dergic
Steve Finegan
Councillor Asha Mattu
Joy McLaren
Mike Porter
Councillor Rita Potter
Councillor Zee Russell

Information

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

Contact The Business Assurance Team
Tel/Email 01902 552956; WHSBusinessAssurance@wolverhamptonhomes.org.uk
Address Novotel Hotel, Union Street, Wolverhampton, WV1 3JN

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Agenda

<i>Item No.</i>	<i>Title</i>
1	Apologies
2	Declarations of interest
3	Minutes of previous AGM - 10 October 2022 (Pages 3 - 10)
4	Matters arising
5	Minutes of previous Open Board meeting - 10 October 2022 (Pages 11 - 16)
6	Matters arising

FOR INFORMATION

7	Revenue Forecast for 2022 - 2023 - Quarter 2 - Jo McCoy, Finance Business Partner, City of Wolverhampton Council (Pages 17 - 24)
8	Capital Programme Delivery update - Quarter 2, 2022 - 2023 - Simon Bamfield, Head of Assets and Stock Investment (Pages 25 - 32)
9	Damp, Mould and Condensation - progress update to mitigate associated risks - Ian Gardner, Director of Property Services (Pages 33 - 48)
10	Employment opportunities for young people - Sarah Butcher, Head of Organisational Development and Staff Engagement (Pages 49 - 66)

M I N U T E S



Meeting: Wolverhampton Homes Annual General Meeting

Date: Monday 10 October 2022

Venue: WV Active, Aldersley Board Room

Time: 13:30

MEMBERS IN ATTENDANCE: -

Angela Davies	-	Chair – Tenant Board Member
Councillor Asha Mattu	-	Board Member – Councillor
Councillor Jonathon Crofts	-	Board Member – Councillor
Councillor Rita Potter	-	Board Member – Councillor
Hajrija Dergic	-	Board Member – Independent
Steve Finegan	-	Vice Chair – Independent Board Member
Victor Browne	-	Board Member – Tenant

STAFF IN ATTENDANCE – WOLVERHAMPTON HOMES: -

Shaun Aldis	-	Chief Executive
Julie Haydon	-	Director – Corporate Services (Company Secretary)
Angela Barnes	-	Director – Homes and Communities
Darren Baggs	-	Assistant Director – Housing
Kevin Manning	-	Assistant Director – Strategic Management
Nicky Devey	-	Head of Business Services
Jackie Wilkinson	-	Executive Assistant (minutes)
Melissa Oates	-	Business Assurance Officer

STAFF IN ATTENDANCE – CITY OF WOLVERHAMPTON COUNCIL (CWC): -

John Roseblade	-	Temporary Director of City Housing and Environment
Jo McCoy	-	Head of Financial Management

EXTERNAL AUDITORS IN ATTENDANCE: -

Bill Devitt	-	Grant Thornton, External Audit Partner
William Guest	-	Grant Thornton, External Audit

OBSERVERS IN ATTENDANCE: - CITY OF WOLVERHAMPTON COUNCIL (CWC): -

Andrew Bryant - Service Lead – Landlord Services
 Lynda Eyton - Client Relationship Manager - Housing Management Agents

<p>1.0</p> <p>1.1</p>	<p>Apologies</p> <ul style="list-style-type: none"> - Derek Allen – Independent Member - Joy McLaren – Tenant Member - Mike Porter – Tenant Member - Parveen Brigue – Independent Member - Councillor Zareena Russell 	
<p>2.0</p> <p>2.1</p>	<p>Declaration of Interest</p> <ul style="list-style-type: none"> - Angela Davies – Tenant Member - Victor Browne – Tenant Member <p>Noted: No specific conflict of interest identified.</p>	
<p>3.0</p> <p>3.1</p>	<p>WH – Welcome and introduction</p> <p>Board members were notified of the attendees and observers present.</p>	
<p>4.0</p> <p>4.1</p>	<p>City of Wolverhampton Council – Shareholder Update – John Roseblade</p> <p>Information was shared by the Shareholder regarding the continued positive joint working arrangements between Wolverhampton Homes (WH) and the City of Wolverhampton Council (CWC). Noted as follows:</p> <ul style="list-style-type: none"> - The relationship between CWC and WH is strong, and it is important it continues that way. With an ever growing demand on social housing both nationally and locally, the continued collaboration between CWC and WH will ensure the needs of residents are supported. - The Council has recently launched a Financial Wellbeing Strategy and will work with partners, including Wolverhampton Homes to help support customers in tackling poverty and to improve the financial wellbeing of residents. - CWC and WH have developed a strong partnership over the years, and it is important to review how the partnership can continue to provide effective, resilient and value for money housing management and services on behalf of the Council. - The current management agreement between CWC and WH is in place until 2028, with the break clause in 2023 offering an opportunity to review the existing arrangements, therefore 	

	CWC have engaged the independent services of Campbell Tickell to provide a strategic review of the management agreement and the services that WH undertake on the Council's behalf.	
5.0	Wolverhampton Homes – ALMO Update – Shaun Aldis Chief Executive	
5.1	<p>Further details were shared on the specific priorities that will continue throughout the coming 12 months:</p> <ul style="list-style-type: none"> - <u>Regulation</u> – Charter for Social Housing Residents / Building Safety Act / Fire Safety Act. - <u>Homelessness</u> – Looking at increased prevention activity and what a robust housing advice offer may look like. - <u>Safe and healthy homes</u> - Continued delivery of the Capital Programme across the City including the transformational projects at both Heath Town and the Tarrans Estate. - <u>Income Maximisation</u> - continuing a robust approach to income management, developing a culture where WH work with customers to tackle any barriers to enable them to sustain their tenancies. - <u>More and better homes</u> - supporting the increase to the housing offer across the city. The Help to Own scheme has been a success and WH continue to roll out the small sites' schemes. - <u>Domestic Abuse</u> – WH have been awarded DAHA accreditation. - <u>Home Improvement Agency</u> – More flexibility now available to utilise the grant process to ensure people are supported to live independently for longer in their own homes. WH will also consider joint working with partners including health and social care in relation to hospital discharge and admissions. - <u>Customer contact and access / Digital Agenda</u> – this gives opportunity for innovation and new ways of working to ensure the provision of one touch services which are modern and seamless for our staff and customers, taking the learning from the pandemic to deliver critical services to our customers. 	
6.0	Minutes of previous Annual General Meeting – 03 September 2021	
6.1	The minutes of the previous Annual General Meeting, 03 September 2021 were agreed as a true record.	
7.0	Matters arising	
7.1	There were no matters arising.	

External Audit Items	
8.0	Audit Findings Report 2021 - 2022 – Bill Devitt – Grant Thornton. William Guest
8.1	Board members were provided with an overview of the financial statements for year ended 31 March 2022.
8.2	It was confirmed that the audit opinion will be unqualified, with no material uncertainty on the value of WH's investment property. Final information is awaited on the West Midlands Pension Scheme in order to finalise the accounts, which will be submitted by 31 December 2022.
8.3	Clarification was requested by the Chief Executive in relation to council owned companies to ensure that there are no risks / issues for either WH or CWC. Grant Thornton confirmed that there are no concerns in relation to material significant risks, testing is carried out on a large sample basis and no risks were identified. Subsidiaries are legal entities that are appropriate for Council's and WH is appropriate to act in this role as an ALMO.
For Decision	
9.0	Annual Strategic Financial Arrangements – Julie Haydon, Company Secretary
9.1	Board members were provided with details on a number of areas and were asked to approve the following: <ul style="list-style-type: none"> • Draft Financial Statements for the year ended 31 March 2022. • Wolverhampton Homes Letter of Representation 2021 – 2022. • Wolverhampton Homes Letter of Going Concern – September 2022.
9.2	Board Members were asked to note the: <ul style="list-style-type: none"> • Letter of Support from the City of Wolverhampton Council – September 2022.
9.3	Board queried the Annual Strategic Financial Arrangements report, page 42 / 43 and highlighted a potential anomaly between the Audit Report and the Strategic Report in relation to the reserve balance. It states a reserve of £5.6m in the Audit Report and £5.3m in the Strategic Financial Arrangements report, and £5.8 fixed assets at the end of the previous financial year, whereas the Audit report says £6.0m.
9.4	CWC advised that this is likely to be because of slight rounding differences and confirmed they would investigate further and amend accordingly.

<p>9.5</p> <p>9.5.1</p>	<p>Grant Thornton advised that the accounts issued in the papers are not the final version and are still in draft so further checks and edits will be carried out.</p> <p>Action – Grant Thornton to review and amend figures as required relating to 9.3.</p> <p>Board Members approved the:</p> <ol style="list-style-type: none"> 1. Financial Statements – 2021 - 2022 2. Wolverhampton Homes (WH) Letter of Representation 3. Wolverhampton Homes (WH) Letter of going concern <p>The Shareholder ratified the following decisions and documents:</p> <ol style="list-style-type: none"> 1. Financial Statements – 2021 - 2022 2. Wolverhampton Homes (WH) Letter of Representation 3. Letter of Going Concern 4. Letter of Support – City of Wolverhampton Council 	<p>ND</p>
<p>10.0</p> <p>10.1</p>	<p>Governance Arrangements and Articles of Association – Julie Haydon, Company Secretary</p> <p>Board members were appraised of the work undertaken to review the company’s governance arrangements which have been revised and updated in line with best practice and legislation.</p> <p>Board Members approved:</p> <p>Updated Terms of Reference in line with the Wolverhampton Homes Governance Structure:</p> <ul style="list-style-type: none"> • Board • Audit and Business Assurance Committee • Communities and Service Delivery Committee <p>Board Members noted:</p> <ul style="list-style-type: none"> • Financial Regulations (final version) • Ongoing Governance arrangements 	
<p>11.0</p> <p>11.1</p>	<p>Confirmation of Board Membership – Nicky Devey, Head of Business Services</p> <p>Board members and the Shareholder representative were provided with confirmation of Board member changes that have occurred since the last Annual General Meeting held in September 2021, which were as follows:</p>	

	<ul style="list-style-type: none"> Terminated appointment of Paul Appleby as Director on 30 May 2022 Appointment of Jonathon Crofts as a Director on 01 June 2022 	
11.2	The Shareholders were asked to confirm that membership of the Board, following today's Annual General Meeting shall be:	
11.3	<p><u>Councillor Board Members</u> Councillor Asha Mattu Councillor Jonathon Crofts Councillor Rita Potter Councillor Zareena Russell</p>	
11.4	<p><u>Tenant Board Members</u> Angela Davies Joy McLaren Michael Porter Victor Browne</p>	
11.5	<p><u>Independent Board Members</u> Derek Allen Hajrija Dergic Parveen Brigue Steve Finegan</p> <p>Resolved: John Roseblade, on behalf of the shareholder confirmed the membership of the Board as detailed in this report</p>	
12.0	Electing the Chair – Nicky Devey, Head of Business Services	
12.1	Angela Davies, Tenant member confirmed an expression of interest in continuing the role of Chair of the Board	
12.2	This was formally proposed by Steve Finegan and seconded by Councillor Rita Potter.	
	Resolved: Angela Davies is confirmed as Chair of Wolverhampton Homes Board for 2022 - 2023	
13.0	Electing the Vice Chair – Nicky Devey, Head of Business Services	
13.1	Steve Finegan confirmed an expression of interest in continuing in the role of Vice Chair of the Board.	
13.2	This was formally proposed by Councillor Asha Mattu and seconded by Hajrija Dergic, Independent Member.	
	Resolved: Steve Finegan is confirmed as Vice Chair of Wolverhampton Homes Board for 2022 - 2023	

14.0	Electing the Committee Chairs – Nicky Devey, Head of Business Services	
14.1	Electing the Chair of Wolverhampton Homes Audit and Business Assurance Committee	
14.1.2	Steve Finegan, Independent member, confirmed an expression of interest in continuing in the role of Chair of the Audit and Business Assurance Committee.	
14.1.3	This was formally proposed by Councillor Rita Potter and seconded by Councillor Jonathon Crofts. Resolved: Steve Finegan confirmed as Chair of the Audit and Business Assurance Committee for 2022 - 2023	
14.2	Electing the Chair of Wolverhampton Homes Communities and Service Delivery Committee	
14.2.1	Joy McLaren, Tenant member confirmed an expression of interest in continuing in the role of Chair of the Communities and Service Delivery Committee.	
14.2.2	This was formally proposed by Hajrija Dergic, Independent Member and seconded by Victor Browne, Tenant Member. Resolved: Joy Maclaren confirmed as Chair of Communities and Service Delivery Committee for 2022 - 2023	
15.0	Any other business	
15.1	No items of any other business were raised.	
16.0	Date of next Annual General Meeting	
16.1	September 2023 - date to be confirmed.	

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M I N U T E S



Meeting: Open Board Meeting
Date: Monday 10 October 2022
Venue: WV Active Board Room, Aldersley
Time: 13:30

MEMBERS IN ATTENDANCE

Angela Davies	-	Chair – Tenant Board Member
Councillor Asha Mattu	-	Board Member – Councillor
Councillor Jonathan Crofts	-	Board Member – Councillor
Councillor Zareena Russell	-	Board Member – Councillor
Hajrija Dergic	-	Board Member – Independent
Steve Finegan	-	Vice Chair – Independent Board Member
Victor Browne	-	Board Member – Tenant

STAFF IN ATTENDANCE - WOLVERHAMPTON HOMES (WH)

Shaun Aldis	-	Chief Executive
Julie Haydon	-	Director Corporate Services
Angela Barnes	-	Director Property Services
Kevin Manning	-	Assistant Director Housing Strategy
Darren Baggs	-	Assistant Director Housing
Nicky Devey	-	Head of Business Services
Simon Bamfield	-	Head of Assets and Stock Investment
Jackie Wilkinson	-	Executive Assistant – minutes
Melissa Oates	-	Business Assurance Officer

STAFF IN ATTENDANCE – CITY OF WOLVERHAMPTON COUNCIL (CWC)

John Roseblade	-	Temporary Director of City Housing and Environment
Jo McCoy	-	Head of Financial Management

EXTERNAL AUDITORS IN ATTENDANCE

Bill Devitt	-	Grant Thornton, External Audit Partner
William Guest	-	Grant Thornton, External Audit

OBSERVERS IN ATTENDANCE – CITY OF WOLVERHAMPTON COUNCIL (CWC)

Andrew Bryant	-	Service Lead – Landlord Services
Lynda Eyton	-	Client Relationship Manager - Housing Management Agents

1.0	Apologies	
1.1	<ul style="list-style-type: none"> - Derek Allen, Independent Board Member - Joy McLaren, Tenant Board Member - Mike Porter, Tenant Board Member - Parveen Brigue, Independent Board Member - Councillor Zareena Russell, Councillor Board Member 	
2.0	Declaration of Interest	
2.1	<ul style="list-style-type: none"> - Angela Davies, Tenant Member - Victor Browne, Tenant Member - Darren Baggs, Board member of Wolverhampton Living 	
2.2	Noted with interest and allowed to remain and join in with the debate.	
3.0	Minutes of the previous meeting – 24 June 2022	
3.1	The minutes of the previous Open Board meeting 24 June 2022 were agreed as a true record.	
4.0	Matters arising	
4.1	Action 5.6 – The role of the Board Champions to be discussed with Board Chair and Vice Chair to confirm future arrangements. Completed.	
4.2	Action 6.5 – Board Development to include Equality, Diversity and Inclusion (EDI) awareness session. Completed – session to be delivered in December 2022.	
For Information		
5.0	Revenue Forecast for 2022 - 2023 as at Quarter 1 – Jo McCoy, Head of Financial Management, City of Wolverhampton Council	
5.1	Board were asked to note the Revenue Outturn Forecast for 2022 - 2023 as at Quarter 1.	
5.2	<p>Further information was shared on the following areas:</p> <ul style="list-style-type: none"> - The board approved budget for 2022 - 2023 was set with a forecast of £1m contribution from reserves to meet the increase demand on the repairs and maintenance budget and included an allowance for a pay award of £600k - National Pay Award now expected to cost £1.6m 	

	<ul style="list-style-type: none"> - Utility costs show a potential increase of around £300k - Vacancy management - Core service delivery is key to ensuring the right services are delivered to customers - Campbell Tickell commissioned by CWC - Ongoing expenditure reviews - Government have reversed the increase in NI contributions so there may be circa £190k return from this - CWC recognised there are considerable inflation and pay award costs, and officers may be requesting additional resources from the HRA to support this. 	
5.3	<p>Board highlighted that as a result of the current market and potential rise in interest rates there could be an impact on homes being repossessed which could subsequently add further pressure to the budget in terms of Homelessness. It was confirmed that the report in question does not cover Homelessness as this is funded through the General Fund, not the HRA, and as such any increase in costs for homelessness would be expected to be reimbursed to WH.</p>	
5.4	<p>Board questioned whether any modelling has been completed in relation to potential rent caps and wider issues around any potential impact on the private sector, homelessness, and private landlords. Any expenditure that does not lead to a return on investment for WH customers will need to be reviewed, and focus will be on the core business services. WH plan, manage and review the budget along with regular forecasting and budget meetings to identify any opportunities for savings or redesign of services to allow for maximum delivery.</p>	
5.5	<p>In relation to the rent cap, CWC confirmed that they are doing modelling on the HRA using various scenarios to provide a full understanding of the revenue positions. As management and maintenance costs are increased on the HRA, this reduces the resources available to fund the capital programme, so further decisions may be required in relation to this. Consultation on the proposed rent cap is ending on 12 October 2022.</p>	
5.6	<p>Board highlighted the contingency of 2% for pay rises and queried how this may affect staff. CWC reiterated that whilst they had assumed a pay award of 2%, they have been advised that this is likely to be closer to 4% which is detailed in the report as an additional £1m in costs.</p>	
5.7	<p>Staff at WH will receive the agreed Local Government Pay Offer which Unison have agreed as an across the board pay rise of £1,925 for all staff, resulting in staff at the lower end of the pay scales receiving a higher percentage increase than those at the higher end of the pay scales. Unite the union are scheduled to confirm their decision in relation to the pay offer shortly.</p>	

	Resolved: Board noted the contents of the Revenue Outturn Forecast for 2022 - 2023 as at Quarter 1	
6.0	Capital Programme Delivery Update Quarter 1, 2022 - 2023 – Simon Bamfield, Head of Assets and Stock Investment	
6.1	<p>Board members were updated on the quarter one Capital Programme delivery with details shared as follows:</p> <ul style="list-style-type: none"> - Ongoing significant challenges linked to supply of materials, staff recruitment and retention. - Continued number of high-cost voids, 68 properties completed by the end of June, approximately 50% higher than the historic norm, due to age related deterioration and condition of property when returned to WH, average void cost is circa £16,500 per property. - The infrastructure programme is ongoing, with work underway at Merry Hill and Graiseley internal works. - The fire door programme is advancing with the replacement of 1,500 new doors installed to date. - Internal improvements programme continues to support decent homes refurbishments following referrals from other service areas. - Work progressing on single persons accommodation scheme at Bond House in line with the programme, which is anticipated to come in on budget. - Warstone Gardens and Castlebridge roof replacement programme has been completed to a high standard. 	
6.2	<p>Board queried why average void costs have increased, and it was confirmed that there are number of factors impacting on voids. Stock is getting older; customers may not be maintaining properties to a suitable standard and there are often large garden clearances required. Much of the stock was built in the 1950's and can require substantial investment where there has been low turnover, which in turn is impacting on the structural repairs budget.</p>	
6.3	<p>Board asked how average void costs for WH compare with similar Landlords. It was advised that although benchmarking is available it is often difficult to establish this as there are a number of variables. WH work to ensure that all properties meet the baseline standard, which sometimes includes decent homes work which has a higher cost, coupled with increased compliance standards in relation to gas and electrical regulations, consumer units have doubled in cost. It was agreed that even where customers maintain their properties well, costs can be high as a result of increasing standards and compliance with new legislation.</p>	
6.4	<p>Board questioned what WH were doing to resolve the skills shortage. It was confirmed that additional opportunities are being explored ensuring</p>	

	<p>that WH is as attractive as possible as an employer. Pay continues to be challenging as a result of outside forces.</p> <p>Resolved: Board members noted the report in relation to the delivery of the Housing Revenue Account (HRA) Capital programme:</p> <ul style="list-style-type: none"> - Performance achieved - Financial position 	
For Decision		
<p>7.0</p> <p>7.1</p> <p>7.2</p> <p>7.3</p> <p>7.4</p> <p>7.5</p>	<p>Repairs and Maintenance Policy Update – presented by Shaun Mulloy on behalf of Ian Gardner</p> <p>Board members were asked to approve the Repairs and Maintenance Policy which has been out for customer consultation. Key highlights detailed as follows:</p> <ul style="list-style-type: none"> - Balances customer priorities with available budgets and in meeting compliance requirements - Damp, Mould and Condensation categories have been introduced with specific timelines for surveying and completing the work which were also included in the survey. - Mutual Exchange incorporated into the policy. <p>Board agreed that in terms of Repairs and Maintenance, WH do a very good job, but there will be homes in the city that are still draughty, cold and potentially damp and not adequately insulated, which in light of the energy costs increases may need to be reviewed. It was confirmed that work is ongoing to write a stock investment strategy to address these issues. WH have worked with Wolverhampton University and looked at different archetypes and data analysis to identify where these issues are and to collate an action plan to deliver the required works.</p> <p>There is the potential to bid for Social Housing Decarbonisation Fund (SHDF) funding which could deliver between 1,000 and 2,000 property improvements, which is focused on improving thermal efficiency across the city, particularly on Cornish and British Iron and Steel Federation (BISF) properties which were built with limited lifespans.</p> <p>Board asked whether assistance will be provided for tenants who face increased costs as a result of temporary heating. It was confirmed that where costs are above and beyond the customers normal expenses, support is available.</p> <p>Board requested clarification on the relationship that WH have with Severn Trent Water in relation to water disputes. WH confirmed that although there is a good working relationship between the companies, unfortunately where there are issues on water mains outside of the</p>	

	<p>boundary, they cannot liaise with us directly as they are only able to speak to the bill payer in line with GDPR, however, WH work with the customers to assist where required.</p> <p>Resolved: Board Members agreed to approve the Repairs and Maintenance Policy</p>	
8.0	Any other business	
8.1	There were no other items of business.	
9.0	Date of Next Meeting	
9.1	Friday 09 December 2022 – 09:30 am, Novotel Hotel, Wolverhampton	

Board Report

	Agenda Item 7
	09 December 2022 Revenue Forecast for 2022 - 2023 - Quarter 2
	Open Report
Status:	For Information
Author and job title:	Jo McCoy – Finance Business Partner, City of Wolverhampton Council
Contact No:	01902 554415
Recommendations:	Board members are asked to note the Revenue outturn forecast for 2022 - 2023 as at Quarter 2.
Key risks and contentious issues:	<p>The original budget for 2022 - 2023 was balanced with a planned / forecast contribution from reserves of £1.0 million.</p> <p>The Quarter 2 forecast is currently for an overspend against the budget of around £1.6 million. This is due to the impact of demand and inflation on repairs and maintenance and communal fuel. As currently stands, this would mean a contribution from reserves of £2.6 million which would reduce them to £2.8 million at 31 March 2023.</p> <p>The approved Management fee for HRA services for 2022-2023 was £40.46 million. WH have requested an additional £2 million in order to help with funding these unprecedented costs along with the pay award – which was around 2% higher than allowed for in the budget.</p> <p>In addition, there may still be risks in the budget position from both inflation and demand for services over the winter months.</p>

	<p>Given the current economic climate, WH continue to ensure a focused scrutiny on the company's finances and in particular vacant posts which currently equate to £0.8 million that, if filled, would increase the pressures on the net budget position. This supports the necessity for new ways of working to be implemented across the business.</p> <p>This is balanced with the impact of rising energy and fuel costs, the pressures on the cost of living, increased complexity of customer demands and the rise in homelessness.</p>
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Management Summary

1.0 Purpose

1.1 This report is to inform the Board of the Quarter 2 revenue outturn forecast position for 2022 - 2023 as at 30 September 2022.

2.0 Revenue Forecast 2022 - 2023

2.1 The budget was set for 2022 - 2023, with a forecast £1.0 million contribution from reserves to meet increased demand and cost pressures on the repairs budget.

2.2 The forecast budget position at 30 September 2022 is for a forecast £1.6 million overspend against budget. The position is summarised below in Table 1.

Table 1 – Summary Forecast Outturn for 2022 - 2023 at Quarter 2 (including forecast pay award):

	2022 - 2023 Budget £000	2022 - 2023 Forecast £000	2022 - 2023 Variance £000
Expenditure			
Employees	28,550	28,729	179
Non-Pay Costs	23,550	24,727	1,177
Total Expenditure	52,100	53,456	1,356
Income			
Management Fee (core plus ASB)	(40,682)	(40,682)	-
Trading Income	(6,884)	(6,645)	239
Other Income	(3,534)	(3,520)	14
Total Income	(51,100)	(50,847)	253
Net Budget position	1,000	2,609	1,609

2.3 The employee budget is forecast to overspend by around £179,000. This includes a £1.0 million increase to pay award assumptions. The original budget assumed a pay award of 2% (£0.6 million) but this assumption has been increased to a forecast of £1.6 million based on the offer accepted from the Local Government employers which sees a lump sum increase of £1,925 to all SCP points.

2.4 It is noted that there are currently vacant posts in the establishment to the value of around £800,000. Recruitment to any vacant role is scrutinised to ensure that the role is reviewed to establish whether any efficiencies can be made.

2.5 Expenditure on repairs and maintenance is forecast to be higher than budget by £900,000. This is due to both inflation and demand and includes a £500,000 pressure from the increase to communal fuel costs. Repairs and Maintenance budgets were increased for 2022 - 2023 by £1.4 million to reflect demand and cost pressures. When the budget was set there was no indication as to what would happen with fuel prices, due to the economic pressures.

- 2.6 There still are risks around the assumptions behind the forecasts with the impact of the winter ahead. The position will be closely monitored by WH Senior Management team.
- 2.7 There is a forecast overspend against the budget for facilities of £380,000. This is for works to office accommodation and dilapidation costs for terminating the lease for Market Street. These costs will be recovered over 2 years through savings in rental payments, business rates and office running costs. These one off costs were approved as one off expenditure to be funded from reserves.
- 2.8 Overall, income is largely on target, with a reduction of £150,000 from capital recharges for the Heating Programme which is offset by reductions in expenditure. Heating replacements are being increasingly picked up under the capital programme for Internal Decency delivered by the Strategic Construction Partnership.
- 2.9 Further detail on the income and expenditure forecast for 2022 - 2023 can be seen at Appendix 1.

3.0 Budget Strategy for next financial year 2023 - 2024

- 3.1 The medium-term financial position has become even more challenging over recent months, due to inflationary cost pressures, Consumer Price Index (CPI) for October 2022 had increased to 11.1%. Such unprecedented price increases are also likely to lead to further increases in pay costs.
- 3.2 The proposed budget for 2022 - 2023 also included a one off contribution of £1.0 million. Due to the continued price increases, it is unlikely that the company could sustain reducing repairs and maintenance budgets by £1.0 million. This would also impact on the ability to address the pressures of damp and mould and Section 11 claims.
- 3.3 Wolverhampton Homes is working closely with the council to model increases to both revenue management and maintenance costs and the cost of capital works and assess the ability to provide services within the current management fee and the short and long term impact on the Housing Revenue Account.
- 3.4 To help mitigate, Wolverhampton Homes have put in a request to the council for an increase in resources to our Management Fee from the HRA on the basis of high inflation and increased costs relating to repairs and maintenance and fuel price increases. This has received an in principle agreement from the council.

4.0 Summary of Financial Position

- 4.1 The position at Quarter 1 is of an overall overspend against the budget for 2022 - 2023 of £1.6 million. This is due to the impact of unprecedented inflation and the need to allow for a higher pay award than that allowed for in the budget.

- 4.2 The anticipated forecast overspend for the year together with the budgeted £1.0 million contribution from reserves, have been well documented. The impact of which will decrease the total reserves to around £2.8 million at 31 March 2023.
- 4.3 The executive and Board have made commitment to bring costs in line with income through a range of Invest to Save initiatives. By reducing reserves below a reasonable threshold would prevent further initiatives being implemented. WH is requesting that the council to reflect in part of its management fee the current challenges as a result of the current challenges as a result of the current economic climate.
- 4.4 Income from the management of the nineteen WH owned properties continues to perform to predicted expectations.

5.0 Financial and value for money implications

- 5.1 Wolverhampton Homes has a long-term record of effective budgetary control.

6.0 Legal and regulatory implications

- 6.1 There are no legal and regulatory implications of the contents of this report.

7.0 Health and safety implications

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

8.0 Health and safety implications

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

9.0 Equalities implications

- 9.1 Has an equality impact assessment been carried out? **No.**

- 9.2 Explanation: There are no proposals within this report.

10.0 Impact on the environment and community

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

11.0 Long term consequences for the company

- 11.1 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.

12.0 Impact on business relationships with suppliers, customers and others

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

13.0 Impact on the Wolverhampton Homes' Management System

13.1 Will any new policy or policy updates have an impact on the management system? **No**

14.0 Appendices

14.1 Appendix 1: Income and Expenditure Forecast 2022 - 2023 as at Quarter 2

Appendix 1

Income and Expenditure Forecast 2022 -2023 as at Quarter 2

	2022-23 Budget £000	2022-23 Forecast £000	2022-23 Variance £000	Comment
Expenditure				
Employees	28,550	29,729	179	Increased provision to pay award
Repairs and Maintenance	15,996	16,927	931	Repairs spend and communal fuel
PSL payments to landlords	210	190	(20)	Strategy to reduce number of leases
Facilities	853	1,233	380	Office accommodation works
Transport	1,074	1,059	(15)	
Supplies and Services	3,711	3,613	(98)	
Support Services	1,706	1,706	-	
Total Expenditure	52,100	54,457	1357	
Income				
Management Fee	(40,682)	(40,682)	-	
Trading Income	(6,884)	(6,645)	239	Capital works budget
Capitalised salaries	(2,217)	(2,217)	-	
PSL rental income	(260)	(216)	44	Strategy to reduce number of leases
Investment Property Income	(150)	(153)	(3)	
Other Income	(907)	(934)	(27)	
Total Income	(51,100)	(50,847)	253	
Budget surplus	1,000	2,609	1,609	

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Board Report

	Agenda Item 8
	09 December 2022 Capital Programme Delivery update Quarter 2, 2022 - 2023
	Open Report
Status:	For information
Author and job title:	Simon Bamfield, Head of Assets and Stock Investment
Contact No:	07717 732984
Recommendations:	Board Members are asked to note the performance achieved and the financial position of the delivery of the Housing Revenue Account (HRA) Capital Programme.
Key risks and contentious issues:	<p>The delivery of the HRA Capital Programme continues to be adversely affected by the following factors:</p> <ul style="list-style-type: none"> • supply and cost of construction materials • ability to recruit and retain construction personnel • need for increased design work, so buildings meet current and proposed legal standards (to ensure they will meet the requirements of the Fire Safety Act and Building Safety Act)

Management Summary

1.0 Purpose

- 1.1 To confirm to members of the Board the progress attained with the delivery of the capital programme, and the level of expenditure achieved during the second quarter of the financial year 2022 - 2023.

2.0 Background

- 2.1 The Housing Revenue Account (HRA) Capital Programme for the financial year 2022 - 2023 was approved by the City of Wolverhampton Council's Cabinet on 19 January 2022. The Council delegated £41.23m to Wolverhampton Homes to manage and deliver, with a further £8.11m for projects such as disabled adaptations, and infill new build housing being delivered on behalf of Council budget holders, which brought the combined value to £49.34m.
- 2.2 The HRA Capital budgets are subject to on-going refinement, through quarterly reviews that are endorsed by the Council's Cabinet Resources Panel, to ensure that the necessary funds are allocated to the relevant budgets and that any public borrowing to support the capital programme is only obtained when appropriate.
- 2.3 Following the first quarter review, this allocation was revised to £46.41m delegated directly to Wolverhampton Homes, with a further £9.63m to be delivered on behalf of Council budget holders, bringing the combined total value to £56.04m.
- 2.4 Appendix 1 of this report identifies the current position against these revised budgets (with adjustments for any slippages or overspends from the previous financial year), showing the expenditure against and variance to each approved budget.

3.0 Financial and value for money implications

- 3.1 The shortages in the availability of construction materials, particularly materials such as timber, plaster, and steel, has been affecting the sector since the start of 2021. Whilst the supply issues are starting to ease, WH are still seeing project costs increasing by 25%-30% (inflation over the preceding twelve months).
- 3.2 The labour shortages are impacting Wolverhampton Homes, our construction partners, and their supply chains. The national shortage in competent technical roles within the sector is driving wage expectations upwards. This is also being fuelled by the 'cost of living crisis', with individuals joining organisations who are willing to pay more, which is having a disproportionately adverse effect on public sector employers, given their more rigid pay models.
- 3.3 In terms of project delivery, the key issues to note are:
 - a. There continue to be a lot of high-cost voids with 135 properties completed by the end of September 2022. The extent of work that needs to be undertaken can be significant due to age-related deterioration and the condition the properties / gardens when the property is vacated, which means the average void cost is circa £20,613 property.

- b. The refurbishment of the tower-blocks at Heath Town is underway. The scaffolding to Brockfield House has been erected and work has started in the communal areas of the block, with work in customers' homes starting after Christmas. The enabling work and scaffold erection is well underway at Campion House and enabling work has started at Longfield House.
- c. The Infrastructure Programme, which includes fire safety improvements to the tower-blocks across the city and the replacement of the mechanical and electrical services, is progressing. The fourth phase of the programme at the Merry Hill estate is underway, with work being delivered to the communal areas and within customers' homes. The fifth phase of the programme at the Graiseley estate has commenced, with the majority of external and enabling work completed. The work within customers' homes will commence in the new year.
- d. The first phase of the flat entrance fire door replacement programme, which is being delivered to the medium-rise and low-rise blocks of flats, continues to be delivered successfully. A further 590 doors were installed during Quarter 2, with a total of 1,931 new fire doors installed to date (44% of the total required) and the programme is expected to complete in summer 2023.
- e. The internal improvements programme continues to deliver refurbishments to bring properties back up to the Decent Homes Standard. By the end of Quarter 2, 205 properties had been refurbished, which is 45% of those planned for the year. However, it should be noted that United Living's programme did not start until September, so it was always envisaged that the pace of delivery would increase in the second half of the year.
- f. The roof replacement programme continues to be delivered to a high standard and in accordance with the programme. During Quarter 2, work was completed at Warstones Gardens and Castlebridge Gardens.
- g. Work is progressing at the single persons housing accommodation scheme at Bond House, with the completion on course for February 2023.

4.0 Legal and regulatory implications

- 4.1 Wolverhampton Homes are required to meet the requirements of the Consumer Standards, Social Housing White Paper, Fire Safety Act, and the Building Safety Act.

5.0 Human resources implications

- 5.1 There are currently vacancies within the teams that deliver the capital programme. These include vacant posts for Asset Condition Surveyors, Quantity Surveyors and Property Supervisors.
- 5.2 The construction sector is continuing to face significant human resource issues, with shortages of technical and professional personnel. This is contributing to a surge in pay costs and is creating greater difficulty in attracting people to public sector contracts.

5.3 There have been several recruitment campaigns to try to fill these vacancies and WH are continuing to attempt to recruit to these posts through more targeted advertising or use of consultants, where appropriate.

6.0 Health and safety implications

6.1 Site health and safety of these complex construction projects is robustly managed through daily site inspections and formal meetings with our partners. Performance is also monitored via WH's Health and Safety forums and our Health and Safety team. Latent building safety risks continue to be managed via our wider compliance and site inspection programmes.

7.0 Equalities implications

7.1 Has an equality impact assessment been carried out? Not applicable.

7.2 Explanation: Where equality impact assessments are required, they are prepared during the pre-construction phase of each individual project.

8.0 Impact on the environment and community

8.1 The capital programme continues to provide a significant positive impact on the environment and the local communities through the employment of local people, with circa 38% of the people employed living within Wolverhampton, and by providing safe, efficient, and comfortable homes for our customers.

9.0 Long term consequences for the company

9.1 The capital programme is focused on ensuring the long-term sustainability of the housing stock portfolio, through timely interventions. These range to the replacement of worn-out components, for example central heating boilers, through to major schemes that enhance the quality of the built assets and surrounding environment.

9.2 Failure to deliver the capital programme effectively will result in insufficient numbers of improvements being undertaken, leading to an increased pressure on the repairs service and a rise in disrepair claims.

9.3 Despite the problems currently being encountered, the capital programme continues to be delivered efficiently, provides value for money, and focuses on the key priorities of improving building safety and maintaining the Decent Homes Standard.

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 helps strengthen the business relationships with the Strategic Construction Partners, their sub-contractors and key suppliers.

10.2 The approach taken through the pandemic, to provide a nurturing environment for these companies, safeguarding the wellbeing of their employees and maintaining employment wherever possible, has further strengthened these business relationships.

10.3 There is regular engagement with customers through the design-phase of each new capital project, so WH can ensure that their views and concerns are understood and addressed prior to work starting.

10.4 Further engagement with customers is undertaken prior to work commencing and throughout this process, to ensure the appropriate support is provided.

11.0 Impact of Covid-19

11.1 The delivery of the HRA Capital Programme has faced significant challenges due to Covid-19, but there are now effective control measures in place, which allows projects to be delivered without any adverse impacts.

12.0 Impact on Wolverhampton Homes' Management System

12.1 Will any new policy or policy updates have an impact on the management system? **No**

13.0 List of Appendices

13.1 Appendix A: HRA Capital Programme Report 2022 - 2023 to the end of Quarter 2

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Appendix A: HRA Capital Programme Report 2022-23 to the end of Quarter-2 (April to September).

Item	Name of Project	Approved Budget (Q2)	Spend to end of September 2022			Forecast spend to end of March 2023	
			Total Expenditure	Budget Profile	Variance to Budget Profile	Total Expenditure	Variance to overall budget
DELEGATED PROJECTS (DELIVERED & MANAGED BY WOLVERHAMPTON HOMES)							
A	Internal Improvements						
21/A01	Refurbishment of voids	£7,001,000	£3,962,945	£3,500,500	£462,445	£7,300,000	£299,000
21/A02	Boiler Replacement Programme	£1,200,000	£519,308	£600,000	(£80,692)	£1,200,000	£0
21/A03	Internal Improvements	£6,877,833	£2,961,513	£3,438,917	(£477,404)	£6,877,833	£0
B	Refurbishment Works						
21/B01	Heath Town Estate: refurbishment of the retained blocks	£9,760,416	£4,087,928	£4,880,208	(£792,280)	£8,773,388	(£987,028)
23/B02	High Rise External Works (Balconies and windows etc)	£500,000	£147,445	£250,000	(£102,555)	£500,000	£0
21/B02	Renewal of High-Rise Infrastructure (City-wide); incorporating retro-fitting sprinklers and fire safety improvements	£8,834,496	£3,105,052	£4,417,248	(£1,312,196)	£8,926,615	£92,119
	Medium-rise blocks improvement programme	£250,000	£43,555	£125,000	(£81,445)	£250,000	£0
21/B14	Surveys of non-traditional housing (including high-rise)	£150,000	£36,567	£75,000	(£38,433)	£149,692	(£308)
23/B/15	Remedial Works to System Built Properties	£366,000	£120,000	£183,000	(£63,000)	£299,250	(£66,750)
21/B07	Lift & DDA Improvements	£400,000	£181,078	£200,000	(£18,922)	£400,000	£0
21/B08	Door Entry/CCTV Security Programme	£380,000	£21,642	£190,000	(£168,358)	£150,000	(£230,000)
21/B09	Fire Safety Improvements - Medium & Low Rise	£2,200,000	£1,260,104	£1,100,000	£160,104	£2,561,990	£361,990
21/B11	Sustainable Estate Programme	£1,091,000	£922,875	£545,500	£377,375	£1,629,734	£538,734
21/B06	Roof Replacement Programme (City Wide)	£4,285,060	£1,791,237	£2,142,530	(£351,293)	£4,568,886	£283,826
21/B05	Structural Repair Works (ad-hoc, City-Wide)	£1,580,000	£797,352	£790,000	£7,352	£1,596,248	£16,248
21/B13	Pathway Improvement & Safety Programme	£197,000	£0	£98,500	(£98,500)	£197,000	£0
C	Miscellaneous Items						
21/C02	Capital Programme Management (Wolverhampton Homes salaries)	£1,900,000	£950,000	£950,000	£0	£1,900,000	£0
21/C03	Sale of Council Houses Administration (RTB)	£60,000	£30,000	£30,000	£0	£60,000	£0
PROJECTS MANAGED & DELIVERED BY WOLVERHAMPTON HOMES ON BEHALF OF THE COUNCIL BUDGET HOLDER							
D	Internal Works						
21/D01	Disabled Adaptations	£2,000,000	£693,688	£1,000,000	(£306,312)	£2,000,000	£0
21/D02	Bushbury Hill EMB Improvement Programme	£302,000	£24,241	£151,000	(£126,759)	£201,753	(£100,247)
E	Refurbishment Works						
21/E02	Commercial to residential conversions: Bond House	£3,533,000	£971,051	£1,766,500	(£795,449)	£3,510,963	(£22,037)
	Jericho House	£98,000	£0	£49,000	(£49,000)	£98,000	£0
F	Other Projects						
21/F01	Infill New Build: Small Sites 5	£4,002,000	£1,505,378	£2,001,000	(£495,622)	£4,001,930	(£70)

Appendix A: HRA Capital Programme Report 2022-23 to the end of Quarter-2 (April to September).

Item	Name of Project	Approved Budget (Q2)	Spend to end of September 2022			Forecast spend to end of March 2023	
			Total Expenditure	Budget Profile	Variance to Budget Profile	Total Expenditure	Variance to overall budget
	Summary						
	Estimated Total Value	£56,967,805	£24,132,959	£28,483,903	(£4,350,944)	£57,153,282	£185,477
	Comprising						
	The Strategic Construction Partnership	£46,678,805	£20,195,298			£47,094,660	
	Other Costs	£4,327,000	£1,452,283			£4,096,692	
	Miscellaneous Costs	£1,960,000	£980,000			£1,960,000	
	New Build	£4,002,000	£1,505,378			£4,001,930	
	Totals:	£56,967,805	£24,132,959			£57,153,282	

Original Budget (from Jan. 2022 HRA Business Plan)

£59,732,000

Board Report

	Agenda Item 9
	<p>09 December 2022 Damp, Mould and Condensation - progress update to mitigate associated risks</p>
	Open Report
Status:	For information
Author and job title:	Ian Gardner, Director Property Services
Contact No:	07971 021420
Recommendations:	That Board notes the current activity and Wolverhampton Homes proposals.
Key risks and contentious issues:	<p>The presence of damp, mould and condensation in homes can create a hazard to the health of its occupants, as highlighted following the recent inquest into the death of Awaab Ishak in Rochdale.</p> <p>Ongoing media reports exposing the prevalence of mould in social housing across the country also creates a reputational risk for Wolverhampton Homes and the City Council, with the number of damp, mould or condensation related service requests increasing significantly since November 2022.</p> <p>The national trend of disrepair claims continues to place a significant financial burden on the Housing Revenue Account and Legal Services teams capacity to respond.</p>

1.0 Purpose

- 1.1 To provide Board with a progress update of the company's strategy and actions to manage Damp, Mould and Condensation (DMC) hazards and provide an overview of current disrepair litigation activity and actions to mitigate future disrepair claims to keep our homes safe and healthy for customers.

2.0 Background

- 2.1 Since November 2020, Wolverhampton Homes SMT have been monitoring increases in the number of disrepair claims arising since the introduction of the Homes Act and claim management companies (CMC) apparently targeting delays in repairs being undertaken during the Covid-19 pandemic.
- 2.2 The Chartered Institute of Housing, Royal Institution of Chartered Surveyors (RICS) and many registered providers across the country have observed a significant increase in the number of disrepair claims being submitted. This trend is also being observed by City of Wolverhampton Council and its managing agents.
- 2.3 Since the 'Jackson Reforms' limiting costs in personal injury claims, many 'PPI style' law firms are targeting the housing sector, where costs are not currently capped for housing condition claims.
- 2.4 Since April 2021, national media has highlighted examples of poor-quality housing, often related to leaks, damp and severe mould growth. Other Housing Health and Safety Rating System (HHSRS) Category 1 defects were also highlighted, e.g. unsafe stairs, electrics, etc.
- 2.5 In October 2021, the Housing Ombudsman issued their report '*Spotlight on: Damp and mould. It's not lifestyle*' which included numerous recommendations for the sector:
 - <https://www.housing-ombudsman.org.uk/wp-content/uploads/2021/10/Spotlight-report-Damp-and-mould-final.pdf>
- 2.6 In November 2022, a Coroner ruled that 2-year-old Awaab Ishak died after prolonged exposure to damp and mould at his family's home in Rochdale.
- 2.7 Section 11 of the Landlord and Tenant Act 1985 places an obligation on the landlord to maintain the structure and exterior of the property, including installations for the supply of water, gas and electricity, heating systems, drainage and sanitary appliances.
- 2.8 The national media is continuing to highlight many examples of substandard social homes. This may also contribute to the current nationwide active canvassing by claims management companies in our high streets, through cold calling or leaflet drops. We have also received evidence of canvassers purporting to be representing Wolverhampton Homes to gain access to our customers' homes. Communications have been shared on this to ensure awareness is raised.

2.9 Following WH undertaking self-assessment against the recommendations made by the Housing Ombudsman, a project team was formed in early 2022 and a draft action plan was presented to Board in March 2022. In response to the recent Coroner's report and a recent upsurge in damp, mould and condensation (DMC) related service requests, this project team has been expanded and additional measures are being implemented.

3.0 Damp, Mould and Condensation (DMC) Action Planning

- 3.1 The presence of DMC is possible in all homes if building defects exist or where environmental conditions create high humidity levels. Excessive moisture within homes can result from leaking pipes or roofs, displaced guttering joints, overcrowding, poor ventilation or insufficient heating.
- 3.2 Some homes also have a higher risk of condensation forming due to their inherent design. Examples include internal bathrooms with poor ventilation and uninsulated structural concrete walls or ceilings.
- 3.3 Damp and condensation can encourage mould growth on surface finishes, soft furnishings and clothing. Moulds produce allergens and inhaling, or touching mould spores may cause an allergic reaction, such as sneezing, a runny nose, red eyes and skin rash. Moulds can also cause asthma attacks.
- 3.4 Mould can often be removed by the customer with normal household cleaning products. However, if left unmanaged mould will propagate if optimum conditions continue.
- 3.5 The Housing Ombudsman report '*Spotlight on: Damp and mould. It's not lifestyle*' included 26 recommendations for landlords to consider, as it found during its investigation, too many landlords had defaulted to 'blaming' the occupants for their poor living conditions. The coroner also found similarities and potential racism towards Awaab Ishak's family.
- 3.6 It is possible that activities, especially where there is overcrowding, can create higher risk environments for condensation and mould growth to form. However, the new Repairs and Maintenance Policy approved by Wolverhampton Homes Board in October 2022, specified a *Fabric Failure First* approach including investigations by competent persons and swiftly completed remedial works. The company also complements its approach by providing additional information and guidance to customers, enhanced by a wider support network, including energy efficiency, health and finance advice.
- 3.7 In partnership with CWC colleagues, the company formed a project group to undertake a self-assessment against the Housing Ombudsman recommendations resulting in an Action Plan.
- 3.8 A number of system enhancements, detailed in the Action Plan and resulting from the Board approval in October this year, were activated on 07 November 2022.
- 3.9 Following the Coroner's report published on 15 November 2022, Wolverhampton Homes immediately experienced a large increase in DMC related service requests from customers. Significant media attention followed, along with the Secretary of State

for Levelling Up, Housing and Communities writing to all housing providers seeking assurances that social homes were safe and decent and we '*must raise the bar*' on quality standards.

- [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1118876/SoS letter to all providers of social housing.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1118876/SoS_letter_to_all_providers_of_social_housing.pdf)

- 3.10 On 22 November 2022, the Regulator for Social Housing also wrote to all Chief Executives of Registered Providers and sought information and data relating to the management and their risk assessment of DMC issues.
- 3.11 Since 16 November 2022, Wolverhampton Homes' senior management team has extended the project team and commissioned a number of additional tasks within the existing action plan to improve the management of DMC. This also includes the recommendations from the Internal Audit Report on Disrepair presented to Audit and Business Assurance Committee on 16 November 2022. Please see Appendix 1 – summary of actions and updates.

4.0 Disrepair Claims (Section 11s)

- 4.1 WH continues to have an excellent working relationship with CWC's Legal team with regular liaison meetings to review defence approaches and resource levels. Despite this, all teams are experiencing significant resource pressures to meet critical timescales and milestones to minimise financial losses and compensation payments.
- 4.2 The current average legal and compensation costs associated with disrepair claims are approximately £2,000 for damages per claim and typically £4,000 for legal / defence costs per claim.
- 4.3 CWC's Legal Team advise that in the region of 55% of claims are successfully defended and repudiated. However, where surveys have identified previously unreported repairs, these must still be undertaken to prevent a disrepair claim arising in the future.
- 4.4 As at 30 November 2022, WH had works arising from 41 disrepair claims in progress with a further 92 to be commenced. The current average works cost is circa £1,700. CWC's Legal team advise they have a further 131 claims pending where the scope of works is yet to be agreed. WH is making arrangements to visit these homes to assess any DMC risks.
- 4.5 The potential stress and anxiety a protracted claim can have on customers and their families is often overlooked by CMCs and law firms operating in the sector. To counteract that, WH is adopting a proactive communications strategy that promotes an alternative dispute resolution (ADR). This approach is endorsed by the Housing Ombudsman and has numerous benefits for the customer, the company and the Council, including;
- More timely resolution
 - Less complicated approach for the customer and the Council
 - De-risks the customer incurring legal fees
 - De-risks the customer attending court

- Should be a less stressful / anxious experience for the customer
- Less cost for the Council by significantly reduced legal fees
- Provides the company with an early insight to issues that may affect neighbouring homes

4.6 A further process workshop was held with WH colleagues and CWC Legal on 02 December 2022 to identify additional improvements to reduce future claims and liabilities and introduce more robust 'no access' procedures.

5.0 DMC Service Requests

5.1 As at 28 November 2022, the company had up to 275 DMC related service requests pending, with 215 being reported since the previous month. Inspections requests have increased from 40 per week (week commencing 24 October 2022) to 95 per week (week commencing 21 November 2022).

5.2 Service requests for responsive repairs, including DMC, and void property repairs continue to be the company's current principal source of trend data, with ongoing analysis being undertaken to identify 'at risk' properties. To supplement this, the new rolling 5-year stock condition surveys start early in 2023.

5.3 Desktop reviews have been undertaken to analyse repair activity data within NEC. This supplements available stock condition data that has been used to inform the revisions to the Council's future investment programmes and priorities. No strong property attribute-based trends have yet been identified. However, more detailed data analytics is ongoing.

5.4 A range of transactional and sentiment surveys are also undertaken with customers to gauge their perception of property safety and our response to service requests. Learning from complaints is also a vital source of data that can provide valuable insight of property condition.

5.5 Updated information and guidance is now available on the WH website that provides useful information for customers to control humidity and treat mould growth in their homes.

5.6 A high proportion of mould growth surface treatment is undertaken by WH's external painting contractor. Regular progress meetings take place to review resource levels and additional labour is currently being identified to meet current demand.

5.7 Additional guidance has been provided to Void Inspectors to ensure void properties are let 'mould free', with additional surface treatment works being undertaken prior to letting. Inspections also identify defects, e.g. slipped roof tiles, broken guttering, with repairs usually programmed prior to letting.

5.8 Additional resources, based on historic activity, were included within the revised Property Services staffing structure. Additional posts have been recruited and they will be trained on damp / mould identification and remediation. However, due to a further increase in DMC related service requests over recent weeks, these resource levels may require further enhancements, including colleagues being temporarily reassigned from other duties.

- 5.9 Awareness has been increased with colleagues and contractors, including Dodd Group who undertake the annual gas safety inspections. Dodds' engineers have already flagged over 230 homes ,via the 'See it; Report it' process, raising DMC concerns since April 2022.
- 5.10 Customers reporting concerns, as required under their Tenancy Agreement, are also supplemented by visits to their homes for other unrelated repairs, capital improvements, safety and compliance works or property condition surveys. Every home is targeted to have an annual visit by a representative of one of the Council's managing agents to identify any tenancy or property related concerns. There will also be the commencement of an innovative pilot with West Midlands Fire Service to identify any mould related concerns during their '*Safe and Well*' visits.
- 5.11 The ongoing significant increases in energy costs for consumers will inevitably increase incidents of mould forming due to reduced use of space heating. Through the Money Smart team, we also support customers with their energy bills, to ensure they can keep their homes warm and help to address the wider causes of condensation and mould growth. WH has provided customers with over £120,000 of hardship discretionary support funding since April 2022 alone.
- 5.12 WH's supply chain has had periods of poor performance due to problems sourcing contractors to work on general building disrepair cases. A new general building contractor commenced undertaking works in February 2022. Due to unsatisfactory performance, additional contractors are being mobilised to deliver DMC, planned work and disrepair related repairs.

6.0 Stock Investment

- 6.1 WH currently use stock condition data to identify homes that may be at greater risk of damp and mould due to their original design and construction, or subsequent modification. This data will be supplemented by the rolling five-year stock condition survey, that is prioritised using asset intelligence and repair trends. Service requests from customers are also profiled against key property attributes, including age, wall insulation type, heating type, construction method etc.
- 6.2 Data analytics is also under development with our software provider to predict property and customer behaviours and family profile that may increase incidents of mould growth.
- 6.3 Internal reviews and analysis of stock condition data has identified numerous properties across the city, where due to the nature of their construction, conditions exist that could exacerbate condensation and mould growth (given the relevant human behaviours). Common stock-related issues include;
- Deck-access blocks, with uninsulated ceilings to habitable rooms beneath the walkways
 - Asphalt balconies and walkways that have exceeded their design life
 - Concrete construction with cold bridging (e.g. from structural elements)
 - Internal soil stacks and rainwater pipes that are prone to leaking due to age and poor condition

- Flat roofs that have exceeded their design life
- Walls in purpose-built blocks of flats adjacent to unheated stairwells
- Penetrating dampness created as an unforeseen consequence of previous improvement works carried out to various blocks of flats
- Bathrooms with no natural ventilation and poor or no mechanical ventilation
- Mechanical extraction not used or rendered ineffective due to poor product design (certain fans that were installed in the past have filters, which become clogged if not regularly cleaned)

6.4 Since 2017, WH as supported the Council to invest over £180m in improving building safety, maintaining Decent Homes, and improving energy efficiency for the comfort of its tenants. This includes flats across the city being upgraded with a range of measures, including fire safety works, thermal improvements, and the replacement of flat roofs with pitched roofs that improve water run-off and reduce leaks.

6.5 WH is also assisting the Council by developing plans to decarbonise its housing stock by 2050. This includes replacing poor performing electric night storage heaters in over 2,000 homes and maximising our use of heating networks and other low carbon technology.

6.6 A revision to the strategic investment programme, that will underpin the Council's 30-year HRA Business Plan, is being prepared for approval by the Cabinet in January 2023. This will set out the investment priorities and timescales for further improvements to the housing stock by making them safer, maintain decency and more energy efficient.

7.0 Financial and value for money implications

7.1 The company was forecast to spend in the region of £300,000 on DMC related repairs. However, the growing number of DMC related repairs will place further pressure on repair budgets, now currently estimated to exceed £500,000.

7.2 Current budgets include a reasonable financial provision based on activity estimates, but these budgets must be kept under regular review.

8.0 Legal and regulatory implications

8.1 There are no direct legal or regulatory implications arising from this briefing.

9.0 Human resources implication

9.1 There are no human resource implications arising from this briefing.

10.0 Health and safety implications

10.1 The health and safety of our customers is paramount in ensuring their homes are safe and healthy.

11.0 Equalities implications

11.1 There are no direct equality implications arising from this briefing.

12.0 Impact on the environment and community

12.1 There are no direct environmental or community implications arising from this briefing.

13.0 Long term consequences for the company

13.1 Failure to effectively manage the risks arising from damp, mould, and condensation growth, and the increasing trends in Disrepair Claims being received, may have a profound detrimental impact on customer safety and available financial and staffing resources to undertake core landlord functions.

14.0 Impact of Covid-19

14.1 It is possible some repairs being delayed as a result of pandemic lockdowns has contributed to the increase in Disrepair Claims being received.

14.2 Wolverhampton Homes is continuing to restore its services and has repairs recovery programmes in place.

14.3 No further Covid-19 impact is currently anticipated.

15.0 Impact on Wolverhampton Homes' Management System

15.1 Will any new policy or policy updates have an impact on the management system?
No.

16.0 Appendices

16.1 Appendix 1: Summary of actions and updates

Appendix 1 - Summary of actions and updates

<u>Housing Ombudsman Self-Assessment - Recommendations</u>	<u>Update at 30 November 2022</u>
All Mutual Exchange (MX) requests receive a satisfactory damp & mould Pre-Leaving Inspection before the exchange is approved	<ul style="list-style-type: none"> - Procedure updated - Training for inspecting colleagues planned for December 2022
Define referral or escalation process for key stock condition information arising from responsive repairs to inform asset investment strategies	<ul style="list-style-type: none"> - Basic trend analysis in progress. - NEC system changes implemented 07 November 2022 - Data Analytics under development with NEC
Define training / competency standards for colleagues investigating DMC issues	<ul style="list-style-type: none"> - Under development with Learning & Development Team, following training planned for December 2022
Ensure a Fabric First Approach to decarb and improving energy efficiency considers ventilation and air movement within design briefs, including wider consultation on specifications / approach	<ul style="list-style-type: none"> - To be included in future design briefs. - Included in SHDF Wave 2 submission (Nov 2022)
Evaluate benefits of developing joint comms and advice with Public Health (one Council approach)	<ul style="list-style-type: none"> - Under development with WH & CWC Comms and Public Health - WH information & guidance for customers updated, including WH Website and self-help video
Existing use of and KPI reporting of 'Annual Visits' of all customers	<ul style="list-style-type: none"> - Circa 900 homes that have not received a visit in the past 12 months are being contacted by the DMC task group
Implement use of Data Analytics and activity trends to inform investment priorities	<ul style="list-style-type: none"> - Basic trend analysis in progress.

	<ul style="list-style-type: none"> - NEC system changes implemented 07 November 2022 - Data Analytics under development with NEC
Improve use of CRM & data analytics (e.g. Power BI reporting) to analyse service demands and 'failed' visits	- CRM under development with NEC
Initially assume defects not 'lifestyle' – Fabric First Approach, supported by practical & Energy Efficiency advice, inc access to support services / networks	- Completed – new Policy approved at Board October 2022
Introduce Fault Reason Codes or a specific Priority Code within NEC	- Completed
Investigate opportunities to obtain support from PH & CCG	- Awaiting feedback from CWC & PH
Investigate options to use data / complaints / Sec 11's to 'predict' properties at risk of DMC	<ul style="list-style-type: none"> - Basic trend analysis in progress. - NEC system changes implemented 07 November 2022. - Data Analytics under development with NEC
Investigate use of Power Bi reporting to use Data Analytics from NEC Repairs / Complaints / Legal Services (Disrepair) to predict issues and identify 'hot-spots' and learning actions	- Data Analytics under development with NEC
Promote the use of See-it-Report-It with colleagues and contractors	- Completed
Regularly undertake process and performance benchmarking, to develop best practice with similar organisations	- Midlands Network Working Group to be arranged for early 2023
Review comms strategy (work already in progress with Public Health and other managing agents)	<ul style="list-style-type: none"> - Under development with WH & CWC Comms and Public Health - WH information & guidance for customers updated, including WH Website and self-help video

Review Complaints Policy & Discretionary Compensation Policy	- Pending
Review Complaints Policy and procedures with Legal Services and the Repairs Team	- Reviewed at Legal Workshop 02 December
Review Customer Contact Strategy and approach Channel Shift	- Pending launch of 'Engage' (new NEC App, early 2023)
Review InterFinder to enhance DMC reporting and access to advice for customers	- WH information & guidance for customers updated, including WH Website and self-help video - Self-Serve facilities under review due to triaging requirements
Review links & options to ensure consistency of approach with other EMBs	- Managing Agents Meeting scheduled for 15 December 2022
Review Scripts and training of HD CSAs to accurately triage calls and action & record appropriately	- To follow training, scheduled for early January 2023
Review the 'no-access' procedure to evidence actions taken, including when the service request may be cancelled pending further contact from the tenant, i.e. legal involvement for statutory works (e.g. Gas, Elec)	- Reviewed at Legal Workshop 02 December
Review the scope of Pre-Leaving Inspections (voids & M/X)	- Procedure Updated. Training for inspecting colleagues planned for December 2022
Review use of CRM and customer profiling data to ensure no one is left behind and vulnerable customers are prioritised	- CRM under development with NEC
Review Void Standard to include inspection for DMC issues	- Completed – new Policy approved at Board October 2022

Update Repairs & Maintenance Policy to include WH's approach to reports of Damp & Mould	- Completed – new Policy approved at Board October 2022
<u>Internal Audit Report - October 2022 - Recommendations</u>	<u>Status</u>
An urgent review will take place to consider alternative solutions to the absence of stock condition surveys taking place, which could include the use of external contactors. The specialist procurement team will be consulted. Further, progress completing this task will be monitored and reported to the senior management and the Board.	- Ongoing reviews at SMT - DMC to be included within Compliance Reporting Suite 'Big 7' from December 2022 - Board updated 09 December 2022
KPI's for housing disrepairs will include an indicator for completion of damp and mould repairs within 20 working days	- NEC system changes implemented 07 November 2022 - KPI's under development, to be available by January 2023
(i) Wolverhampton Homes will advise Legal Services of the requirement to maintain a joint log of all claims received and outcomes. (ii) Wolverhampton Homes will advise the Council for ongoing dashboard reporting to take place, so Wolverhampton Homes Board and the Council are updated on a quarterly basis.	- Completed – awaiting database to be developed by Legal Services
A review will be undertaken as part of the wider transformation programme regarding data quality / methods of extraction of data to allow ongoing data analysis to take place on housing stock damp and mould issues.	- Basic trend analysis in progress. - NEC system changes implemented 07 November 2022 - Data Analytics under development with NEC

An update position to the Board briefing note in March 2022 will be taken to Board as on ongoing basis. Further, a dashboard report approach, highlighting key facts, will be considered.	<ul style="list-style-type: none"> - Board updated 09 December 2022 - DMC to be included within Compliance Reporting Suite 'Big 7' from December 2022
The working group will undertake a wider review of lessons learnt / good practice from other local authorities of housing disrepair claims together with a documented action plan to implement at Wolverhampton Homes.	<ul style="list-style-type: none"> - Midlands Network Working Group to be arranged for early 2023.
A helpline telephone number will be included with the video on the company website, advising tenants who are experiencing damp / mould issues to contact the company, with calls to this number assessed / prioritised.	<ul style="list-style-type: none"> - Pending. Video under review to improve access to additional languages.
KPI's for housing disrepairs will be introduced and reported / monitored.	<ul style="list-style-type: none"> - NEC system changes implemented 07 November 2022 - KPI's under development, to be available by January 2023
<u>DMC Task Force - Recommendations</u>	<u>Status</u>
Audit – of DMC service requests cancelled by WH or customer in past two years and pending disrepair claims	<ul style="list-style-type: none"> - Task Force making contact with customers to review current property condition
Audit – of Disrepair Claims submitted to CWC, but where WH not yet instructed to proceed	<ul style="list-style-type: none"> - Task Force making contact with customers to review current property condition
Campbell Tickell - JH to contact Campbell Tickell and provide an update on work currently underway in relation to DMC	<ul style="list-style-type: none"> - In progress
Communication - JH to work with Angela Davies to write a blog on behalf of the Board to advise of steps board are taking to address DMC.	<ul style="list-style-type: none"> - In progress
Communications - Fiona Capel to liaise with Matt Pickerill in relation to the concierge supporting with communications in communal areas.	<ul style="list-style-type: none"> - In progress

Communication - new tenants – link to DMC video to be included in all new tenancy sign ups moving forward.	- Pending. Video under review to improve access to additional languages
Communication - telephone calls - script to be developed for outgoing telephone calls.	- Under development pending training schedule for December 2022
Communication - No access cards (DMC) - Legal to review the No Access card from a legal perspective (Re latter forced entry - to reflect gained access enforcement and tenancy breach.	- Reviewed at Legal Workshop 02 December 2022
Data & Trend Analysis	- Basic trend analysis in progress - NEC system changes implemented 07 November 2022 - Data Analytics under development with NEC
DMC Action plan - SA to liaise with CWC whether DMC action plan and works should be extended to private rented and other managing agents	- In progress
Fire Service - MH to liaise with the Fire Service to incorporate DMC in their safe and well visits - good example of partner working and suggest they visit the current 1000 customers who have had no contact with WH	- In progress
Information sharing - Current DMC video (2.5 minutes) be shared with all staff at Team Meetings to reiterate the importance of it and possibly share at one to ones	- Pending
KPIs - IG to meet with Justin Scott to agree the metrics for KPI's on DMC	- In progress
KPIs - JS to query at the Housemark Technical User Forum on 23/11/22 whether anyone is working on a KPI for DMC	- In progress
Mutual Exchanges - IG to investigate whether DMC inspections should be completed prior to mutual exchanges being completed	- Procedure Updated. Training for inspecting colleagues planned for December 2022
See it Report it - SIRI to be promoted with all staff who visit properties to encourage them to report any issues they encounter, regardless of reason for visit	- Completed

<p>System Development - tab to be added to the contact forms online added as a drop-down option for reason of contact DMC and encouraging customers to upload photographs</p>	<p>- In progress</p>
<p>Training - IG / SB to liaise with Peter Rickerby in relation to whether DMC training is required in void properties as this could be harder to manage than working with photographs (availability of suitable voids could be a problem) and whether this could assist in increasing the number of staff who could receive the training. SB to send all of the staff details to IG.</p>	<p>- In progress</p>
<p>Training - toolbox talks - IG to lead on a toolbox talk for all craft operatives in relation to DMC</p>	<p>- To follow training planned for December 2022</p>
<p>Training - IG / SB / KM to liaise in relation to co-ordinating the training provision for DMC</p>	<p>- In progress</p>

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Board Report

	Agenda Item 10
	<p>09 December 2022 Employment opportunities for young people</p>
	Open Report
Status:	For information
Author and job title:	Sarah Butcher, Head of Organisational Development and Staff Engagement
Contact No:	07773 008395
Recommendations:	The Board are asked to note the content of the report as an update on progress in relation to the report entitled Employment opportunities for young people presented to Board for approval on 10 December 2021.
Key risks and contentious issues:	<p>Failing to recruit young people, including but not limited to apprentices, presents risk to future workforce profiles of the organisation and limits the company's ability to support the commitment from the City of Wolverhampton Council (CWC).</p> <p>Construction industry skills shortages make it challenging to recruit skilled tradespeople, along with more technical roles such as Quantity Surveyors. Investing in opportunities for young people, including apprentices and management trainees, allows the organisation to develop a future stream of diverse talent into key areas.</p> <p>Wolverhampton Homes (WH) is an apprenticeship levy paying organisation; by not utilising the levy funds to successfully succession plan, WH would be wasting resources and not being a responsible, forward-thinking employer.</p> <p>To be staffed by a diverse and elite team, WH needs to achieve its aspiration of growing our own talent pipeline,</p>

	with the values of the organisation embedded in their behaviours; having a strategic approach to early talent goes some way to setting WH on the road to success.
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Management summary

1.0 Purpose

- 1.1 The report provides an annual update on progress and outcomes in relation to the company's employment opportunities for young people.
- 1.2 The Early Careers Talent strategy was signed off at Board in December 2021 and sets out the commitment and priorities of WH to advance early careers and early development, supporting the City of Wolverhampton Council's priorities.

2.0 Current construction apprenticeship cohorts

- 2.1 Twelve construction apprentices were recruited in 2021 (three in March and nine in September):
- Bricklaying x 2
 - Electrical x 4
 - Plumbing / Gas x 4
 - Carpentry x 2
- 2.2 Eight construction apprentices were recruited in 2022:
- Plastering x 3
 - Electrical x 1
 - Plumbing / Gas x 3
 - Carpentry x 1
- 2.3 Recruitment of the 2022 cohort was again undertaken in collaboration with the City of Wolverhampton College.
- 2.4 Nineteen Trade apprentices remain on programme.
- 2.5 The construction apprenticeship model is a shared approach, which WH operates between the strategic partners and supply chain. This ensures that apprentices have the opportunity to be rotated to different projects allowing them to gain the variety of knowledge and experience required to complete their portfolios and be successful at the end point assessment (EPA).
- 2.6 WH will also maximise opportunities to transfer up to 25% of its annual unspent Apprenticeship Levy to local companies to support their training and investment in local people.
- 2.7 All WH apprentices are registered on the apprenticeship levy account. CWC are also able to offset their levy to support our apprenticeship programme, should they not be able to utilise their quota.
- 2.8 The previous employment opportunities for young people report, presented to Board in December 2021, requested funds from reserves be made available to fund apprentice salaries for the 2022 - 2023 financial year. With effective budget management, salaries have been funded through the pay budget during the current financial year by offsetting against vacancies in the establishment and identifying roles that have provided entry level opportunities for young people
- 2.9 WH is committed to recruiting construction apprentices on an ongoing annual basis. Workforce analysis is used to inform the decision regarding specific trades and

numbers of apprentices to recruit, in line with the framework set out in the Early Careers Talent strategy.

- 2.10 Additionally, there may be opportunities in other roles such as concierge, estate caretakers and control room operators, for young people or for individuals with special educational needs and disabilities (SEND), which will be explored further.

3.0 Office Apprenticeship Scheme

- 3.1 The 2021 report contained WH's commitment to a further intake of office apprentices, once the accommodation review had been completed and relevant teams returned to office working arrangements.
- 3.2 WH proposed to offer seven opportunities on the 2022 office apprenticeship scheme, with opportunities for both customer service and business administration apprentices, and a proportion of the funds requested previously, were to be made available to fund the salaries for these office apprentice cohort for 12 months.
- 3.3 As of the date of this report, due to the impacts of Covid-19 and agile working, this apprentice recruitment has not been completed. The current proposal is to keep this recruitment on hold pending the completion of the first cohorts of the REACH programme (see section 5 below).

4.0 Technical, Managerial, and Professional Roles

- 4.1 It was previously proposed to offer seven management trainee placements within the Property directorate. There will be both entry level and intermediate level entry routes. Entry level roles will have a requirement to complete a level 4 qualification such as a HNC in a relevant discipline, whilst intermediate level roles will have a requirement to complete a Bachelors degree in a relevant discipline. This route offers some flexibility within the programme outside of the traditional roles, such as Quantity Surveyor or Building Surveyor.
- 4.2 In September 2022, WH welcomed six new Management Trainees to Property Services; one is in the final year of a Bachelors degree in Construction Management, and the remaining five have been enrolled with the University of Wolverhampton to study for the HNC in Construction and the Built Environment.
- 4.3 As WH develop the accommodation portfolio to a physical environment to better support the health and well-being agenda, there is a continual review of all new vacancies to see if opportunity presents itself to restructure positions to allow for more young people to join the company. WH accept that this needs to be carefully balanced with the need to deliver high levels of customer service.

5.0 REACH programme

- 5.1 The proposal to create nine opportunities under the DWP Kickstart programme, has proved unfeasible.
- 5.2 As part of the ongoing pledge to support the City of Wolverhampton Council's work providing opportunities for the unemployed young people of the City, WH will shortly be launching its REACH programme, details of which can be found at Appendix 1.

6.0 Progress against WH pledge to support the City

Opportunities offered to date:	Total
Trade apprentices	20
Management trainees	6
Direct recruitment	3
School work experience	4
	33

Planned for early 2023:	Total
Non-Trade apprentices (to be recruited in 2023)	8
REACH programme opportunities (every six weeks rotation)	15

7.0 Financial and Value for money implications

- 7.1 WH continues to focus on supporting CWC in their aims to support 18 - 24 unemployment across the city, which requires ongoing investment.
- 7.2 The commitment of WH to growing our own workforce through this approach will require ongoing investment.

8.0 Legal and regulatory implications

- 8.1 There are no legal and regulatory implications identified within this report.

9.0 Human Resources implications

- 9.1 Human Resources will ensure that all apprentices and management trainees are employed on the appropriate terms and conditions, for a fixed term period covering the duration of the qualification.
- 9.2 Opportunities will be offered, as appropriate, at the conclusion of the qualification.

10.0 Health and Safety implications

- 10.1 All young people who are offered employment with WH will receive a thorough health and safety induction and relevant qualification. Further training will be provided throughout, for specific activities relating to the role requirements.
- 10.2 Each role has been risk assessed and individual site inductions are in place for each programme. Young people will be supervised at all times.

11.0 Impact on the environment and community

- 11.1 Local residents will be encouraged to apply for the opportunities available as we continue to support the Council's commitment to the city.
- 11.2 Young people who are unsuccessful in the recruitment stages will be offered the chance to work with the CWC's Black Country Impact and Wolves at Work 18 - 24 teams, to develop their skills and prepare them for future work opportunities.

11.3 WH strategic partners and supply chain organisations will provide opportunities for young people to work on projects within the community.

12.0 Long-term consequences for the company

12.1 The ongoing work in this area supports the Early Careers Talent strategy and action plan in ensuring that WH are actively working on their succession planning to alleviate future skills gaps.

12.2 The strategy also allows WH to continue their vision of creating diverse, 'home grown' competent future talent, and being an employer of choice.

13.0 Impact on business relationships with suppliers, customers, and others

13.1 Wolverhampton Homes' partners and supply chain have given support to this proposal and in continuing the construction apprenticeship model in place. They will continue to provide training opportunities to help apprentices meet the requirements of their respective apprenticeship standard. Partners have a commitment to ensuring young people are supervised, trained, and reviewed.

14.0 Impact on the Wolverhampton Homes' Management System

14.1 Will any new policy or policy updates have an impact on the management system? **No**

15.0 Appendices

15.1 Appendix 1: REACH programme - work placement opportunities proposal

REACH programme - work placement opportunities proposal

Author: Sarah Butcher

Version: 1.0

DOCUMENT CONTROL**i. Version history**

This table records the status and version history of this document or agreement:

Version	Date	Author	Version History
0.1	13.10.2022	Sarah Butcher	Document creation
0.2	01.11.2022	Sarah Butcher	Update following JH review
1.0	08.11.2022	Sarah Butcher	Baselined after SMT presentation

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1 Executive summary

As part of the ongoing pledge to support the City of Wolverhampton Council's work providing opportunities for the unemployed young people of the City, and in support of our Early Careers Talent Strategy to develop a future pipeline of talent for the organisation, it is now proposed that Wolverhampton Homes offers work placement opportunities.

The primary target population for the proposed work placement programme, to be known as the 'REACH programme', is the 18 - 24 -year-old unemployed young people of the City of Wolverhampton who are either claiming universal credit (UC) or studying a course requiring work placement at the College of Wolverhampton.

The REACH programme will offer work placement opportunities of 22.5 hours per week across three days within the working week of Monday to Friday, for six weeks. Participants will experience a recruitment and selection process managed by the Learning & Organisational (L&OD) team and will join the organisation in cohort groups of up to 15 participants.

For the duration of the programme, participants will spend one day per week with the Learning & Organisational Development (L&OD) team focusing on core skills development, and two days per week job shadowing an assigned buddy in a host service area. Host service areas will be chosen where the risk to the business and the young person is low and can be mitigated against.

On successful completion of the work placement programme, participants will:

- Have developed transferable core skills to support them in future employment
- Receive a REACH programme completion certificate
- Have an up-to-date, market ready CV
- Have attended at least one mock interview to hone their interview skills
- Be able to quote Wolverhampton Homes as a referee on job applications
- Have ongoing access to one-to-one support from our Employment Coaches

Decisions required to progress this proposal can be found in Section 6 of this document, with further details pertaining to the proposal being contained in Sections 2 through to 5.

2 Introduction

In the report titled 'Employment opportunities for young people' presented to Wolverhampton Homes Board on 10 December 2021, it was proposed to offer nine Kick Start opportunities between January and March 2022. The Kick Start programme was fully funded by the Department for Work and Pensions (DWP) as part of their Covid recovery work.

This proposal has not been possible and therefore there has been a focus, on the attraction and recruitment of the Management Trainees and Construction Apprentices for this year.

As part of the ongoing pledge to support the City of Wolverhampton Council's work providing opportunities for the unemployed young people of the City, it is now proposed that Wolverhampton Homes offers work placement opportunities.

This document gives a proposed outline for a work placement programme, called the REACH programme, to be made available to support the 18 - 24 Wolves at Work activities, and deliver against key objective two in the Early Careers Talent Strategy: Experience – we will support young people to have meaningful work experiences in our business.

The tasks / activities / training that have been selected for the REACH programme are a trimmed down version of those that a new starter would complete on joining Wolverhampton Homes. They have also been mapped across to elements of the DWP Kick Start programme and condensed to six weeks to give an opportunity for young people to benefit from a rounded experience of the world of work.

3 Scope

The primary target population for the proposed work placement programme is the 18 - 24 year-old, unemployed young people of the City of Wolverhampton. That said, an applicant would not immediately be excluded simply based on their age alone.

Talks are in progress with the DWP, The Youth Hub, and Wolverhampton College regarding suitable participants, i.e. young people of the City currently claiming universal credit (UC) and struggling to secure employment due to a lack of previous work experience, and college students studying a course which includes a requirement for work experience hours / placement, and they have been unable to secure one independently.

It would also be desirable to be able to signpost family members of our current tenants to apply for these opportunities.

This proposal is not to be confused with a previous programme offered by Wolverhampton Homes called LEAP which came to an end in 2018.

Out of scope for this proposal are our:

- Construction apprenticeship programmes
- Office apprenticeship programmes
- Management trainee development programmes
- Graduate development opportunities
- School student work experience opportunities

4 Proposal

It is proposed to offer work placement opportunities of 22.5 hours per week across three days within the working week of Monday to Friday, for six weeks, with one day each week being spent with the L&OD team working on core skills and learning, and two days being spent shadowing a host buddy.

Participants will be selected and join the organisation in cohort groups of up to 15 participants and will be line managed by an Employment Coach from the L&OD team.

Participants will be placed in both operational and corporate service areas and will be assigned a buddy for the duration of their programme. There will need to be close liaison and effective communication between all buddies and the two Employment Coaches.

There will also be two designated points of contact for the Employment Coaches; one per directorate for Property Services, and Homes & Communities. The Employment Coaches are managed by the Early Careers & Training Business Partner within the L&OD team, who will be the designated point of contact for Corporate Services.

Service areas currently being considered for work placement opportunities are:

- Property Services x 2
- Concierge / Estates x 2
- Tenancy Management x 2
- Income x 1
- Sustainment & Support x 1
- Homeless Services x 1
- Housing Solutions x 1
- Learning & Organisational Development x 1
- Health & Safety x 1
- Community Engagement x 1
- Homes Direct x 2

Agreement is needed on which service areas present the least risk to both the business and to the young people to act as host teams for the REACH programme; for example, young people assigned to Sustainment & Support would be best placed to be hosted by the Home Improvement Agency (HIA) team and not the Domestic Abuse or Housing First teams due to the nature of the work they undertake.

Where a young person(s) is looking for experience in a particular area of work that Wolverhampton Homes does not undertake directly, there may be opportunities to explore placing the young person(s) with a partner or contractor, such as United Living or Wates, or Travis Perkins, Tony Davis or Continental Landscapes.

Whilst the participants will not be employed by Wolverhampton Homes, and therefore not subject to the Terms and Conditions of an employment contract, we do need to be mindful of and have made provision for certain safeguards and protocols in relation to

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data protection, confidentiality, safeguarding etc. All participants will complete the same statutory and mandatory training as Wolverhampton Homes staff members and will be required to sign a Non-Disclosure and Confidentiality Agreement.

As participants will be shadowing their assigned buddy for the two days per week that they are in the operational teams, there will be no requirement for them to be provided with any equipment such as laptop, mobile phone, etc. Participants will have access to devices for completing online learning and creating their CVs etc, via the L&OD team.

For any participants in later cohorts who are placed into Property Services, there will need to be an agreement as to what Personal Protective Equipment will be provided to them.

On successful completion of the work placement programme, participants will:

- have developed transferable core skills to support them in future employment
- receive a REACH programme completion certificate
- have an up-to-date, market ready CV
- have attended at least one mock interview to hone their interview skills
- be able to quote Wolverhampton Homes as a referee on job applications
- have ongoing access to one-to-one support from our Employment Coaches

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Week 1

- Welcome to the 'REACH programme' and Wolverhampton Homes and meet your cohort colleagues
- Complete the Corporate induction including Mission, Vision, Values, Working Together at WH, and statutory training
- Meet and shadow your buddy and introduce yourself to colleagues in your host service area

Week 2

- Complete the No Offence (EDI) and See It, Report It (SIRI) learning pathways in My Learning Hub
- Attend WH's Customer service skills training
- Learn about our key customers and find out what our Customer Experience area does
- Start to learn more about your buddy's key tasks and duties

Week 3

- Complete Effective communication skills, and How to work effectively in a team training
- Find out about the benefits of working for Wolverhampton Homes and the different careers available with the organisation
- Meet with the Money Smart team for advice and guidance
- Learn more about your buddy's key tasks and duties

Week 4

- Attend the CV skills workshop
- Create your own CV
- Meet an Employment Coach for feedback on your CV
- Ask your buddy if there are any tasks you can perform under supervision to help them out

Week 5

- Attend the Guide to applications workshop
- Complete the homework from the workshop
- Meet an Employment Coach for feedback on your homework
- Keep learning from and supporting your buddy

Week 6

- Attend the Interview skills workshop
- Prepare for and attend a mock interview
- Pick one thing from your feedback that you did well, and one thing that would be 'even better if' that you can work on
- Reflect on what you have learnt during the six weeks and complete your personal action plan for the coming weeks
- Say 'thank you' and 'good-bye' to your buddy and your host service area
- Start looking and applying for jobs at WH and beyond

5 Risks and contentious issues

Failing to recruit and develop young people, including but not limited to apprentices, presents risk to future workforce profiles of the organisation.

Construction industry skills shortages make it challenging to recruit skilled tradespeople, along with more technical roles such as Quantity Surveyors. Investing in opportunities for young people allows the organisation to develop a future stream of diverse talent into key operational areas.

To be staffed by a diverse and elite team, Wolverhampton Homes need to achieve our aspiration of growing our own talent pipeline, with the values of the organisation embedded in their behaviours.

Not everyone accepted onto the REACH programme will achieve success, either with Wolverhampton Homes or another organisation.

To deliver and manage the programme effectively and efficiently will require resource from both operational, front-line host service areas, and our Corporate Services team. As an organisation, we need to be able to balance this impact to our day-to-day operation along with the fact that we are contributing to the future of our City.

6 Decisions required

To maximise the numbers of opportunities we can make available as part of our pledge to support the City, we need:

1. Approval on the REACH programme proposal outlined in this document – agreed by SMT 08.11.2022.
2. Agreement on proposed participant numbers and host service areas – pilot cohort of up to six participants to be hosted in Corporate Services agreed by SMT 08.11.2022.

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