



## Report to:

Northwards Housing Board

12<sup>th</sup> May 2015

## Item No:

# 12a

<b>Title:</b>	Tenants' View Report: Lettings Process		
<b>Date:</b>	30 <sup>th</sup> April 2015		
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<b>Confidential:</b>	<b>No</b>		
<b>For:</b> (Please tick action required)	<b>NOTING</b> ✓	<b>DISCUSSION</b> ✓	<b>APPROVAL</b>
<b>PURPOSE OF REPORT</b>			
To report to the board the findings of their latest scrutiny exercise on Lettings. The attached report is produced by Tenants' View.			
<b>RECOMMENDATION</b>			
The Board is invited to discuss the attached report and to provide members of Tenants' View with a formal written response via the executive management team.			
<b>IMPLICATIONS</b>			
<b>Risk Management</b>	RR-09 on the corporate risk register relates to regulatory requirements and the expectation that organisations will have in place effective arrangements for tenant scrutiny of landlord performance and services. This report illustrates Northwards commitment to tenant scrutiny as well as compliance with the expectations of the regulator.		
<b>Regulatory &amp; legal compliance</b>	As above.		

### Consultation/Consideration:

	Yes, No or N/A:	Name:	Date:
<b>Sub-Committee:</b>	No		
<b>Area Panel:</b>	No		
<b>Task Groups:</b>	No		
<b>Ward Councillors:</b>	No		

1. Tenants' View are a panel of tenants, supported by an independent mentor, who volunteer to scrutinise Northwards services.
2. The attached report is the outcome of their work over the last four months.
3. The Board is invited to discuss the attached report and to provide members of Tenants' View with a formal written response via the executive management team.



## Tenants' View Scrutiny Report

**Date:** April 2015

**Title:** An investigation into what happens when Northwards rents out a property to someone (known as a letting) and the overall standards of service.

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**Timescale:** January 2015 – April 2015.

### **Scope:**

This scrutiny exercise looked into how the whole process works, from the point at which an offer of rehousing is accepted by the customer, through to the time the customer has moved into their new home and a relationship with the tenant is established. The exercise considered all types of lettings (excluding mutual exchanges).

### **How scrutiny was carried out**

1. At the start of the exercise we received a detailed presentation from Julie Wilson (Head of Neighbourhood Services – Fourways) and Lisa Jenkinson (Neighbourhood Services Manager at White Moss Rd). They explained the lettings process from start to finish; from the time the property becomes empty, the viewing of the property with the prospective new tenant and the importance of the let interview itself.
2. During the exercise we also had the opportunity of visiting a number of other housing organisations to find out how they carry out let interviews and to compare their way of doing things with those at Northwards.
3. As has been the case with previous scrutiny exercises, Tenants' View split into four task groups to make the exercise easier to complete.
4. Task Group 1 comprised of all Tenants' View members and looked at how the process is supposed to work from Northwards perspective, the policy and procedures and the service that the customer can expect to receive, including any areas of difficulty or challenge for Northwards.
5. Members of Task Group 2 looked at how the let process was carried out in practice and involved shadowing (observing alongside) some of the Neighbourhood Housing Officers (NHOs) during live let interviews as well as interviewing new tenants and reviewing the quality of the information



issued to new tenants. Members of Task Group 2 also carried out some post let visits to tenants in their new home.

6. Task Group 3 visited five local housing organisations to see how their lettings process compares to Northwards. We also reviewed a range of documents issued to tenants by other organisations.
7. Finally, Task Group 4 looked into customer satisfaction levels with the lettings process and how Northwards compares to others. We held a focus group with NHOs, invited tenants to an open day event and we made a few telephone calls to tenants after they had moved in.

## **Findings**

### **Task Group 1** *(all members)*

*Looked at how the lettings process is supposed to be carried out*

8. The presentation by managers to the task group was an opportunity to find out how the process at Northwards is supposed to work and to ask questions of the managers as they guided us through the process from start to finish. Appendix 1 (page 12) is a copy of the process we were given which explains what happens when a property becomes empty. It explains how the viewing of the property is carried out and the let interview, and includes a list of all the documents or tasks that the NHO is required to complete. We learned that it can take at least 40 – 60 minutes per let interview and longer if you add the time needed for arranging and carrying out a viewing at the property. A viewing is when the prospective new tenant first looks around the inside of the property accompanied by the NHO. At this stage the tenant has to decide if they definitely want to accept the property before they sign the tenancy agreement at the let interview.
9. We learned that in addition to ID documents, references for rehousing applicants are obtained from a current landlord or whoever the person is currently living with and an employer reference for a working household. Checks are carried out in case anyone appears on the RRL (Rehousing Review List) as a result of owing rent, previously causing anti- social behaviour or being barred from rehousing for some other reason. NHOs have the discretion to stop the let process, in discussion with their managers, if they have reason to believe further checks are needed. The NHOs also carry out checks at the let interview to make sure the



prospective tenants' circumstances haven't changed since their rehousing application.

10. The NHOs are not involved in finding a suitable tenant for the property. This is done by members of the rehousing team who carry out checks on the suitability of the applicant so that they are eligible to make a bid for a particular property. The rehousing team can also support people to bid for properties. On average it can take 5 days to let a property once it's ready for let. There are some same day lettings but these are unusual. Efforts have been made over the years to speed up the process with properties advertised as soon as Northwards is made aware someone is intending to move.
11. Viewings are sometimes carried out before the property is ready to let providing it is safe to do so and some of the former tenants' furnishings may be left in situ for the incoming tenant e.g. carpets/floor covering, as long as they are in good condition. We were told the viewing is usually the first time meeting between the prospective tenant and the NHO and it provides a good opportunity to establish a relationship and the NHO can often provide invaluable local knowledge. Sometimes lets are carried out elsewhere if the tenant has a disability, such as a mobility problem, or if they are in hospital. Generally the let interview is best conducted in the housing office as it is easier to access the online claim for housing benefit, if appropriate.
12. Northwards asks for rent in advance and offers to set up a standing order. In the short term new tenants are issued with a temporary rent book pending the arrival of a rent card in approximately six weeks.
13. Manchester Equipment and Adaptations Partnership (MEAP) arrange the lettings for adapted properties.
14. We learned about two types of tenancy, 'secure' (for existing social housing tenants who have been tenants for longer than 12 months) and 'introductory' tenancies for new applicants who have probationary or a trial tenancy for the first year until they prove they can be a good tenant. If there are no reports of problems or breaches of the tenancy agreement, then new introductory tenants automatically become secure tenants after the first year.
15. Tenants' View asked about illegal sub-letting, which is when a tenant lets the whole of their property to someone else without Northwards permission. We were told that this is not permitted but it can be difficult to



prove. There are established procedures for carrying out an investigation. We were also informed that tenancy fraud was not a significant problem in the Northwards area compared to some areas of the country e.g. London.

16. Post let visits, whereby the NHO carries out a home visit to check the new tenant is settling in are carried out around four weeks after the date the tenants move in.
17. When asked about the current challenges Northwards faces with lettings we were told that getting rent payments in advance was difficult and for many people it was simply unaffordable. Northwards remains sensitive to the needs of customers e.g. giving reasonable time to clear a property following the death of a tenant. The introduction of Universal Credit presents new challenges, including the need to set up direct payments to the rent account. An ongoing challenge is getting the right balance at the let interview between providing enough important information for the new tenant and not too much that it becomes very difficult to remember it all.

### **Task Group 2** (*Bev, Donna, Christine and Eduarda*)

*Looked at how the lettings process is carried out in practice.*

18. Each member of the group made arrangements to shadow a Neighbourhood Housing Officer (NHO), the person who carries out the letting. We observed a sample of six let interviews (two at the Cheetham Office, three at White Moss Rd and one at the Monsall St office). Four of the let interviews were introductory tenancies and two were secure lets and all of them involving different NHOs. We attended five accompanied viewings with the NHO. Finally, we carried out several post let visits or followed up a let interview with a telephone call.
19. During the observation visits a range of things were looked at. This helped us to evaluate what the process felt like to the new tenant. We looked to see how welcoming and helpful the staff and the offices were and whether the lets in different offices by different NHOs varied significantly. We also scrutinised the let packs or void wallets compiled in each office to see if the same information was being issued to all tenants.
20. The offices were open and welcoming places with the exception of Monsall St where the small reception and the high desk was less inviting, although there was a sign explaining this and apologising to customers.

The interview rooms in each of the offices were comfortable, some of them had useful information on display (see below) although we also found they could become warm and stuffy when more than three people were using them.



A typical interview room



Monsall St. office reception and waiting area

21. All the staff were found to be polite, smartly dressed, knowledgeable and very helpful to tenants. Overall we felt they were very professional. All the reception staff were welcoming and some of the NHOs were especially friendly which helped to put tenants at ease.
22. If appropriate, NHOs prepared in advance for the let by completing standard documents. We found that some NHOs spent more time than others explaining the tenancy agreement. When needed some NHOs were

especially helpful in signposting new tenants to other support services e.g. access to cheap furniture, or checking whether the property was suitable during the viewing appointment. On more than one occasion we found NHOs took the time to explain and clarify details for tenants, using plain language which we felt was very positive.

23. We were reassured to hear during accompanied viewings that in some cases NHOs had arranged for minor improvements to the property that had been completed by the former tenant to remain (e.g. tiling). This was appreciated by the new tenants. It was also pleasing to see that the gardens of empty properties had been cleared of any rubbish in advance of the viewing (something that Tenants' View highlighted in a previous scrutiny exercise on empty homes).
24. During the exercise we learned that Northwards rarely issue decorating materials or vouchers towards purchasing them, despite some rooms being in obvious need of decoration.



Example of a wall where no decorating materials are offered

25. We understand decorating is only ever considered for hard to let properties, although we felt there was the potential for inconsistency and a lack of transparency in the way the policy is applied. NHOs explain to tenants that there is insufficient budget to allow for the provision of support towards decorating. It is possible to purchase decorating materials from



Northwards and details are given in the Tenant Handbook and in a leaflet on the website 'Get top quality decorating materials...at less than half price', although they may be cheaper to buy elsewhere. The prices in the leaflet were different to those in the handbook. We were unable to clarify the position further and felt that some NHOs were equally confused (see Task Group 4).

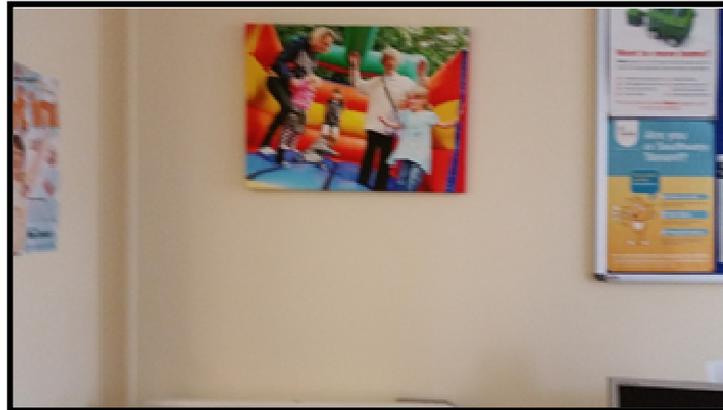
26. Over the last year £6,766 has been spent on providing decorating materials to 67 properties. This accounts for only 6.3% of the total number of lettings which was 1,054. Payments made vary between £4.07 and £284 per property, with an average spend of around £100.
27. We were impressed by the amount of time NHOs spent explaining and calculating benefit entitlement, so that they could give the correct advice about the amount of rent to pay and how soon this should be paid. In some cases this part of the let interview took as long, if not longer, than the rest of the let interview.
28. After each let interview we asked each of the new tenants how they felt, whether they were given too little or too much information and whether there was anything they would like to see changed. We also spoke to tenants face-to-face or over the phone a few weeks after they had moved in. Most of the tenants we spoke to were settled and were happy with the letting process, stating they wouldn't change anything. We did become aware of an issue where some new tenants didn't have a black/grey wheelie bin and would need to buy one for £20 (£10 for a smaller one) from Manchester City Council. Whilst this is not an issue for Northwards we are concerned about the impact this has on the overall experience of moving into a new home.

### **Task Group 3** (*Jessica, Charlotte, Maria, Donna, Christine and Colin*)

*Looked at how other organisations work and how they compare to Northwards.*

29. To be able to compare the quality of Northwards Housing's lettings members of Tenants' View arranged to visit and observe let interviews at other local housing organisations: Eastlands Homes, Adactus, Wythenshawe Community Housing (WCHG), City South Manchester and Southway Housing Trust. We also reviewed the stationery used by the different organisations and the leaflets issued to tenants.

30. All of the offices we visited had adequate interviewing facilities and the room at Southway was lovely and bright with colourful décor and pictures from tenants' fun days on the wall. There was also a large table in this room and therefore plenty of space for the let paperwork.



Interview room at Southway Housing Trust



31. We found a number of similarities to Northwards in the approach to lettings in the other organisations (in the documentation used and the high standard of customer service) and we also noted some interesting differences and aspects that we liked. The more interesting ones are summarised below:

- a. At Southway, the housing officer carrying out the let was experienced and had worked in the same area for the last seven years. They had invaluable knowledge about community fun days and new projects in the area. They knew about the bin collection



days, about schools in the area, parks and other amenities. We liked this;

- b. At Southway and Eastlands the tenant is interviewed separately by a rent officer which shortened the time the new tenant spent with just one person during the let interview. It also started the process of building a relationship with other departments in the organisation;
- c. Southway Housing Trust provides access to a free 'handyman' service (for the first two hours) to assist with e.g. cooker or washer/dryer connections, putting up curtain poles. We liked this a lot;
- d. All organisations appear to offer decorating materials or a contribution towards the cost of buying them e.g. for a two bedroom property in City South this is around £200. We liked this;
- e. The frequency of post let visits varied in the organisations we visited e.g. City South carrying out visits at one month, six months and ten months;
- f. A form identifying a tenant's preferred communication method or a tenancy audit questionnaire containing personal information such as social worker contact details, was used at one organisation. At WCHG they complete a support referral form after assessing the tenant during the let interview. This is intended to identify vulnerabilities such as, for example, mental health issues and it means the housing officer can tailor their service, manage the risks and refer for extra support if needed;
- g. City South had access to a credit history scheme that enables a tenant to build up a credit score whilst paying their rent;
- h. A pet contract (Wythenshawe Community Housing Group) to supplement the tenancy agreement.
- i. We found a number of housing organisations chose to take face pictures of the new tenants at the let interview and held these images on their file. We liked this and thought it would be useful.

32. Information given out at the let interview that is different to Northwards included:

- A list of useful numbers or websites e.g. access to low cost furniture, utility companies



- A financial statement and affordability check to help with budgeting
- A moving out list as a reminder of who to notify e.g. bank, medical etc.
- A reminder to register to vote and purchase or update a TV licence

#### **Task Group 4** (Colin, James and Marina)

*Looked into the satisfaction levels with lettings and how Northwards compares to other locally based organisation.*

33. We reviewed Northwards current performance based on the 'Welcome to Northwards' survey carried out in December 2014. We also provided an opportunity for tenants to meet with us face-to-face to feedback at two open days, held a focus group with some NHOs and looked at how satisfaction is measured in other organisations.
34. Unfortunately the open days were unsuccessful as only two people from the same tenancy attended. This might indicate there are no real issues of concern, although we have no way of knowing. We therefore relied on Northwards own satisfaction survey and the feedback from members of task group 2 who spoke to tenants following the let interviews. A small group of new tenants were also spoken to by telephone.
35. Northwards had an 18% response rate to their survey of 620 new tenants and 82% said they were satisfied with their new home (the same as 2013). 86.5% were satisfied with the services provided by Northwards, including 86% who said they were satisfied with their accompanied viewing of the property. Finally, 94% of tenants said they found the let interview where they signed the tenancy agreement a good experience – up from 85% in 2013.
36. Whilst almost all of tenants we spoke to were happy with their experience of the letting process, we became aware of several recurring themes that were a cause for dissatisfaction: missing black/grey wheelie bins, missing recycling bins, outstanding debt or damaged gas and electric meters and some minor repair issues. These issues caused inconvenience and extra expense for some tenants who, for example, had to pay to clear the debt on meters



before being reimbursed or were left with no option other than to pay £20 (the current replacement cost) for the purchase of a new black/grey bin.

37. We contacted a number of other housing organisations to find out how they measure satisfaction and discovered that there is no set method being used. One organisation asks three questions during the post let meeting with each new tenant: satisfaction with the overall service; the sign up process and whether their new home meets the stated standards. Tenants could also complete the survey themselves if they wanted.
38. Another organisation used an automated telephone call to a new tenant asking them to contact the landlord if they are dissatisfied. If the tenant ignores the call it is recorded as a satisfied outcome. Another landlord advised us that they had stopped doing surveys because they were constantly receiving reports of 100% satisfaction which they felt was meaningless. Instead they aimed to conduct more targeted sampling of tenants' views, although we were unclear what this actually entailed. As a result of these differences we were unable to obtain any useful information about satisfaction levels in nearly all the organisations where we had co-operation. City South did provide percentage figures, but they were not helpful to us without comparable figures from other organisations.
39. The focus group we held with a small group of NHOs was helpful in trying to understand the letting process from everyone's perspective. We asked a number of questions, for example, around accompanied viewings, meter readings and wheelie bins. Overall the NHOs said there was nothing in particular they felt needed to be improved. It was, however, highlighted that it was not uncommon for prospective tenants to fail to turn up for appointments, as a result some NHOs avoided preparing the paperwork in advance of the let interview, which could mean it takes longer when it does happen. We were unable to establish how significant a problem this was.
40. We picked up some inconsistency and misunderstanding amongst the NHOs regarding Northwards decorating policy. Some said decorating wasn't done because there was no budget and others said it would depend whether the property was hard to let. Manchester City Council's policy on wheelie bins is also misunderstood, as we believe the £20 fee is actually an admin fee for delivery of the bin and not a purchase outright, which is what tenants are being led to believe.



41. We also discovered different methods for issuing the let paperwork to new tenants, with some NHOs providing folders to hold all the paperwork and a copy of the tenancy agreement, whereas others used carrier bags or nothing at all. These different views within the focus group gave us the impression there was a need for greater clarity on a number of issues.
42. In summary, we found the overall standard of the lettings service was good. We found a number of areas where we think improvements can be made and we would like Northwards to consider these and the recommendations below.
43. We would like to thank Northwards staff for their help and support in carrying out this scrutiny exercise and in particular the effort that went into arranging for members of Tenants' View to attend the let interviews and accompanied viewings.

#### **Recommendations:**

1. Northwards decorating policy needs to be clearer. It is difficult to understand how decisions about providing help with decorating are decided and there is confusion about what is considered to be a hard to let property. There are also several leaflets offering decorating materials for sale to tenants on the website with different prices, some of which may be out of date and need updating. There at least needs to be consistency in the published prices.
2. We understand that generally new tenants are told Northwards cannot assist with decorating because there is insufficient budget. This does not give a very good impression in situations where the property is poorly decorated, especially for tenants who need assistance. We recommend a policy review to bring the practice at Northwards in line with other comparable organisations. All the other housing organisations we visited offer assistance with decorating, usually vouchers.
3. We think a free “handyman” service to support new tenants with odd jobs when they are moving into their new home is something Northwards should consider introducing.
4. We think it would be helpful to obtain a photo of all new tenants when the property is let. This can be used for identification purposes in the future.
5. We are concerned about the inconvenience and additional expense that some tenants experience with electric and gas meters in their new home.



Whilst we have no reason to think this problem is widespread, it is problematic. We would like Northwards to look into this further to see if there is something which they can do to prevent this from happening.

6. We think it would be an improvement if all new tenants are issued with a standard Northwards wallet/folder, more like a 'Welcome Pack' that contains all the paperwork issued at a let interview.
7. We would like Northwards to speak to Manchester City Council about the problem some new tenants experience with wheelie bins. Generally we do not agree that new Council tenants should have to pay for a wheelie bin. We think the Council's policy on charging for the delivery of black/grey bins is unhelpful. We believe the guidance given to tenants also needs to be clearer and NHOs need to be reminded that the admin charge of £20 is for delivery only and not for the purchase of a bin.
8. We would like a personal budget sheet to be included in the let pack for new tenants to use if they so choose.
9. We think the option to pay rent by direct debit should be available and it would be helpful if a card machine was available for tenants to pay their rent in advance, as appropriate, at the let interview.

## **Letting Process**

### **Thursday 22.01.15**

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Presented by Julie Wilson and Lisa Jenkinson

#### **Empty Property**

1. When a property becomes empty the Empty Homes Team survey the empty property and estimate the period of time it will take for the property to be brought up to the appropriate condition for new tenant(s) to move in. This is termed the 'relet period'.
2. It is usual for this to take 3 – 5 days or 3 - 12 weeks.
3. The Rehousing Team identify the prospective tenant(s)
4. The Neighbourhood Housing Officer (NHO) for the area contacts the applicant to arrange a viewing of the property and also advises the applicant on any other relevant documentation or information that NHL still requires.
5. The viewing will be arranged either during the relet period (when it safe to do so) or within 3 days of the property becoming ready to be let and occupied by the new tenant(s),

#### **Viewing the Property**

1. All viewings are attended by the prospective tenant(s) and the NHO at a mutually convenient time.
2. The NHO will show the applicant around the property, advise on local amenities and answer any questions.
3. The 'let' (this is the process that describes how we explain and agree the rules of the tenancy agreement between MCC and the tenant); is usually conducted on the same day as the viewing.

#### **The Let**

1. The Let is usually conducted at a local housing office.
2. The NHO undertakes the process as follows:
  - ✓ Acceptance form – this ensures that applicant's information and identity checks are correct.
  - ✓ The NHO will check the details on the acceptance form against the Rehousing Review List system to ensure that neither the applicant/applicant's family's details are not entered on the RRL.
  - ✓ Tenancy Agreement – the NHO discusses the terms and conditions of the tenancy agreement so that the applicant knows what is expected of them and what they can expect from NHL.



- ✓ Rent – the payment method is taken and/or agreed. This could include a benefits calculation and application. A rent book is issued and Standing Order arrangements are complete if appropriate.
- ✓ CORE form is completed with the tenant(s). CORE (Continuous Recording) is a national information source funded by the Department for Communities and local Government that records information on the characteristics of both private registered providers and local authority new social housing tenants and the homes they rent and buy. Policy makers and practitioners regard the system as an essential tool for monitoring housing costs, assessing affordability and developing policy.
- ✓ ALL About You form is completed – this informs NHL in ensuring that they deliver a service most appropriate to the new tenant(s).
- ✓ Emergency Contact details are taken from the new tenant(s)
- ✓ Moving into your New Home form is completed – this includes information is given and appointments made for necessary utility checks.
- ✓ Waste & Recycling information is given - bin collection information etc.
- ✓ Credit Union information is given
- ✓ Issue a copy of the Energy Performance Certificate
- ✓ Complete a Solar PV Agreement (if applicable)
- ✓ House insurance information is given.
- ✓ A visit to the new tenant(s) with the NHO is agreed – usually 4 weeks after the beginning of a new tenancy.
- ✓ Promote Northwards Services/Call Centre
- ✓ The tenancy Agreement is signed.
- ✓ KEYS are given to the tenant(s).