
APPENDIX B:

A summary of the ALMO Consultation methodology.

1. Background

- 1.1 The Council has asked H&F Homes to undertake a comprehensive consultation asking resident whether or not they support the Council's proposal to create a single directly managed housing service.
- 1.2 The Consultation programme has three important and interrelated phases; firstly, this includes communications or awareness raising followed by qualitative consultation such as conducting focus groups and in-depth interview and thirdly a robust test of opinion using quantitative methods including a postal and telephone survey.
- 1.3 The findings from the consultation will be reported to the Cabinet in January 2011 when the Cabinet will review the findings and make a decision. This report summarises the Consultation programme's methodological approach.

2. Introduction

- 2.1 Under section 105 of the Housing Act 1985 local authorities are required to consult with their tenants on any significant change in management arrangements. The Department for Communities and Local Government guidance to Local Authorities sets out the expectations of tenant

- consultation in the circumstance where a local authority is considering any major change regarding its ALMO.¹
- 2.2 The CLG expects any consultation on the future direction of an ALMO to engage with those stakeholder groups who were involved in the original option appraisal process that selected the ALMO option in the first place. Any change in the arrangements should also be the subject of a test of opinion that is no less rigorous than the test undertaken to support the establishment of the ALMO.
 - 2.3 In October 2003 residents were asked whether they were in favour of setting up an ALMO in order to access Decent Homes funding. A postal ballot of tenants and leaseholders was the method adopted to engage with all residents. The decision to undertake a postal ballot was taken by the appointed consultation steering group. This group consisted of residents independent experts and HAFFTRA and was tasked with gaining residents' approval for setting up the ALMO.
 - 2.4 Prior to undertaking the ballot the consultation steering group devised and implemented a communication plan to help maximise resident awareness of two key factors, firstly, that the ballot would be taking place and secondly, to encourage residents to support the proposal to create an as a means of securing Decent Homes funding.
 - 2.5 The consultation methodology adopted by the H&F Homes Board in 2010 has several similar aspects to the consultation in 2003. However, there are additional elements to the 2010 resident consultation process (including the series of in-depth focus groups with residents) that ensure the process is more robust than the consultation process in 2003.

3. Methodology

- 3.1 A robust project management approach was put in place to co-ordinate the consultation programme. A Futures Steering Group (FSG) was

¹ Department for Communities and Local Government 'Review of Arms Length Management Organisations' June 2006

established, led by H&F Homes Board Member David Millar. The FSG led on all parts of the consultation programme, including the consultation questions.

3.1.1 **Formal Test of Opinion:**

Each year H&F Homes completes a survey of varying complexity to gauge tenant and leaseholder satisfaction. In 2010 the survey was reduced to allow for questions on the Council's proposal to return the service to in-house provision. The H&F Homes Board considered a postal survey to be the most effective method of engaging with all 18,000 residents. It is a positive alternative to a ballot, as it allowed for reminders in the rent statement and support to individuals on their concerns and queries. The postal survey was sent to all tenants and leaseholders on 15 September 2010 arriving in homes on 19 and 20 September 2010. The survey included details of the Council's proposal, and responses to questions raised during the qualitative sessions with tenants and leaseholders. In addition, a translation service, supported by CITAS was offered. Moreover, residents had the option of completing the test of opinion survey online. This contrasts from the 2003 methodology (when residents did not have the facility to complete the survey online).

3.1.2 **An Independent Research Company**

H&F Homes commissioned an independent research company BMG Research Ltd to carry out the formal 'test of opinion'. BMG has previously undertaken satisfaction surveys with H&F Homes residents for three consecutive years. Similarly, in 2003 the Electoral Commission conducted the postal ballot. Therefore, in 2003 and 2010 an independent organisation has been used to carry out the main resident consultation exercise.

3.1.3 **Telephone survey:**

This approach targets the younger tenants, who may have a busier life style and do not have the time to complete a full survey but willing to answer questions by phone. In addition, telephone surveys were used for tenants with known visual disability or literacy issues. H&F Homes commissioned CITAS, to support tenants and leaseholders where English was not the first language. This is contrast to the methodology adopted in 2003, which did not include a follow up telephone survey of residents.

3.1.4 **Focus Groups:**

Using focus groups has assisted with connecting staff, customers and other stakeholders. A series of focus groups took place from August – November 2010, targeted at different demographic groups of residents. The focus group structure was inexpensive and proved effective in gauging views which helped H&F Homes to steer formal ‘test of opinion’. Focus groups were conducted with over a 100 residents from hard to reach groups. This contrasts from the 2003 methodology which did not include any formal qualitative consultation techniques. The core aim of the focus groups was to help understand why residents may hold a particular view, as opposed to a simplistic yes or no response.

3.1.5 **Formal involvement structure:**

The Council and H&F Homes is fortunate to have an extensive involvement structure in place from recognised Tenants and Residents Associations to Area Forums, the Leasehold Forum and the Borough Forum. Staff and Board Members have attended a variety of the formal mechanisms, in addition to keeping HAFFTRA regularly updated to timetable consultation and feedback sessions with the various groups. We will aim to co-ordinate with the timetabled meetings already in place to avoid unnecessarily meetings being held.

3.1.7 **On –going Communication**

A phone hotline 0208 753 4623 was established and publicised widely for tenants and leaseholders to contact the consultation team with any questions or concerns or where they wish for greater clarity before completing their questionnaire returns.

3.1.8 **A dedicated email address intheloop@hfhomes.org.uk was set up**
to allow email contact from residents seeking more advice or information.

3.1.9 **Incentives:**

To help encourage responses, a prize draw was offered to tenants and leaseholders for returned the information.

3.1.11 **Other stakeholders:**

H&F Homes actively encouraged other stakeholders to contribute to the process, including:

- i Equalities Champions Group
- ii Safer Neighbourhood Team
- iii Primary Care Trust
- iv Pathway to Progress Young Peoples Mentoring Project
- v Councils Community Relations Group

4. Results and Key Findings

4.1 The ALMO consultation in 2003 asked residents were asked “Are you in favour of the council’s proposal to create an Arms Length Management Organisation (ALMO) to manage, repair, and improve the council’s homes?”

4.2 The Residents’ ballot was supported by a leaflet were given the option of voting yes or no.

Table 1. Residents Responses to 2003 Consultation.

	Population	Response	Percentage in favour of proposal
Tenants	5996	45%	83%
Leaseholders	1078	25.%	73%
Total	7074	40%	81%

3.3 The table above shows that 40% of residents responded to the postal ballot sent to residents in 2003. This is unsurprising as the possibility of gaining access to funding for Decent Homes work (in the region of £90 million) is a significant incentive for residents to respond to the survey.

3.4 In comparison, there is no direct incentive for individual residents to respond to the Council’s proposal to create a single directly managed Housing Department. The proposal aims to create a more efficient and streamlined service. Therefore, in order to ensure sufficient response to

the 2010 resident consultation it was necessary to develop a mixed and comprehensive approach to the resident consultation.

Table 2. Residents Responses to 2010 Consultation.

	Population	Response	Percentage in favour of proposal
Tenants	1743	13%	71%
Leaseholders	331	7%	71.0%
Total	2074	11%	71%

Statistical Validity of Postal Survey

- 4.4 For a population of 13,500 tenants responses from 989 tenants would be necessary to ensure the consultation survey is statistically robust. With 1743 responses the findings from the tenant survey accurately reflects the views of the general tenant population (at a 95% confidence level of + or – 3%).
- 4.5 It would require 350 responses from leaseholders for the findings from the leaseholder surveys to be statistically valid. However, only 331 leaseholders responded to the survey. This is unsurprising, feedback from the participants at the leaseholder forums and panels was that leaseholders were not concerned about who was responsible for delivering services but rather the quality and cost of service delivery.
- 4.6 Therefore, the findings from the leaseholder survey are accurate to +or – 5% at the 90% confidence level. Meaning that we can be reasonably confident that the leaseholder responses reflect the views of the general leasehold population.

5. Conclusion

- 5.1 The findings from the 2010 consultation process revealed that residents are in favour of creating a single Council managed Housing Service. The outcomes from the consultation will be used to help shape services for residents in the future. The depth of data acquired through the mixed consultation methodology would not be possible through a single postal ballot. Therefore, the methods used to consult in 2010 provide a combination of statistically robust information and a deeper insight into residents views than the 2003 engagement process.