

**Housing and Communities Working Paper Series Number 4**

# **SQUARE PEGS AND ROUND HOLES**

**Forming a Resident Management Company at Ashfields**

**Baseline Report**



**David Mullins and Jon Stevens**

**MAY 2016**

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## Abbreviations

'RTM' is the right to manage process that exists in statute and which Housing & Care 21 sought to replicate.

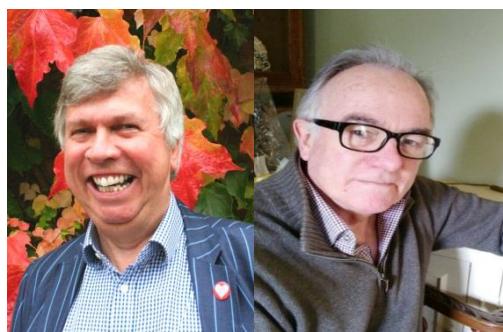
An' RTMCo' is a right to manage company, which is what residents set up when exercising the RTM. Ashfields is not a RTMCo

An 'RMC' is a resident management company and Ashfields is a RMC not a RTMCo.

'Courts' is the term used by Housing and Care 21 to describe retirement housing schemes. All courts except Ashfields have a 'Court Manager' to coordinate local services to court residents.

## Acknowledgements

We would like to thank the residents of Ashfields and in particular the Resident Management Company Directors Judy Jones, Peter Tomkinson and Harry Butler without whom this report could not have been written. We are also grateful to the management team and staff of Housing & Care 21 for providing open and honest access to what has been at times a difficult leaning process for the organisation. While we have named some participants here to reflect the part they have played in the study, to ensure compliance with the University of Birmingham's ethical review policy we have not attributed quotes in the report to individuals without their explicit permission.



**David Mullins, Jon Stevens,  
Housing and Communities Research Group,  
University of Birmingham**

## **Executive Summary**

This report tells the inspiring story of how doing things differently can resolve longstanding problems for residents and for large housing organisations alike. It concerns a small leasehold retirement scheme built and managed by Housing and Care 21(Housing & Care 21), a large non-profit landlord, and 27 residents who live on an attractive bungalow estate known as Ashfields in Telford, Shropshire.

Following ten years of conflict over how services were procured and managed by Housing & Care 21 for residents it was recognised by the incoming Chief Executive that Ashfields '*was a square peg and we only had round holes*'. Despite many attempts to respond to residents' concerns about the cost, appropriateness and quality of services the only real change had been the removal of the 'Court Manager' at the request of residents and the change of name from Ashfields Court to Ashfields. Complaints multiplied and satisfaction with management, value for money and opportunity to influence decisions were low.

Yet over a period of less than 18 months an entirely new approach has been taken in which a Resident Management Company (RMC) has been formed and has appointed their own managing agent to provide more appropriate locally procured services that meet residents' needs at a much lower cost. The key steps in moving from vision to reality are documented Chapter 4 with independent advice, ballot, formation of RMC, agreement on budget and management agreement leading to transfer.

While challenging, this process of change- which follows the 'Right to Manage' model on a voluntary basis- encountered few barriers once initial trust and information issues had been addressed through independent advice. A key observation was that the process was followed in a collaborative and non-adversarial way. Some of the key enablers were the changing expectations and capacity of new residents who were more prepared to challenge the status quo, and experience of Right to Manage and commitment to resident choice among the new management team of Housing & Care 21.

While this study took place only a few months after the RMC took over, future expectations were very bright. There had been some quick wins in lower service

charges, satisfaction through involvement and the committee had secured free central heating installation for all residents and speedy tree surgery after the autumn gales. Confidence had been restored and active involvement seemed set to grow with more residents saying they are likely to get involved in the RMC in future.

This study shows that it is possible and beneficial for large organisations to move beyond a one size fits all approach, with holes of all shapes and sizes now available! It also shows that older people have the capacity and motivation to take on a governance role and make real choices about how services are procured and delivered to their homes. This example could inspire wider change across Housing & Care 21's 27 residential leasehold schemes and beyond into its much larger Retirement Housing and Extra Care Housing portfolio and a three tier menu of choices is now being proposed.

The successful experience of the Ashfields RMC is already influencing debate in the wider retirement housing sector with the Ashfields residents contributing to the Housing Our Ageing Population: Positive Ideas inquiry in March 2016. This inquiry is known as HAPPI 3 and follows on from earlier inquiries in 2009 and 2012 (HAPPI1 and 2) and it is due to report in June 2016. There is scope for sector peer learning on both the process and the wider possibilities this example opens up.

This report has been drafted by David Mullins and Jon Stevens based on a short baseline study between December 2015 and March 2016 (Housing & Care 21). It could not have been produced without the input of Judy, Peter and Harry of Ashfields RMC, Christopher Last, formerly of the Leasehold Advisory Service, Daphne Rix, Block and Commercial Management manager from Nock Deighton and members of Housing & Care 21 Management Team.

The report is organised into six chapters for easy referencing of the Ashfields story, introduction, background and method (c1) evidence from Housing & Care 21 and the baseline survey (c2), the motivations and drivers for change (c3), the co-production process (c4) early outcomes and future expectations (c5) and finally why this story is important and where it might lead (c6).

## **Chapter One – Background, Methodology and Report Structure**

### **Background**

In January 2016, the residents of a small retirement leasehold development in Telford called Ashfields took over the management of their scheme from Housing and Care 21. Ashfields<sup>1</sup> had been developed almost forty years ago and the transfer of management was a big step for the residents and also for Housing & Care 21. This report produced by the Housing and Communities Research Group of Birmingham University<sup>2</sup> examines why this change took place. It describes how it was accomplished and it considers the implications of the new management arrangements for the residents of Ashfields and for Housing & Care 21 and for the wider retirement housing sector.

Ashfields is only one scheme among the many housing developments for older people owned and managed by Housing & Care 21<sup>3</sup>. However, the aspiration that the residents of Ashfields had - to be in control of their homes and of the services associated with their homes - appears to reflect the priorities and aspirations of a new generation of older people. Forward-looking providers like Housing & Care 21 need to ensure that their housing can respond to the changing expectations, demands and challenges that older people will increasingly make.

### **Specialised housing for older people**

Sheltered housing has been defined by Elderly Accommodation Counsel as ‘‘*a group of dwellings intended for older people and served by a resident or non-resident warden/scheme manager with specific responsibility for the group*’’<sup>4</sup>. This form of housing for older people was developed from the 1950’s through to the 2000’s by local authorities and housing associations. It was usually built with some form of communal lounge/meeting room and often had an on-site warden or scheme manager. Currently almost half a million older people live in sheltered housing. In

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<sup>1</sup> Ashfields was built by the Royal British Legion Housing Association in 1988.

<sup>2</sup> <http://www.birmingham.ac.uk/research/activity/social-policy/housing-communities/research/index.aspx>

<sup>3</sup> Housing and Care 21 (HC21) is a leading not-for-profit provider of Retirement Housing, Extra Care Housing and domiciliary care services in England to older people with modest means.

<http://www.housingandcare21.co.uk/>

<sup>4</sup> EAC (2013) Housing and Care Homes for Older People in England. Key Data Report 2013).

recent years, the production of sheltered housing has declined and some existing schemes have been decommissioned<sup>5</sup>.

Leasehold retirement housing, a form of home ownership ‘sheltered housing’ provision for older people often provided by private companies but also by some housing associations, is more recent and more limited in its extent. It began to be developed on significant scale in the late 1980’s. Latterly production has fallen with around 4,500 units of leasehold housing being completed last year<sup>6</sup>. Around 100,000 older people live in leasehold retirement housing; such schemes are generally larger than- and have more facilities than- socially rented sheltered housing and most have scheme managers.

Thus there are several distinct market segments within retirement housing with different aspirations and resources. Sheltered schemes, private assisted living retirement housing and Extra Care Housing differ considerably in client group and well-being impacts<sup>7</sup>

In recent years, both sheltered and leasehold retirement housing developments have been subject to similar criticisms over the poor quality and predictable design of many developments and over unresponsive and unaccountable management arrangements<sup>8</sup>. One response to this has been to suggest that older people should have more influence and control over their housing. In the case of leasehold housing schemes (including retirement schemes) residents were given a specific power fourteen years ago - the Right to Manage - to take over the running of their homes in the 2002 Commonhold and Leasehold Reform Act.

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<sup>5</sup> Production of sheltered or retirement housing for rent fell from around 15,000 units per year during the 1980’s to around 2,000 units per year in the 1990’s and 2000’s, with a small increase to around 4,000 units per year since 2006 (although much of this is extra care rather than traditional sheltered housing). (*Source: Elderly Accommodation Counsel*).

<sup>6</sup> Similarly, production of leasehold retirement housing peaked at almost 18,000 units per year in 1989, then fell to around 3,000 units per year in the 1990’s and 2000’s, with an increase to almost 5,000 units per year in 2014/15. (*Source: Elderly Accommodation Counsel*).

<sup>7</sup> See Mullins (2015) Critical Evidence Review ‘Extra Care Housing. Impacts on Individual Wellbeing undertaken for HC21. <http://www.birmingham.ac.uk/research/activity/social-policy/housing-communities/publications/evidence-review-series.aspx>

<sup>8</sup> Stevens (2013) ‘Growing Older Together: The Case for Housing that is Shaped and Controlled by Older People, Housing LIN see [www.housinglin.org.uk](http://www.housinglin.org.uk)

## **Resident management in Retirement Housing**

The initial response from the residents of leasehold schemes to Right to Manage was limited, but from around 2005, a growing number of leaseholders exercised their rights and formed Right to Manage companies (RTMCos) to take over the management of their housing. It is difficult to estimate the number of RTMCos that have been established to take over retirement leasehold schemes. Recent estimates suggest that perhaps 6000 RTMCos<sup>9</sup> had been established since 2002 and of these perhaps 50 to 100 companies have been formed to take over leasehold retirement housing.<sup>10</sup>

It is clearly significant that between 5 and 10% of older people, who chose to move into housing developed by specialist providers, have subsequently decided that they would prefer to run it themselves. It is not known what proportion of these were living in schemes developed by housing associations but the move to resident management is one of the many factors that is causing housing associations to recognise the importance of empowering their older residents, not just in specialised housing but also across all of their stock. This is important because almost a third of social renters are now aged 65 plus. This is almost twice the proportion that older people comprise of households living in other forms of housing and it will grow over coming decades so that by 2040 as many as two thirds of people living in social housing could be aged over 65.

## **The position of Housing and Care 21**

Housing and Care 21 is a leading not-for-profit provider of Retirement Housing, Extra Care Housing and domiciliary care services in England to older people with modest means, with a portfolio of 15,400 properties. Leasehold Retirement Housing provides a key part of this portfolio, with 800 leasehold properties across 27

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<sup>9</sup> The number of RTMCos is projected from research by Paul Walentowicz of Anglia Ruskin University highlighted on the website of the Leasehold Knowledge Partnership [www.leaseholdknowledge.com](http://www.leaseholdknowledge.com)

<sup>10</sup> These approximations are derived from information about the leasehold sector contained in *Residential property management services; a market study* (2014) Competition and Markets Authority. 5% of leasehold housing is for older people and given the greater complexity in pursuing RtM for such housing, the figure of 50 to 100 RtM companies seems to be a good guesstimate. It is important to note that the RtM generally applies only to apartment blocks and not to accommodation comprising individual dwellings such as bungalows as in the case of Ashfields, Shropshire.

schemes. There has been a considerable change in the organisation over the past few years following the appointment of a new CEO and management team and there is a willingness to develop new approaches including creating more opportunities for resident choice. These wider changes are discussed further in Chapter 6.

Housing & Care 21, like other leasehold retirement housing providers is subject to the Right to Manage legislation and can expect to receive applications under this legislation in its purpose built apartment blocks. However, it decided to pilot a voluntary process of transfer to a Resident Management Company at a bungalow development in Ashfields, Shropshire. This is another option that Housing & Care 21 could offer residents of both leasehold and socially-rented retirement schemes. The Ashfields case has provided Housing & Care 21 with the chance to ‘coproduce’ a resident management model which met the particular requirements of the Ashfields residents but which provides useful experience and pointers for the future.

In order to maximize internal and external learning from this pilot Housing & Care 21 decided to commission a research project on the Ashfields experience from the Housing and Communities Group of the University of Birmingham. This report presents the baseline stage of this research undertaken at the point at which management had transferred to a Resident Management Company and it is hoped that there will be opportunities to return later to assess the subsequent learning from and impact of this transfer.

### **Research Methodology**

A mixed-method design was used to structure this baseline study as part of a formative evaluation. Key data about Ashfields and background documentation about the Right to Manage process was reviewed. In total 12 semi-structured interviews were conducted with key actors directly involved in developing the proposals and in the process to date. Triangulation was used to combine evidence from these sources into a clear chronology of the process. Differences of perspective on the process and the motivations and reasons for the management transfer were explored in a focus group discussion with resident Directors of the Right to Manage company, with the six senior Housing & Care 21 managers and with two external stakeholders (a legal adviser and the managing agent chosen by the RMC) to

provide a rounded of account of the management transfer, why and how it arose and how was implemented.

Residents' experience of management of Ashfields prior to the transfer was captured through analysis of results of the last leaseholder satisfaction survey undertaken at Ashfields in May 2015 and by a specially conducted baseline survey with a wider range of questions undertaken with the External Affairs Department at Housing & Care 21 and with input from the Directors of Ashfields RMC in February 2016.

It is intended that, subject to funding, the baseline study will contribute to a fuller study with revisits after 6, 12 and 24 months. It is desirable that a longitudinal study is used to assist in learning transfer within Housing & Care 21 and across older persons' housing providers through networks such as Housing Learning and Improvement Network.

During the research process good relationships were built with the Directors of the RMC and the research was used to inform their presentation to HAPPI 3 and a separated presentation by the research team and Director of Housing & Care 21 was made to the HousingLIN conference in London in March 2016. Both these presentations provided the opportunity to reflect on and develop the findings presented in this report.

A fuller account of the methodology including topic guides of interviews and focus group and the baseline survey questionnaire and results is contained in Appendix A.

## **Organisation of the report**

Following this introductory chapter, Chapter 2 profiles Ashfields and resident opinion in the period prior to the consideration of devolved management and in a baseline survey.

Chapter 3 then draws on background research and stakeholder interviews to consider where the idea for resident management came from (the motivations and drivers for change) and how it became considered as a potential solution.

Chapter 4 then constructs a chronology of the process of change which was coproduced by Ashfields residents with Housing & Care 21 and two external partners; to describe how the new arrangements were put in place; and to identify the barriers and enablers for change.

In Chapter 5, we consider the early days of Ashfields RMC; drawing on the views of Directors on early outcomes and quick wins and the way forward, then on the baseline survey findings on residents' expectations and finally the views of Housing & Care 21 managers.

Finally Chapter 6 considers the significance of the 'Ashfields experience, first it reflects on learning from the change process, then considers some of the wider issues for Housing & Care 21; and finally the wider relevance for the retirement housing sector.

## **Chapter Two- About Ashfields**

### **Purpose**

This chapter and Appendix B provide a picture of Ashfields drawing on management information, a generic satisfaction survey undertaken in June 2015 and a bespoke baseline survey. Later chapters make reference to and interpret some of this data in the context of the story told by more qualitative interview material.

### **Background**

Housing & Care 21 is a leading not-for-profit provider of Retirement Housing, Extra Care Housing and domiciliary care services in England to older people of modest means, with a portfolio of 18,818 properties. Leasehold Retirement Housing provides a key part of this portfolio, with 800 leasehold properties across 27 schemes. Housing & Care 21 (formerly Housing 21) was formed from a stock transfer of Royal British Legion (RBL) housing in 1993, and a majority of Housing & Care 21 Retirement Housing properties were developed in the 1970s/80s as RBL properties.

Ashfields is located in Telford, Shropshire, and was built in 1988. It consists of 26 bungalows and 1 ex-Court Manager flat, all with private driveways. Residents have access to communal facilities, which include a large communal lounge and vestibule, kitchen and laundry. Although the gardens surrounding Ashfields are technically communal, most residents have, over time, erected a small picket fence around their bungalows to give them private gardens.

Of the 27 leasehold Retirement Housing schemes, Ashfields is the only one to not have a Court Manager (on-site warden), as a result of residents voting to remove the Court Manager service over 10 years ago. Elsewhere, Court Managers act as the point of contact between residents and the organisation, but at Ashfields, this relationship has been with more senior locality managers. This change is also symbolised by the deletion of the word 'court' from addresses at Ashfields to show the move away from an institutionalised model of retirement housing.

Residents at Ashfields- as with all leasehold Retirement Housing schemes- pay a monthly service charge, which includes provision of the emergency call system, gardening, window cleaning and cleaning of communal areas, external repairs, buildings insurance, fire alarm servicing and the communal laundry.

### **Resident Profile**

There are 32 residents at Ashfields, and the majority of bungalows are single occupancy. The average age of current residents is 71 years, which is significantly younger than the average Housing & Care 21 leasehold population (79 years). The majority of residents at Ashfields fall into the “younger old” category, with approximately three quarters (71%) of residents aged between 50-79. This compares with approximately half of the leasehold population more generally, and 55% of the total retirement housing population.

**Table 1: Age Profile at Ashfields compared with all Housing & Care 21 Retirement Housing**

Scheme	Ashfields	Leasehold Retirement Housing Schemes	General Retirement Housing Schemes (Leasehold/ Rental)
AGE			
<b>under 50</b>	0.0%	0.0%	0.4%
<b>50-59</b>	3.6%	2.9%	5.0%
<b>60-69</b>	32.1%	16.7%	21.0%
<b>70-79</b>	35.7%	28.4%	29.0%
<b>80-89</b>	14.3%	37.5%	31.0%
<b>90-99</b>	14.3%	14.3%	13.0%
<b>Over 100</b>	0.0%	0.1%	0.6%
<b>TOTAL</b>	100.0%	100.0%	100.0%

**Table 2: Ashfields distinctive age profile (“Young Old”)**

Ashfields	Leasehold Retirement Housing Schemes	General Retirement Housing Schemes (Leasehold/ Rental)
50-79	71.4%	48.0%
80-99	28.6%	51.8%

Source: Housing & Care 21mangement data

The length of tenancy at Ashfields and the leavers profile is broadly representative of all leasehold schemes. At Ashfields, there is an average turnover of 12% every year, which compares with an average of 15% in leasehold. Average length of tenancy is nearly 15 years at Ashfields, compared with 12 years in leasehold on average. People live nearly twice as long at Ashfields than in general Retirement Housing (rented and leasehold), where the average length of tenure is 7 years, and residents are more likely to live there until their deaths. This increased length of tenure is also likely to have an impact on how involved people are in the management of their homes. Thus Ashfields is a small and attractive scheme with a higher proportion of ‘young older people’ than other such schemes and a fairly low level of turnover but a recent increase in younger new residents.

## Levels of Satisfaction

Appendix B provide information on resident satisfaction from two main sources. The first is the most recent Leaseholders satisfaction survey of Ashfields residents undertaken in June 2015. The second is a bespoke survey undertaken for this baseline study in February 2016, just one month after the transfer to the Resident Management Company (RTM).

While the last leaseholder survey under Housing & Care 21had indicated some issues with satisfaction with services and a low ‘net promoter’ score<sup>11</sup>; it is the baseline survey undertaken after the transfer to RTM that really captures the extent

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<sup>11</sup> The net promoter score is a measure developed by the External Affairs team to assess the extent to which residents would recommend their housing service to others. It captures some of the issues faced by HC21 at Ashfields which underpinned the decision to look for radical solutions

of dissatisfaction with the service, value for money and opportunity to influence under Housing & Care 21 and much higher expectations of the RTM. Respondents to the baseline survey were more likely to have moved in in the last five years and were also somewhat likely to get involved in the RMC in the future.

## **Chapter Three – Where the idea of resident management came from**

### **Purpose**

This chapter seeks to understand why resident management came onto the agenda at Ashfields. It uses interviews with the key stakeholders to understand and interpret their perspectives on the events that led to the decision in 2015 to move towards the delegation of management of a Residents' Management Company.

### **Diverging interests over 10 years**

Ashfields Court was developed by the Royal British Legion Housing Association (RBL) in 1988. Five years later Ashfields Court became part of Housing 21, now Housing and Care 21. At that time Ashfields Court, in common with other retirement leasehold schemes owned by Housing & Care 21, had a resident scheme manager living on site in a flat above the communal facilities.

Ten years ago - after a period in which there had been a high turnover of court managers and in which dissatisfaction with the service they provided increased - the residents decided that they would rather run the communal facilities themselves, thereby reducing their service charges and creating another unit of accommodation in the former court manager flat..

To mark the change the residents decided to change the name of the development from Ashfields Court to Ashfields. They saw this as being symbolic of their desire to live more independently, in housing that was not 'marked out' as a court from the family housing in the surrounding neighbourhood. This desire to 'do things their own way' developed further in the years that followed and it was reinforced by a series of disputes and misunderstandings between the residents and Housing & Care 21.

Continuing efforts were made by staff from Housing & Care 21 to resolve outstanding problems during the next ten years and at various times it seemed as if the difficulties had been resolved, only for further disputes to arise. Residents and staff have both referred to 'a breakdown of trust' and some residents began to argue that a large housing organisation like Housing & Care 21 might not be 'geared up' to provide a tailor-made and localised service to schemes like Ashfields.

### **The seeds of change**

At the beginning of 2014, things began to change at Housing & Care 21 with the appointment of a new Chief Executive, Bruce Moore. Other new staff in senior positions followed and Housing & Care 21 began to review how it provided services to all its residents; a process that is continuing. An early decision was to move away from an area-based structure that provided generic services to all schemes and to establish a separate leasehold division, which would aim to offer Ashfields and retirement schemes like it a more bespoke service.

Things were changing at Ashfields too. Over a period of four years, a third of the properties came up for sale and this led to an influx of new, younger residents aged between 50 and 70. Together with the existing residents, they took stock of the situation. In the end the residents' committee sent recorded delivery letters to the Chair and CEO requesting a meeting, which resulted in an early visit from the newly appointed CEO in Spring 2014.

After a period of restructuring Housing & Care 21 in October 2014, Tony Tench, the Chief Operating Officer attended a second meeting at Ashfields to address residents' long-standing complaints. At this meeting the residents presented a detailed list of their concerns including the capability and capacity of Housing & Care 21 to provide a locally responsive service.

Following this, it was suggested to residents that they might consider taking over the management of Ashfields. It was explained that this could happen through a process known as Right to Manage (RTM), which wasn't strictly applicable to Ashfields, as a

bungalow development, but which Housing & Care 21 might be prepared to offer on a voluntary basis.

### **The residents' perspective (Resident Management Company Directors)**

Before considering the residents' response to the offer of devolved management, it is important to examine their concerns about the way in which Ashfields had been managed previously by Housing & Care 21 and to understand the perspective of staff. A discussion with the three Directors<sup>12</sup> of the Right to Manage Company shed light on this. They began by stressing that Ashfields is seen as a good place for older people to live. The design and layout of the scheme works well; with 26 bungalows and a community hall (with a self-contained flat above) all located around a quiet cul-de-sac; shielded by banking and trees from the nearby railway. Residents value the location of Ashfields, close to Oakengates Town Centre. A unique feature is that Ashfields has 'its own railway station' accessible on foot from the top of the street with good train and bus links.

The Directors had all moved in relatively recently but they had heard from other residents about earlier difficulties with the management of the scheme and many of these were still apparent two years ago. In discussion, they summarised these as being;

- *Repeated errors in the management accounts presented to residents, including incorrect accounting for invoices and, in the past, the misallocation of some costs (e.g. the service charges for the former scheme manager's flat)*
- *Inaccurate Information on actual costs of local services as a result of apportionment of organisation wide costs and inaccurate billing for works (some of which were believed not to have been undertaken)*

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<sup>12</sup> The meeting with the directors took place on January 22<sup>nd</sup> 2016 when Jon Stevens visited Ashfields. There was a follow up meeting at Ashfields on March 9<sup>th</sup> when David Mullins met two of the directors to clarify some specific points and to ensure that they were happy with the presentation developed by the research team for the Housing LIN conference on March 11<sup>th</sup>.

- *Concerns regarding the high cost of certain repairs/replacements and the way in which such works were being procured (e.g. as part of overarching Housing & Care 21 contracts rather than by selection of local contractors)*
- *Queries over the necessity of certain works (e.g. testing of cold water storage tanks in individual properties for legionnaires disease and the provision of scaffolding for external repairs to bungalows; a procedure more appropriate to apartment blocks)*
- *Concern over the proposed increases to contributions to the sinking fund.*

The Directors went on to suggest that in the past Housing & Care 21 had a poor record of dealing with problems and concerns of the kind cited above. Housing & Care 21 had been slow to rectify mistakes and they had been inflexible in adjusting their working methods and procedures to meet residents' specific needs and expectations. Communications with the residents had at times been poor. The lines of communication had been confusing, key staff were said to have changed without briefing their successors properly and within Housing & Care 21 messages seemed to get lost between departments. This was described as '*staff turnover without handover*'.

Residents became further frustrated when there were long delays in responding to letters detailing their concerns and, immediately prior to the change in management at Housing & Care 21, the residents' association had gone so far as to make a number of formal complaints to the association. The complaints process added to their frustration as none of the complaints went beyond 'level 2' (internal management response) and response times were seen as unnecessarily lengthy.

The baseline survey of residents' views of Ashfields<sup>13</sup> tends to confirm the picture painted by the Directors. A high proportion of respondents said that in the period prior to the setting up of the RMC, they were either dissatisfied or very dissatisfied with Housing & Care 21's management of the scheme. This dissatisfaction was

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<sup>13</sup> See Chapter 2 and Appendix B

mainly to do with the value for money of the scheme, with around two-thirds of respondents expressing this view. But it extended into a lack of satisfaction with residents' influence over decision-making. There was less concern over the services being delivered to Ashfields, with around half of respondents less than satisfied.

All of above illustrates why there had been a continuing breakdown of trust between the residents and Housing & Care 21 at Ashfields and up until two years ago it seemed unlikely that things could be resolved.

However, the Directors went on to explain that at that time Housing & Care 21 began to change its approach to Ashfields. Following a series of contentious meetings with staff responsible for providing services to Ashfields, there had been a high level response from Housing & Care 21 management. The Directors and the residents were nonetheless taken aback when officers first floated the idea of that the residents of Ashfields could take direct control of taking control of the management of their homes and facilities. There was a mixture of shock and disbelief – '*do they really mean it?*'. Initially residents saw this as a step into the unknown and they identified the need for advice and resources. However, as the next chapter indicates access to advice built sufficient confidence to enable residents to conclude – '*ok, let's give it a go*'.

## Housing & Care 21management perspective

Interviews with Housing & Care 21 staff responsible for managing the provision of services to Ashfields in recent years, largely confirmed the resident Directors' view of the problems that had been encountered, but they shed more light on how the situation had arisen and they explained some of the inherent difficulties Housing & Care 21 faced in delivering services tailored to the needs of a scheme like Ashfields, which had a number of distinctive features.

The current National Leasehold Manager recently steered the resident management process through; but had first been involved with Ashfields in 2009 as a Regional Manager in the old structure. At that time, he was trying to resolve some of the

accounting problems that arose after Ashfields had dispensed with the Court Manager and dealing with other concerns regarding the adequacy of Housing & Care 21's services. By the time he moved on in 2011, he felt that Housing & Care 21 had successfully '*wiped the slate clean*' in relation to all these matters and he was hopeful that things would move forward.

A new Director then took over Regional Office that provided services to Ashfields until the reorganisation in 2014. In taking over, he felt that although Housing & Care 21 appeared to have made some progress in the relationship with Ashfields, there were still some systemic problems. This was partly because Ashfields was looked after by a Locality Manager who had responsibility for a wide range of services to schemes; most of which weren't leasehold schemes. This made it difficult for Housing & Care 21 to offer Ashfields the kind of a dedicated service they seemed to be seeking; or even the level of service provided to other leasehold schemes that still had local resident 'court managers' who were the usual conduit for communications with residents. Nevertheless, continuing efforts were made to resolve historic problems and new difficulties as they emerged. However, the mistrust ran deep and it proved difficult to build trust and confidence of the Ashfields residents.

A National Leasehold Manager was appointed in 2014 to look after all of their retirement leasehold schemes. This postholder had known Ashfields before 2011 and was surprised to find that disputes were still rumbling on; not helped it seemed by a regular turnover in staff. There had been further attempts to resolve things and a meeting had been held with Ashfields at which as a good will gesture, Housing & Care 21 agreed to write off some disputed items of expenditure. New ways of procuring some goods and services were discussed; including the idea of devolving the delivery of some repairs to a local contractor of the residents' choice. In this way, it was hoped that turnaround could be improved and costs reduced.

Although Housing & Care 21 had not formalised its thinking on the idea of devolved management for Ashfields, it seems that things were beginning to move in this direction. The residents had already taken over the scheme manager functions and now the idea of local procurement of the repairs service had been discussed with them. But relationships were still difficult and trust seemed to be in short supply.

## The decision to offer devolved management

Bruce Moore joined Housing & Care 21 at the end of 2013. In a previous role he had been responsible for introducing a framework for offering residents and tenants a range of options for local control over their housing services, including options for devolved management. At Housing & Care 21 he became aware of the situation at Ashfields early on when he and the Chairman received the letter from the residents outlining their continuing concerns, referring to their earlier formal complaints and their frustration at the failure of Housing & Care 21 to resolve matters. In Spring 2014 he held a meeting with the residents. After the meeting he concluded that without radical change the problem would keep repeating itself; later on when interviewed he reflected '*they were a square peg and we had only round holes*' to offer them, thereby giving the title to this report!

Bruce initiated an internal discussion about how management might be devolved to Ashfields and what the legal implications might be. Already some tentative moves had been made in this direction around the local control of repairs. Subsequently, Tony Tench joined Housing & Care 21 as Chief Operating Officer. He had worked previously with Bruce at Hanover in implementing a framework, which offered options for local control to residents. He was made aware of Ashfields and of the internal discussions on devolved management, so when he met with the residents in October 2014 and having discussed the list of outstanding items with them, he felt that it was the right time to propose the idea of a form of Right to Manage.

Although the residents were initially sceptical, he could see that this could be a way of moving things forward and so as well as asking residents to think about the offer he also asked the National Leasehold Manager to prepare a 'plan of action' to take back to the residents in due course. Richard consulted with James McCarthy, the newly appointed Director of Retirement Housing. James had considerable private sector experience of managing leasehold retirement housing and detailed knowledge of the Right to Manage process and together they developed an outline proposal for Ashfields. In the process they received legal advice from Paul Hutton, Head of Legal Services.

Although Ashfields (as a bungalow development) didn't legally qualify for Right to Manage (RTM), it was agreed that the RTM process would be followed as a 'tried and trusted' procedure for setting up devolved management. The familiarity of the new Housing & Care 21 management with this process from experience in the private sector and other housing associations was clearly an important factor in encouraging them to make this offer. However, it was important that this 'solution' fitted with residents' concerns and that there was sufficient enthusiasm and capacity to move from dissatisfaction with a landlord provided service to a self-managed future. This set the scene for a co-produced model for resident management of Ashfields as described in the next chapter.

## **Chapter Four – Co-producing a model for the resident management of Ashfields**

### **Purpose**

The purpose of this chapter is to track the key steps that turned the vision of a resident managed future for Ashfields into the reality of Ashfields today. Again the main focus is on resident and Housing & Care 21 management perceptions of the process but two important new actors are now brought into the story. These are the Leasehold Advisory Service who provided the residents with the independent advice they needed to have confidence in the idea and a local managing agent who were appointed by Ashfields RMC to provide the day to day management services they needed to run the scheme to their requirements. Figure 1 maps the process that led over a period of less than a year to the transfer of management to Ashfields RMC. We used these interviews not only to tell the story but to understand the barriers that were encountered in turning the model into reality and the enablers that helped to achieve this. One surprising finding was how few real barriers were faced and given the earlier history described in chapter 3, how collaborative and non-adversarial the approach was. We hope that this account is encouraging and informative for other residents groups considering a similar journey.

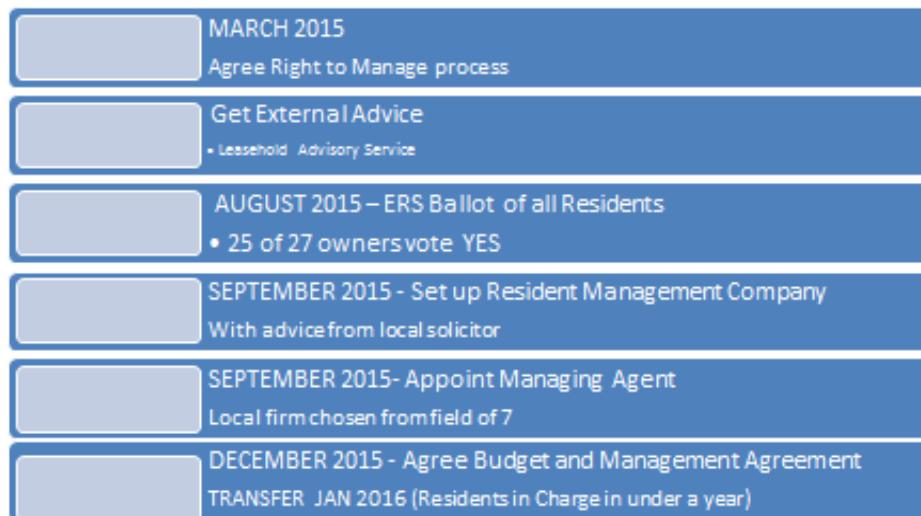
## Mapping the Process

This section describes the key steps taken in this co-produced process illustrated in Figure 1.

### Uncertain beginnings

Although residents had been pressing for more say over decision-making and they had wanted Housing & Care 21 to be more accountable, their initial reaction to the idea of devolved management presented to them in October 2014 was cautious. However the residents association met to consider the matter further and following their investigations a general meeting of residents agreed to find out more about Housing & Care 21's proposal. In March 2015, the residents met with James McCarthy and Richard Wheelden to express their interest and to consider the more formal proposals that Housing & Care 21 presented to them.

## Figure 1: Co-producing the Change



## **Independent Advice**

So that residents could better understand the RTM process and receive independent advice on what this would involve for them a meeting was organised by Housing & Care 21 with Christopher Last, a solicitor from the Leasehold Advisory Service. He had not encountered a voluntary proposal of the kind being put forward by Housing & Care 21 but was very familiar with RTM and was able to give the residents a step-by-step guide to the process. He provided independent advice and reassurance on various queries and concerns about the process. This meeting was important for the residents as it gave them confidence in the offer and in the legitimacy of the process to be followed. From then on, according to both the residents and Housing & Care 21 staff, things seemed to have proceeded very much '*according to plan*'. This 'plan' is outlined in Figure 1 above.

## **The Ballot**

To initiate the RTM process, a formal ballot of all of the residents to secure their support was required. A formal consultation letter was agreed between Housing & Care 21 and the residents working group and the Electoral Reform Society was engaged to conduct the ballot, paid for by the residents. The ballot was held in August 2015 and the residents voted almost unanimously to proceed (there were 25 votes in favour and 2 against). The Electoral Reform Society notification of the ballot result was still on the wall of the Community Hall at the time of our visits in January and March 2016 showing the importance of the legitimacy given to the Residents Management Committee. Both the residents group and Housing & Care 21 now had the authority to proceed with new management arrangements for Ashfields.

## **Setting up the Right to Manage Company and appointing a management agent**

The residents then appointed a solicitor in nearby Shrewsbury with expertise in company formation and with them they set up the Ashfields Right To Manage Company (RMC) in September 2015 using the model rules prescribed for these

purposes. The cost of setting up the company was met by all the residents, with each resident/leaseholder acquiring one share in the company. At the first shareholders meeting, three Directors were appointed to run the company on behalf of the residents.

There was consensus between residents that a suitable locally-based management agent should be appointed to manage Ashfields on behalf of the RMC. Eight local residential estate agents were identified and a shortlist of three was drawn up. Nock Deighton from Bridgnorth were chosen and appointed in September 2015, because they met all of the criteria: cost effectiveness, local experience, accessibility, range of services and professionalism.

Daphne Rix, Block and Commercial Management manager from Nock Deighton, explained that although Ashfields had their own specific requirements, these could all be accommodated within their Residential Service Charge Management Service. This is relatively flexible with a menu of services. Residents were able to agree a management contract with the RMC relatively easily; a comprehensive package was agreed with Nock Deighton also taking on the Company Secretary role for the RMC. Daphne Rix also liaised with Housing & Care 21 to make sure the contract was compliant with their duties and responsibilities as freeholder and to discuss handover arrangements.

#### **[Agreeing a budget and management agreement with Housing & Care 21.](#)**

In November a draft management agreement between Housing & Care 21 and the RMC was discussed at a meeting attended by residents and by a representative of Nock Deighton. Few changes were required to the agreement which set out the retained responsibilities at Housing & Care 21 and a procedure to terminate the agreement. Once the management agreement was approved, the handover process could begin. A start date of January 1<sup>st</sup> 2016 was agreed for the transfer.

In December RMC and Nock Deighton received copies of accounts and the draft budget for Ashfields. There was detailed scrutiny of contracts some of which such as electricity and water were subject to bulk purchase agreements, and others such as for the emergency alarm system were also retained by Housing & Care 21. A new

budget was agreed with a lower increase to sinking fund and a significantly reduced administrative charge (only half of their previous charge from Housing & Care 21).

According to the managing agent charges are lower because they run a cost-effective local operation with two staff servicing 25 schemes more or less similar to Ashfields.

### **Handover**

The target start date was approved and so fifteen months after the idea of devolved management was first floated and nine months since Housing & Care 21 put their proposals to residents, the Ashfields RMC became responsible for the full management of the scheme.

### **Reflections on the process; barriers and opportunities**

In each of our interviews and discussions we asked interviewees to reflect on the main barriers that had been faced during the process and any positive enablers that had helped to overcome these. The general view to emerge was that once trust had been established and independent advice obtained the process had been surprisingly straightforward and proceeded very much '*according to plan*'.

The Directors of the RMC felt that over the last fifteen months their relationship with Housing & Care had been transformed. Prior to that they felt as if the staff at Housing & Care 21, even when they were trying to be helpful, were confined by the bureaucracy of the organisation and by having to operate according to standard policies and procedures. They were unable to respond to the particular needs of Ashfields because they had limited flexibility. The Directors felt that under new management there had been a 'culture change' at Housing & Care 21. They gave credit to the senior staff at Housing & Care 21 who had first proposed devolved management, who had come forward with proposals as to how it could be implemented and who had supported the process effectively.

Another key enabling factor that became very clear from meeting the resident Directors was the impetus that had been provided by the capacity to challenge provided by a new cohort of people who had bought their homes at Ashfields in recent years. Some of these new owners went on to form the RMC and were keen to help existing residents to address long standing issues in new ways. They had the knowledge and skills to challenge the status quo and to take on the responsibility for future management. Skills secured in professional life and in voluntary roles, for example with the local health trust provided this group with the capacity that enabled the barriers to be successfully negotiated.

Moreover the idea of devolved management proved more popular than might have been anticipated. After initial caution residents soon took to the idea. This is confirmed by the baseline survey with all respondents saying that they initially were either very strongly or fairly strongly for the setting up of the RMC and with all of them bar one (who had moved from strongly supportive to fairly supportive) taking up a similar position now the process has been completed. Residents, were less clear about the role that Housing & Care 21 had played in facilitating the process. This may have been because most of them had not been directly involved in the process. One respondent had the impression that Housing & Care 21's support for the process was 'superficial' but this may have been influenced more by longer term experience and perceptions than by recent management action.

Turning to the current senior management of Housing & Care 21, it appears that once they had taken stock of the general problems of managing leasehold housing within a generic structure and once they had understood the specific circumstances of Ashfields, they had been able to adopt a new approach based on the idea of devolved management quite quickly. This was clearly informed by previous experience of offering residents of retirement housing management options and choices in other organisations. Some had individual experience of the Right to Manage in private sector. Their diagnosis and prescription proved to be timely and appropriate for two reasons. Firstly, because it was understood and adopted by the residents (after a period of investigation and consultation) and secondly, because it brought to an end a series of long-running disputes and misunderstandings.

## **Chapter 5 - Early outcomes and future expectations**

### **Purpose**

While this study took place only a few months after the RMC took over it was possible to identify some early outcomes including some quick wins that had already been secured from resident management. The wider impact on Ashfields' residents was indicated in the baseline residents' survey reported in Chapter 2. Notable findings here were that confidence had been restored and active involvement seemed likely to grow in the future. This chapter ends by considering the need for ongoing evaluation to learn from this experience and provide a longer term assessment of the impact of this important change in governance and management of housing at Ashfields.

### **Early outcomes – the Resident Directors' perspective**

At the time of writing, Ashfields has been run by the RMC for less than three months. The Directors' expectations are high but it will be important to review progress once sufficient time has elapsed to clarify the outcomes.

The key initial outcomes concern the delivery of services to residents and establishing if they prove to be responsive, of good quality and at a reasonable cost. Directors were initially very happy with the service being offered by Nock Deighton and felt that there had been a number of positive changes in their ability to receive the services they need at a cost that they are willing to pay.

The Directors have expressed clear expectations of what they hope to achieve through resident management; some of which they feel they have already achieved.

Summing up what has been achieved so far '*full control over the budget of the scheme and knowing exactly how residents' money is being spent*' was seen as the major outcome. This had also involved:

- *"Receiving timely and relevant advice on the repairs and maintenance of their scheme and being able to let their own contracts, thereby ensuring good quality work and value for money.*
- *Having a realistic sinking fund to meet future major repairs obligations without placing an unnecessary financial burden on residents*
- *Having agents that are accessible and responsive and they can easily be changed if they fail to deliver.*
- *Having a more professional relationship with Housing & Care 21 as the freeholder under a formal agreement."*

But for the Directors it will be also about evaluating the wider benefits, which they expect to flow from direct management.

### **Quick wins**

Discussion with the Directors indicated that there had already been a number of quick wins from resident management which went well beyond the transfer of the contract for management and repairs services.

Currently, gas central heating is being installed to all of the properties after some shrewd negotiating by one of the Directors. This involved an application to an energy provider for free installation as part of a programme to address fuel poverty. Such funding could only have been accessed by a self-organised group of people and would not have been achieved through Housing & Care 21's conventional housing management.

Another early initiative by the committee was to arrange for some surgery to the many trees that shield Ashfields from the nearby railway. This addressed risks to safety after a period of strong gales. It showed the ability of resident managed

housing to provide speedy action to address issues of importance to residents.

The Directors also expect the community and social side of Ashfields to benefit from resident management. Ashfields was always a friendly community but the process of taking over management seems to have generated a greater spirit of neighbourliness with the residents making greater use of the community hall and organising social events and gatherings. This is building community spirit and confidence as Figure 2 illustrates:

**Figure 2: Building Community Spirit and Confidence**



Photo supplied by Ashfields Directors

### **Wider resident expectations**

Increased involvement in social activities is a clear indication of the impact of the transfer on the wider body of 27 residents. A survey of the residents of Ashfields<sup>14</sup> carried out in February 2016 shed further light on how these changes were seen by the wider resident body (although as noted in Chapter 2 there were only 11 responses to this survey).

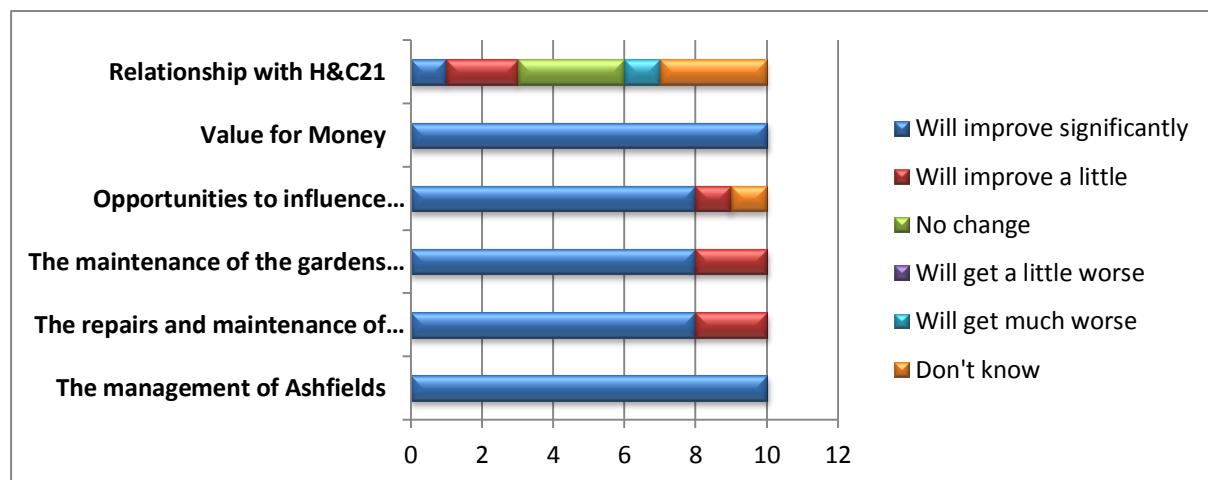
Residents were asked how they thought things would change as a result of the RMC

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<sup>14</sup> See Chapter 2

being established. All of the respondents answering this question thought there would be significant improvements in the management of the scheme and in the value for money they received. And around 80% of respondents felt that there would be a significant improvement in the influence they had over decision making, in the repairs and maintenance of the properties and in the garden and grounds maintenance. However there were still very mixed views about whether the relationship with Housing & Care 21 would improve.

**Figure 3:Expectations of the future under Ashfields RMC**



These positive expectations reinforced by positive write-in comments from individuals about the changes they expected to see in next 12 months:

*“Easier to get jobs done on the estate using local firms and at less cost...”*

*“Much better value for money in all areas. Easy access to accounts and decisions...”*

*“It will be much cheaper now that we have gone self-management... I think it is such a good idea...the service charge was much too high under Housing 21...”*

*“(We will have) more information on where and how money is being spent with invoiced information...”*

*“Not so remote as Housing & Care 21...”*

*“Pleased that it exists. Things can only get better from now on...”*

The survey also showed that support for the RMC remained very strong, with just one respondent expressing slightly lower support now than when first aware of the idea.

**Table 3: Strength of resident support for Ashfields RMC**

	Very strongly for	Fairly strongly for	Not sure	Fairly strongly against	Very strongly against
<b>How strongly did you support the idea of a Residents Management Company when you first heard about it</b>	9	2	0	0	0
<b>How strongly do you support the idea now</b>	8	3	0	0	0

Further encouraging findings from the survey were the extent to which respondents felt well informed about management arrangements at Ashfields and more likely to get involved themselves in the future.

**Table 4: Resident information and understanding of Ashfields RMC**

	Very strongly for	Fairly strongly for	Not sure	Fairly strongly against	Very strongly against
<b>I feel well informed about the new management arrangements at Ashfields</b>	9	2	0	0	0
<b>I understand what having a Residents Management Company will mean for my scheme</b>	8	3	0	0	0

Of great significance for the future is that while only one respondent to the survey was currently involved in the running of the RMC, 7 said that they were somewhat likely and 2 very likely to get involved in the future. This is a reassuring finding for the

current Directors who did have some concerns about succession. Although they are all committed to making a success of the RMC they would want other residents to be prepared to take over in due course.

It should be noted that these are the views of the third of residents who responded to the survey. The views of the remainder are unknown but it is fair to say that devolving management to the RMC seems to have had a generally favourable response and that the high expectations of the Directors are matched by the residents and that there are indications that future sustainability could benefit from wider participation in governance.

### **Expectations of Housing & Care 21**

The expectation that senior staff at Housing & Care 21 had that resident management would resolve long-running difficulties between Housing & Care 21 and Ashfields is in the process of being realised. Once the idea was mooted, the implementation of a voluntary Right to Manage process - a process that was untried - went remarkably smoothly; apparently with none of the disagreements and misunderstandings that had characterised previous dealings with Ashfields. So it would appear that a situation that had caused Housing & Care 21 problems over an extended time and which took up an inordinate amount of management time is being successfully resolved.

### **Plans for future review**

It has been very important for this project to capture the process that led to the change of management at Ashfields and the perspectives of residents, staff and the managing agent, Nock Deighton on the key steps that were required for this change to happen. It was also useful to capture the baseline from which the new Resident Management Company will build its relationship with residents, Housing & Care 21 and Nock Deighton.

To enable learning from the experience to be maximised it will be important to return to Ashfields and reflect with all three parties on what has been achieved and learned as the new arrangements bed down. It is hoped that there will be periodic review through discussion with the Directors, Housing & Care 21 and the Managing Agent and updates to the residents' survey at regular intervals over the next few years. This could be used to promote future learning as Ashfields RMC evolves so that this learning can be harnessed for wider change within Housing & Care 21 and across the sector.

## Chapter 6 The wider significance of Ashfields

### Purpose

The purpose of this final short chapter is to reflect on the wider significance of this report's story of a small community in Shropshire and its relationship to a large national housing and care provider. First there is a reflection on the change process that has been successfully achieved and how this could be replicated in other contexts. Second there is a consideration of relevance to wider organisational change within Housing & Care 21. Finally there is a reflection on what this could mean for the wider retirement housing sector

### Process learning

In many ways what has been described in this report is a classic story of organisational change. For change to occur there needs to be a combination of an apparently intractable **problem**, some events to **trigger** acceptance that change is necessary, a **breakthrough** new solution often involving new perspectives being brought by new actors and then a commitment to **collaborate** to make the new 'solution' work.

The **intractable problem** at Ashfields was many years in the making but essentially involved diverging interests of a new cohort of older people with more demanding expectations for locally responsive services and a large national service provide with a standard service offer and a generic, risk averse approach. This entrenched problem was aptly summed up by the incoming CEO's phrase Ashfields '*was a square peg and we only had round holes*'.

The divergence of interests and expectations had been signalled 10 years earlier by residents' rejection of the 'Court' part of the scheme name and dispensing with a 'Court Manager' (the only example of such in Housing & Care 21's 27 leasehold

retirement schemes). It was amplified by Housing & Care 21's attempts to resolve problems without fundamental change, working with accounting systems not designed to report at scheme level and risk averse policies, such as requiring scaffolding for bungalows and legionnaires disease tests for water supply to individual dwellings (when both requirements were more appropriate for apartment blocks).

Turnover of staff without handover of knowledge added to the problems, with the absence of a local court manager meaning that Ashfields always appeared as the exception to rules that were system based rather than responsive to local circumstances.

The **initial trigger events** for change were system errors in accounts, high costs of maintenance through centralised procurement, disputes of the need for works and the size of the sinking fund leading to a series of unresolved complaints, contentious meetings and the breakdown of trust.

The **breakthrough** came though the arrival of new actors on both sides of the fence. New home owners arrived with the skills, knowledge and determination to challenge the status quo and commitment to address long standing issues. A new management team arrived at the same time with experience of the Right to Manage in the private sector, of attempted reforms to increase resident choice in another non-profit housing provider and a willingness to change and let go. In a stand-off where something had to give it was the new management who brought a solution to the table – *'why don't you take it over yourselves'*?

Given the long term break down of trust the **commitment to collaborate** to make the new 'solution' work seemed a rather unlikely outcome. However, the willingness of the new management to visit and talk and the introduction of an independent adviser helped build the confidence of a resident group already willing to look at radical change. Clarity about its aims of more local responsiveness and better value for money enabled the residents to secure local legal advice, successfully negotiate a ballot and then go on to procure an expert local managing agent.

For Housing & Care 21's part the willingness to let go demonstrates that a voluntary right to manage approach can work and can avoid some of the combative defences

found in private sector provider responses to the right to manage. As the next section discusses this can also be seen as part of a wider set of changes in Housing & Care 21's business model.

## **Wider change in Housing & Care 21**

This study shows that it is possible and beneficial for large organisations to move beyond a one size fits all approach, with holes of all shapes and sizes now available! It has also shown that older people have the capacity and motivation to take on a governance role and make real choices about how services are procured and delivered to their homes. This example could inspire wider change across Housing & Care 21's 27 residential leasehold schemes and beyond into its much larger Retirement Housing and Extra Care portfolio where a three tier menu of choices is now being proposed.

However, it is recognised that there are risks in devolving responsibilities to residents in this way. In an interview the CEO stated that '*We don't just want to push people out – we need to find out what support is needed and what could go wrong.*' It will therefore be important that Housing & Care 21 maintains effective links with Ashfields and puts in place liaison and reporting arrangements to ensure that its duties and responsibilities as the freeholder continue to be properly exercised and to keep track of the progress being made by the RMC. Furthermore if the RMC runs into difficulty the contract exit clauses allow residents to pass back management to Housing & Care 21 if required. All of this will have to be done with care and sensitivity if past mistakes in the relationship with Ashfields are to be avoided.

Providing services to leasehold retirement housing schemes is a small part of Housing & Care 21's business and it is not an area marked for future expansion. As has been noted earlier, Ashfields, as a scheme run without a scheme manager, differs from Housing & Care 21's other retirement leasehold schemes. Nonetheless, the whole experience of introducing resident management at Ashfields has generated some important learning points.

A senior manager acknowledged that the organisation needed to be "open to Right to Manage and not see it as threat. At the same time the landlord needs to be risk averse and 'hang on' to some issues. A RMC can take the risks that Housing & Care 21's one size fits all can't."

At the time of our study Housing & Care 21 was at the early stages of developing a choice based approach to delivery of services across its retirement housing operations. It was considered that there was potential for the Ashfields approach to be rolled out to rental housing and even extra care housing, but issues are different as a result of the higher average age and dependency levels of residents in those parts of the business. Nevertheless the appetite for roll out was indicated by the following statement by a senior manager:

*"Housing & Care 21 does not want to hold on to services or assets if someone else is better. The position of leasehold housing is still emerging out of the regional restructure. A leaseholders' conference is being held in March 2016 to explore a range of options for future".*

In the last two years Housing & Care 21 has been reorganising and is reviewing all of its services; this includes exploring how the residents of its socially-rented and leasehold retirement housing can have more influence and control over their housing and related services. What they are developing has been described as a three-tier model for devolved decision-making - a choices framework - for all of their schemes<sup>15</sup>. This framework will be tested and developed with residents before it is introduced.

The first tier of the framework covers those duties and responsibilities they have to retain as the freeholder/landlord under all circumstances. The main issue is to ensure that there is good information and communication with residents over how Housing & Care 21 is exercising these duties and responsibilities and where there are any changes residents are notified well in advance of the rationale for the changes.

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<sup>15</sup> James McCarthy, HC21 presentation to HLIN conference, March 2016

The second tier concerns common services provided to all of the residents. These include day-to-day services such as cleaning or gardening, longer-term repairs or improvements to buildings and common areas. How these services are undertaken has financial implications in terms of service and other charges. Decisions of these kinds may involve options and choices about how services are procured and delivered and about levels of investment and the balance between cost and quality. Residents need to be collectively informed and consulted over such decisions. Some residents may want to take on responsibility for how these services and works are procured and delivered and to have greater control over financial decisions. Housing & Care 21 will work with residents to establish a range of delivery options, which will enable residents to choose how they want their individual scheme to operate in a way that best suits them.

The third tier concerns the individual choices, which residents can make regarding internal improvements and changes to their homes. Some of these may need approval from Housing & Care 21 but this will not be unreasonably withheld.

### **The wider retirement housing sector**

Society is changing and the coming years will see a significant growth in the older population. New approaches and models will be needed to meet the changing expectations of the baby boomer generation and their successors. Leasehold retirement housing could continue to provide an attractive option for some of the ‘younger old’ but only if it moves away from standardised ‘round hole’ models and allows residents to make decisions about key aspects of service design.

The Right to Manage is slowly empowering residents in private sector retirement housing where developers and management companies have sometimes provided poor quality and expensive choices for residents. RTMCos have in this context provided an attractive alternative enabling residents to choose the level of services that they require for a cost they are willing to pay.

The voluntary right to manage could also act as a competitive signal to non-profit providers like Housing & Care 21 to adapt their service to those that leaseholders

might choose for themselves. While the recent baseline survey does not suggest the immediate prospect of Ashfield tenants choosing to return to Housing & Care 21, there is no reason why in the longer term RMCs might not select large housing associations as their managing agents. Moreover, as one interviewee observed the non-profit status should see providers like Housing & Care 21 position themselves very differently to some private sector retirement housing providers and managing agents: '*We could act as an honest broker, no sharp practice, and promote a genuine choice agenda*'.

The apparent success of the Ashfields RMC is already influencing debate in the wider retirement housing sector. In March 2016 James McCarthy from Housing & Care 21 and David Mullins from the Housing and Communities Research Group gave a presentation on Ashfields and on its wider significance to the Housing Learning and Improvement Network's annual conference. The conference had the over-arching theme of 'people powered change'. The presentation called 'Whose home is it anyway?' set out the changing needs and perceptions of older people and the limitations of the responses from many older people's housing providers before describing the Ashfields experience and how this related to developing thinking with Housing & Care 21. Ashfields also featured in a publication produced by Housing LIN prior to the conference called Growing Older Together: An Overview of Collaborative Forms of Housing for Older People<sup>16</sup>. This report quoted the findings of a recent consultation by the Centre for Ageing Better which concluded that "the involvement of older people's perspectives in shaping their homes and communities is vital for better ageing" <sup>17</sup>. Later that month the resident Directors gave evidence to the inquiry being run by the All Party Parliamentary Group on Housing and Care for Older People which is considering how retirement housing can be more of a positive choice for older people. Evidence from the residents of Ashfields and from similar schemes and projects will be contained in the report of the inquiry to be called Housing Our Ageing Population: Positive Ideas, which will be published in June 2016. All of this demonstrates the considerable scope that the Ashfields process and experience has opened up for peer learning across the sector .

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<sup>16</sup> Stevens (2016) 'Growing Older Together: An Overview of Collaborative Forms of Housing for Older People' Housing LIN. For details see [www.housinglin.org.uk](http://www.housinglin.org.uk)

<sup>17</sup> See the February 2016 Centre for Ageing Better newsletter on [www.ageing-better.org.uk/our-work/topics/feel-in-control/neighbourhood](http://www.ageing-better.org.uk/our-work/topics/feel-in-control/neighbourhood)

## **Appendix A – Methodology details**

The main methods employed in this baseline study were, 2 site visits to Ashfields, 12 semi-structured interviews, a tailored baseline survey and access to Housing & Care 21 management information and earlier leaseholder survey.

### **A.1 Semi- structured interviews**

The primary method employed in this study was a set of semi-structured interviews with key actors who have been directly involved in the devolution proposals and process to date: 12 people were interviewed comprising 3 residents and Ashfields, 7 Housing & Care 21 managers, and two external agencies involved in facilitating the transfer and post-transfer management of Ashfields. The main topics used for these interviews were:

- **Where did the idea of devolved management come from?**
  - **Probe on how much of it came from residents themselves (who/how)**
  - **Probe on how much came from management (who/how)**
  - **When did you personally first become involved?**
- **Were you initially in support when you first heard about it?**
  - **how have your views changed since ?**
- **What are the main advantages/disadvantages? (probe on service quality and relevance, benefits of participation, costs, other advantages)**
- **What are the main barriers/enablers (probe on issues in securing and training volunteers, organisational culture, key individuals, age and dependency levels of residents, external support, other barriers/enablers)**
- **What were there key stages in developing and agreeing the model for Ashfields?**
  - **Probe on any stalemates or blockages in the way**
  - **How were these blockages resolved?**
- **What were the main points of disagreement that needed to be resolved?**
  - **Probe on how disagreements were resolved**
- **Overall how much did the plans change as they were developed?**

- **What were the most important changes ?**
  - **From your own perspective were any of these changes undesirable? (examples)**
  - **From your own perspective which were the most necessary changes to make devolved management work?**
- **The devolved management model**
  - **What is the scope of the devolved services and how was this decided?**
  - **How will the budgets work?**
  - **How will the governance work?**
  - **How will Ashfields link to Housing & Care 21 systems and services?**
- **What are the main aims for the next period – what would you expect to happen within**
  - **Next 6 months**
  - **Next 12 months**
  - **Next 24 months**
- **How will progress be reviewed?**
- **How will Ashfields pilot affect the rest of Housing & Care 21?**
  - **Impacts on non-devolved services**
  - **Learning and application elsewhere**
  - **Possible roll out how/when/how will decision be made?**
    - **Leaseholders**
    - **Tenants**

## A.2 Baseline Residents Survey- with responses



# Ashfields Residents Survey

## Just a little about yourself

### Q1 Your age

50 to 59... 1	60 to 69... 2	70 to 79... 7	80 to 89... 0	90 to 99... 0
---------------	---------------	---------------	---------------	---------------

### Q2 How long have you lived at Ashfields?

Less than a year..... 2	3-5 years ..... 2	More than 10 years ..... 2
1-2 years ..... 3	5-10 years ..... 1	

## Life at Ashfields

### Q3 Over the past year, how satisfied or dissatisfied have you been with...

	Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied	Don't Know
The management of Ashfields	0	1	1	4	5	0
The repairs and maintenance of the property	0	0	5	2	2	2
The maintenance of gardens and grounds	0	4	2	3	2	0
Opportunities to influence decision making	0	0	2	3	4	1
Value for money	0	1	2	3	4	0

### Q4 Over the past year, did you ever feel that the residents at Ashfields should have a greater say over how the scheme is managed?

Yes, Often .....	10	No, Never .....	0
Yes, Sometimes .....	1	Not Sure .....	0

From 1st January 2016, the running of Ashfields has been taken on by the Residents Management Company. We want to know your views on this transfer.

### Q5 How satisfied are you with the support provided by Housing & Care 21 to establish the Residents Management Company?

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied	Don't Know
0	2	4	2	0	3

Is there any area in which they could have provided greater support?

1

**Q6 When you first heard about the idea of a Residents Management Company for Ashfields, how strongly were you in support of the idea?**

Very Strongly For	Fairly Strongly For	Not Sure	Fairly Strongly Against	Very Strongly Against
9	2	0	0	0

**Q7 To what extent do you agree or disagree with the following statements?**

	Agree Strongly	Tend to Agree	Neither	Tend to Disagree	Disagree Strongly	Don't Know
I feel well informed about the new management arrangements at Ashfields	9	2	0	0	0	0
I understand what having a Residents Management Company will mean for my scheme	8	3	0	0	0	0

**Q8 How strongly do you support the idea now?**

Very Strongly For	Fairly Strongly For	Not Sure	Fairly Strongly Against	Very Strongly Against
8	3	0	0	0

If your views have changed, please could you tell us why this is the case?

0

## The Future

**Q9 How do you think the following aspects will change now that there is a Residents Management Company at Ashfields...**

	Will improve significantly	Will improve a little	No change	Will get a little worse	Will get much worse	Don't Know
The management of Ashfields	10	0	0	0	0	0
The repairs and maintenance of the property	8	2	0	0	0	0
The maintenance of gardens and grounds	8	2	0	0	0	0
Opportunities to influence decision-making	8	1	0	0	0	1
Value for money	10	0	0	0	0	0
Relationship with Housing & Care	1	2	3	0	1	3

**Q10 In addition to your responses to Question 10, what do you expect to change at Ashfields in the next 12 months?**

6

### Your Involvement

**Q11 Are you involved in the running of the Residents Management Company?**

Yes ..... 1      No..... 10

**Q12 In the future, how likely are you to volunteer to get involved in the running of the Residents Management Company?**

Not likely ..... 2      Somewhat likely ..... 7      Very likely ..... 1      Not sure..... 1

**Q13 Would you like to say anything further about the Residents Management Company?**

2

**Thank you for completing this survey. Your views are important. Please return the survey in the FREEPOST envelope.**

## **Appendix B- Evidence of Satisfaction Before and After Transfer**

This appendix presents the detailed results of the two surveys described in Chapter 2. First we look at the results of the last leaseholder survey prior to transfer in June 2015, then we turn to the bespoke baseline survey conducted in February 2016 shortly after transfer. Care is required in interpreting these results as both are based on samples of under half of the leaseholders and have different mixes of respondent e.g. in relation to length of residence at Ashfields.

### **Leaseholder Satisfaction Survey**

Housing & Care 21's most recent Leaseholders satisfaction survey of Ashfields residents was undertaken in June 2015, with 13 respondents from Ashfields. Ashfields had a significantly lower 'net promoter score'<sup>18</sup> than all Housing & Care 21 leaseholders, meaning that the number of detractors is much higher and people are less likely to recommend the service. At Ashfields the net promoter score was **-18** versus **-6** nationally.

A majority of residents did not agree (either not having an opinion on it, or disagreeing) that Housing & Care 21 provides an effective or efficient service, or the service expected from the landlord. However, residents did largely feel that the organisation treated them fairly. But this did not translate into trust into the organisation, with the majority of residents (8) having no view as to whether they trust the organisation or not.

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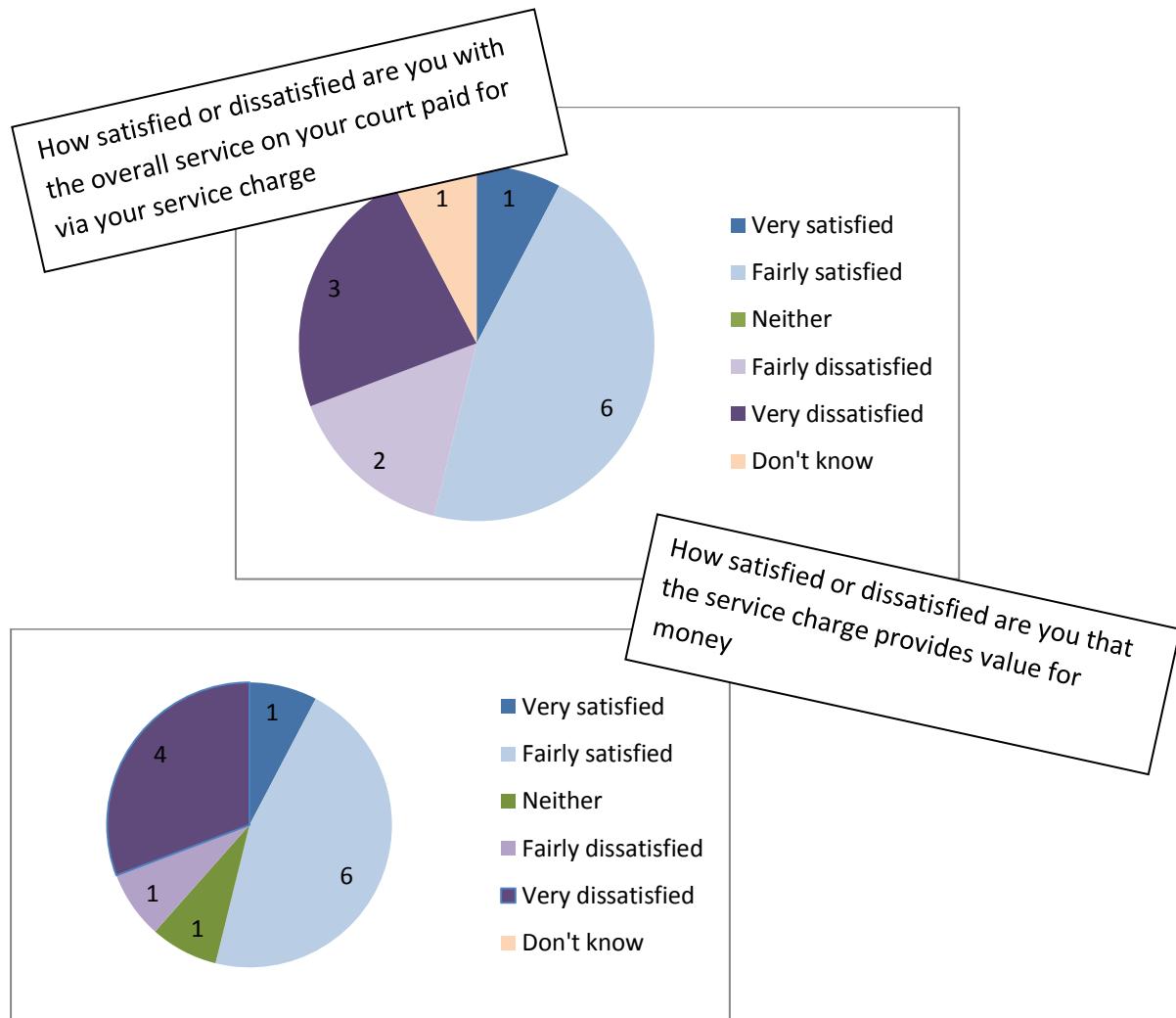
<sup>18</sup> The net promoter score is a measure developed by the External Affairs team to assess the extent to which residents would recommend their housing service to others. It captures some of the issues faced by HC21 at Ashfields which underpinned the decision to look for radical solutions

**Table B 1: Views of Housing & Care 21- June 2015 Leaseholder Survey**

	Agree Strongly	Agree	Neither	Disagree	Strongly Disagree	Don't know/ no response
<b>H&amp;C21provides an effective and efficient service</b>		4	4	1		4
<b>H&amp;C21is providing the service I expect from my landlord</b>	1	4	4	1	1	2
<b>H&amp;C21treats residents fairly</b>	1	6	1	2	1	2
<b>H&amp;C21has a good reputation in my area</b>		2	4	1	1	5
<b>H&amp;C21has friendly and approachable staff</b>	2	2	3	1	1	4
<b>I trust H&amp;C21</b>	1	2	3	1	1	5
<b>My court is a great place to live</b>	2	5	4			2

## Service Charges

**Figure B1: Satisfaction with service charges**



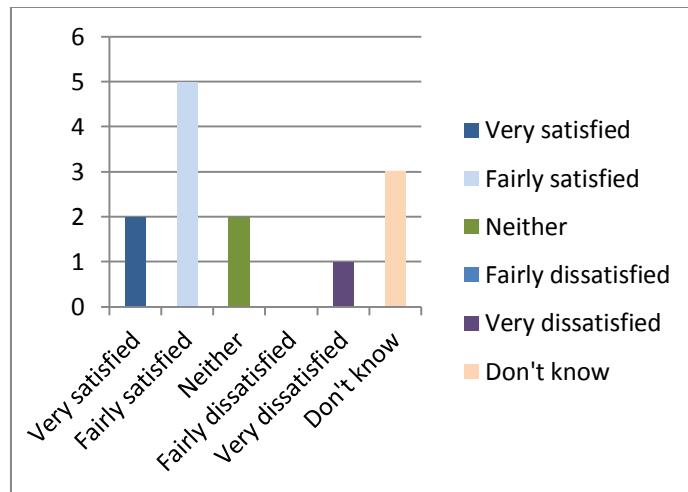
**Figure B.2: Value for Money of Services Charges**

While a majority of Ashfields residents were satisfied with the overall service Housing & Care 21 provided, there was lower satisfaction with the value for money.

## Repairs and Maintenance

As part of the survey, residents were asked how satisfied or dissatisfied they were with the way that Housing & Care 21 deals with repairs and maintenance. Over half of the residents were satisfied with repairs and maintenance, although 5 did not have strong feelings either way:

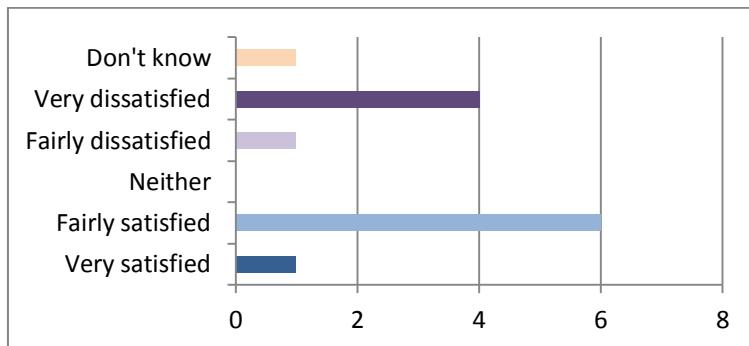
**Figure B.3: Satisfaction with repairs**



### Communication

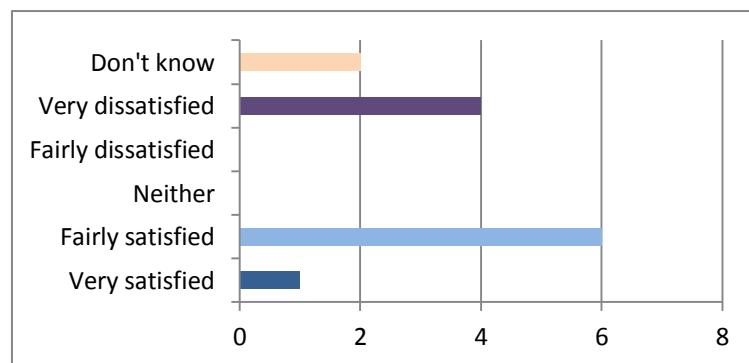
Residents were asked how satisfied they were that the organisation listens to their views and acts upon them, which suggested a split in views:

**Figure B.4: Satisfaction with being listened to**



Likewise, in answer to the question whether Housing & Care 21 gives you the opportunity to make your views known:

**Figure B.5: Satisfaction with opportunity to make views known**



Considering the history of the scheme it is not surprising that a number of residents feel they have not had the opportunity to make their views known, or that the organisation does not listen to their views. Nevertheless over half of respondents in June 2015 were satisfied.

### **Summary**

Overall, the last survey undertaken while Ashfields was managed by Housing & Care 21 showed that satisfaction was generally lower than across all leasehold schemes, but most residents did not have strong opinions either way. There were one or two residents who were dissatisfied/ very dissatisfied on most questions.

### **Baseline Survey February 2016**

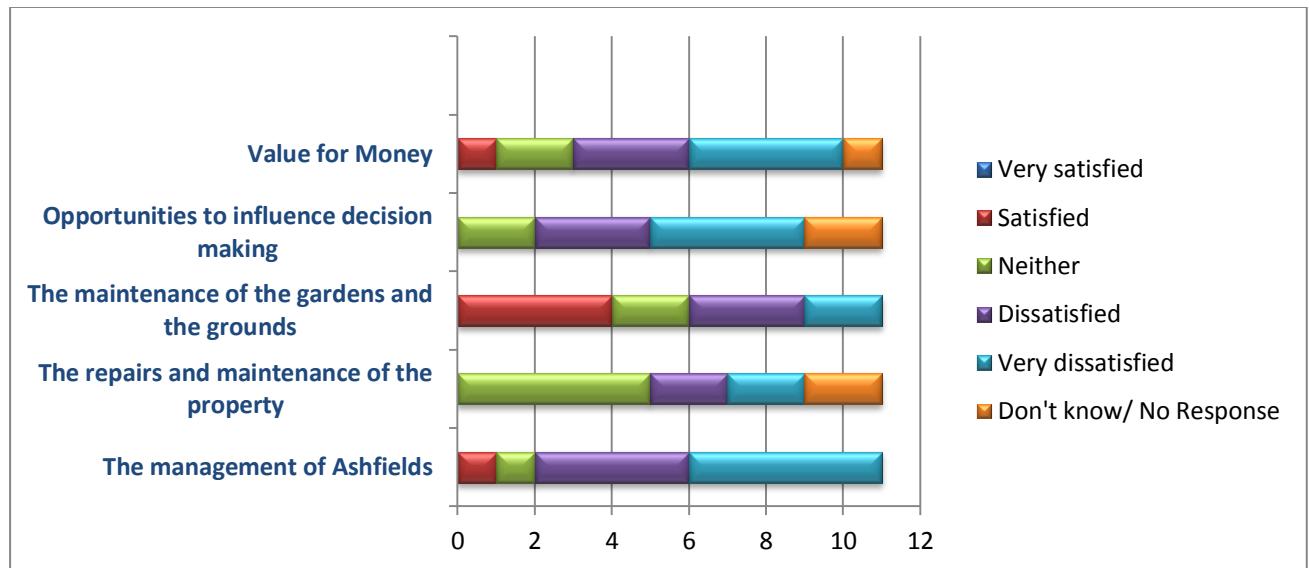
A slightly different and more negative picture of Housing & Care 21 services before the management transfer is painted in the bespoke baseline survey undertaken as part of this study. There may be several reasons for this. The number of respondents was slightly lower with only 11 completions (41%). The survey referred explicitly to the transfer process and may therefore have been seen to solicit adverse comparisons of the position prior to transfer. Furthermore the RMC assisted in encouraging residents to complete the form and the majority of respondents had lived at Ashfields for less than 5 years. However, only one of the respondents was involved in the running of the RMC, indicating that the survey may reflect the views of 'ordinary' non-participating residents.

The survey reflects the dissatisfaction with Housing & Care 21 in the managing of the scheme, with a clear emphasis on lack of value for money and accountability. It also shows that leaseholders who have not been involved in the running of the RMC are completely in support of it and feel that it will make a difference to the future management of the scheme.

### **Life at Ashfields under the management of Housing & Care 21**

We asked how satisfied or dissatisfied leaseholders had been over the past year with different aspects of the service, value for money and their ability to influence things. As can be seen below, in the final year of Housing & Care 21 management the majority of respondents had been dissatisfied to a greater or less extent with Housing & Care 21's management of Ashfields.

**Figure B.6: Baseline Survey: Satisfaction with service prior to transfer**

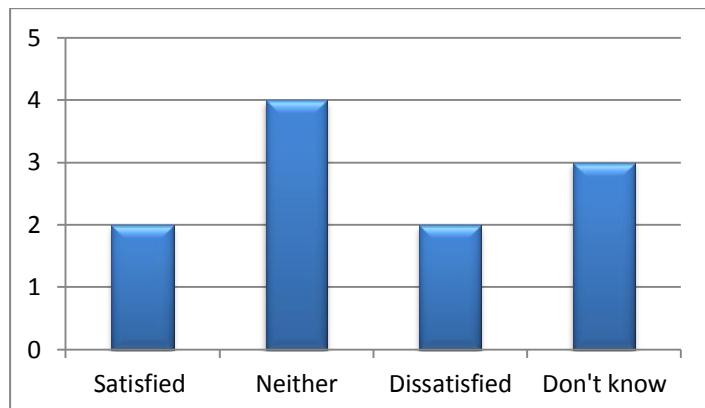


Over the past year, **all** the respondents had thought that residents should have a greater say over how Ashfields is managed, with 10 out of the 11 thinking it **often**.

#### Thinking about the Residents Management Company

Respondents were asked how satisfied they were with the support provided by Housing & Care 21 in establishing the Residents Management Company. The results seem to suggest that the majority of residents (7) had not had much involvement in the process, and therefore did not have strong views.

**Figure B.7: Satisfaction with Housing & Care 21 support for establishing Ashfields RMC**



The only comment received was:  
“Overall, the impression was given that their (HC21) support was superficial”

Residents were asked how strongly they supported the RMC. The majority of the residents were very strongly for the RMC when they first heard about it, and only one had changed their views in the interim period.

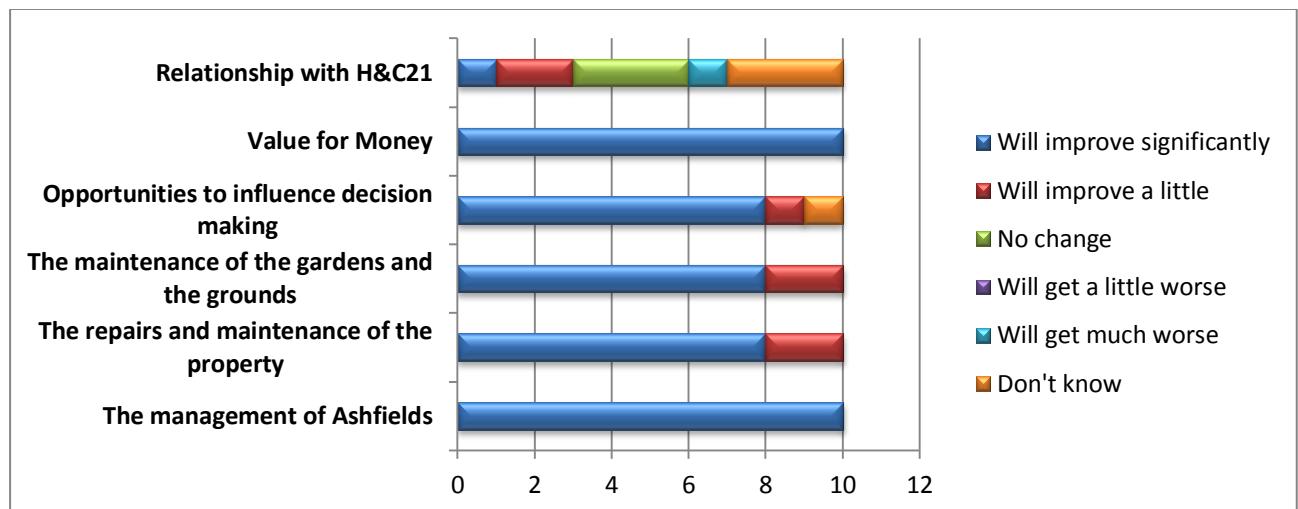
**Table: B.2: Strength of Resident Support for Ashfields RMC**

	Very strongly for	Fairly strongly for	Not sure	Fairly strongly against	Very strongly against
<b>How strongly did you support the idea of a Residents Management Company when you first heard about it</b>	9	2	0	0	0
<b>How strongly do you support the idea now</b>	8	3	0	0	0

#### **Expectations for the future under the Residents Management Company**

All of the respondents viewed the future management of Ashfields positively in relation to value for money, influence in decision making, management, maintenance and repairs. However, there were very mixed views on how this would change the residents' relationship with Housing & Care 21.

**Figure B.8: Residents Expectations of the future under Ashfields RMC**



We asked an open question regarding what residents expected to change in the next 12 months. There seems to be a clear value for money emphasis and a general expectation that things would get better:

*“Easier to get jobs done on the estate using local firms and at less cost...”*

*“Much better value for money in all areas. Easy access to accounts and decisions...”*

*“It will be much cheaper now that we have gone self-management... I think it is such a good idea... the service charge was much too high under Housing 21...”*

*“(We will have) more information on where and how money is being spent with invoiced information...”*

*“Not so remote as Housing & Care 21...”*

*“Pleased that it exists. Things can only get better from now on...”*

A full summary of the survey results and the questionnaire can be found in Appendix A.2.

## About Housing and Communities Research Group



Led by Professor David Mullins, the Housing and Communities Research Group undertakes leading edge research and teaching as part of the School of Social Policy at the University of Birmingham. Housing and Communities has long been a key area of interest of research and teaching at the University of Birmingham, both in the School of Social Policy, and building on the 40-year tradition of housing research in the Centre for Urban and Regional Studies.

Housing and Communities is an important arena for current policy and practice challenges in relation to housing policy, welfare reform, public expenditure reductions, homelessness, housing supply shortages, financial inclusion, Localism, and the role of third sector in service delivery. Research and knowledge transfer on these topics plays a key role in the University's civic engagement agenda.

[www.birmingham.ac.uk/housing-research-about](http://www.birmingham.ac.uk/housing-research-about)

Professor David Mullins - [d.w.mullins@bham.ac.uk](mailto:d.w.mullins@bham.ac.uk)

Jon Stevens (Honorary Fellow) – [jon.stevens777@gmail.com](mailto:jon.stevens777@gmail.com)