

<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>7 DECEMBER 2015</p>	
<p>TRANSFORMING CUSTOMER EXPERIENCE OF THE HOUSING SERVICE</p>	
<p>Report of the Cabinet Member for Housing: Councillor Lisa Homan and the Cabinet Member for Commercial Revenue and Resident Satisfaction: Councillor Ben Coleman</p>	
<p>Open Report</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Lead Directors: Kathleen Corbett, Director of Finance & Resources and Mike England, Director, Housing Strategy & Options</p>	
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1. EXECUTIVE SUMMARY

- 1.1. The Residents' Commission on Council Housing has recommended that the Council initiate a programme of improvement and transformation for housing services guided by the principles developed by the Commission in a "Blueprint" for a new housing organisation.
- 1.2. The proposals set out in this report represent important steps towards achieving that Blueprint. They will strengthen the way in which the administration works with residents (tenants, leaseholders and stakeholders) now to improve their satisfaction with the quality of housing and housing services they currently receive.
- 1.3. The actions in the Blueprint are also part of a much broader programme of change that will be needed to achieve the entirety of what is envisioned by the Commission in its recommendation of the adoption of a Community Gateway model for the future.
- 1.4. This report proposes a programme of service improvement focused on residents as customers. Officers have already undertaken preliminary work to scope the project and it is envisaged that this initial phase of work will be completed by the summer of 2016.

2. RECOMMENDATIONS

- 2.1. To authorise the Lead Directors of Housing to develop and implement, in consultation with the Cabinet Members for Housing and for Commercial Revenue and Resident Satisfaction and with residents themselves, a customer-focused programme to improve satisfaction with the Housing Service based on the principles in the Blueprint produced by the Residents' Commission on Council Housing.
- 2.2. To make available a budget of £250,000 from the Housing Revenue Account for the proposals set out in this report with the aim of ensuring a step change in how the council's housing services are planned and delivered. Funding will be required for project management expertise to deliver the programme, for related improvement projects such as tailored resident and staff training, and for specific and essential resource gaps identified during the course of the programme.
- 2.3. To instruct the Lead Directors of Housing to report progress formally on the programme to the Cabinet Members for Housing and for Commercial Revenue and Resident Satisfaction in March 2016.

3. REASONS FOR DECISION

- 3.1. The Housing Service is not currently sufficiently organised around the needs of tenants and leaseholders as customers and additional improvements are needed to correct this position and ensure greater resident satisfaction.
- 3.2. The Residents' Commission on Council Housing identified a number of weaknesses in the provision of housing services to the tenants and leaseholders of the borough. Accepting the Commission's recommendation in this area will support the Housing Service in carrying out a comprehensive service improvement programme.

4. BACKGROUND

- 4.1. Since taking office, the administration has been concerned that the Housing Service as a whole is not sufficiently focused on the quality of service it provides to tenants, leaseholders and other residents and stakeholders as customers.
- 4.2. Despite improvements, the service is still not structured to make it easy for residents to request and receive the particular service they need or to receive feedback about the progress of their service requests. Although many staff are focused on the needs of the customer as regards their own individual role, there is insufficient co-ordination between the various parts of the service to ensure that the customer's requirements are always addressed in the round.
- 4.3. In recognition of this and of the Council's drive to improve resident satisfaction in all areas of its activity, the Lead Directors have initiated a customer service improvement programme across the Housing Service. This includes taking new measures to improve the caretaking service, which has fallen well below previous standards before the service was outsourced.
- 4.4. Councillors are also working with contractors to improve the outsourced housing repairs service, which continues to be the subject of a disproportionate amount of complaints to the Council. One particular area of work is how satisfaction is

measured as it does not currently take proper account of the whole customer journey.

- 4.5. There is much further to go. One of the many valuable findings of the Residents' Commission on Council Housing was that only 59 per cent of tenants and leaseholders are satisfied with the quality of housing services they receive¹. Although comparable to other housing organisations in London, this level of satisfaction is not acceptable to the administration.
- 4.6. On the basis of this and other evidence collected from workshops, public hearings, study visits to other housing organisations and reports from the housing sector, the Residents' Commission has recommended: *"The Council should initiate a programme of improvement and transformation for housing services guided by the principles developed by the Commission as a 'Blueprint' for a new housing organisation."*²
- 4.7. Central to the Blueprint is the idea of a good housing organisation being built around people or *"people-centred"*, meaning that:
 - a) Services are designed around knowing who those services are for and what their needs and preference are
 - b) Services are accessible to residents and easy to use
 - c) The organisation has a culture of being the best – both at providing services to residents and being the best place for staff to work.³
- 4.8. Whatever ownership model is ultimately chosen for the Council's homes, the Blueprint's core design principles provide an invaluable route map now for improving the satisfaction of Council tenants and leaseholders with the housing services they currently receive. The core principles include:
 - a) Personal contact with named individuals in the foreground and good systems and technology in the background
 - b) Good knowledge about residents, homes and communities to enable the service to anticipate what's needed rather than wait for things to go wrong
 - c) Easier access to services by telephone and in local neighbourhoods, with better online access wherever this makes it easier and more convenient for residents
 - d) Support for residents to do more to improve their own estates and communities, including self-management where this is what they want and where it will be effective
 - e) Recognition of the distinctiveness of different estates and neighbourhoods across the Borough and their different service and investment needs
 - f) Connectivity – support for residents to build networks and connect with organisations, services, opportunities and each other for mutual benefit

¹ Independent telephone survey for the Residents' Commission by NEMS Market Research Ltd

² "Report of the Residents' Commission on Council Housing", p11

³ See "Blueprint for a new housing organisation", supplementary report by the Residents' Commission, p6.

- g) Making resources go further and doing more for less by working more closely with those who use services.⁴

5. PROPOSALS AND ISSUES

- 5.1. **It is proposed that the Blueprint's recommendations be accepted and a customer-focused service improvement programme be developed and implemented.**
- 5.2. The Blueprint provides a solid basis for the fundamental changes that will be required if the Commission's recommendation for a Community Gateway ownership model is agreed.
- 5.3. The improvements it recommends are also timely, desirable and necessary in their own right. They provide a valuable tool for achieving greater resident satisfaction with existing housing services and should be pursued without delay.
- 5.4. Acceptance of the recommendations will require the Housing Service to take a new approach, moving residents from the periphery of service provision to being at the centre as customers.
 - a) Residents will have to be brought "into" the Housing Service so that their experience of services can help to reshape the way services are delivered
 - b) Their needs, preferences and aspirations will have to be much better known and understood so that services can be designed around them
 - c) The culture of the Housing Service will have to change, with new priorities, a new focus on the customer experience, a greater emphasis on working with residents and greater empowerment of staff to be creative.
- 5.5. Priority areas for the new service improvement programme will be:
 - a) Repairs
 - b) Rents, service charges and housing benefit queries
 - c) Leaseholder major works and day-to-day service charge invoicing and queries
 - d) Finding a property or moving home
 - e) Homelessness
 - f) Tenancy issues
 - g) Problems with anti-social behaviour
 - h) Cleaning, estate parking, grounds maintenance and rubbish
 - i) Complaints
 - j) Working with other Council services to provide a more cohesive and integrated service to residents
 - k) Supporting social inclusion.

⁴ Ibid, p5.

- 5.6. The programme will develop a number of workstreams, including the following:
- a) **Knowing our Customers** – Bringing customers “into” the Housing Service in a range of ways to make services more responsive to their needs and aspirations.
 - b) **The Customer Experience** – Improving customers’ experience of accessing services. This will include journey mapping to understand the number of contacts residents must currently go through in order to resolve issues. Lean techniques will be introduced to reduce barriers and ultimately make the Housing Service easier to navigate.
 - c) **Being the Best** – Transforming the organisational culture within the Housing Service so that staff put customer service and the customer experience at the forefront of their thinking. This will mean ensuring staff have a deep understanding of the customers’ perspective.
- 5.7. An important element of the programme will be to look at the structure of the Housing Service to see how this can better reflect and support the shift of focus towards the customer.
- 5.8. It will be critical to the success of the programme to involve residents fully in its development and implementation. The process for doing this should be agreed through the Council’s formal resident involvement structure at the earliest opportunity.
- 5.9. A Programme Board made up of the Housing Directors will:
- a) Help the department to identify workstream and project priorities for effective decision-making
 - b) Improve the coordination of existing improvement activity
 - c) Ensure a culture of continuous improvement and performance management
 - d) Provide a vehicle through which to channel useful ideas and insights for service improvement from residents and council officers.
- 5.10. Funding will be required for project management expertise to deliver the programme, for related improvement projects such as tailored resident and staff training, and for specific and essential resource gaps identified during the course of the programme. **It is proposed that a budget of £250,000 from the Housing Revenue Account be allocated for this purpose.**
- 5.11. The programme will need to ensure that integration between Housing and other services, for example Adult Social Care, is maintained and enhanced. There may be scope to seek funding contributions from other services.

6. ANALYSIS OF OPTIONS

- 6.1. The administration is determined to improve the satisfaction of the tenants and leaseholders of Council homes with the housing service they receive. It has embarked on a number of incremental steps to achieve this. The Residents’ Commission has proposed a bolder and more strategic approach, one which will both help to prepare the ground for any transfer of ownership of Council homes and will radically improve matters they currently stand.

- 6.2. The options are either to carry on as now or to adopt the Commission's recommendations and embark on a more far-reaching transformation of the Housing Service that sees residents treated as customers and brings their requirements to the fore.
- 6.3. Development and implementation of the Commission's Blueprint is essential for building a new housing organisation that gives residents control over their homes.
- 6.4. Continuing as now is unlikely to achieve the step change in resident satisfaction which the administration is seeking.

7. CONSULTATION

- 7.1. If the Commission's Blueprint is agreed, the Council will undertake a programme which improves the service provided not only to tenants and leaseholders but to customers of the homelessness service as well.
- 7.2. The programme will differ significantly from previous resident involvement initiatives where the Council has taken a transactional approach towards engagement rather than a customer-centred one.
- 7.3. The programme will provide a catalyst for better engagement with residents about future plans. A first task will be to agree with residents how they want to be involved in reshaping the Housing Service.

8. EQUALITY IMPLICATIONS

- 8.1. The Housing Strategy Equality Impact Assessment completed in July 2015 informed a new resident involvement approach. It has been expanded following the recommendations of the Residents' Commission on Council Housing. This has had an overall positive impact on several protected characteristics.
- 8.2. Specific EQIAs will be carried out for the material changes proposed under the programme and any subsequent initiatives.
- 8.3. Implications to be verified by: David Bennett, Head of Change Delivery (Acting), Innovation and Change Management, Finance and Corporate Services, Tel. 020 8753 1628.

9. LEGAL IMPLICATIONS

- 9.1. There are no legal implications in this report.
- 9.2. Implications completed by: Janette Mullins, Principal Solicitor (Housing & Litigation), Tel. 020 8753 2744.

10. FINANCIAL AND RESOURCE IMPLICATIONS

- 10.1. The £250,000 budget allocation for this programme will be set aside as an earmarked reserve from the 2015/16 projected Housing Revenue Account underspend.
- 10.2. Implications to be completed by: Kathleen Corbett, Director of Finance and Resources, Tel. 020 8753 3031.

11. IMPLICATIONS FOR BUSINESS

- 11.1. The local economy will benefit from a service improvement programme for housing services. One of the principal reasons for recommending the Commission's Blueprint is that residents will be enabled to lead better lives as the result of receiving improved services from their landlord. They will have more opportunity to acquire skills and realise their potential to contribute to the local economy.
- 11.2. The Housing Service can play an important role in supporting and stimulating the local economy. The proposed service improvement programme could open the door to a range of community-led services in the borough, as well as offering opportunities to connect and partner with voluntary and community organisations in addition to the improved integration with services such as Adult Social Care.
- 11.3. The service improvement programme could open up wider flexibilities to introduce innovation and expertise into housing services by making greater use of existing assets to benefit the local economy. For example, the Council also owns a significant portfolio of retail units within the Housing Revenue Account that are largely located on ground floor areas of estate blocks. More focused work with an emphasis on partnerships could generate better and more creative uses for these assets to the benefit of local businesses and the local economy.

12. RISK MANAGEMENT

- 12.1 The Residents' Commission recommendation that the Council should initiate a programme of improvement and transformation for housing services contributes positively to the management of local policy and customer and citizens' risks as noted on the Council's Shared Services Risk Register, risk number 12.
- 12.2 Implications completed by: Michael Sloniowski, Shared Services Risk Manager, Finance and Corporate Services, 020 8753 2587.

13. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 13.1 The Corporate Procurement Team will support the programme as required.
- 13.2 It is considered necessary to waive Contract Standing Order 23 (Appointment of Consultants & Counsel) to expedite the work of the programme in commissioning external support (recommendation 2.2).
- 13.3 Implications to be completed by: Robert Hillman, Procurement Consultant, Corporate Services Procurement Team, 020 8753 1538.

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	The Residents' Commission Report (published)		