

Public Document Pack

Housing Select Committee Agenda

Tuesday, 8 January 2013
7.30 pm, Committee Room 3
Civic Suite
Lewisham Town Hall
London SE6 4RU

For more information contact: Joseph Dunton (Tel: 0208 314 3563)

Part 1

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Housing Select Committee Members

Members of the committee, listed below, are summoned to attend the meeting to be held on Tuesday, 8 January 2013.

Barry Quirk, Chief Executive
Thursday, 20 December 2012

Councillor Carl Handley (Chair)	
Councillor Vincent Davis (Vice-Chair)	
Councillor Paul Bell	
Councillor Liam Curran	
Councillor Amanda De Ryk	
Councillor Patsy Foreman	
Councillor Vicky Foxcroft	
Councillor Ami Ibitson	
Councillor Darren Johnson	
Councillor Sam Owolabi-Oluyole	
Councillor Alan Hall (ex-Officio)	
Councillor Kevin Bonavia (ex-Officio)	

MINUTES OF THE HOUSING SELECT COMMITTEE

Wednesday, 31 October 2012 at 7.30 pm

PRESENT: Councillors Carl Handley (Chair), Vincent Davis (Vice-Chair), Paul Bell, Patsy Foreman, Vicky Foxcroft, Darren Johnson and Sam Owolabi-Oluyole and

APOLOGIES: Councillors Amanda De Ryk and Ami Ibitson

ALSO PRESENT: Cheryl Collins (Service Manager, Licensing), Charlotte Dale (Scrutiny Manager), Joseph Dunton (Scrutiny Manager), Molly Gavriel (National Management Trainee), Tom Guise (Labour Political Assistant), Mark Humphreys (Group Finance Manager - Customer Services), Genevieve Macklin (Head of Strategic Housing), Tony Mottram (Head of Business Regulatory Services), Alison Potter (Liberal Democrat Political Assistant), Kevin Sheehan (Executive Director for Customer Services), Selwyn Thompson (Budgets & Efficiency Group Manager), Councillor Susan Wise (Cabinet Member for Customer Services) and Georgina Nunney (Principal Lawyer)

1. Minutes of the meeting held on 11 September 2012

- 1.1 **RESOLVED:** That the minutes of the meeting held on 11 September 2012 be signed as an accurate record of the meeting.

2. Declarations of Interest

- 2.1 Councillor Bell declared a non-prejudicial interest as a Lewisham Homes Board Director.

3. Savings proposals 2013/14

- 3.1 Selwyn Thompson introduced the report, commented on the challenging financial outlook for local authorities and suggested that savings of between £30m and £55m would need to be made over the next two years. It would not be possible to determine a more specific savings requirement until the Local Government Finance Settlement was published, and this was estimated to take place between 5 and 20 December 2012. A total of £28m of savings proposals across the Council were contained in the report.
- 3.2 Genevieve Macklin introduced the package of proposals relevant to the remit of the Committee and reported that modernising services and teams in light of the vast changes impacting upon housing, including the market downturn and welfare reform, was the key driver behind the proposals. The overarching aim was to address the needs of the most vulnerable and focus the limited resources available on those who needed the most support. Two key features of the proposed reorganisations were a reduction in the number of 'hand offs' between teams and a move towards providing more services online.
- 3.3 Members discussed the five savings proposals that had been allocated to the Committee and the following was noted/commented upon in relation to each one:

CUS30 (A review of staffing structures in environmental health (residential) and private sector housing grants)

- The staffing reductions involved in this proposal were on the administration side (e.g. the administration of grants) and the enforcement side (e.g. environmental enforcement), but new options for income generation had offset the need for a larger saving. Improving the linkages between services was also progressing well. However, services would need to focus on the most critical areas and there would be less capacity for proactive work.
- The Committee had previously advocated a more robust approach to enforcing standards in the private rented sector and Members felt was hard to see how this proposal would further that aspiration.
- It was not possible to be specific about which posts would be deleted under this proposal as staff had not yet been consulted.
- Despite the reduction in enforcement staff landlords not complying with regulations would still be targeted and all complaints investigated. Should the volume of enforcement activity be too high for the staff resource available, the staffing structure would be re-assessed, but under no circumstances would staff resource be bought in from the private sector.

CUS31 (A review of the Housing Strategy and Development area leading to the number of teams being reduced from three to two)

- The reduction in staff would be made possible by more policy work being carried out corporately.

CUS32 (A review of the Housing Needs team to meet Government and legislative changes to housing and welfare reform)

- The aim of the proposal was to create a single pathway for all clients. Fewer staff would be needed following the reduction in the numbers on the Housing Register following changes to the allocations policy and the abolition of band 4.
- Although Sutton's move to online housing applications had not been entirely successful, Camden's move had been a lot smoother, and it would be important to learn lessons from other local authorities. Should Lewisham adopt an online only approach, special provision would be made for vulnerable residents and any other residents unable to complete an online application without support.

CUS33 (Restructuring and reshaping housing services and laying the foundation on which the Lewisham Lettings Agency will be built)

- This proposal would further progress the development of the social lettings agency "Love Lewisham Lets".

CUS34 (Making better use of hostel accommodation and reducing the use of bed and breakfast accommodation)

- A more flexible use of accommodation (e.g. moveable dividing walls) would reduce the need for B&B accommodation.

3.4 **RESOLVED:** That the Committee's views on the following savings proposal be submitted to the Public Accounts Select Committee on 12 November 2012:

CUS33 (A review of staffing structures in environmental health (residential) and private sector housing grants)

The Committee recommends that (a) a more detailed impact assessment is carried out prior to this savings proposal being progressed further and (b) officers present some alternative proposals for achieving this saving, as it is the Committee's view that the proposal in its current form will have a significant negative impact on enforcement activity.

4. Update on the implementation of agreed Private Rented Sector review recommendations

- 4.1 Genevieve Macklin introduced the update and reported that work on establishing the Council's social lettings agency "Love Lewisham Lets" was progressing and it was hoped that the service would be launched shortly after April 2013. She also reported that the number of properties available through the private sector leasing (PSL) scheme had increased from 360 to 503 which was helping to reduce the need for B&B accommodation; leases with landlords were being changed to reduce the risk to the Council; and discussions were being held with the Metropolitan Police Service (MPS) regarding illegal evictions and the law. A number of high profile enforcement cases were also being pursued.
- 4.2 In response to a question from Councillor Davis, the Committee discussed additional and selective licensing schemes and noted that such schemes were very resource intensive and the evidence threshold required to establish them was relatively high. However, the desirability and expense of introducing a scheme in Lewisham would be kept under review and officers would monitor the success of such schemes in other areas, including Newham. It was reported that, although such schemes were often cost neutral on paper, there were a lot of upfront costs involved and it was by no means guaranteed that these would be recouped. Such schemes might also have unintended consequences, such as reducing the number of private landlords in an area and thereby, potentially, increasing homelessness numbers.
- 4.3 It was agreed that planners would be asked to reconsider whether adopting an Article 4 direction under planning legislation would be beneficial in terms of cracking down on rogue landlords; and in relation to this, Councillor Davis agreed to provide information on a relevant case study. It was noted that, in terms of enforcement action, the Council was currently involved in three legal cases relating to the prosecution of non-compliant HMO landlords.
- 4.4 It was noted that under the PSL, the Council was responsible for meeting the costs of evicting tenants, but that the costs came out of the £40 a week management fee charged by the Council to manage the properties in the scheme. It was agreed that ongoing monitoring of the income generated by the management fee, versus the costs incurred, would take place to ensure that there was no financial loss to the Council in managing PSL properties. It was noted that, currently, all the properties in the PSL scheme were in the borough, although this might change in the future.
- 4.5 Councillor Johnson commented on the usefulness of the update and said he would feed it into the GLA's review on the private rented sector.
- 4.6 **RESOLVED:** That the update be noted; that confirmation of the four or five London boroughs operating an additional or selective licensing scheme be provided to the

Committee; and that Planners be asked to reconsider whether adopting an Article 4 direction under planning legislation would be beneficial.

5. Scoping paper - low cost home ownership

- 5.1 The Committee discussed the scoping paper for the in-depth review and Councillor Davis suggested that, in relation to Community Land Trusts (CLTs), consideration should be given to inviting a representative of (a) a local CLT and (b) Community Finance Solutions, based at the University of Salford.
- 5.2 **RESOLVED:** That the scoping paper be agreed subject to the inclusion of two further potential expert witnesses.

6. Key housing Issues

- 6.1 Madeleine Jeffery introduced the update and the following key points were noted:

- The Housing Matters conversation had been launched in September, with events across the borough, and work being carried out in relation to infill opportunities indicated that there was the potential for 600 new homes to be built. This would, however, require extensive consultation, and feedback on the viability and feasibility of individual schemes would be fed back to the relevant ward members and the Committee. Work on site would commence, at the earliest, in December 2013.
- The viability and feasibility of sheltered and extra care housing schemes for the elderly were being assessed with PTE architects and additional funding from the GLA was also being explored.
- Decent Homes funding for 2013-15 had been secured and a revised 'flattened out' programme of work was being developed which would see similar amounts of investment (£20-£30m) being deployed each year.
- Various changes to the Council's Allocations Policy, including the abolition of band 4 of the housing register, had been implemented. In terms of the letter sent to those that were in band 4, about 10% had contacted the Council for advice about other housing options or to request that their circumstances were re-assessed.
- The regeneration schemes were all progressing and property guardians were being used in Heathside & Lethbridge and in Milford Towers, and was, by far, the cheapest method of securing the sites.

- 6.2 In response to questions from members of the Committee, the following points were noted:

- Ad Hoc was the company being used to provide property guardians and they charged tenants rent that was significantly below the market rate. It was agreed that information on their full list of fees, to both tenants and the Council, would be provided to the Committee.
- Some non-Lewisham Homes residents were involved in the Housing Matters conversation, including the Positive Ageing Council; the Young Mayor and his advisers; and those accessing the consultation on the website. The Annual Residents Survey also included some questions on social housing. A ballot of tenants, if required, would take place no earlier than Autumn 2013.
- It was agreed that information on the costs incurred so far by the Housing Matters programme would be provided to the Committee.

- It was noted that, whatever the outcome of the consultation, the views expressed by residents, which were not necessarily corresponding to officers' expectations, would be taken into consideration and acted upon.

6.3 **RESOLVED:** That the update be noted and that information on (a) the fees charged by the operators of the Council's Property Guardianship Scheme (Ad Hoc) to tenants and the Council; and (b) the current spending against budget for the Housing Matters programme, be provided to the Committee.

7. **Select Committee work programme**

7.1 It was noted that, in March, there would be an item on the use of temporary accommodation for homeless households. Charlotte Dale reported that Councillor De Ryk had suggested that the Committee might like to (a) visit some homelessness accommodation in relation to this item and (b) invite someone from the Deptford 999 Club to attend the meeting and contribute to the discussion. The Committee agreed to these suggestions.

7.2 **RESOLVED:** That the work programme be noted.

8. **Referrals to Mayor and Cabinet**

8.1 None, but a referral to the Public Accounts Select Committee on 12 November 2012 would be made.

The meeting ended at 9.15 pm

Chair:

Date:

Agenda Item 2

Committee	Housing Select Committee	Item No.	2
Title	Declarations of Interest		
Wards			
Contributors	Chief Executive		
Class	Part 1	Date	31 October 2012

Declaration of interests

Members are asked to declare any personal interest they have in any item on the agenda.

1 Personal interests

There are three types of personal interest referred to in the Council's Member Code of Conduct:-

- (1) Disclosable pecuniary interests
- (2) Other registerable interests
- (3) Non-registerable interests

2 Disclosable pecuniary interests are defined by regulation as:-

- (a) Employment, trade, profession or vocation of a relevant person* for profit or gain
- (b) Sponsorship –payment or provision of any other financial benefit (other than by the Council) within the 12 months prior to giving notice for inclusion in the register in respect of expenses incurred by you in carrying out duties as a member or towards your election expenses (including payment or financial benefit from a Trade Union).
- (c) Undischarged contracts between a relevant person* (or a firm in which they are a partner or a body corporate in which they are a director, or in the securities of which they have a beneficial interest) and the Council for goods, services or works.
- (d) Beneficial interests in land in the borough.
- (e) Licence to occupy land in the borough for one month or more.
- (f) Corporate tenancies – any tenancy, where to the member's knowledge, the Council is landlord and the tenant is a firm in which the relevant person* is a partner, a body corporate in which they are a director, or in the securities of which they have a beneficial interest.
- (g) Beneficial interest in securities of a body where:-
 - (a) that body to the member's knowledge has a place of business or land in the borough; and
 - (b) either
 - (i) the total nominal value of the securities exceeds £25,000 or 1/100 of the total issued share capital of that body; or
 - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person* has a beneficial interest exceeds 1/100 of the total issued share capital of that class.

*A relevant person is the member, their spouse or civil partner, or a person with whom they live as spouse or civil partner.

(3) Other registerable interests

The Lewisham Member Code of Conduct requires members also to register the following interests:-

- (a) Membership or position of control or management in a body to which you were appointed or nominated by the Council
- (b) Any body exercising functions of a public nature or directed to charitable purposes, or whose principal purposes include the influence of public opinion or policy, including any political party
- (c) Any person from whom you have received a gift or hospitality with an estimated value of at least £25

(4) Non registerable interests

Occasions may arise when a matter under consideration would or would be likely to affect the wellbeing of a member, their family, friend or close associate more than it would affect the wellbeing of those in the local area generally, but which is not required to be registered in the Register of Members' Interests (for example a matter concerning the closure of a school at which a Member's child attends).

(5) Declaration and Impact of interest on member's participation

- (a) Where a member has any registerable interest in a matter and they are present at a meeting at which that matter is to be discussed, they must declare the nature of the interest at the earliest opportunity and in any event before the matter is considered. The declaration will be recorded in the minutes of the meeting. If the matter is a disclosable pecuniary interest the member must take no part in consideration of the matter and withdraw from the room before it is considered. They must not seek improperly to influence the decision in any way. **Failure to declare such an interest which has not already been entered in the Register of Members' Interests, or participation where such an interest exists, is liable to prosecution and on conviction carries a fine of up to £5000**
- (b) Where a member has a registerable interest which falls short of a disclosable pecuniary interest they must still declare the nature of the interest to the meeting at the earliest opportunity and in any event before the matter is considered, but they may stay in the room, participate in consideration of the matter and vote on it unless paragraph (c) below applies.
- (c) Where a member has a registerable interest which falls short of a disclosable pecuniary interest, the member must consider whether a reasonable member of the public in possession of the facts would think that their interest is so significant that it would be likely to impair the member's judgement of the public interest. If so, the member must withdraw and take no part in consideration of the matter nor seek to influence the outcome improperly.
- (d) If a non-registerable interest arises which affects the wellbeing of a member, their family, friend or close associate more than it would affect those in the local area

generally, then the provisions relating to the declarations of interest and withdrawal apply as if it were a registerable interest.

- (e) Decisions relating to declarations of interests are for the member's personal judgement, though in cases of doubt they may wish to seek the advice of the Monitoring Officer.

(6) Sensitive information

There are special provisions relating to sensitive interests. These are interests the disclosure of which would be likely to expose the member to risk of violence or intimidation where the Monitoring Officer has agreed that such interest need not be registered. Members with such an interest are referred to the Code and advised to seek advice from the Monitoring Officer in advance.

(7) Exempt categories

There are exemptions to these provisions allowing members to participate in decisions notwithstanding interests that would otherwise prevent them doing so. These include:-

- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
- (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor;
- (c) Statutory sick pay; if you are in receipt
- (d) Allowances, payment or indemnity for members
- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception)

HOUSING SELECT COMMITTEE			
Report Title	Brockley PFI – Mid-year Review Report		
Key Decision	No	Item No.	
Ward	Brockley		
Contributors	Head of Strategic Housing		
Class		Date:	

1. Summary

- The Brockley Private Finance Initiative (PFI) Project involved the refurbishment of 1,838 dwellings situated in the Brockley neighbourhood, of which 1,331 are currently tenanted and 507 are leaseholder dwellings.
- The Council first received Government approval for this second round PFI project in March 2001.
- On the 4th June 2007, the contract was signed between Regenter B3 and the Council. Following a 3 month lead-in period, service delivery commenced on 3rd September 2007.
- The purpose of this report is to give a brief overview of the background of the Brockley PFI, the Council's contract with Regenter B3 (RB3) and the progress that has been made to date during 2012/13.

2. Recommendation

- It is recommended that Members note the contents of the report. Officers from RB3 will be available at the meeting to answer questions relating to their performance.

3. Background

- RB3 Brockley PFI went live on the 3rd September 2007. The PFI Contract is based on a Standard Form of Contract developed by central Government, with all variations being negotiated with the Department of Communities and Local Government. Financial changes were agreed with the Treasury.
- The contract for refurbishing and maintaining the properties includes the provision for housing repair and maintenance, caretaking, cleaning, tenancy and estate management service. From the commencement of the project Regenter B3, a private sector partner, became responsible

for providing housing management services to all of the housing stock included within the project area for a period of 20 years.

- A special purpose vehicle (SPV – Regenter B3) was formed for the task of carrying out the refurbishment for the 1838 dwellings in the Brockley area and consists of Equipe, Higgins and Pinnacle. The SPV is owned by Regenter and they project manage the scheme.
- Regenter B3 act as the client interface between the project and the Council and employ a total of 5 staff, 1 directly and 4 indirectly. Regenter B3's role is to ensure that the contract is delivered in accordance with requirements, on schedule, and to the satisfaction of the Council and the Brockley residents.
- Pinnacle employs 4 Housing Managers, 3 Customer Services Officers, 1 Senior Customer Services Officer, 1 Leaseholder Officer, 1 Resident Engagement Officer, 1 Housing Contract Manager, 1 Housing Service Manager, 1 Estate Services Contract Manager, 5 Gardeners and 10 Caretaking staff. Their role is to provide the housing management for all the tenanted and leasehold properties together with the estate management which includes caretaking, grass cutting, lumber removal etc.
- Equipe Regeneration Ltd undertake the management responsibilities of day to day responsive repairs maintenance, emergency out of hours service covering 24hours 7 days a week and re-servicing empty void properties. Cyclical maintenance, external decorations programmes commencing 2013 and Life Cycle management. Life Cycle management includes replacing electrical and mechanical items such as gas boilers.
- Equipe Regeneration Ltd employs 1 Supervisor, 1 Surveyor, 1 Administration Assistant, 1 Customer care administrator and 5 full time multi-trade operatives. The overall line management responsibility of the contract is held by Gordon Springate, Operations Manager.

4. Performance Indicators

- Altogether there are 26 contractual Key Performance Indicators (KPI), of which 19 are provided on a monthly basis and seven on an annual basis. The list of the KPIs is provided at Appendix 1.
- The data entry sheet, which provides the current performance against those KPIs up until September 2012, is given in Appendix 2.

5. Customer Service

- RB3's performance over the year regarding answering correspondence on time has been inconsistent and deductions will be applied accordingly. The delays in correspondence have occurred, in the main, as a result of enquires that require further investigation. Pinnacle will take the lead on ensuring that holding letters are sent out and that a

more rigorous process is in place to expedite responses from all of RB3's partners.

- Pinnacle in 2011/12 received 44 complaints overall, the breakdown is provided below. As at the end of September 2012, Pinnacle has received 21 complaints overall. The top service issues identified through the analysis of complaints are as follows :Issues from leaseholders relating to service charges, the costs of major repairs and the consultation process
- Neighbourhood nuisance relating to noise, neighbour disputes and clash of lifestyles
- The approach taken on the collection of rent arrears

The key learning action points taken from the complaints received are:

- Implemented a regular call over with housing managers to review and support their actions around complex neighbour dispute cases
- Conducted a master class in complaints handling
- Senior management oversight of the quality of correspondence
- Introduced more information onto website
- Set up leasehold forum to work with leaseholders, specifically around service charge consultation
- Working towards the introduction of online access to block repairs so that leaseholders can view repair costs on a timely basis

Complaint Stage	2011-12	Number as at end of September 2012
Stage 1	36	16
Stage 2	6	3
Stage 3	2	2

- Equipe Regeneration Ltd's service to residents is a crucial measurement in terms of assessing and benchmarking how tenants perceive service delivery. Complaints are taken seriously as part of a continuous improvement process. Within the period this report covers, Equipe has received the following number of complaints.

Complaint Stage	Number as at end of September 2012
Stage 1	10
Stage 2	3
Stage 3	0

6. Tenancy Management

- The review and examination of some high profile ASB cases has resulted in a refreshed approach to the management of these cases. There is now a regular call over with housing managers to discuss and review cases, consider new initiatives and share good practice. 9 cases have been reported in this period. RB3's policies and procedures in this area have been updated.

- RB3 work with the Safer Neighbourhood team and the local Police to tackle anti-social behaviour and we use a range of methods to resolve ASB – such as Mediation and ABC Acceptable Behaviour contracts, where appropriate. RB3 also work with the Councils Anti Social Behaviour Action Team, and LAMP (Lewisham Action on Mediation Project) who provide support through mediation.
- Occupancy checks are currently running at 8% above the target due for September -150 due / 183 completed. We are on target for completing all tenancy audits by the end of January 2013. Occupancy checks have resulted in several cases referred to Lewisham's fraud team for further investigation of housing benefit fraud, unauthorised occupation and abandoned tenancies.
- During the period under review four cases of subletting have been referred to our solicitors to commence possession. RB3 is awaiting the outcome of these hearings.

7. Leasehold Management

- Leaseholder Valuation Tribunal (LVT)

7..1. There is an ongoing Class action involving 23 individual leaseholders against the Council and Regenter. The issues raised include the consultation process, Section 20, necessity of works, cost and the standard of works. The case was split in two parts. The first was to consider the procurement and cost of scaffolding and the level of professional fees and the management fee charged under the PFI.

The second considered the quality, cost and necessity of works. Both parts have been concluded and the Council and Regenter are appealing the first part of the LVT's decision relating to fees. The Council is awaiting the appeal date.

The Council on the second part of the case, decided to accept the LVT's decision in full. The Council, via Regenter instructed Higgins to ensure that all defects and outstanding works were attended to and completed to the satisfaction of the leaseholders.

The next phase of major works is comprised of the external redecorations programme and will commence in 2013. These works will not start until all the residents have been informed and consulted about the programme. RB3 have started preliminary discussions with Brockley Leaseholder Association and the recently constituted Brockley Leaseholders Forum. A more detailed programme is being prepared for further consultation by the end of December.

7..2. The service charges (actuals) for 2011/12 have been prepared and are due to be dispatched shortly. Extensive work has been undertaken to ensure that communal electricity charges accurately reflect consumption.

7..3. Work has progressed on developing a web portal, RegenterBrockley.com, and leaseholders now have secure online access to details of major repairs and statements for service charges. Developmental work is in progress to provide access to details of block communal repairs, it is anticipated that this will be completed by January 2013. Currently 80 residents have registered and have access to the website.

8. Income Collection

- The report notes that the target for RB3 is a rolling figure, and is set as a minimum of 0.5% above the average collection rate of the Councils housing providers. As at the end of September 2012, RB3 are reporting an average YTD collection rate of 98.16% of rental income against the Councils providers of 98.21%.
- The MKPI14 performance indicator measures the current debit and current collection rate and is RB3's contractual KPI for income collection. The table below shows RB3's reported performance over the past 6 months of 2012/13. RB3's performance for the period under review has been below the Council's average. An arrears improvement plan has been implemented to reprioritise efforts and resources, drive up performance and deliver the collection target.

The key activities are summarised as follows:

- Regular " blitz" days for staff to concentrate on a dedicated activity e.g. court papers
- Additional dedicated resource for housing benefit and telephone campaigns
- Partnership working with Lewisham Credit Union
- Establish evening rent arrears / welfare benefit surgeries
- Strategic partnership working with Lewisham Homes
- Cancellation of garages where rent accounts are in arrears
- Ability to issue rent payment cards locally
- Production and analysis of more detailed performance information

	April	May	June	July	August	Sept	Ave
RB3 (MKPI 14)	102.3%	97.0%	96.6%	98%	96.8%	98.3%	98.16%
All Council providers average	99.9%	97.7%	97.5%	98.5%	97.3%	98.4%	98.21%

9. Estate Management

- RB3 carry out regular inspections of estates checking the quality of cleaning, gardening and repairs in the communal areas on a monthly basis. RB3 also ensure that all residents are notified of planned quarterly estate inspections through our newsletter, the Brockley Bugle, website and block notices, so they can participate in the process.
- RB3 has seven 'static' caretakers and one single mobile caretaker. The seven static caretakers have their own patches for which they have overall responsibility for cleaning.
- On each daily visit they are required to clear all litter and rubbish. The weekly clean consists of sweeping stairs and balconies, mopping stairs, dusting ledges, high surfaces and walls, cleaning bin rooms and lifts.
- The team can access the recently formed specialist services team who undertake periodic deep clean tasks i.e. chutes, staircases and windows.
- Over this period RB3 achieved an average Environmental Performance Report (EPA) standard A in 96.5% of external inspections and a 94.83% on internal inspection. These standards are validated by a Quality and Performance Manager who is independent to this contract.
- Our survey results show that over 85% of residents are satisfied with the cleaning and gardening of their blocks. The performance figures for the period under review are set out below.

	Environmental Performance Standards – 2012/13						
	April	May	June	July	August	Sept	Ave
External Standard	96.48%	96.27%	97.96%	96.27%	95.27%	96.47%	96.5%
Internal Standard	96.82%	93.65%	93.37%	95.68%	96.45%	92.99%	94.83

- The team have worked with residents in identifying sites for new flower beds and plans are in place to prepare and plant these up over the next few months.

10. Void Management

- Void performance is monitored monthly through a contractual KPI which measures the average time in letting minor void dwellings and a target of 28 days has been set. In 2011/12, there were a total of 45 voids leading to an average re-let time of 18 days. Equipe Regeneration Ltd has received 24 void properties categorised as initial availability within the period. Re-servicing of the void properties have averaged 20.42 days. Some properties have required extensive decoration works and major works to bring the property back to a Decent Home standard.
- The various sections within Regenter work closely to ensure that void time is minimised, for example, carrying out the clearance of the property. In order to ensure continuous improvement in the process they are working closely with the Homesearch team to ensure that adequate notice is provided to minimise the void loss time. There are currently no long term voids in the Regenter management portfolio and any concerns raised about individual properties are discussed at the monthly Operations meetings.

11. Decent Homes Progress

- During the period under review Decent Homes works have been undertaken on two homes, from the 30 that remain. The outstanding works include the renewal of kitchens, bathrooms or central heating systems. Works to the remaining 28 will be carried out either at the request of tenants, when the property becomes void, or through legal action protocol to gain access to complete the Decent Homes work.

12. Repairs & Maintenance

- The average number of repairs carried each month for the half year to date is 403. The three main Key Performance Indicators relating to the responsive repairs performance are identified below. It is noted that the number of responsive repairs requested by tenants compared to the same period last year has fallen by 39.

Performance Indicator	Target	Average to date
MKPI 5 Number of telephone calls answered in 15 seconds	92%	95.2%
MKPI 17 Responsive Emergency Repairs	97%	99.8%
MKPI 18 Responsive repairs carried out within priority	95%	98.4%

- The full set of data relating to these KPIs is provided at Appendix 2.

13. Health & Safety

- Equipe Regeneration Ltd has completed 1413, gas services across a tenanted housing stock of 1229. This is because all properties that become void require a further gas service and Regenter operate a 42week gas servicing program, which will mean that some properties will receive

more than one gas service. Gas servicing during the reporting period is 99.99% completed. The target is to complete between 99-100% otherwise financial deductions will be incurred. Equip work closely with the Council's Environmental Health team to enable access if it is not being granted by the tenant after several unsuccessful attempts.

- All fire risk assessments for blocks of flats have been completed.

14. Resident Involvement

- The RB3 Residents Board represents all residents in the RB3 area and is the forum where discussion and consultation on issues of relevance to residents takes place. It has been meeting monthly since the contract began and participation has increased steadily from low levels initially to the current attendance by 20 to 25 residents at most meetings. At each meeting residents can raise individual concerns with the relevant officials and guest speakers attend to make presentations on wider issues.
- Tenants and Residents Associations on particular blocks and estates provide further opportunities for resident involvement. Three new TRAs have been formed since the beginning of the contract bringing the number of TRAs in RB3 to 5.
- The list of current initiatives and highlights are set out below:
 - Peter MacDonald, the Chair of Clare Estate TRA, received an award at the Pinnacle Residents Conference 2012 for making a difference”
 - Brockley Local Assembly - Tyrwhitt Road Neighbourhood Watch, with support from Regenter, submitted a proposal to the Ladywell Local Assembly for a project to “beautify” the appearance of Tyrwhitt Rd through planting schemes. The project was approved and Pinnacle will provide assistance on delivering the planting schemes
 - Breakspears Mews Open Day - a collaboration with Brockley Society to develop allotment gardens on derelict common land at Breakspears Mews
 - Community Contact Day – this was held on 31 March to reach residents who are not involved in existing organisations, build links between residents and other community organisations and promote the new website
 - Partnership working with Brockley Transition Towns to develop a ‘Garden Matching Project’ where someone with an overgrown garden is matched with someone who wants to garden.
- RB3 has set up the Brockley Improvement Panel and a committee has been constituted, in consultation with the Council, to review projects submitted by residents. This fund, of £10k, consists of monies raised and

donated by RB3 and its partners and will be used to resource resident led schemes within the community.

15. Regenter Improvement Plan 21012/13

Four key priority areas have been identified for 2012/13

- Customer access and engagement
- Leasehold management
- Income collection
- Estate services.

The full plan is provided at Appendix 3 but a summary is provided below, outlining the key tasks for the forthcoming year. The Plan will be reported as part of the monthly monitoring undertaken by the Council.

Summary of Regenter's Improvement Plan 2012/13

Priority Area	Key tasks
Customer access and engagement	<ul style="list-style-type: none">- Increase website registrations to allow on-line account access- Undertake out of hours estate inspections
Leasehold Management	<ul style="list-style-type: none">- Undertake customer engagement events- Consultation on procurement of the external decorations programme- Embed Leaseholder Forum into Regenter participation framework and improve leaseholder satisfaction with services
Income Collection	<ul style="list-style-type: none">- Launch Leasehold handbook via website- Identify households affected by benefit changes and work with them to mitigate impacts.- Implement a charging review of non residential assets i.e. garages- Implement 'chip and pin' rent payment facility- Implement best practice emanating from Regenter involvement in the South East London Housing Partnership (SELHP) project to tackle illegal subletting
Estate Services	<ul style="list-style-type: none">- Implement grounds maintenance improvement programme- Implement responsible dog owners policy- Implement Energy action plan

16. Other Initiatives/Subjects

The majority of initiatives undertaken are now captured under the Brockley improvement plan. However two specific projects have been undertaken this year, include:

Anti-Fraud and corruption project

In partnership with the Council's Corporate Anti Fraud and Corruption Team, a project which is funded by South East London Housing Partnership, is taking place from January 2012 for a period of twelve months to investigate tenancy irregularities. To date several successful outcomes have been achieved leading to both abandoned properties being identified and keys being handed in to terminate tenancies.

Saving energy, saving money project

Regenter has introduced a pilot energy scheme in the last quarter of the year. This involved visiting identified residents, with a range of different levels of energy usage within their home.

An energy monitor was used to identify potential measures to reduce heating, gas and electricity bills. Practical measures such as appliances left on standby, lighting and electric heating were identified.

After the appointment residents received a report detailing where and how much they could save if they were to implement the actions recommended within the report.

Residents have provided positive feedback confirming savings in average energy usage.

We have taken several initiatives forward as a result of the pilot: a new energy information leaflet has been produced and is now part of the sign up pack and the welcome home pack for new residents now includes energy saving bulbs and low temperature washing powder.

17. Financial Implications

17.1 There are no specific financial implications arising from the report.

18 Legal Implications

18.1 There are no specific legal implications arising from the report.

19. Equality Implications

19.1 There are no direct equalities implications arising from the report but listed below are areas where Regenter are impacting on the equalities and diversity agenda.

19.2 The Regenter B3 estate office at Endwell Road is Disability Discrimination Act (DDA) compliant and includes a ramp for wheelchairs, WC, parking and has a hearing loop system in place.

19.3 Regenter B3 has also developed a vulnerable tenants policy & procedure, working closely with the relevant supporting agencies. They have also

taken part in developing a Lewisham wide Housing Safeguarding Agreement that will cover all the main housing providers in the Borough.

- 19.4 Other initiatives that Regenter B3 has developed are an anti-social behaviour strategy, again built on relationships with partners and working closely with the police and relevant support agencies. They are also in the process of developing a youth forum and will be looking to do the same for elderly tenants.

20. Crime & Disorder Implications

There are no crime and disorder implications arising from the report.

21. Environmental Implications

- 21.1 Works carried out by Regenter to bring homes up to the Decent Homes Standard should lead to greater energy efficiency, reduced maintenance costs and lower fuel bills for residents. It will also reduce the level of harmful gases being released into the atmosphere as improved insulation and more efficient boilers are installed. The average Standard Assessment Procedure rating of the homes in the Brockley PFI area is 77, which is above the contractual obligation of a minimum of 70.

22. Conclusion

- 22.1 RB3 completed the Major Works programme 8 months early. They continue to meet/exceed their contractual KPI obligations and remain one of the boroughs best performers.

23. Background documents and originator

- 23.1 There are no background documents to this report
- 23.2 Please contact Scott Cook, interim Partnerships & Service Improvement Manager, on 020 8314 6534.

List of all Key Performance Indicators and Availability Standards

Monthly Performance Indicators

MKPI 1	Proportion of applications registered or amended in 10 working days.
MKPI 2	The proportion of home visits undertaken within 5 working days of tenant requests.
MKPI 3	Reception waiting time not to exceed 15 minutes
MKPI 4	Provide accessible office premises normally from Monday to Friday 9am to 5pm.
MKPI 5	Percentage of telephone calls answered within 15 seconds.
MKPI6	Percentage of correspondence items responded to within 10 working days.
MKPI7	Number of occasions of failure to deal with a substantiated report of a breach of a long lease in respect of the dwellings.
MKPI 8	Percentage of reactive actions identified through estate inspections completed within the agreed timescale.
MKPI 9	External common parts achieving EPA Cleaning Standard A.
MKPI 10	Internal common part achieving EPA Cleaning Standard A.
MKPI 11	All grassed external areas are maintained between 25mm and 60mm high.
MKPI 12	Removal of abandoned vehicles on estates within the PFI area in accordance with the relevant Authority policies.
MKPI13	Removal of graffiti within 4 working days of report.
MKPI 14	Percentage of rents and service charges (including current arrears) collected from tenants.
MKPI 15	Percentage of former tenants' rents and arrears case where the Authority's procedures for recovery have been followed.
MKPI 16	Response to requests for information from the Authority's Housing Benefit Officer responded to after 7 working days.
MKPI 17	Percentage of responsive repairs (not emergency) requested during the measurement period, for which the contractor both made and kept an appointment.
MKPI 18	Percentage of responsive repairs requested during the measurement period completed within the relevant repairs category timescales (for responsive repairs where an unavailability deduction is not incurred).
MKPI 19	Average time for letting minor void dwellings not to exceed 28 days.

Annual Performance Indicators Availability Standards

AKPI 1	Satisfaction of tenants and leaseholders with the opportunities for participation in management and decision making in relation to housing services provided by the Contractor.
AKPI 2	Compliance with requirement on tenancy audit
AKPI 3	Satisfaction of tenants and leaseholders with the overall housing management service provided by the Contractor.
AKPI 4	Crime and anti-social behaviour where no action is recorded by the Contractor.
AKPI 5	Percentage of satisfaction with the standard of caretaking and cleaning.
AKPI 6	Percentage of satisfaction with repairs and maintenance.
AKPI 7	Dwelling and common areas to be tested and maintained to retain safety certifications.

Appendix 1

Where Regenter B3 do not fulfil their contractual obligations in meeting the availability standards in relation to the below building/service components, it could result in unavailability deductions being imposed.

- Windows
- An operational, fuel-efficient heating system that consistently meets these standards.
- Hot and cold water supply system.
- Kitchen Facilities
- Bathroom Facilities
- Gas Installations
- Electrical Installations
- Lighting
- Ventilation
- Energy Efficiency
- Utilities
- Structure and Fabric
- Drainage
- Acoustic Performance
- Internal/External Finishes
- Access
- Safety and Security

Brockley PFI Payment Mechanism Indicators

	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	2012/13
MKPI 1 Proportion of applications registered or amended in 10 working days (minimum of 20 applications)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
MKPI 2 Proportion of home visits undertaken within 5 working days of tenant requests							
MKPI 3 Percentage of tenants attended to within 15 minutes of arrival	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
MKPI 4 Percentage of open office hours in the month	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
MKPI 5 Percentage of telephone calls answered within 15 seconds	95.2%	95.6%	96.1%	95.3%	97.6%	98.4%	96.3%
MKPI 6 Percentage of correspondence items responded to within 10 working days	97.8%	100.0%	98.0%	97.1%	100.0%	96.0%	98.0%
MKPI 7 Number of occasions of failure to deal with a sustained breach of long lease in dwellings						0.0%	
MKPI 8 Percentage reactive actions identified through inspection completed on time							
MKPI 9 Percentage of external common parts on HRA land & within PFI area achieving EPA cleaning 'A'	96.5%	96.3%	98.0%	96.5%	95.3%	96.5%	96.5%
MKPI 10 Percentage of internal common parts on HRA land within PFI area achieving EPA cleaning 'A'	96.8%	93.7%	93.4%	95.7%	96.4%	93.0%	94.8%
MKPI 11 Percentage of grassed areas that are maintained to between 25mm & 60mm high	96.1%	97.5%	97.3%	95.9%	94.6%	98.0%	96.6%

Appendix 2

MKPI 12 Percentage of abandoned vehicles within PFI area removed within time							
MKPI 13 Percentage of graffiti incidents reported that were dealt with within 4 working days	100.0%	100.0%	100.0%	100.0%	100.0%		100.0%
MKPI 14 Percentage of rent and service charges collected - percentage difference from rest of Lewisham	2.4%	-0.7%	-0.9%	-0.6%	-0.5%	-0.1%	
MKPI 15 %of former tenant rent & arrears cases where recovery procedures have been followed	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
MKPI 16 % of requests for information from Authority HBOs not responded to within 7 working days							
MKPI 17 % of responsive (not emergency) repairs requested where an appointment was made & kept	100.0%	100.0%	100.0%	98.9%	100.0%	100.0%	99.8%
MKPI 18 Percentage of responsive repairs requested that were completed within relevant timescale	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	99.8%
MKPI 19 Average number of days to let minor void dwellings	22	17	32	21	22	15	20

Regenter Brockley Improvement Plan

2012 - 2013

Nos.	Area	Task	Outcome	Client monitoring of outcomes	Start Date	Target date	status
1.	Quality	Introduction of programme of quarterly inspections and audits covering all aspects of service by independent audit team	Continuous improvement and benchmarking of customer services	Evidence provided to client on a quarterly basis that internal auditing is achieving an overall score of in excess of 90%. Evidence of audit trail to demonstrate continuous improvement of recommendations from previous quarters outcomes.	Jan 12	On-going	Work In progress / on target Recent audit completed in October
2.	Customer Access	Implementation of Regenter Brockley website	Increased methods of customer access	Auditable evidence of promotion of website Quarterly targets from 1.4.12 provided on number of website hits and registrations provided as part of monthly contractor report		Feb 12	Site launched and being updated on a regular basis
3.	Customer Access	Implement out-of-hours Housing Management service - Pinnacle Connect	Increased out of hours customer access	Auditable evidence of experience via satisfaction levels reported as part of monthly contractor report	Jan 12	<u>Apr 12</u>	<u>overdue</u>
4.	Customer Access	Provide dedicated section in newsletter for leaseholders in	Increased leasehold consultation	Auditable feedback of newsletter suggestions and items from Quarterly	May 12	May 12	completed

Appendix 3

		Brockley Bugle newsletter		Leasehold Forum action point notes			
5.	Customer Access	Undertake 'customer access day' to maximise web-site registration	Maximise on-line accounts facilities	Target of 180 (10%) of residents registered by end of initial launch period.	Jan 12	Mar 12	completed
6.	Customer Access	Undertake week end and evening estate walkabouts	Increase options for customer access	website and email feedback of inspection satisfaction reported on a quarterly basis	Mar 12	On going	Week end inspections have taken place
7.	Sustainability	Implement of energy pilot programme	Customised energy advice for residents – and inform longer term project	An energy saving matrix will be produced for conclusion of pilot. The approach will be evaluated against the Pinnacle energy project in Westminster to inform proposals for 12/13 onwards.		Mar 12	completed
8.	Sustainability	Implement long term energy programme	Maximise resident income	Presentation to be made to client and Resident Board on proposals and funding for 12/13	Nov 12	Mar 12	<u>overdue</u>
9.	Leasehold Management	Implement introduction of leasehold handbook via website	Increased leasehold satisfaction	Auditable feedback of handbook launch from March Quarterly Leasehold Forum action point notes Auditable learning lessons incorporated into iterative approach to handbook and website	Jan 12	Apr 12	Overdue, work in progress
10.	Leasehold Management	Implement Lewisham internal audit leasehold report	Increase accuracy of service charges and leaseholder satisfaction	1. Auditable trail of leasehold external audit recommendations	Feb 12	Mar 13	Work in progress

Appendix 3

		recommendations		implemented 2. Annual leasehold satisfaction in line with tenants (70%)			
11.	Leasehold Management	Consult leaseholders on 2013 decorations programme	Improved leaseholder customer satisfaction in delivery of programme	1. Auditable satisfaction from leasehold forum action notes relating to FAQ on decorations contract 2. Auditable satisfaction on implementation of Brockley Residents Procurement Group to shape contract	Feb - 12	Mar 13	Partiality completed – date to be revised
12.	Leasehold Management	Develop leaseholder access to receive communal repair details via web-site	Improved customer satisfaction and service	Auditable satisfaction from leasehold forum action notes relating to communal repairs details via web-site	April 12	Mar 13	Work in progress / on target
13.	Leasehold Management	Annual notification of S20 major works	Increased leasehold consultation on planned works	Auditable satisfaction from leasehold forum action notes relating to S20 notification – supported by satisfaction website reporting via contractor report	May 12	May 13	On going
14.	Leasehold Management	Implement three annual themed leasehold focus groups	Increased opportunities for leasehold involvement	Auditable annual leasehold forum programme developed and published on website	Mar 12	Mar 13	Work in progress / on target
15.	Income	Implement a charging review of non-residential assets	Maximise non residential rental income	Proposed targets agreed with client and reported via monthly report / dashboard	Mar 12	May 12	Works on going – reduction in void

Appendix 3

							garages
16.	Income	Identification of all communal electric meters and bi-monthly reading	Improved income and service charge management	Auditable presentation of meter readings leading to external audit trail and 95% accuracy of service charge billing	Mar 12	Mar 12	completed
17.	Income	Commencement of pilot anti fraud project	Publicise and minimise opportunities for sub-letting	Presentation of report to client and Resident Board followed by newsletter publicity. Client reporting on outcome / findings incorporated within tenancy audit checks	Feb 12	Aug 12	Work in progress, pilot has been extended
18.	Income	Introduce chip and pin payment functionality	Additional payment facility and improve income management	Uptake and satisfaction levels reported on a quarterly basis	Mar 12	Mar 12	completed
19.	Income	Implement upgrade to leasehold IT to allow for increase leasehold functionality	Direct debit facility made available for leaseholders	Nos. of direct debit accounts reported at year end with associated income stream	Jan 12	Mar 13	completed
20.	Income	Maximise rental income and publicity benefit advice services	Undertake cross PFI rent audits project to allow for improved income and service charge management techniques	Year end report incorporating outcomes	Apr 12	Mar 13	Work in progress
21.	Communications	Undertake phased production of suite of leaflets linked to website / procedures	ASB, Insurance, Complaints - Jan Sign ups, succession, legal protocols -Feb Housing Choices & Fraud -Mar Tenancies & Leasehold - Apr	Auditable outcomes from procedure compliance via internal audit procedure and subsequent reporting	Jan 12	<u>Apr 12</u>	<u>Partially completed</u>

Appendix 3

22.	Communications	Implement a communications plan to manage Clare estate condensation / damp issues	Condensation delivery plan to capture all historical and current recorded actions and manage outcomes against availability standard	Outcomes of delivery plan agreed and circulated	Feb 12	Mar 13	Work in progress, surveys are being undertaken
23.	Resident consultation	Enhance existing residents' scrutiny through capacity building of Residents' Board	Increase service accountability in response to Localism Agenda	Auditable implementation of capacity building programme for Residents Board	Apr 12	Dec 13	Training arranged with TPAS for residents
24.	Resident Engagement	Undertake customer profile review of street properties	Tailor services to specific groups Set up forum for residents in street properties	Year end report on options and outcomes to tailor service	Apr 12	Mar 13	Work in progress
25.	Resident Engagement	Undertake annual area / estate summer road shows	Increased resident consultation	Volumes, satisfaction and outcomes reported as part of annual contractor report and website	June 12	July 12	Completed
26.	Estate services	Undertake a programme of groundwork and planting flower beds	Increase resident engagement and satisfaction on estates services	Volumes, satisfaction and outcomes incorporated in annual report website	Mar 12	On going	First phase completed
27.	Estate services	Develop a responsible dog owners' policy in association with partners	Increased resident satisfaction on estates.	Outputs agreed in partnership with LBL and reported to client and Resident Board	Apr 12	Jan 13	Work in progress
28.	Sustainability	Implement Energy Action Plan	Comprehensive approach to environmental sustainability	Energy action plan outputs reported on a quarterly basis to client and Resident Board supported by publicity via newsletter and summer estate roadshows	Apr 12	Dec 13	Work in progress

Benchmarking Review: Investment in services (Services to be considered as part of benchmarking review)

	Corporate Services	<p>There is the opportunity for Local Authority partner agencies to use the Brockley Regenter local office infrastructure to provide additional / satellite services e.g. debt advice HB verification.</p> <p>To ensure that Regenter Brockley contributes to the wider Housing service there is the opportunity to provide a joint housing improvement / good practice panel incorporating all the providers within the Borough.</p>
	'E' Services	<p>It is proposed that a range of 'E' services are continually developed over the life of the contract. This will include the provision of 'e' service links incorporating housing choices in the Brockley Office Reception.</p>
	Energy Services	<p>The carbon emissions and energy advice market is developing and will become clearer with the introduction of the Green Deal. It is proposed that this is an iterative approach that is likely to include the following:</p> <ul style="list-style-type: none"> • Stock carbon assessment • Low carbon retrofit plan (to meet 2020 government emissions target) • Energy Management advice
	Arboriculture Services	<p>The present service provides for a variation to the contract and annual sum for undertaking works. It is proposed that arboriculture services are both incorporated and enhanced within the contract. A formal periodic inspection regime should be introduced to incorporate street properties within the Brockley conservation area.</p>
	Fraud Services	<p>It is proposed to build upon the current anti-fraud and corruption project by the development of specialist service to investigate suspicious applications for Right to Buy scheme, the Cash Incentive scheme, fraudulent homelessness and housing applications.</p>
	Allocations Review	<p>It is proposed that a review of CBL procedures takes place. This is to ensure that Regenter Brockley is able to support more effectively the overall corporate lettings target.</p>
	Support services	<p>It is proposed to formalise the various informal 'extra mile' activities that are undertaken as part of the current service. These can be branded under the <i>Building Better Brockley</i> services and include:</p> <ul style="list-style-type: none"> • Summer gardening service for vulnerable residents • Winter contact for vulnerable residents • Financial inclusion

Appendix 3

		<ul style="list-style-type: none"> • Young people advocacy • Employment and training advice
	Allocations Review	It is proposed that a review of CBL procedures takes place. This is to ensure that Regenter Brockley are able to support more effectively the overall corporate lettings target.
	Disability Access review	It is proposed that a disability audit is undertaken for all street properties. This will inform requirements for both minor access improvements e.g. grab rails, lighting and works undertaken as part of the cyclical decorations programme.
	Leasehold review	The leasehold service and billing and auditing timelines have been hampered by corporate timescale requirements. By way of a lessons learnt principle it is requested that a review is undertaken to consider whether greater independence can be considered to meet the required timelines for billing.
	Housing Land review	In order to support the Governments recent Planning Policy Statement 3, it is suggested that a Strategic Housing Land Availability Assessment sub-review is undertaken. The existing local knowledge would inform and support the wider strategic statement to be undertaken by Lewisham.

HOUSING SELECT COMMITTEE			
Report Title	Lewisham Homes – Mid Year Review 2012/13		
Key Decision	No		Item No.
Ward			
Contributors	Head of Strategic Housing		
Class	Part 1	Date:	5 th December 2012

1. Summary

- 1.1 Lewisham Homes went live on 22nd January 2007 and currently manages 13,500 social housing tenancies and 5,000 leasehold properties within the borough, on behalf of the Council.

- 1.3 The management agreement requires a delivery plan to be agreed annually between Lewisham Council and Lewisham Homes, and for this to be monitored twice a year. This report highlights progress made mid year against delivery plan targets, for the period April to September 2012.

2. Purpose

- 2.1 The purpose of this report is to provide members with:
 - Details of mid year progress against the 2012/13 Delivery Plan agreed with Lewisham Homes;
 - An update on Decent Homes funding to improve properties managed by Lewisham Homes.

3. Recommendation

- 3.1 It is recommended that Members note the contents of the report.

4. Background

- 4.1 The previous Government required all local authorities to carry out a stock options appraisal by July 2005 to determine how Decent Homes would be achieved for all Council housing stock. Lewisham Council completed its stock options appraisal in June 2005, and a comprehensive Decent

Homes Strategy was developed that was endorsed by Mayor and Cabinet on 8th June 2005.

- 4.2 Lewisham's Decent Homes Strategy outlines Lewisham's mixed investment approach including Lewisham Homes which is an Arms Length Management Organisation (ALMO).
- 4.3 Lewisham Homes is a non-profit making company, limited by guarantee, and the Council is the sole shareholder. The Board is responsible for the strategic direction of the organisation and meets six times a year to monitor performance, agree the strategic direction of the business and make key decisions. The Board consists of 15 non-executive directors made up of 3 Council Members, 5 independent members, 5 tenants and 2 leaseholders.
- 4.4 The management agreement sets out a requirement for Lewisham Council to approve a Delivery Plan for the ALMO. The 2012-15 Business and Delivery Plan was approved by the Lewisham Homes Board in May 2012, and by Mayor and Cabinet on 11th July 2012. It sets out how Lewisham Homes plans to deliver excellent services to all its customers, and is in line with the overall vision of the Council and its partners in the Local Strategic Partnership.

5.1 Lewisham Homes Priorities for 2012/13

- 5.1.1 The Lewisham Homes mission is to deliver great housing services for thriving neighbourhoods. The mission is underpinned by the following strategic objectives and key priorities:
 - Excellent services –
 - Improve customer satisfaction
 - Improve our approach to equality and diversity and customer care.
 - Quality Homes -
 - Deliver the Major Works Investment Programme to meet Decent Homes standards
 - Deliver decent neighbourhoods
 - Review and revise the asset management strategy
 - Support Lewisham Council to improve housing for older people
 - Build new homes.
 - Sustainable business -
 - Reduce costs to sustain long term investment

- Strong long term partnerships that help deliver mutual objectives
- Expand the scope of the Repairs Service (Direct Labour Organisation (DLO))
- Welfare reform – Communicating with and supporting residents on the changes.

- Community focus
 - Create a community based resident led organisation
 - Create a charitable trust to invest in neighbourhoods.

- Employer of choice:
 - Create a stable organisation, with the right culture to deliver change
 - Improve staff satisfaction

5. Progress against Delivery plan targets

- 5.1 Attached to this report as Appendix A are tables reporting on performance against the Delivery Plan targets for the period April to September 12, and trend data for the last two years. A RAG system indicates whether KPIs have met target and the direction of travel. Analysis of this performance data is set out by service area in section 6 below.
- 5.2 A table showing the tasks due to be completed by September in the 2012/13 Delivery Plan is attached as Appendix B. Using a RAG system, this indicates whether tasks have been completed, and an explanation is provided where tasks have not been completed by their target time.

6.1 Major Works Investment Programme

6.1.1 The 2012/13 budget for major works investment is as follows:

	£m
Decent Homes Partnering Contracts	25.5
Security, mechanical & electrical etc	12.25
Total	37.7

6.1.2 The breakdown of the budget for the 2012/13 Decent Homes programme is outlined in Table 1 below. The total £25.5m funds is made up of £11.5m Decent Homes backlog funding from central government and £14m Lewisham Council contribution.

Table 1 Decent Homes budgets for 2012/13 (m)

Funding sources	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
Backlog funding	2.6	4.1	3.7	1.1	11.5
LBL contribution	2.6	3.3	3.9	4.2	14
Overall 2012/13 Funding	5.2	7.4	7.6	5.3	25.5

6.1.3 In addition to the Decent Homes Programme Lewisham Homes is planning to spend £12.25m in 2012/13 on other major works investment. Included within this is a budget of £750k for security works under the Residents' Business Plan (RBP).

6.1.4 Between April and September 2012 the Decent Homes contractors have carried out £12.6m of work which is making a real difference to people's lives, ensuring properties are in good repair and have new facilities like kitchens, bathrooms and central heating. Additionally £4.5m has been spent on other major works investment schemes including lift refurbishment, electrical and mechanical upgrades and RBP security works. Total expenditure to the end of September 2012 was £17.1m which leaves us well placed to spend the total budget of £37.7m by end of March 2013.

6.1.5 The Decent Homes profile agreed with the Greater London Authority (GLA) in respect of the Decent Homes Backlog Funding is as follows:

	2011/12	2012/13	2013/14	2014/15	Total
Funding £m	14.0	11.5	24	45	94.5
Target (units)	993	706	1505	2744	5948
Actual	1025				

6.1.6 The number of properties to be made decent in 2012/13 is detailed in Table 2 below

Table 2 Number of properties made decent to date in 2012/13 via the respective funding sources

Funding sources	Qtr 1	Qtr 2	Total	Overall Target
Backlog funding	168	268	436	706
LBL Contribution	170	102	272	533

Overall 2012/13 Funding	338	370	708	1,239
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6.1.7 The proportion of non-decent dwellings at the end of September 2012 was 50.5%. The programme has already made decent the number of properties required by the GLA and we are well placed to meet our overall target of 1239 by the end of March 2013.

6.1.8 The level of resident satisfaction is set out in table 3 below:

Table 3 Level of resident satisfaction

Resident satisfaction	Qtr 1	Qtr 2	Total	Overall Target
Satisfaction in the North	95.3%	98.5%	96.8%	95%
Satisfaction in the South	90.9%	95.6%	93.9%	95%
Total	92.0%	97.8%	94.6%	95%

6.1.9 In the six months to date we have completed 1309 properties, 296 in the North (MITIE) and 1,013 in the South (Breyer). Overall 94.6% of tenants were satisfied, just short of the 95% target. The satisfaction figures are based on a 31% return rate but this is not evenly spread. In quarter 2 the South (Breyer) only had a 6% return rate. Breyer is currently updating the results to ensure a more representative sample.

6.1.9 The level of resident satisfaction achieved by MITIE in the North area has remained at or close to target in 2012/13. The level of satisfaction achieved by Breyer in the South area has been below target. Lewisham Homes has engaged with Breyer to Chief Executive level and this appears to be resulting in a significant improvement.

6.1.10 Audits of the contractors' accounts for 2011/12 have been carried out which has revealed some discrepancies in the scheduling and pricing of the works. We have agreed improvements with one contractor and are reviewing the action plan presented by the other contractor in addressing the issues raised.

6.2 Repairs & Maintenance

6.2.1 The repairs service is meeting most of its targets:

- 99.7% of repairs were completed on time for the six months, against a 99% target;
- 97.8% of repairs were completed on the first visit against a 95% target;

- tenant satisfaction with completed repairs is exactly on target at 95% which is up from 93% last year;
 - the repairs contact centre is achieving the target to answer 90% of calls with in 20 seconds.
- 6.2.2 The introduction of software to help diagnose repairs required, has improved the accuracy of repairs orders raised by contact centre staff, enabling greater certainty in the management of variations.
- 6.2.3 The volume of repairs complaints has continued to reduce. The Independent Adjudicator has commented on a particular reduction in complaints about dampness and condensation, following specific initiatives to improve the way these issues are dealt with.
- 6.2.4 The repairs service is increasing the amount of works that are carried out with internal staff with subcontracting now accounting for only 14.2% of work, compared with over 15% last year and over 17% three years ago. Subcontracted work is predominantly of a specialist nature, for example: scaffolding and asbestos removal.
- 6.2.5 A pilot to use the DLO to deliver some of the Decent Homes works is planned to be completed this year. This will allow further economies of scale to be realised, making the DLO more viable and relying more on local labour.
- 6.2.6 The number of open Disrepair cases is currently 63 against a target of 50. Lewisham Homes has limited control over the number of cases instigated and the focus is to work with the solicitors to close cases as quickly as possible. This has resulted in a decrease in the average length of time of open Disrepair cases from 554 days (2011-12) to 394 days (year to date), against a target of 450 days.

6.3 Void Management

- 6.3.1 Voids has seen a significant improvement in performance following a series of process improvements in 2010/11. This has helped to maximise rental income and ensure properties are empty for shorter periods of time.
- 6.3.2 Performance is strong for the proportion of rent lost while properties are vacant. Rent loss through vacant properties was 1.39% (or £923k) for 2011/12. This year, up to September 2012, it was 0.89% (or £314k). The first six months of 2011/12 void rent loss was at 1.9% (or £633k) compared to 0.89% (or £314k) in 2012/13, this represents a 50% saving in rent loss, a cash equivalent of £320k.

- 6.3.3 Similarly, less time has been taken to re-let properties – an average of 58 days at the end of September, compared with 95 days last year. The average of 58 days is adversely affected by a few hard to let sheltered housing flats – the average re-let time for general needs properties is 41 days, compared to 202 days for sheltered housing.
- 6.3.4 A new pilot system using mobile technology is enabling officers to input void specifications and photographs from site. This will increase productivity, speed up void re-let times and help gather evidence for recharging former tenants for neglect.
- 6.3.5 Squatting is less of a problem than it has been with 3 voids squatted at the end of September compared to 13 at this point last year.
- 6.3.6 The current focus is to reduce void re-let costs. The strategy for this includes:
- reviewing the rates for works carried out
 - revising the way asbestos works are dealt with, as this is currently costing more than it could
 - reviewing the void re-let standard
 - bringing more voids up to the Decent Homes standard to avoid doing works to a property twice
 - recharging for tenant neglect.

6.4 Estate Management

- 6.4.1 The caretaking and cleaning service is regularly quality checked. In the 6 months, 86% of inspections undertaken achieved a pass rating. This is a slight reduction from last year, but is partly the consequence of introducing a higher quality standard this year.
- 6.4.2 A new system using mobile technology to monitor quality is scheduled to go live in November 2012. This innovative technology will improve our efficiency and enable closer scrutiny of caretaking standards and a more rapid response to any shortfalls in service delivery.
- 6.4.3 Lewisham Homes continues to remove 100% of offensive graffiti found within the communal areas within 24hrs of it being reported.
- 6.4.4 Cost savings have been made in dealing with bird fouling and nuisance on estates. Lewisham Homes was one of the first public sector organisations in the country to deploy an organic gel-based proofing compound, instead of costly and unsightly netting or spiking. This has proven to be very successful as well as more environmentally friendly.

6.4.5 The proportion of garages let has increased slightly over the last year from 85.1% in September 2011 to 85.7% in September 2012. Garage arrears reduced during the same period from 3.05% to 2.55% of the annual debit. Demand from our residents has been insufficient to meet the supply of garages available. The focus for our work for the remainder of the year will be on marketing our garages to the wider community.

6.5 Tenancy Management

6.5.1 Lewisham Homes now has full responsibility for the housing management of sheltered schemes. A protocol was agreed with the sheltered team and its successful implementation has been reviewed. Our tenancy team holds fortnightly surgeries at each scheme and have forged good working relationships with the Sheltered Housing Support Team.

6.5.2 A drive to improve housing officer visibility has included attendance at all Tenant and Resident Association meetings, and working closely with residents to improve their local environment; for example, a scheme to help vulnerable tenants with overgrown gardens.

6.5.3 A focus on supporting vulnerable tenants has included delivering a training programme in safeguarding awareness for relevant officers, operatives and caretakers. This will help ensure issues relating to vulnerable adults and children are identified and reported. Tenant profile information continues to be recorded, including specific vulnerabilities, which is used to further support tenants. The Head of Housing Services has been appointed Chair of the borough's new Hoarding Panel with responsibility for overseeing implementation of the Council's new Hoarding Protocol.

6.5.4 140 occupancy checks have been undertaken on average each month this year compared to an average of 124 last year. 17 properties have been recovered since 2012 for abandonment and subletting. This is a reduction on the previous year. We have introduced a new strategy for completing Tenancy Audits checks, including a combination of intelligence led and strategic planned checks with each property being visited at least once every three years.

6.5.5 As part of the 2nd year of the 3 year ASB Strategy the following have been implemented:

- More support for vulnerable residents in partnership with Victim Support and other agencies
- A 60% increase in the number of perpetrators issued with a warning
- 2 initiatives on the Pepys Estate to divert youths from anti-social behaviour

- Stronger working partnerships with the police including agreements with 3 Safer Neighbourhood Teams to tackle drug offences in targeted blocks and working with Multi Agency Risk Assessment Conference to set up projects in the Bampton, Honor Oak, Evelyn, Telegraph Hill and New Cross areas.

6.5.6 The number of complaints about ASB escalating to stage 3 of the process has reduced significantly from 11 last year to 2 for the first half of this year. Customer satisfaction has however reduced from 60% in the 2nd quarter of last year to 42% this year. Although 60% was unusually high compared to previous results, we have developed an action plan to drive up customer satisfaction, particularly around how we communicate with residents. Key tasks from the action plan include:

- We will make a personal visit to every resident who raises an ASB issue
- We will provide (at least) fortnightly updates on progress
- We will increase focus on learning from complaints
- We will set up a residents focus group

6.5.7 Lewisham Homes received the Community Animal Welfare award for its work in promoting responsible dog ownership. For example – micro-chipping of 63 dogs and 7 responsible dog owner days across the borough.

6.6 Leasehold Management

6.6.1 The Leasehold service is meeting its targets. Lewisham Homes collected 61% of the rent half way through the year against a 53% target (106.5% at year end). Although the second half of the year is likely to see a decrease in income as the impact of those leaseholders who pay the whole year's charge in April diminishes, the performance is encouraging given the current economic environment.

6.6.2 Major works cost recovery currently stands at 24% of the total major charges outstanding. This reflects the many resident leaseholders who take up the Council's offer of interest free instalments over 24 or 36 months.

6.6.3 There is a range of support initiatives and payment options for resident leaseholders with large major works bills, which are well promoted. These include:

- up to 3 year interest free payment options at consultation and billing stage
- access to:
 - Caseworkers

- DWP assistance
- Debt advice agencies
- Advice on how to release equity to pay for major works.

- 6.6.4 Two leaseholders have taken up the offer to attend the sign-off of works carried out as part of the Decent Homes Improvement Programme, and have given positive feedback that this was a useful exercise. LH will be using their involvement to further promote the opportunity to other leaseholders. This helps deal with issues as they arise and maximise collection of charges due.
- 6.6.5 To deal with leaseholder concerns about the time lag between communal repairs being carried out and being charged for work, LH has developed an on-line service which allows leaseholders to view all communal repairs carried out to their building since April 2011. Repairs can be viewed shortly after they are logged and their progress monitored through to completion and the final cost.
- 6.6.6 The level of Right to Buy applications has significantly increased since the maximum discount was increased to £75k. At the end of September, 270 application forms have been requested of which 123 have been returned and are being processed. This compares to 58 applications for the whole of 2011/12 but it is too early to predict how many of the applications will result in sales. Additional staffing resources are in place to deal with this increase.

6.7 Customer care

- 6.7.1 Tenant satisfaction with Lewisham Homes' services was tested through a survey conducted in July. This showed the proportion of satisfied tenants has remained stable at 69%, and that the proportion very or fairly dissatisfied had decreased from 28% to 20%, since the previous survey in 2010. Further analysis is in progress to identify specific issues for tenants and this information will be used to improve services.
- 6.7.2 Performance for dealing with telephone calls has improved compared to last year – 88% were answered on time against a target of 90%, a 4% improvement from 2011/12.
- 6.7.3 The response to Mayor, Councillor and MP enquiries just missed the target of 90% responded to within ten working days. Performance for the six months was at 88%, though September was a better month with 95% responded to on time.

- 6.7.4 Performance for responding to complaints on time has worsened, with only 65% of complaints meeting target times, which is well below the 90% target. This is mainly due to the poor performance of one of the contractors for the Major Works Improvement Programme – only 14% of these complaints were responded to on time. Excluding complaints about Decent Homes, performance was 88%.
- 6.7.5 It is common for the volume of complaints to increase during an improvement programme – and 45% of complaints received during the six months relate to this programme. Excluding complaints about Decent Homes, the volume of complaints continued to fall for the six months – from an average of 62 per month in 2011/12 to 52 per month in 2012/13.
- 6.7.6 Steps have been taken to deal with the contractors concerned at CEO level, and there were signs of improvement in September. Solutions implemented the contractors have included increasing the ratio of liaison staff to properties and better quality control and communications on site.
- 6.7.7 The Independent Adjudicator's (IA) annual report for 2011/12 was a positive one. The IA has stated that there were less stage three complaints about pest control issues and dampness/condensation than previously. Although the volume of ASB complaints rose to 11 from 2 in the previous year, only 3 were upheld. The IA had also seen improvements in the quality of responses.
- 6.7.8 The Online Services campaign is underway for the second year in a row. The campaign, which started July, runs through till the end of the year and aims to get more residents signed up to the portal. This will allow them to view rent and service charge statements online and register for other online services. Since the beginning of the campaign there has been a 10% increase in sign-ups and this is expected to continue.

6.8 Income Collection

- 6.8.1 Despite difficult economic conditions and the introduction of welfare reforms, income collection rates are improved on last years performance. Rent collection for the period was 98.43%, an improvement on performance this time last year (97.9%).
- 6.8.2 The proportion of accounts over seven weeks in arrears has risen from 8.9% at the end of March to 9.2%. As a consequence the number of notices seeking possession served has increased from 27% of tenants last year to 23% of tenants just in the first half of this year. The number of evictions has however stayed at a similar rate.

- 6.8.3 The proposed welfare reforms will have a major impact on residents and income collection. The Board has approved a mitigation strategy including the appointment of two additional staff this year to inform and prepare residents and the organisation. Other activities include personally contacting all 1200 under-occupiers and 32 people affected by the benefit caps to explain options available to them; promoting direct debit payments; and a communications campaign including a DVD in partnership with other London ALMOs. As part of our winter campaign we will make personal contact with 2100 tenants in arrears.
- 6.8.4 The Welfare Benefits Officer has obtained over £70,000 in backdated housing benefit for residents so far this year and £30,000 in other backdated benefits.
- 6.8.5 In preparation for the welfare reforms the partnership with the Lewisham Plus Credit Union has been strengthened. LH has achieved the largest percentage increase in referrals of all Lewisham landlords with 107 tenants joining LPCU (86 opened a current account) which increased membership to 1360 tenants. In addition budget management training has been delivered for residents in partnership with LPCU, with further training planned later in 2012/13.
- 6.8.6 The collection rate for former tenant arrears has increased to 4.43% year to date compared to 3.35% at the same point last year.

6.9 Health & Safety

- 6.9.1 The company health and safety policy was reviewed in the period and approved by the Board, to ensure that this is in line with latest legal requirements and good practice.
- 6.9.2 Gas safety continues to be a high priority for the Council and Lewisham Homes – the performance for the legally required annual gas safety checks remains high at 99.87% at mid year.
- 6.9.3 Fire risk assessments for all properties have been completed in line with policy. Actions arising from the assessments are programmed and closely monitored to ensure they are delivered. A new contract for fire risk assessments is in place and there are now dedicated officers for fire safety.
- 6.9.4 A pilot sprinkler system is currently being installed in one of the sheltered housing blocks. This is following partnership working with the London Fire Brigade. This is considered good practice as it greatly increases

protection to residents by suppressing a fire in its early stages. Lewisham Homes will be taking part in a good practice seminar organised by the LBF to promote this approach.

- 6.9.5 A programme to complete required asbestos surveys in low rise blocks was delayed due to difficulties obtaining access. This mainly relates to converted street properties. A suited lock system has now been fitted to these properties, and the surveys are expected to be completed by the end of November.
- 6.9.6 The policy for the management of water hygiene has been reviewed to ensure good practice and legal compliance, and this has been implemented from September. It includes a robust strategy to address testing and inspection in all properties, including converted street properties.

7 Resident Involvement

- 7.1 A wide range of opportunities for involvement continue to be offered to residents, including the residents' business plan, which gives residents a say in how services are delivered. A Residents' Scrutiny Committee has been established to complement the work of the Area Panel. The committee is initially scrutinising the caretaking service, supported by an independent advocate, and the results of this will be known by the end of March 2013.
- 7.2 In line with the Regulatory Framework for Social Housing, local offers have been developed in consultation with residents. These set out the service standards for key services. An annual report to tenants reports on progress in meeting these standards. The report for 2011/12 will be available to all residents from November.
- 7.3 The Community Investment programme, delivered in partnership with the Decent Homes contractors is meeting a number of our objectives including supporting residents back into work, delivering skills based opportunities to carry out basic repairs and opportunities for young residents to get involved. The success in delivering the programme has featured as a model for best practice in the National Federation of ALMOs publication 'Now that's a Bright Idea' and was a finalist in the NFA Awards 2012 for Most Effective Partnership.
- 7.4 The LH package of Back to Work opportunities aims to reach as many residents as possible through a number of delivery methods including the apprenticeship programme, work experience opportunities, twice monthly Work Clubs and the High 5 programme. Progress to date includes:

- 22 apprenticeship places including 12 with Decent Homes Programme contractors. Ten apprentices from last year have been offered extended contracts or full time positions with Lewisham Homes
- 13 Work Clubs with over 100 attendees
- 286 work experience days
- 3 'High 5' Programmes – 24 residents have graduated from the programme since April 2012 and 8 have gained full time employment

- 7.5 The Decent Homes contractors have also funded the following initiatives through the 2012/13 Community Investment Programme (CIP):
- £10 000 - High 5 Employability Programme
 - £143 000 – community facility upgrades
 - £2000 – community events

- 7.6 Funding for themes and activities for the 2013/14 CIP, including funding for community based initiatives, will be based on the forecasted turnover for the year. The 2013/14 CIP will be agreed by the Core Group in March 2013.

8 Financial Implications

- 8.1 The HCA announced the allocations for Decent Homes Backlog Funding in February 2011. Lewisham was awarded £94.5 million over 4 years. The allocations for 2013/14 and 2014/15 were agreed in September. Lewisham has spent £14m allocated for 2011/12 and £11.5m of the backlog funding will be spent in 2012/13. Due to the uncertainty of the future backlog funding and other strategic priorities for housing, the Council has undertaken an options appraisal. Residents are currently being consulted on the four options which will inform a report to Mayor and Cabinet in January 2013 on the future delivery of social housing in Lewisham.
- 8.2 Achieving value for money is a key objective for Lewisham Homes, and is supported by a value for money strategy. Many of the tasks within the Business and Delivery Plan relate to achieving value for money; for example, reviewing service level agreements, and carrying out service reviews.

9 Legal Implications

9.1 There are no specific legal implications in this report

10 Crime & Disorder Implications

10.1 There are no specific crime and disorder implications.

11 Equalities Implications

11.1 Lewisham Homes Equality and Diversity Strategy was approved by the Lewisham Homes Board in May 2010 following a review.

11.2 Measures have been put in place to protect the most vulnerable tenants. Lewisham Homes has continued to collect profiling information for use in planning and improving services, and to flag up on the main database where tenants require support.

11.3 Lewisham Homes has continued to support the LB Lewisham Safeguarding Agreement, which helps protect vulnerable adults and children. As mentioned in 6.5.3 above, a training programme in safeguarding awareness has been delivered. A member of the Lewisham Homes executive team sits on the Adult Safeguarding Board and the LSCB Task Group looking at child sexual exploitation.

12 Environmental Implications

12.1 Currently 50.5% of Lewisham Homes' stock is non-decent. Improving sustainability and energy efficiency is an important part of the Decent Homes Programme which is making sure that homes are warm, safe and dry.

13 Background papers and report originator

13.1 There are no background documents to this report.

13.2 Please contact Scott Cook, interim Partnerships & Service Improvement Manager, on 020 8314 6534.

Corporate Services - Customer Services & Complaints **September 2012** Board Papers

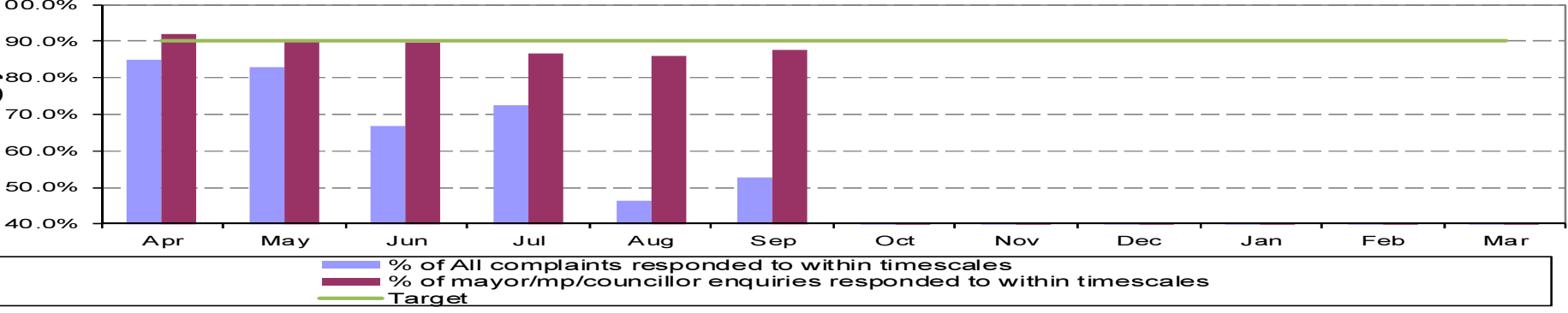
Indicator		2010-2011	2011-2012	Current YTD	Target	Direction of Travel *	YTD vs Target
LH 34	% of complaints responded to within timescales	90.0%	89.1%	65.3%	90%	▼	▼
LH 35	% of mayor/mp/councillor enquiries responded to within timescales **	78.7%	91.0%	87.6%	90%	▼	▼
LH 52	Percentage of calls answered within 20 seconds***	83.6%	84.1%	88.3%	90%	▲	▼
LH 123	Percentage of letters responded to within 10 days	91.5%	91.5%	81.8%	94%	▼	▼

Annual Indicators

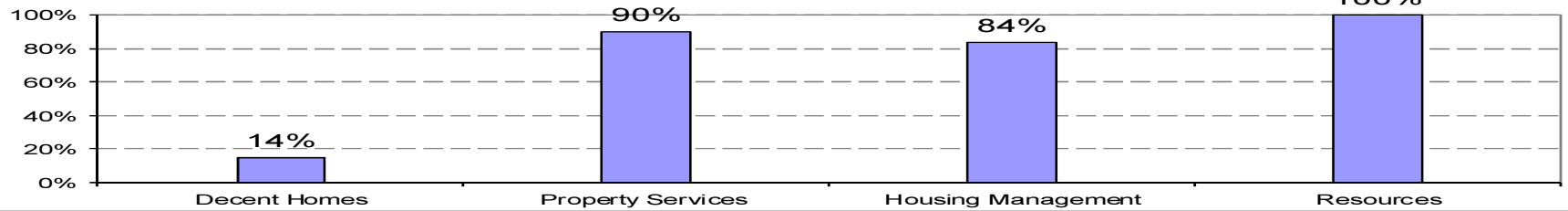
LH 51a	% of complaints resolved at stage 1	76%	83%	Annual	80%		
LH 51b	% of complaints resolved at stage 2	74%	76%	Annual	75%		
BV 74	% of tenants satisfied with the overall service	68%	-	69%	71%	▲	▼

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Customer Service Performance YTD



% of Complaints Responded to Within Timescales (YTD)



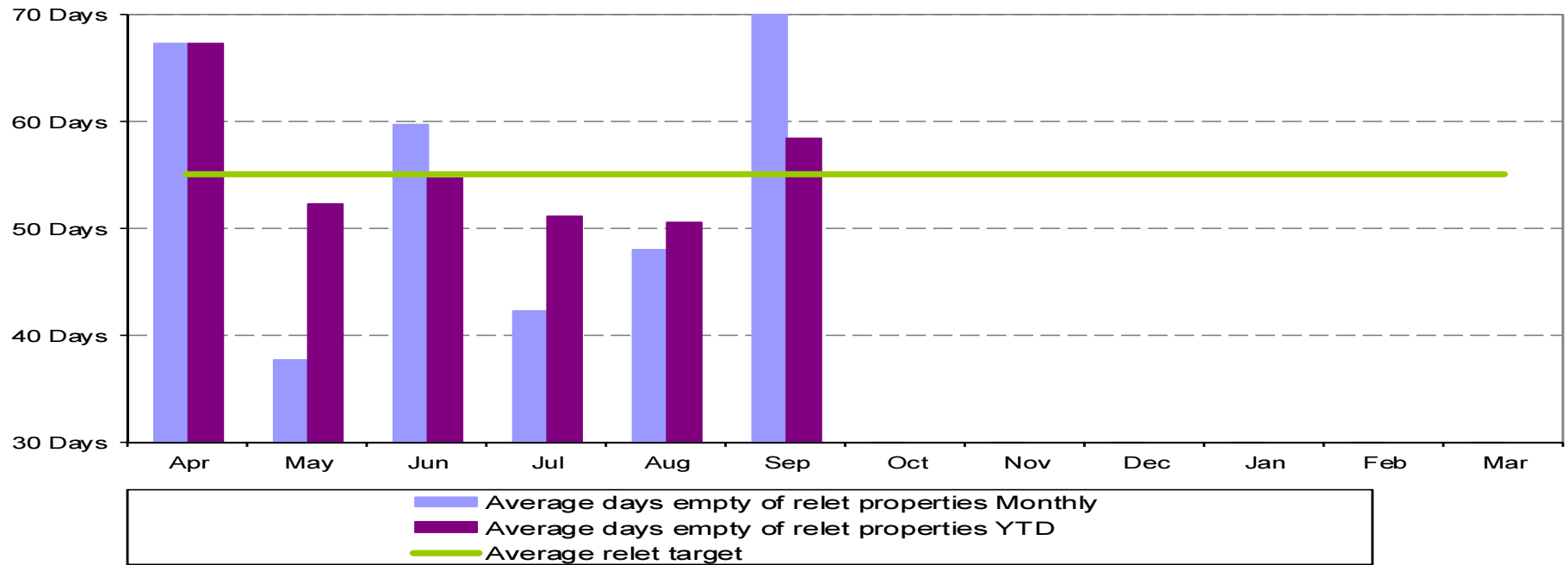
* Direction of travel compares current YTD with 2011/12 figure.
 ** In 2010/11 the time taken to provide a response to LBL. From 2011/12 onwards the time for a full reponse has been measured.
 *** The measure for calls answered changed from 15 seconds in 2010/11 and 2011/12 to 20 seconds for 2012/13.

Property Services - Decent Homes and Voids **September 2012** Board Papers

Indicator		2010-2011	2011-2012	Current YTD	Target	Direction of Travel *	YTD vs Target
BV 13	Average days empty of relet properties	69.5	95.4	58.3	55	▲	▼
LH 30	Percentage of rent lost through vacant properties	1.98%	1.39%	0.89%	1.00%	▲	▲
LH 300	Satisfaction with new Home (reported quarterly one month after quarter end)	55%	55%	73%	60%	▲	▲
LH 4	% of gas services completed within the 12 month target time (rolling 12 months)	99.97%	99.98%	99.87%	100%	▼	▼
LH 301	% very or fairly satisfied with Decent Homes Contractors	N/A	95%		96%	▼	▼
LH 302	% spend of Decent Homes capital programme (reported quarterly)	N/A	N/A	-			

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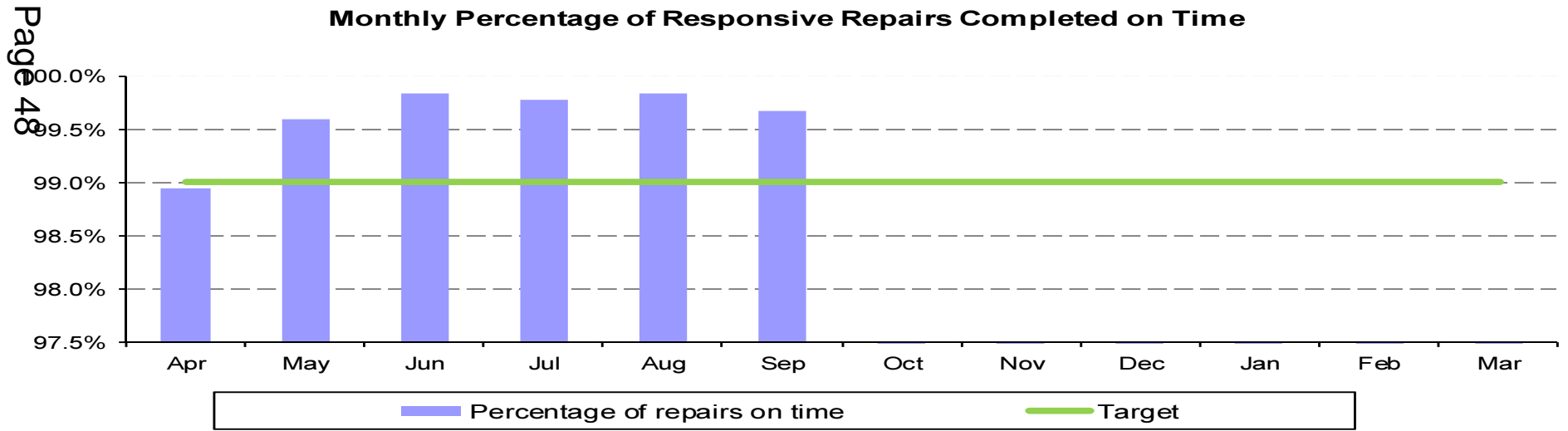
Average Relet Times Monthly & YTD



* Direction of travel compares current YTD with 2011/12 figure

Property Services - Repairs and Maintenance **September 2012** Board Papers

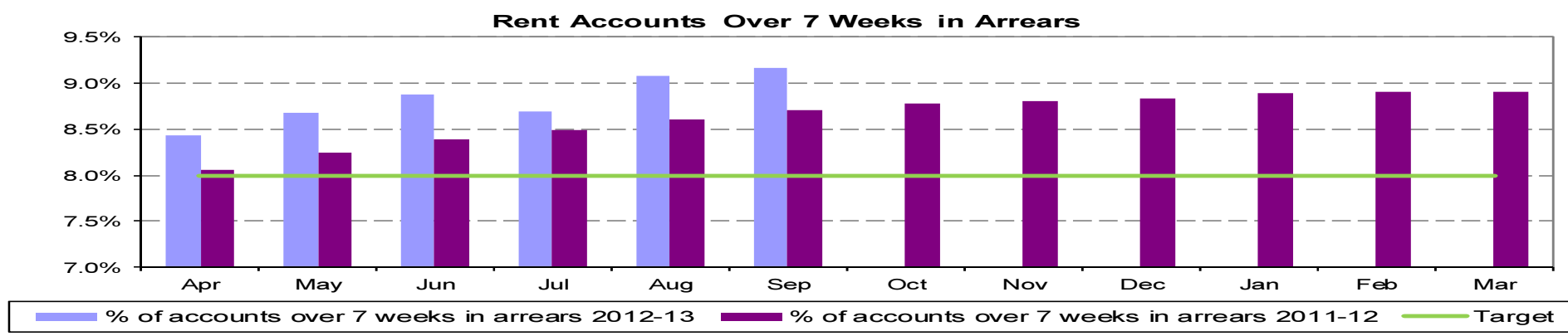
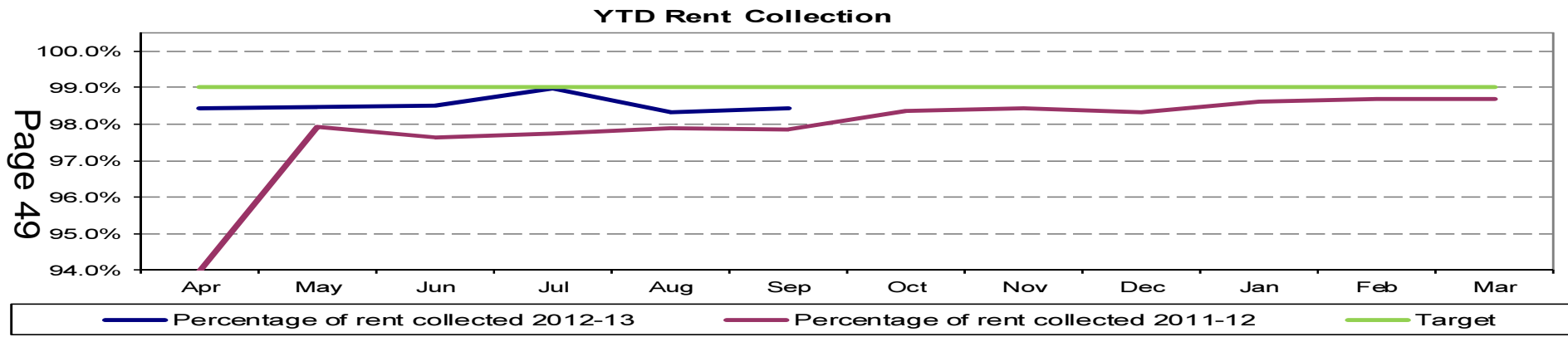
Indicator		2010-2011	2011-2012	Current YTD	Target	Direction of Travel *	YTD vs Target
LH 107	Percentage of responsive repairs completed on time	99.5%	99.8%	99.7%	99%	▼	▲
LH 7	Percentage of repairs completed on first visit	95.9%	97.5%	97.8%	95%	▲	▲
LH 32	Tenant satisfaction with the Repairs Service - % very or fairly satisfied	89%	93%	95%	95%	▲	▲
LH 303	Number of open Disrepair cases	-	62	63	50	▼	▼
LH 304	Average length of time of open Disrepair cases (days)	-	554	394	450	▲	▲



* Direction of travel compares current YTD with 2011/12 figure.

Housing - Rent Collection and Arrears September 2012 Board Papers

Indicator	2010-2011	2011-2012	Current YTD	Target	Direction of Travel *	YTD vs Target
LH 29 Percentage of rent collected excluding current arrears.	99.26%	98.70%	98.43%	99.00%	▼	▼
BV 66b Percentage of rent accounts over 7 weeks in arrears	8.5%	8.9%	9.2%	8.0%	▼	▼
BV 66d Percentage of tenants evicted as a result of rent arrears	0.53%	0.52%	0.22%	None	-	-
LH 40 Rent written off as not collectable as a percentage of the total rent	1.15%	1.96%	0.00%	2.00%	▲	▲
FTA1 Former tenant arrears as a percentage of gross rent debit	3.41%	2.23%	2.51%	1.75%	▼	▼



* Direction of travel compares current YTD with 2011/12 figure

Housing - Leasehold Services **September 2012** Board Papers

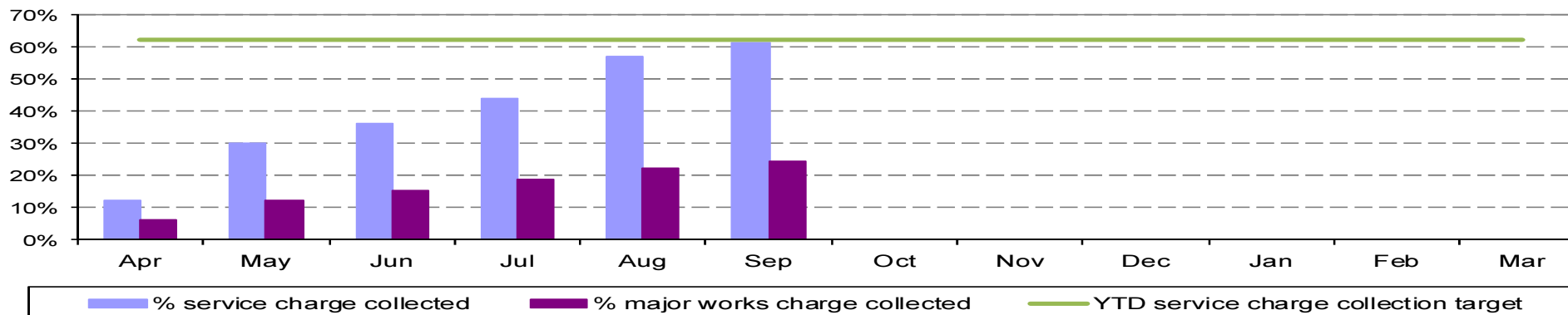
Indicator		2010-2011	2011-2012	Current YTD	YTD Target	Year end Target	Current YTD v YTD Target *
LH 116a	% of service charge collected against total available excluding arrears	119.6%	102.4%	61.4%	53%	106.5%	▲
LH 117b	Major works charges collected as a % of total charges outstanding including arrears	39%	39.0%	24.4%	-	-	-

Indicator		2010-2011	2011-2012	Current YTD	Target	Direction of travel	YTD vs Target
LH 24	Percentage of RTB2 forms served within statutory target of 4 weeks	100%	100%	100%	100%	▶	▶
LH 25	Percentage of S125 forms for freehold properties served within statutory target of 8 weeks	100%	100%	100%	100%	▶	▶
LH 26	Percentage of S125 forms for leasehold properties served within statutory target of 12 weeks	100%	100%	100%	100%	▶	▶
LH 304a	New RTB applications received	-	19	86	-	-	-
LH 305	Number of RTB sales completed	-	18	6	-	-	-
LH 306	Average discount on RTB sales	-	£16,000	£45,523	-	-	-

Every other year indicator

LH 113	Satisfaction of leaseholders with the performance of home ownership service	-	41%	N/A	41%	-	-
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Service Charge & Major Works Collection Rates YTD



* Direction of travel compares current YTD with 2011/12 figure

Performance Monitoring all Remaining areas			September 2012				Board Papers
Indicator	2010-2011	2011-2012	Current YTD	Target	Direction of Travel*	YTD vs Target	
Resources ~ Human Resources							
LH 114	Staff turnover as a percentage of total workforce.	16%	6.7%	7.9%	4.1% **	▼	▼
LH 38	Number of working days lost due to sickness (YTD reported one month behind)	10.3	8.7	3.5	3.5 **	▲	▲
LH 105	Percentage of staff who agree that Lewisham Homes is a good employer / good place to work	N/A	57.6%	N/A	65%	—	—
Housing Management							
LH 200	Number of properties with unauthorised occupants or squatters.	27	19	17	18	▲	▲
RES G1	Satisfaction with the way ASB complaint was dealt with (Quarterly a month behind)	40%	58%	40%	60%	▼	▼
LH 308	Satisfaction with Internal Caretaking and Cleaning (Quarterly)	-	82.9%	57.2%	70%	▼	▼
Corporate Services							
LH 307	Number of properties for which a fire risk assessment is missing or overdue	-	0	0	0	▶	▲
* Direction of travel compares the current ytd with the 2011/12 figure			** Year to date target				

Delivery Plan tasks April to September 2012

Task	Target Date	Priority	RAG Status	Revised Completion Date	Comments
Publish Equality Objectives, as required under the Equality Act 2010 for public bodies	Apr-12	High	Green		
Review and update company health and safety policy	Jul-12	Medium	Green		
Develop a plan to deliver cultural change	Sep-12	High	green		
Review current arrangements for clienting Tenant Management Organisations in partnership with Lewisham Council.	Sep-12	High	Green		
Complete asbestos surveys of communal areas of low rise blocks .	Sep-12	High	Red	Nov-12	The programme was delayed due to problems with access to converted properties. This resulted in the need to change locks to around 350 properties, utilising a suited system. The asbestos surveys are expected to be completed by the end of November.
Publish report to tenants, in compliance with the Regulatory Framework.	Sep-12	High	Green		
Develop Protocol with LB Lewisham for the management of regeneration schemes to ensure there are clear roles and responsibilities and effective partnership arrangements.	Sep-12	Medium	Red	Mar-13	Lead Manager in post later than expected. Initial meeting held with Council on 11 October. We estimate revised target date of March 2013.

HOUSING SELECT COMMITTEE		
Report Title	Housing Revenue Account (HRA) – Rent Setting Consultation	
Key Decision	Yes	
Ward	All	
Contributors	Executive Director for Customer Services & Executive Director for Resources & Regeneration	
Class	Part 1	Date: 8 th January 2013

1. Purpose of the Report

To inform members of the proposed rent, service charge, garage and heating and hot water increases for Lewisham Council Dwellings in 2013/14, based on the Rent Restructuring formula issued by Central Government and provide residents feedback on the proposals.

2. Executive Summary

- 2.1 Following the introduction of the new self-financing system for the housing revenue account (HRA) the Council has been considering in the round the options for how it's stock is managed and developed. This has been reported in detail to the Mayor and Cabinet on 11 July 2012.
- 2.2 The complex financial model underpinning the appraisal options is dependent on assumptions about future costs, for example for lifecycle repairs, capital investment, new build and so on. Most significantly of all it is based on an assumption that rents will rise in line with the Government's 'Convergence Formula' until 2015/16 (RPI + 0.5% + £2pw) and at RPI + 0.5% p.a. thereafter. As set out in the report, the Council is not obliged to follow this formula, but if it chooses not to do so there would be significant financial implications.
- 2.3 Following Government's rent restructuring formula would result in average increases in rent for 2013/14 of £3.54 or 4.05% over a 52 week period. This will raise the full year average dwelling rent for the London Borough of Lewisham from £87.49 to £91.03pw. The proposed increase will raise an additional £2.724m of rental income to the HRA. The increase is in line with the assumptions in the current HRA financial model.
- 2.4 The authority can raise rents by more or less than that indicated by the Government's formula calculation. However, it is important to understand that if rent is increased by less than the Formula amount then the Council suffers the full cost of the lost rent which would have a significant impact the Council's

investment plans. It should also be remembered that if rent is increased by more than the Formula amount, the Council receives only part of the financial benefit of the extra rent raised because of the way the housing benefit system operates in such circumstances.

- 2.5 Proposed changes to service charges will result in an average service and heating and hot water charge for Lewisham Homes residents are proposed to increase by £0.19pw or 2.58%, moving the average charge from £7.27pw to £7.46pw. Service charges for the Brockley PFI residents are proposed to increase by £0.11pw or 2.27%, moving the average charge from £4.84pw to £4.95pw.
- 2.6 Efficiencies/Savings of -£1.690m and growth of £1.250m are being proposed for 2013/14 as outlined in section 5. The net effect of these proposals would be an overall saving of £0.440m to the HRA which would be available for reinvestment into stock or services. Whilst some of these proposals can be achieved by efficiencies in service delivery, there are policy choices to be considered.
- 2.7 No proposals have been received to increase the current levy for Tenants' Fund which will remain at 13p per week.
- 2.8 Garage rents are proposed to rise in line with RPI inflation @ September 2012 which is 2.60%. This represents an increase of £0.30pw and would raise the average charge from £10.69pw to £10.97pw. The proposed increase will raise an additional £23k of revenue income.

3 Policy Context

- 3.1 The proposals in this report support the priorities of 'Shaping our Future' – Lewisham's Sustainable Community Strategy (2008 -20), specifically 'Clean, green and liveable - where people live in high quality housing and can care for and enjoy their environment' and supports the Council's corporate priority regarding 'Decent Homes for all'.

4. Consultation

4.1 Consultation under tenants' compact

Consultation has taken place in line with the tenants' compact arrangements. These arrangements provide an opportunity to engage tenants in a discussion on rent rises representatives through the Housing Panels that took place in December.

- 4.2 The reports submitted to tenants January are attached to this report in appendices 1 to 4
- 4.3 Tenants feedback is set out in appendix 5 and will be reported to Mayor and Cabinet in February.

5. Financial Implications

5.1 The estimated financial implications are contained in each of the reports to tenants. In summary these are:

- Rents are proposed to increase by 4.05% which is an average increase of £3.54pw.

- Tenant service charges are proposed to increase by 2.58%, which is an average increase of £0.19pw.

- Garage charges are proposed to increase by 2.6% which is an average of £0.30pw.

- There are no proposal to increase the tenants fund levy which will remain at £0.13pw.

5.2 The proposed increase will raise an additional £2.724m of rental income to the HRA. The increase is in line with the assumptions in the current HRA financial model

5.3 Services charges are set on a cost recovery basis. Any proposal to increase the charge at a lower rate than set out in the report will have a negative impact on the Council's Housing Revenue Account and, therefore, the Council's future housing options.

6. Legal Implications

6.1 Section 24 of the Housing Act 1985 provides that a local housing authority may make such reasonable charges as they determine for the tenancy or occupation of their houses. The Authority must review rents from time to time and make such changes as circumstances require. Within this discretion there is no one lawful option and any reasonable option may be looked at. The consequences of each option must be explained fully so that Members understand the implications of their decisions.

6.2 Section 76 of the Local Government and Housing Act 1989 provides that local housing authorities are under a duty to prevent a debit balance in the HRA. Rents must therefore be set to avoid such a debit.

6.3 Section 103 of the Housing Act 1985 sets out the terms under which secure tenancies may be varied. This requires –

-the Council to serve a Notice of Variation at least 4 weeks before the effective date;

-the provision of sufficient information to explain the variation;

-an opportunity for the tenant to serve a Notice to Quit terminating their tenancy.

- 6.4 The timetable for the consideration of the 2013/14 rent levels provides an adequate period to ensure that legislative requirements are met.
- 6.5 Part III of Schedule 4 of the Local Government and Housing Act 1989 provides that where benefits or amenities arising out of the exercise of a Housing Authority's functions, are provided for persons housed by the authority, but are shared by the community as a whole, the authority shall make such contribution to their HRA from their other revenue accounts to properly reflect the community's share of the benefits or amenities.
- 6.6 Where as an outcome of the rent setting process, there are to be significant changes in housing management practice or policy, further consultation may be required with the tenants affected in accordance with section 105 of the Housing Act 1985.
- 7. Crime and Disorder**
There are no specific implications.
- 8. Environmental Implications**
There are no specific implications.
- 9. Equality Implications**
- 9.1 Council tenants include a higher than average proportion of elderly people and black and ethnic minorities. Many tenants are unemployed or on low income. The service has specific provision for more vulnerable groups within the community. A significant proportion of new allocations are made to families and women with young children.
- 9.2 In undertaking consultation and examining potential options, the equalities impact for different groups of people will be considered, particularly black and ethnic minorities, women, disabled people and young people.

If you require any more information about this report please contact Conrad Hall on 0208 314 8379 (e-mail conrad.hall@lewisham.gov.uk)

HOUSING PANELS		
Report Title	Housing Revenue Account (HRA) – Rent Setting Consultation Lewisham Homes Area	
Key Decision	Yes	
Ward	All	
Contributors	Executive Director for Customer Services & Executive Director for Resources & Regeneration	
Class	Part 1	Date: 11 th December 2012

1 Purpose of the Report

To outline the forecast rent, service charge, garage and heating and hot water increases for Lewisham Council Dwellings in 2013/14, based on the Rent Restructuring formula issued by Central Government. Residents are invited to consider this report and provide feedback on the proposals contained.

2 Executive Summary

- 2.1 Following the introduction of the new self-financing system for the housing revenue account (HRA) the Council has been considering in the round the options for how it's stock is managed and developed. This has been reported in detail to the Mayor and Cabinet on 11 July 2012. As summarised in paragraphs 10.2 of this report, the most significant feature of this new system for Lewisham has been that it leaves a gap of c£85m over the next 10 years between the investment need and the resources available.
- 2.2 The complex financial model underpinning this appraisal is dependent on assumptions about future costs, for example for lifecycle repairs, capital investment, new build and so on. Most significantly of all it is based on an assumption that rents will rise in line with the Government's 'Convergence Formula' until 2015/16 (RPI + 0.5% + £2pw) and at RPI + 0.5% p.a. thereafter. As set out in the report, the Council is not obliged to follow this formula, but if it chooses not to do so there would be significant financial implications.
- 2.3 Following Government's rent restructuring formula would result in average increases in rent for 2013/14 of £3.54 or 4.05% over a 52 week period. This will raise the full year average dwelling rent for the London Borough of Lewisham from £87.49 to £91.03pw. The proposed increase will raise an additional £2.724m of rental income to the HRA. The increase is in line with the assumptions in the current HRA financial model.

- 2.4 The authority can raise rents by more or less than that indicated by the Government's formula calculation. However, it is important to understand that if rent is increased by less than the Formula amount then the Council suffers the full cost of the lost rent which would have a significant impact the Council's investment plans. It should also be remembered that if rent is increased by more than the Formula amount, the Council receives only part of the financial benefit of the extra rent raised because of the way the housing benefit system operates in such circumstances.
- 2.5 The potential average service and heating and hot water charge rises are contained in the Lewisham Homes Budget Strategy Report 2013/14, which is considered elsewhere on the agenda. The proposal is for an increase of £0.19pw or 2.58%. This will move the average charge from £7.27pw to £7.46pw.
- 2.6 Efficiencies/Savings of -£1.690m and growth of £1.250m are being proposed for 2013/14 as outlined in section 5. The net effect of these proposals would be an overall saving of £0.440m to the HRA which would be available for reinvestment into stock or services. Whilst some of these proposals can be achieved by efficiencies in service delivery, there are policy choices to be considered.
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- 3.1 The proposals in this report support the priorities of 'Shaping our Future' – Lewisham's Sustainable Community Strategy (2008 -20), specifically 'Clean, green and liveable - where people live in high quality housing and can care for and enjoy their environment' and supports the Council's corporate priority regarding 'Decent Homes for all'.

4 Introduction

- 4.1 The delivery of Lewisham's housing management service has undergone significant changes in recent years. This is as a result of the stock options appraisal submitted in July 2005 which recommended a mixed approach to improving the stock to meet the Government's Decent Homes Strategy. The approach involved some stock transfers, refurbishment through Private Finance Initiatives (PFI) and the establishment of an Arms Length Management Organisation (ALMO).

4.2 Since the last tenant panel meeting, it has been confirmed that Lewisham will receive £94.5m of Decent Homes funding from DCLG. This is currently profiled as:

2011/12	£14.0m
2012/13	£11.5m
2013/14	£24.0m
2014/15	<u>£45.0m</u>
	£94.5m

4.3 The council bid for £186m, being the cost of the full decent homes programme, and will continue to press DCLG for the balance of the funding.

4.4 Self-financing

4.4.1 HRA subsidy was abolished from 1st April 2012 and replaced by self-financing on the same date. The changes mean that authority can now keep all rents and income generated from its stock, rather than contribute it to the national HRA rent pool, to reinvest in the stock or services provided and moves housing to a position where the housing stock is 'self sustaining'.

In summary the key features of the new system are:

- A one-off settlement and redistribution of existing housing debt, was undertaken on 28th March 2012 requiring each local housing authority to either take on new debt as at 1 April 2012 or have some of its existing housing debt repaid.
- Following the settlement local housing authorities are now free to either repay debt or take on new borrowing (up to a centrally determined cap), taking account of local priorities and housing investment needs.
- From 1 April 2012 local housing authorities are no longer required to make contributions to, or receive contributions from, the national subsidy system.
- The existing system of rent restructuring controls will continue, with the expected 'convergence date' of 2015/16.
- Local housing authorities will continue to be accountable for ensuring effective housing management and investment.
- The HRA 'ring-fencing' will continue.

4.4.2 The debt 'settlements' were undertaken on 28th March 2012. Under the self-financing regime Lewisham had £136.34m of debt paid off by Government. This reduced the current level of HRA debt down from £219.9m to £83.55m.

4.5 Welfare Reforms

4.5.1 In March 2012 the Welfare Reform Act received royal Assent, legislating for the biggest change to the welfare system for over 60 years.

4.5.2 The Act introduces phased changes to the benefit system as follows:

- From April 2013 a cap will be introduced to the amount of benefits an out of work claimant can receive. This will be capped at £350pw for singles and £500pw for families.

Current information indicates that 880 households across the borough will be effected by the cap, of which 70% are in the private rented sector.

- From April 2013 the Under-Occupation rules will be introduced for working age people who live in social housing. This will be in the form of financial penalties for living in social housing which is larger than their needs defined by legislation. The reduction in Housing Benefit will be at the level of 14% of rent for under-occupying by 1 bed room and 25% of rent for under-occupying by 2 or more bedrooms.

Current information indicates that there are 1,420 under-occupying social housing tenants

- October 2013 will see the introduction of Universal Credit. This will replace many of the existing benefits, including housing benefit. The movement to UC will be in phases with new claims from out of work claimants from October 2013 and new claims from in work and HB claimants from April 2014. There will also be a period of 'migration' as a result of a change in circumstances up to October 2017. Key features of the scheme are:
 - The benefit is paid monthly in arrears
 - Is paid to one member of the household
 - Is paid directly to the claimant, not the housing provider

4.5.3 Changes to the welfare system and the impacts on the revenue account are still being assessed, but are likely to be substantial. At present, over 61% of tenants receive Housing Benefit. The changes being implemented could result in higher rent arrears and result in the need to increase bad debt provisions to cover the potential impact.

5 Efficiencies & Savings Proposals for 2013/14

5.1 The HRA strategy and self-financing assessments are continually updated and developed with the view to ensuring resources are available to meet costs and investment needs and are funded for 2013/14 and future years.

5.3 Savings and efficiencies delivered in the 2013/14 budget can be re-invested to help bridge the investment gap identified. As a prudent measure no savings were identified in developing the financial model, and agreeing all of the

growth and savings proposals in this report will not reduce the investment gap previously reported. The package of savings proposed by way of this report can mostly be delivered through efficiencies in back office services.

HRA Efficiencies/Savings & Growth proposals 2013/14

Item	Area	Proposals 2013/14 £'000
	Savings/Efficiencies	
1.	Hostels	-500
2.	Lewisham Homes Fee	-350
3.	Nil Inflation Increase for Repairs & Maintenance	-490
4.	Reduce Rental Void Allowance from 2% to 1.5%	-350
	Savings/Efficiencies total	-1,690
	Growth	
5.	Increase in Bad Debt provision to reflect potential impact of welfare reforms on tenant arrears	1,000
6.	Introduction of a rental charge for paladin bins on estates	250
	Growth total	1,250
	Total Budget Proposals	-440

- 5.4 As can be seen from the above table, savings/efficiencies and growth proposals result in a saving of £0.440m for 2013/14. If achieved, they could be used for investment needs currently identified by the HRA Business Plan.
- 5.5 Lewisham Homes have prepared a separate paper on the increase in Tenants and Leaseholders service Charges, which is to be considered elsewhere on the agenda.
- 5.7 An update of the HRA Strategy, Savings Proposals, proposed rent & service charge increases and comments from consultation with tenant representatives will be reported to Mayor & Cabinet as part of the HRA Rents and budget strategy report. Mayor & Cabinet will make the final budget decisions in the new year.
- 5.8 The following is a commentary on the savings and efficiencies listed in the table above.

Savings/Efficiencies

Item 1 Hostels

This proposal is to bring the hostels into line with self-financing and ensure that the service is self-sustaining and fully recovers costs incurred to provide temporary accommodation, including maintenance and asset investment.

The current hostel service runs at a deficit within the HRA, and this proposal seeks to rebalance the hostel account by raising appropriate charges to tenants to recover all costs incurred, this could be through increased service charges.

The hostel service is currently being reviewed, but is expected that to eliminate the current deficit, charges would need to be increased to generate an additional income of £500k. This would be over and above the normal inflationary increases applied annually. The additional increase in service charges to eliminate this deficit would be in the region of £14.13 per bed space per week, moving the charge from £16.68pw (after 2013/14 inflation is applied) to £30.81pw

Item 2 Lewisham Homes management fee

The proposed saving of £0.350m is to reflect the reduction in the stock through right to buy sales' and regeneration schemes. The net effect, if the saving is taken, will be a management fee of £18.8m in 2013/14 (£18.9m in 2012/13). This reflects an overall increase of 1.23% in the fee per property compared to 2012/13 (reflects inflationary increases of 1% on salaries & 2.5% on running costs).

Savings of £0.350m can be achieved through efficiencies with minimal impact on service provision.

Item 3 No Inflationary increase to Repairs & Maintenance budgets

It has been proposed by Lewisham Homes that the forecast inflationary increase to the Repairs & Maintenance budget of 2.5% is removed, producing a saving or cost reduction of £0.49m.

This proposal will have an impact on Lewisham Homes trading account and M&E budgets. However, the Repairs Trading Account, operated by Lewisham Homes, made surpluses in both 2010/11 and 2011/12 respectively. It is felt that this proposal can be accommodated without any impact on service provision, or reduction in repairs undertaken, due to improvements in efficiency.

Item 4 Reduce rental void allowance from 2.0% to 1.5%

Current rental income budgets assume a loss of income from voids at 2.0% annually.

Current Lewisham Homes Void rates are running at 0.89%. This is due to better voids management etc, and therefore it is proposed to reduced the budgeted void allowance.

However, because of the uncertainties of the impact of welfare reforms this proposal is for a 0.5% reduction only. This amounts to an estimated saving of £0.35m in 2013/14.

Growth

Item 5 Increase in bad debt provisions

This proposal is to increase the bad debt provision by 1.4%, from its current level of 1.1% to 2.5% for rents and service charges.

This equates to an estimated extra provision of £1m for bad debts and reflects the impact of the welfare reforms on tenant arrears.

Whilst the exact timing and impact of the welfare reforms can not be estimated with a high degree of accuracy, it is felt that it is prudent to increase provisions now to mitigate some or all of the effects.

Both the Council and Lewisham Homes expect that the main impacts will not manifest themselves until after the introduction of Universal Credit in October 2013. Existing claimants will see a phased migration onto the new system, the timescales have not been announced, but are likely to move to Universal Credit when they either have a change of circumstance or need to make a new claim. New benefit claimants, from October 2013, will be moved straight to Universal Credit and will receive direct payment of all benefit, including the housing element, 1 month in arrears.

In the event that the impact is less than anticipated, the resulting surplus will be set aside for capital investment.

Item 6 Rental charges for paladin bins on estates

Environmental Services have incurred increasing costs in maintaining bulk waste bins and replacing stolen bins. As resources available decrease, it is becoming increasingly harder for the service to absorb these costs. A proposal has therefore been made as a part of the Council's budget strategy to introduce a charge for the repair, maintenance and replacement of these bins used by landlords and managing agents for communal properties

This proposal is to recharge the Housing Revenue account for the service in respect of homes managed by Lewisham Homes and RB3.

Under section 46(3) of the Environmental Protection Act 1990 a local authority is empowered to levy a one off or annual hire charge for the provision of receptacles for the containment of household waste. Economic pressures have now deemed it

necessary to introduce an annual hire charge to cover maintenance and replacement costs.

The proposed charge is £3 per bin per week and covers repair, maintenance and refurbishment costs to maintain bins in a usable condition and in a condition to enable collection by the council's waste collection service.

Based on 1,400 bins the charge in respect of Lewisham Homes will be £220k and, based on 180 bins, the cost in respect of Brockley PFI will be £30k. The fee will be reviewed annually as a part of the budget strategy process.

6.0 Rents and Rent Restructuring

- 6.1 The 2013-14 financial year is the 13th year of what was originally a 10-year rent restructuring programme due to complete by 2011/12. However, DCLG moved the convergence date to 1 April 2015 i.e. in 2 years' time.
- 6.2 The government has confirmed that the 2013/14 limit rent calculations (used for HB purposes) continues to assume a convergence date of 2015/16. In addition, they have confirmed that they expect that the actual rent rise calculations would also be based on this assumption if authorities are following formula rent increases.

2012/13 Rent Rise – Technical Formula Calculation

- 6.3 The forecast increase in actual tenants rents, using the rent restructuring guidance of limiting actual increases to RPI @ September 2012 of 2.60% + 0.5% + £2 (maximum convergence element) is 4.05%, which equates to an average rise of £3.54pw. This would raise the average 52 week dwelling rent for the London Borough of Lewisham from £87.49 to £91.03pw based on stock in the HRA as at 1st April 2012.
- 6.4 There have been no other changes in the methodology for calculating formula rents.
- 6.5 Following the rent restructuring formula will result in an average Limit Rent, which is the amount of rent that would be covered by Housing benefit, of £90.99pw, based on the stock in the HRA as at 1st April 2012.
- 6.6 The rent rise noted above in section 6.3 will generate £2.724m in additional rental income. A rent rise lower than the formula calculation is likely to result in lost resources in the HRA. For example a rent rise of RPI less 1% would generate £2.035m in additional rental income, a reduction of £0.689m or £0.88 per dwelling per week. A rent rise of £1 less than the forecasted amount would result in a reduction of £0.782m in additional rental income. Any reduction in the proposed rent increase would result in less resources available to the HRA business plan. It would therefore be likely that additional savings would be required to make up for any lost resources

- 6.7 A rent rise higher than the formula calculation is likely to result in additional recharges to the HRA via the HB subsidy limitation charges. For example an increase of 1% above the calculated average will generate additional income of £0.678m, but £0.416m would be lost in additional limitation recharges, resulting in a net benefit to the HRA of £0.262m. An increase of £1 above the calculated average will generate additional income of £0.780m, but £0.478m would be lost in additional limitation recharges, resulting in a net benefit to the HRA of £0.302m.

7 Service Charges & Garage Rents

- 7.1 The agreed policy on Service Charges are that charges should reflect full cost recovery for the type of service undertaken. Heating and hot water costs are also recovered by a charge to tenants and leaseholders. Lewisham Homes have provided a separate consultation report to panels regarding the increase to be applied for 2013/14. The overall tenant increase being proposed is 2.58% or £0.19pw. This will raise the overall charges from £7.27pw to £7.46pw.

Garage Rents

- 7.2 Garage rents are proposed to rise in line with RPI inflation @ September 2012 which is 2.60%. This represents an increase of £0.30pw and would raise the average charge from £10.69pw to £10.99pw. The proposed increase would raise an additional 323k of revenue income.

8 Tenants' Levy

- 8.1 As part of the budget and rent setting proposals for 2005/6 a sum of £0.13p per week was 'unpooled' from rent as a tenants service charge in respect of the Lewisham Tenants' Fund. There has been no increase in this levy since its introduction, following consultation with Housing Panels.
- 8.2 There have been no proposals put forward by the tenants fund committee to increase the amount of the 2013/14 Levy.
- 8.3 The tenants' fund have provided the panels with a consultation report regarding the accounts of the fund and budget proposals for 2013/14.

9 Consultation

9.1 Consultation under tenants' compact

Consultation will take place in line with the tenants' compact arrangements. Since these arrangements provide an opportunity to engage tenants in a discussion on rent rises, it is proposed to continue to involve tenant representatives through the Housing Panels in December/January and feedback any views to Mayor & Cabinet.

9.2 Housing Select Committee

It is proposed that Public Account Committee will consider the proposals that Mayor & Cabinet will consider, in January/February 2013.

9.3 Public Accounts Committee

It is proposed that Public Account Committee will first consider the proposals that Mayor & Cabinet will consider, in January/February 2013.

10 Financial Implications

10.1 The estimated financial implications are contained in this report in each section of the report. In summary these are:

- Rents are proposed to increase by 4.05% which is an average increase of £3.54pw.

- Tenant service charges are proposed to increase by 2.58%, which is an average increase of £0.19pw.

- Garage charges are proposed to increase by 2.6% which is an average of £0.30pw.

- There are no proposal to increase the tenants fund levy which will remain at £0.13pw.

10.2 The Council's HRA financial model, as reported to Mayor & Cabinet in July 2012, showed a deficit of £85m against resource needs for services, the capital programme and new build schemes. The deficit was made up as follows:

Business Plan Assumptions

Decent Homes Programme	Yes
Lifecycle & Maintenance Programme	Yes
New Build Capacity @ £150k per unit	250
Borrowing Availability	£14.0m

Investment Requirement

Sheltered & Extra Care	£17.0m
Aspirational Costs	£30.0m
Further New Build Units – to 600	£52.5m

Total Additional investment £99.5m

Shortfall in investment Capacity £85.5m

10.3 The model has now been updated to take effect of the proposals contained in this report and shows that the deficit is £87.5m, an increase of £2.0m. This is

mainly due to the increased need to set-aside higher provisions due to the impact of the welfare reforms.

11 Legal Implications

- 11.1 Section 24 of the Housing Act 1985 provides that a local housing authority may make such reasonable charges as they determine for the tenancy or occupation of their houses. The Authority must review rents from time to time and make such changes as circumstances require. Within this discretion there is no one lawful option and any reasonable option may be looked at. The consequences of each option must be explained fully so that Members understand the implications of their decisions.
- 11.2 Section 76 of the Local Government and Housing Act 1989 provides that local housing authorities are under a duty to prevent a debit balance in the HRA. Rents must therefore be set to avoid such a debit.
- 11.3 Section 103 of the Housing Act 1985 sets out the terms under which secure tenancies may be varied. This requires –
- the Council to serve a Notice of Variation at least 4 weeks before the effective date;
 - the provision of sufficient information to explain the variation;
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- 11.4 The timetable for the consideration of the 2013/14 rent levels provides an adequate period to ensure that legislative requirements are met.
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- 11.6 Where as an outcome of the rent setting process, there are to be significant changes in housing management practice or policy, further consultation may be required with the tenants affected in accordance with section 105 of the Housing Act 1985.

12 Crime and Disorder

There are no specific implications.

13 Environmental Implications

There are no specific implications.

14 Equality Implications

- 14.1 Council tenants include a higher than average proportion of elderly people and black and ethnic minorities. Many tenants are unemployed or on low income. The service has specific provision for more vulnerable groups within the community. A significant proportion of new allocations are made to families and women with young children.
- 14.2 In undertaking consultation and examining potential options, the equalities impact for different groups of people will be considered, particularly black and ethnic minorities, women, disabled people and young people.

15 Conclusion

- 15.1 It is currently forecasted that a rent rise of 4.05% (£3.54pw) will be applied to Council dwellings in 2013/14 under the rent restructuring formula.
- 15.3 The proposed timetable enables scrutiny of the budget and proposals by Public Accounts Select Committee in January/February 2013.
- 15.4 The consultation arrangements have been strengthened in the light of the Tenants Compact and Tenants Strategy Group are asked to consider the proposals accordingly.

If you require any more information about this report please contact Conrad Hall on 0208 314 8379 (e-mail conrad.hall@lewisham.gov.uk)

HOUSING PANELS		
Report Title	Housing Revenue Account (HRA) – Rent Setting Consultation Brockley PFI Area	
Key Decision	Yes	
Ward	All	
Contributors	Executive Director for Customer Services & Executive Director for Resources & Regeneration	
Class	Part 1	Date: 13 th December 2012

1 Purpose of the Report

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- 2.3 Following Government's rent restructuring formula would result in average increases in rent for 2013/14 of £3.54 or 4.05% over a 52 week period. This will raise the full year average dwelling rent for the London Borough of Lewisham from £87.49 to £91.03pw. The proposed increase will raise an additional £2.724m of rental income to the HRA. The increase is in line with the assumptions in the current HRA financial model.

- 2.4 The authority can raise rents by more or less than that indicated by the Government's formula calculation. However, it is important to understand that if rent is increased by less than the Formula amount then the Council suffers the full cost of the lost rent which would have a significant impact the Council's investment plans. It should also be remembered that if rent is increased by more than the Formula amount, the Council receives only part of the financial benefit of the extra rent raised because of the way the housing benefit system operates in such circumstances.
- 2.5 The potential average service rises are contained in the Regenter B3 service charge report 2013/14, which is considered elsewhere on the agenda. The proposal is for an increase of £0.11pw or 2.27%. This will move the average charge from £4.84pw to £4.95pw.
- 2.6 Efficiencies/Savings of -£1.690m and growth of £1.250m are being proposed for 2013/14 as outlined in section 5. The net effect of these proposals would be an overall saving of £0.440m to the HRA which would be available for reinvestment into stock or services. Whilst some of these proposals can be achieved by efficiencies in service delivery, there are policy choices to be considered.
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- 3.1 The proposals in this report support the priorities of 'Shaping our Future' – Lewisham's Sustainable Community Strategy (2008 -20), specifically 'Clean, green and liveable - where people live in high quality housing and can care for and enjoy their environment' and supports the Council's corporate priority regarding 'Decent Homes for all'.

4 Introduction

- 4.1 The delivery of Lewisham's housing management service has undergone significant changes in recent years. This is as a result of the stock options appraisal submitted in July 2005 which recommended a mixed approach to improving the stock to meet the Government's Decent Homes Strategy. The approach involved some stock transfers, refurbishment through Private Finance Initiatives (PFI) and the establishment of an Arms Length Management Organisation (ALMO).

4.2 Since the last tenant panel meeting, it has been confirmed that Lewisham will receive £94.5m of Decent Homes funding from DCLG. This is currently profiled as:

2011/12	£14.0m
2012/13	£11.5m
2013/14	£24.0m
2014/15	<u>£45.0m</u>
	£94.5m

4.3 The council bid for £186m, being the cost of the full decent homes programme, and will continue to press DCLG for the balance of the funding.

4.4 Self-financing

4.4.1 HRA subsidy was abolished from 1st April 2012 and replaced by self-financing on the same date. The changes mean that authority can now keep all rents and income generated from its stock, rather than contribute it to the national HRA rent pool, to reinvest in the stock or services provided and move housing to a position where the housing stock is 'self sustaining'.

In summary the key features of the new system are:

- A one-off settlement and redistribution of existing housing debt, was undertaken on 28th March 2012 requiring each local housing authority to either take on new debt as at 1 April 2012 or have some of its existing housing debt repaid.
- Following the settlement local housing authorities are now free to either repay debt or take on new borrowing (up to a centrally determined cap), taking account of local priorities and housing investment needs.
- From 1 April 2012 local housing authorities are no longer required to make contributions to, or receive contributions from, the national subsidy system.
- The existing system of rent restructuring controls will continue, with the expected 'convergence date' of 2015/16.
- Local housing authorities will continue to be accountable for ensuring effective housing management and investment.
- The HRA 'ring-fencing' will continue.

4.4.2 The debt 'settlements' were undertaken on 28th March 2012. Under the self-financing regime Lewisham had £136.34m of debt paid off by Government. This reduced the current level of HRA debt down from £219.9m to £83.55m.

4.5 Welfare Reforms

4.5.1 In March 2012 the Welfare Reform Act received royal Assent, legislating for the biggest change to the welfare system for over 60 years.

4.5.2 The Act introduces phased changes to the benefit system as follows:

- From April 2013 a cap will be introduced to the amount of benefits an out of work claimant can receive. This will be capped at £350pw for singles and £500pw for families.

Current information indicates that 880 households across the borough will be effected by the cap, of which 70% are in the private rented sector.

- From April 2013 the Under-Occupation rules will be introduced for working age people who live in social housing. This will be in the form of financial penalties for living in social housing which is larger than their needs defined by legislation. The reduction in Housing Benefit will be at the level of 14% of rent for under-occupying by 1 bed room and 25% of rent for under-occupying by 2 or more bedrooms.

Current information indicates that there are 1,420 under-occupying social housing tenants

- October 2013 will see the introduction of Universal Credit. This will replace many of the existing benefits, including housing benefit. The movement to UC will be in phases with new claims from out of work claimants from October 2013 and new claims from in work and HB claimants from April 2014. There will also be a period of 'migration' as a result of a change in circumstances up to October 2017. Key features of the scheme are:
 - The benefit is paid monthly in arrears
 - Is paid to one member of the household
 - Is paid directly to the claimant, not the housing provider

4.5.3 Changes to the welfare system and the impacts on the revenue account are still being assessed, but are likely to be substantial. At present, over 61% of tenants receive Housing Benefit. The changes being implemented could result in higher rent arrears and result in the need to increase bad debt provisions to cover the potential impact.

5 Efficiencies & Savings Proposals for 2013/14

5.1 The HRA strategy and self-financing assessments are continually updated and developed with the view to ensuring resources are available to meet costs and investment needs and are funded for 2013/14 and future years.

5.3 Savings and efficiencies delivered in the 2013/14 budget can be re-invested to help bridge the investment gap identified. As a prudent measure no savings were identified in developing the financial model, and agreeing all of the

growth and savings proposals in this report will not reduce the investment gap previously reported. The package of savings proposed by way of this report can mostly be delivered through efficiencies in back office services.

HRA Efficiencies/Savings & Growth proposals 2013/14

Item	Area	Proposals 2013/14 £'000
	Savings/Efficiencies	
1.	Hostels	-500
2.	Lewisham Homes Fee	-350
3.	Nil Inflation Increase for Repairs & Maintenance	-490
4.	Reduce Rental Void Allowance from 2% to 1.5%	-350
	Savings/Efficiencies total	-1,690
	Growth	
5.	Increase in Bad Debt provision to reflect potential impact of welfare reforms on tenant arrears	1,000
6.	Introduction of a rental charge for paladin bins on estates	250
	Growth total	1,250
	Total Budget Proposals	-440

- 5.4 As can be seen from the above table, savings/efficiencies and growth proposals result in a saving of £0.440m for 2013/14. If achieved, they could be used for investment needs currently identified by the HRA Business Plan.
- 5.5 Regenter B3 have prepared a separate paper on the increase in Tenants and Leaseholders service Charges, which is to be considered elsewhere on the agenda.
- 5.7 An update of the HRA Strategy, Savings Proposals, proposed rent & service charge increases and comments from consultation with tenant representatives will be reported to Mayor & Cabinet as part of the HRA Rents and budget strategy report. Mayor & Cabinet will make the final budget decisions in the new year.
- 5.8 The following is a commentary on the savings and efficiencies listed in the table above.

Savings/Efficiencies

Item 1 Hostels

This proposal is to bring the hostels into line with self-financing and ensure that the service is self-sustaining and fully recovers costs incurred to provide temporary accommodation, including maintenance and asset investment.

The current hostel service runs at a deficit within the HRA, and this proposal seeks to rebalance the hostel account by raising appropriate charges to tenants to recover all costs incurred, this could be through increased service charges.

The hostel service is currently being reviewed, but is expected that to eliminate the current deficit, charges would need to be increased to generate an additional income of £500k. This would be over and above the normal inflationary increases applied annually. The additional increase in service charges to eliminate this deficit would be in the region of £14.13 per bed space per week, moving the charge from £16.68pw (after 2013/14 inflation is applied) to £30.81pw

Item 2 Lewisham Homes management fee

The proposed saving of £0.350m is to reflect the reduction in the stock through right to buy sales' and regeneration schemes. The net effect, if the saving is taken, will be a management fee of £18.8m in 2013/14 (£18.9m in 2012/13). This reflects an overall increase of 1.23% in the fee per property compared to 2012/13 (reflects inflationary increases of 1% on salaries & 2.5% on running costs).

Savings of £0.350m can be achieved through efficiencies with minimal impact on service provision.

Item 3 No Inflationary increase to Repairs & Maintenance budgets

It has been proposed by Lewisham Homes that the forecast inflationary increase to the Repairs & Maintenance budget of 2.5% is removed, producing a saving or cost reduction of £0.49m.

This proposal will have an impact on Lewisham Homes trading account and M&E budgets. However, the Repairs Trading Account, operated by Lewisham Homes, made surpluses in both 2010/11 and 2011/12 respectively. It is felt that this proposal can be accommodated without any impact on service provision, or reduction in repairs undertaken, due to improvements in efficiency.

Item 4 Reduce rental void allowance from 2.0% to 1.5%

Current rental income budgets assume a loss of income from voids at 2.0% annually.

Current Lewisham Homes Void rates are running at 0.89%. This is due to better voids management etc, and therefore it is proposed to reduced the budgeted void allowance.

However, because of the uncertainties of the impact of welfare reforms this proposal is for a 0.5% reduction only. This amounts to an estimated saving of £0.35m in 2013/14.

Growth

Item 5 Increase in bad debt provisions

This proposal is to increase the bad debt provision by 1.4%, from its current level of 1.1% to 2.5% for rents and service charges.

This equates to an estimated extra provision of £1m for bad debts and reflects the impact of the welfare reforms on tenant arrears.

Whilst the exact timing and impact of the welfare reforms can not be estimated with a high degree of accuracy, it is felt that it is prudent to increase provisions now to mitigate some or all of the effects.

Both the Council and Lewisham Homes expect that the main impacts will not manifest themselves until after the introduction of Universal Credit in October 2013. Existing claimants will see a phased migration onto the new system, the timescales have not been announced, but are likely to move to Universal Credit when they either have a change of circumstance or need to make a new claim. New benefit claimants, from October 2013, will be moved straight to Universal Credit and will receive direct payment of all benefit, including the housing element, 1 month in arrears.

In the event that the impact is less than anticipated, the resulting surplus will be set aside for capital investment.

Item 6 Rental charges for paladin bins on estates

Environmental Services have incurred increasing costs in maintaining bulk waste bins and replacing stolen bins. As resources available decrease, it is becoming increasingly harder for the service to absorb these costs. A proposal has therefore been made as a part of the Council's budget strategy to introduce a charge for the repair, maintenance and replacement of these bins used by landlords and managing agents for communal properties

This proposal is to recharge the Housing Revenue account for the service in respect of homes managed by Lewisham Homes and RB3.

Under section 46(3) of the Environmental Protection Act 1990 a local authority is empowered to levy a one off or annual hire charge for the provision of receptacles for the containment of household waste. Economic pressures have now deemed it

necessary to introduce an annual hire charge to cover maintenance and replacement costs.

The proposed charge is £3 per bin per week and covers repair, maintenance and refurbishment costs to maintain bins in a usable condition and in a condition to enable collection by the council's waste collection service.

Based on 1,400 bins the charge in respect of Lewisham Homes will be £220k and, based on 180 bins, the cost in respect of Brockley PFI will be £30k. The fee will be reviewed annually as a part of the budget strategy process.

6.0 Rents and Rent Restructuring

- 6.1 The 2013-14 financial year is the 13th year of what was originally a 10-year rent restructuring programme due to complete by 2011/12. However, DCLG moved the convergence date to 1 April 2015 i.e. in 2 years' time.
- 6.2 The government has confirmed that the 2013/14 limit rent calculations (used for HB purposes) continues to assume a convergence date of 2015/16. In addition, they have confirmed that they expect that the actual rent rise calculations would also be based on this assumption if authorities are following formula rent increases.

2012/13 Rent Rise – Technical Formula Calculation

- 6.3 The forecast increase in actual tenants rents, using the rent restructuring guidance of limiting actual increases to RPI @ September 2012 of 2.60% + 0.5% + £2 (maximum convergence element) is 4.05%, which equates to an average rise of £3.54pw. This would raise the average 52 week dwelling rent for the London Borough of Lewisham from £87.49 to £91.03pw based on stock in the HRA as at 1st April 2012.
- 6.4 There have been no other changes in the methodology for calculating formula rents.
- 6.5 Following the rent restructuring formula will result in an average Limit Rent, which is the amount of rent that would be covered by Housing benefit, of £90.99pw, based on the stock in the HRA as at 1st April 2012.
- 6.6 The rent rise noted above in section 6.3 will generate £2.724m in additional rental income. A rent rise lower than the formula calculation is likely to result in lost resources in the HRA. For example a rent rise of RPI less 1% would generate £2.035m in additional rental income, a reduction of £0.689m or £0.88 per dwelling per week. A rent rise of £1 less than the forecasted amount would result in a reduction of £0.782m in additional rental income. Any reduction in the proposed rent increase would result in less resources available to the HRA business plan. It would therefore be likely that additional savings would be required to make up for any lost resources

- 6.7 A rent rise higher than the formula calculation is likely to result in additional recharges to the HRA via the HB subsidy limitation charges. For example an increase of 1% above the calculated average will generate additional income of £0.678m, but £0.416m would be lost in additional limitation recharges, resulting in a net benefit to the HRA of £0.262m. An increase of £1 above the calculated average will generate additional income of £0.780m, but £0.478m would be lost in additional limitation recharges, resulting in a net benefit to the HRA of £0.302m.

7 Service Charges & Garage Rents

- 7.1 The agreed policy on Service Charges are that charges should reflect full cost recovery for the type of service undertaken. Heating and hot water costs are also recovered by a charge to tenants and leaseholders. Regenter B3 have provided a separate consultation report to panels regarding the increase to be applied for 2013/14. The overall tenant increase being proposed is 2.27% or £0.11pw. This will raise the overall charges from £4.84pw to £4.95pw.

Garage Rents

- 7.2 Garage rents are proposed to rise in line with RPI inflation @ September 2012 which is 2.60%. This represents an increase of £0.30pw and would raise the average charge from £10.69pw to £10.99pw. The proposed increase would raise an additional 323k of revenue income.

8 Tenants' Levy

- 8.1 As part of the budget and rent setting proposals for 2005/6 a sum of £0.13p per week was 'unpooled' from rent as a tenants service charge in respect of the Lewisham Tenants' Fund. There has been no increase in this levy since its introduction, following consultation with Housing Panels.
- 8.2 There have been no proposals put forward by the tenants fund committee to increase the amount of the 2013/14 Levy.
- 8.3 The tenants' fund have provided the panels with a consultation report regarding the accounts of the fund and budget proposals for 2013/14.

9 Consultation

9.1 Consultation under tenants' compact

Consultation will take place in line with the tenants' compact arrangements. Since these arrangements provide an opportunity to engage tenants in a discussion on rent rises, it is proposed to continue to involve tenant representatives through the Housing Panels in December/January and feedback any views to Mayor & Cabinet.

9.2 Housing Select Committee

It is proposed that Public Account Committee will consider the proposals that Mayor & Cabinet will consider, in January/February 2013.

9.3 Public Accounts Committee

It is proposed that Public Account Committee will first consider the proposals that Mayor & Cabinet will consider, in January/February 2013.

10 Financial Implications

10.1 The estimated financial implications are contained in this report in each section of the report. In summary these are:

- Rents are proposed to increase by 4.05% which is an average increase of £3.54pw.

- Tenant service charges are proposed to increase by 2.47%, which is an average increase of £0.12pw.

- Garage charges are proposed to increase by 2.6% which is an average of £0.30pw.

- There are no proposal to increase the tenants fund levy which will remain at £0.13pw.

10.2 The Council's HRA financial model, as reported to Mayor & Cabinet in July 2012, showed a deficit of £85m against resource needs for services, the capital programme and new build schemes. The deficit was made up as follows:

Business Plan Assumptions

Decent Homes Programme	Yes
Lifecycle & Maintenance Programme	Yes
New Build Capacity @ £150k per unit	250
Borrowing Availability	£14.0m

Investment Requirement

Sheltered & Extra Care	£17.0m
Aspirational Costs	£30.0m
Further New Build Units – to 600	£52.5m

Total Additional investment £99.5m

Shortfall in investment Capacity £85.5m

10.3 The model has now been updated to take effect of the proposals contained in this report and shows that the deficit is £87.5m, an increase of £2.0m. This is

mainly due to the increased need to set-aside higher provisions due to the impact of the welfare reforms.

11 Legal Implications

- 11.1 Section 24 of the Housing Act 1985 provides that a local housing authority may make such reasonable charges as they determine for the tenancy or occupation of their houses. The Authority must review rents from time to time and make such changes as circumstances require. Within this discretion there is no one lawful option and any reasonable option may be looked at. The consequences of each option must be explained fully so that Members understand the implications of their decisions.
- 11.2 Section 76 of the Local Government and Housing Act 1989 provides that local housing authorities are under a duty to prevent a debit balance in the HRA. Rents must therefore be set to avoid such a debit.
- 11.3 Section 103 of the Housing Act 1985 sets out the terms under which secure tenancies may be varied. This requires –
- the Council to serve a Notice of Variation at least 4 weeks before the effective date;
 - the provision of sufficient information to explain the variation;
 - an opportunity for the tenant to serve a Notice to Quit terminating their tenancy.
- 11.4 The timetable for the consideration of the 2013/14 rent levels provides an adequate period to ensure that legislative requirements are met.
- 11.5 Part III of Schedule 4 of the Local Government and Housing Act 1989 provides that where benefits or amenities arising out of the exercise of a Housing Authority's functions, are provided for persons housed by the authority, but are shared by the community as a whole, the authority shall make such contribution to their HRA from their other revenue accounts to properly reflect the community's share of the benefits or amenities.
- 11.6 Where as an outcome of the rent setting process, there are to be significant changes in housing management practice or policy, further consultation may be required with the tenants affected in accordance with section 105 of the Housing Act 1985.

12 Crime and Disorder

There are no specific implications.

13 Environmental Implications

There are no specific implications.

14 Equality Implications

- 14.1 Council tenants include a higher than average proportion of elderly people and black and ethnic minorities. Many tenants are unemployed or on low income. The service has specific provision for more vulnerable groups within the community. A significant proportion of new allocations are made to families and women with young children.
- 14.2 In undertaking consultation and examining potential options, the equalities impact for different groups of people will be considered, particularly black and ethnic minorities, women, disabled people and young people.

15 Conclusion

- 15.1 It is currently forecasted that a rent rise of 4.05% (£3.54pw) will be applied to Council dwellings in 2013/14 under the rent restructuring formula.
- 15.3 The proposed timetable enables scrutiny of the budget and proposals by Public Accounts Select Committee in January/February 2013.
- 15.4 The consultation arrangements have been strengthened in the light of the Tenants Compact and Tenants Strategy Group are asked to consider the proposals accordingly.

If you require any more information about this report please contact Conrad Hall on 0208 314 8379 (e-mail conrad.hall@lewisham.gov.uk)

Committee	Brockley Residents Board		Item No	
Report Title	Leasehold and Tenant Charges Consultation			
Contributor	Regenter Brockley Operations Manager			
Class	Decision	Date	13th December 2012	

1 Summary

- 1.1 The report sets out proposals to increase service charges to ensure full cost recovery in line with Lewisham Council's budget strategy.
- 1.2 The report requests Brockley Residents Board members to consider the proposals to increase service charges based on an uplift of 3% for 2013/14 on specific elements. This is based on full cost recovery in line with last year's proposals. The contract inflation award of 4.63% has not been applied.

2 Policy Context

- 2.1 The policy context for leasehold and tenant service charges is a mixture of statutory and Council Policy.
- 2.2 The Council's Housing Revenue Account is a ringfenced revenue account. The account is required to contain only those charges directly related to the management of the Council's Housing stock. This requires that leaseholder charges reflect the true cost of maintaining their properties where the provision of their lease allows. This prevents the situation occurring where tenants are subsidising the cost of leaseholders who have purchased their properties.

3. Recommendations

- 3.1 The Brockley Residents Board is requested to consider and comment on the proposals contained in this report and the feedback from the residents will be presented to Mayor & Cabinet as part of the wider rent setting report.

4. Purpose

- 4.1 The purpose of the report is to:
 - outline the proposals for increases in service charges in line with the contract arrangements for leaseholders and tenants to recover costs incurred for providing these services

5. Housing Revenue Account Charges

- 5.1 There are a number of charges made to residents which are not covered through rents. These charges are principally:
- Leasehold Service Charges
 - Tenant Service Charges
- 5.2 A service charge levy is applied to Tenants for caretaking, grounds maintenance, communal lighting, bulk waste collection and window cleaning. Tenants also pay a Tenants Fund Levy which is passed onto the Tenants Fund as a grant.
- 5.3 The key principles that should be considered when setting service charges are that:
- The charge should be fair and be no more or less than the cost of providing the service
 - The charge can be easily explained
 - The charge represents value for money
 - The charging basis allocates costs fairly amongst those receiving the service
 - The charge to all residents living in a block will be the same
- 5.4 The principle of full cost recovery ensures that residents pay for services consumed and minimises any pressures in the Housing Revenue Account in providing these services. This is in line with the current budget strategy.
- 5.5 In the current economic environment it must however be recognised that for some residents this may represent a significant financial strain. Those in receipt of housing benefit will receive housing benefit on increased service charges. Approximately 60% of council tenants are in receipt of housing benefit.

6. Analysis of full cost recovery

- 6.1 The following section provides analysis on the impact on individuals of increasing charges to the level required to ensure full cost recovery. The tables indicate the overall level of increases.

Leasehold service charges

- 6.2 The basis of the leasehold management charge was reviewed when the PFI contract was put in place.

- 6.3 The basis of leaseholder charges were reviewed last year and it was agreed that charges should reflect full cost recovery for the type of service undertaken. In order to ensure continuation of this, it is proposed that an uplift of 3% is applied to specific elements, which reflects full cost recovery. There are no proposals to use actual PFI contract inflation, which was 4.63%.
- 6.4 It is proposed to leave the current communal lighting charges in place for 2013/14, and review the position again this time next year.
- 6.5 In order to ensure full cost recovery, leaseholders' service charges for caretaking, grounds maintenance and other services should be increased by an average of £0.18 pw which would move the current average weekly charge from £10.23 to £10.41. The current charges continue to reflect the full cost recovery level expected by the Council.
- 6.6 The following table sets out the average weekly increase for the current services provided by Regenter Brockley.

Service	Leasehold No.	Current Weekly Charge	New Weekly	Weekly Increase	% Increase
Current		£	£	£	%
Caretaking	357	2.93	3.02	0.09	3%
Grounds	354	1.25	1.29	0.04	3%
Lighting	384	0.63	0.63	0.0	0%
Bulk Waste	357	0.41	0.41	0.00	0%
Window Cleaning	216	0.05	0.05	0.00	0%
Resident Involvement	510	0.16	0.16	0.00	0%
Customer Services	510	0.24	0.24	0.00	0%
Ground Rent	510	0.19	0.19	0.00	0.0%
General Repairs	232	2.23	2.23	0.00	0%
Technical Repairs	395	0.16	0.17	0.01	3%
Entry Systems	114	0.15	0.16	0.01	3%
Lifts	234	1.06	1.09	0.03	3%
Management Charge	510	0.87	0.87	0.00	0.0%
Total	510	10.33	10.51	0.18	1.74%

Tenant service charges

- 6.7 Tenant service charges were separated out from rent (unpooled) in 2003/04, and have been increased by inflation since then. RB3 took over the provision of the caretaking and grounds maintenance services in 2007/08. Both tenants and leaseholders pay caretaking, grounds maintenance, communal lighting, bulk waste collection and window cleaning service charges.
- 6.8 In addition, tenants pay a contribution of £0.13pw to the Lewisham Tenants Fund. At present there are no plans to increase the Tenants Fund charges.
- 6.9 It is proposed to leave the current communal lighting charges in place for 2013/14, and review the position again this time next year.
- 6.10 The current service charge arrangements ensure full cost recovery and will ensure that both tenants and leaseholders in the same block will pay the same amount.
- 6.11 In order to ensure full cost recovery, tenant's service charges for caretaking, grounds maintenance and other services should be increased by an average of £0.11pw which would move the current average weekly charge from £4.84 to £4.95.
- 6.12 The effect of increases in tenant service charges to a level that covers the full cost of providing the service is set out in the table below.

Service	Current Weekly Charge	New Weekly Charge	Weekly Increase	% increase
Current	£	£	£	%
Caretaking	2.61	2.68	0.08	3%
Grounds	1.21	1.25	0.04	3%
Lighting	0.68	0.68	0.00	0%
Bulk Waste	0.19	0.19	0.00	0%
Window Cleaning	0.02	0.02	0.00	0%
Tenants fund	0.13	0.13	0.00	0.0%
Total	4.84	4.95	0.11	2.27%

- 6.13 The RB3 Board are asked for their views on these charges from 2013/14. Results of the consultation will be presented to Mayor and Cabinet for approval.

7. Financial implications

The main financial implications are set out in the body of the report.

8. Legal implications

- 8.1. Section 24 of the Housing Act 1985 provides that a local housing authority may make such reasonable charges as they determine for the tenancy or occupation of their houses. The Authority must review rents from time to time and make such changes as circumstances require. Within this discretion there is no one lawful option and any reasonable option may be looked at. The consequences of each option must be explained fully so that Members understand the implications of their decisions.
- 8.2 Section 76 of the Local Government and Housing Act 1989 provides that local housing authorities are under a duty to prevent a debit balance in the HRA. Rents must therefore be set to avoid such a debit.
- 8.3 Section 103 of the Housing Act 1985 sets out the terms under which secure tenancies may be varied. This requires –
- the Council to serve a Notice of Variation at least 4 weeks before the effective date;
 - the provision of sufficient information to explain the variation;
 - an opportunity for the tenant to serve a Notice to Quit terminating their tenancy.
- 8.4 The timetable for the consideration of the 2013/14 rent levels provides an adequate period to ensure that legislative requirements are met.
- 8.5 Part III of Schedule 4 of the Local Government and Housing Act 1989 provides that where benefits or amenities arising out of the exercise of a Housing Authority's functions, are provided for persons housed by the authority, but are shared by the community as a whole, the authority shall make such contribution to their HRA from their other revenue accounts to properly reflect the community's share of the benefits or amenities.
- 8.6 Where as an outcome of the rent setting process, there are to be significant changes in housing management practice or policy, further consultation may be required with the tenants affected in accordance with section 105 of the Housing Act 1985.

9. Crime and disorder implications

There are no specific crime and disorder implications in respect of this report paragraph.

10. Equalities implications

The general principle of ensuring that residents pay the same charge for the same service is promoting the principle that services are provided to residents in a fair and equal manner.

11. Environmental implications

There are no specific environmental implications in respect of this report.

12. Conclusion

12.1 Revising the level of charges ensures that the charges are fair and residents are paying for the services they use.

12.2 The additional resources generated will relieve some of the current pressures within Housing Revenue Account and will contribute to the funding of the PFI contract which is contained within the authorities Housing Revenue Account.

If you require any further information on this report please contact

Alwyn Lewis on 0207 635 1208 or Alwyn.lewis@pinnacle-psg.com

HOUSING PANELS		
Report Title	Housing Revenue Account (HRA) – Rent Setting Consultation Excalibur TMO	
Key Decision	Yes	
Ward	All	
Contributors	Executive Director for Customer Services & Executive Director for Resources & Regeneration	
Class	Part 1	Date: 17 th December 2012

1 Purpose of the Report

To outline the forecast rent, service charge, garage and heating and hot water increases for Lewisham Council Dwellings in 2013/14, based on the Rent Restructuring formula issued by Central Government. Residents are invited to consider this report and provide feedback on the proposals contained.

2 Executive Summary

- 2.1 Following the introduction of the new self-financing system for the housing revenue account (HRA) the Council has been considering in the round the options for how it's stock is managed and developed. This has been reported in detail to the Mayor and Cabinet on 11 July 2012. As summarised in paragraphs 10.2 of this report, the most significant feature of this new system for Lewisham has been that it leaves a gap of c£85m over the next 10 years between the investment need and the resources available.
- 2.2 The complex financial model underpinning this appraisal is dependent on assumptions about future costs, for example for lifecycle repairs, capital investment, new build and so on. Most significantly of all it is based on an assumption that rents will rise in line with the Government's 'Convergence Formula' until 2015/16 (RPI + 0.5% + £2pw) and at RPI + 0.5% p.a. thereafter. As set out in the report, the Council is not obliged to follow this formula, but if it chooses not to do so there would be significant financial implications.
- 2.3 Following Government's rent restructuring formula would result in average increases in rent for 2013/14 of £3.54 or 4.05% over a 52 week period. This will raise the full year average dwelling rent for the London Borough of Lewisham from £87.49 to £91.03pw. The proposed increase will raise an additional £2.724m of rental income to the HRA. The increase is in line with the assumptions in the current HRA financial model.

- 2.4 The authority can raise rents by more or less than that indicated by the Government's formula calculation. However, it is important to understand that if rent is increased by less than the Formula amount then the Council suffers the full cost of the lost rent which would have a significant impact the Council's investment plans. It should also be remembered that if rent is increased by more than the Formula amount, the Council receives only part of the financial benefit of the extra rent raised because of the way the housing benefit system operates in such circumstances.
- 2.5 The TMO does not currently implement service charges to its residents. However, the committee should note that the average service and heating and hot water charge for Lewisham Homes residents are proposed to increase by £0.19pw or 2.58%, moving the average charge from £7.27pw to £7.46pw. Service charges for the Brockley PFI residents are proposed to increase by £0.11pw or 2.27%, moving the average charge from £4.84pw to £4.95pw.
- 2.6 Efficiencies/Savings of -£1.690m and growth of £1.250m are being proposed for 2013/14 as outlined in section 5. The net effect of these proposals would be an overall saving of £0.440m to the HRA which would be available for reinvestment into stock or services. Whilst some of these proposals can be achieved by efficiencies in service delivery, there are policy choices to be considered.
- 2.7 No proposals have been received to increase the current levy for Tenants' Fund which will remain at 13p per week.
- 2.8 Garage rents are proposed to rise in line with RPI inflation @ September 2012 which is 2.60%. This represents an increase of £0.30pw and would raise the average charge from £10.69pw to £10.97pw. The proposed increase will raise an additional £23k of revenue income.

3 Policy Context

- 3.1 The proposals in this report support the priorities of 'Shaping our Future' – Lewisham's Sustainable Community Strategy (2008 -20), specifically 'Clean, green and liveable - where people live in high quality housing and can care for and enjoy their environment' and supports the Council's corporate priority regarding 'Decent Homes for all'.

4 Introduction

- 4.1 The delivery of Lewisham's housing management service has undergone significant changes in recent years. This is as a result of the stock options appraisal submitted in July 2005 which recommended a mixed approach to improving the stock to meet the Government's Decent Homes Strategy. The approach involved some stock transfers, refurbishment through Private Finance Initiatives (PFI) and the establishment of an Arms Length Management Organisation (ALMO).

4.2 Since the last tenant panel meeting, it has been confirmed that Lewisham will receive £94.5m of Decent Homes funding from DCLG for investment in the Lewisham Homes stock. This is currently profiled as:

2011/12	£14.0m
2012/13	£11.5m
2013/14	£24.0m
2014/15	<u>£45.0m</u>
	£94.5m

4.3 The council bid for £186m, being the cost of the full decent homes programme, and will continue to press DCLG for the balance of the funding.

4.4 Self-financing

4.4.1 HRA subsidy was abolished from 1st April 2012 and replaced by self-financing on the same date. The changes mean that authority can now keep all rents and income generated from its stock, rather than contribute it to the national HRA rent pool, to reinvest in the stock or services provided and moves housing to a position where the housing stock is 'self sustaining'.

In summary the key features of the new system are:

- A one-off settlement and redistribution of existing housing debt, was undertaken on 28th March 2012 requiring each local housing authority to either take on new debt as at 1 April 2012 or have some of its existing housing debt repaid.
- Following the settlement local housing authorities are now free to either repay debt or take on new borrowing (up to a centrally determined cap), taking account of local priorities and housing investment needs.
- From 1 April 2012 local housing authorities are no longer required to make contributions to, or receive contributions from, the national subsidy system.
- The existing system of rent restructuring controls will continue, with the expected 'convergence date' of 2015/16.
- Local housing authorities will continue to be accountable for ensuring effective housing management and investment.
- The HRA 'ring-fencing' will continue.

4.4.2 The debt 'settlements' were undertaken on 28th March 2012. Under the self-financing regime Lewisham had £136.34m of debt paid off by Government. This reduced the current level of HRA debt down from £219.9m to £83.55m.

4.5 Welfare Reforms

4.5.1 In March 2012 the Welfare Reform Act received royal Assent, legislating for the biggest change to the welfare system for over 60 years.

4.5.2 The Act introduces phased changes to the benefit system as follows:

- From April 2013 a cap will be introduced to the amount of benefits an out of work claimant can receive. This will be capped at £350pw for singles and £500pw for families.

Current information indicates that 880 households across the borough will be effected by the cap, of which 70% are in the private rented sector.

- From April 2013 the Under-Occupation rules will be introduced for working age people who live in social housing. This will be in the form of financial penalties for living in social housing which is larger than their needs defined by legislation. The reduction in Housing Benefit will be at the level of 14% of rent for under-occupying by 1 bed room and 25% of rent for under-occupying by 2 or more bedrooms.

Current information indicates that there are 1,420 under-occupying social housing tenants

- October 2013 will see the introduction of Universal Credit. This will replace many of the existing benefits, including housing benefit. The movement to UC will be in phases with new claims from out of work claimants from October 2013 and new claims from in work and HB claimants from April 2014. There will also be a period of 'migration' as a result of a change in circumstances up to October 2017. Key features of the scheme are:
 - The benefit is paid monthly in arrears
 - Is paid to one member of the household
 - Is paid directly to the claimant, not the housing provider

4.5.3 Changes to the welfare system and the impacts on the revenue account are still being assessed, but are likely to be substantial. At present, over 61% of tenants receive Housing Benefit. The changes being implemented could result in higher rent arrears and result in the need to increase bad debt provisions to cover the potential impact.

5 Efficiencies & Savings Proposals for 2013/14

5.1 The HRA strategy and self-financing assessments are continually updated and developed with the view to ensuring resources are available to meet costs and investment needs and are funded for 2013/14 and future years.

5.3 Savings and efficiencies delivered in the 2013/14 budget can be re-invested to help bridge the investment gap identified. As a prudent measure no savings were identified in developing the financial model, and agreeing all of the

growth and savings proposals in this report will not reduce the investment gap previously reported. The package of savings proposed by way of this report can mostly be delivered through efficiencies in back office services.

HRA Efficiencies/Savings & Growth proposals 2013/14

Item	Area	Proposals 2013/14 £'000
	Savings/Efficiencies	
1.	Hostels	-500
2.	Lewisham Homes Fee	-350
3.	Nil Inflation Increase for Repairs & Maintenance	-490
4.	Reduce Rental Void Allowance from 2% to 1.5%	-350
	Savings/Efficiencies total	-1,690
	Growth	
5.	Increase in Bad Debt provision to reflect potential impact of welfare reforms on tenant arrears	1,000
6.	Introduction of a rental charge for paladin bins on estates	250
	Growth total	1,250
	Total Budget Proposals	-440

- 5.4 As can be seen from the above table, savings/efficiencies and growth proposals result in a saving of £0.440m for 2013/14. If achieved, they could be used for investment needs currently identified by the HRA Business Plan.
- 5.5 An update of the HRA Strategy, Savings Proposals, proposed rent & service charge increases and comments from consultation with tenant representatives will be reported to Mayor & Cabinet as part of the HRA Rents and budget strategy report. Mayor & Cabinet will make the final budget decisions in the new year.
- 5.6 The following is a commentary on the savings and efficiencies listed in the table above.

Savings/Efficiencies

Item 1 Hostels

This proposal is to bring the hostels into line with self-financing and ensure that the service is self-sustaining and fully recovers costs incurred to provide temporary accommodation, including maintenance and asset investment.

The current hostel service runs at a deficit within the HRA, and this proposal seeks to rebalance the hostel account by raising appropriate charges to tenants to recover all costs incurred, this could be through increased service charges.

The hostel service is currently being reviewed, but is expected that to eliminate the current deficit, charges would need to be increased to generate an additional income of £500k. This would be over and above the normal inflationary increases applied annually. The additional increase in service charges to eliminate this deficit would be in the region of £14.13 per bed space per week, moving the charge from £16.68pw (after 2013/14 inflation is applied) to £30.81pw

Item 2 Lewisham Homes management fee

The proposed saving of £0.350m is to reflect the reduction in the stock through right to buy sales' and regeneration schemes. The net effect, if the saving is taken, will be a management fee of £18.8m in 2013/14 (£18.9m in 2012/13). This reflects an overall increase of 1.23% in the fee per property compared to 2012/13 (reflects inflationary increases of 1% on salaries & 2.5% on running costs).

Savings of £0.350m can be achieved through efficiencies with minimal impact on service provision.

Item 3 No Inflationary increase to Repairs & Maintenance budgets

It has been proposed by Lewisham Homes that the forecast inflationary increase to the Repairs & Maintenance budget of 2.5% is removed, producing a saving or cost reduction of £0.49m.

This proposal will have an impact on Lewisham Homes trading account and M&E budgets. However, the Repairs Trading Account, operated by Lewisham Homes, made surpluses in both 2010/11 and 2011/12 respectively. It is felt that this proposal can be accommodated without any impact on service provision, or reduction in repairs undertaken, due to improvements in efficiency.

Item 4 Reduce rental void allowance from 2.0% to 1.5%

Current rental income budgets assume a loss of income from voids at 2.0% annually.

Current Lewisham Homes Void rates are running at 0.89%. This is due to better voids management etc, and therefore it is proposed to reduced the budgeted void allowance.

However, because of the uncertainties of the impact of welfare reforms this proposal is for a 0.5% reduction only. This amounts to an estimated saving of £0.35m in 2013/14.

Growth

Item 5 Increase in bad debt provisions

This proposal is to increase the bad debt provision by 1.4%, from its current level of 1.1% to 2.5% for rents and service charges.

This equates to an estimated extra provision of £1m for bad debts and reflects the impact of the welfare reforms on tenant arrears.

Whilst the exact timing and impact of the welfare reforms can not be estimated with a high degree of accuracy, it is felt that it is prudent to increase provisions now to mitigate some or all of the effects.

Both the Council and Lewisham Homes expect that the main impacts will not manifest themselves until after the introduction of Universal Credit in October 2013. Existing claimants will see a phased migration onto the new system, the timescales have not been announced, but are likely to move to Universal Credit when they either have a change of circumstance or need to make a new claim. New benefit claimants, from October 2013, will be moved straight to Universal Credit and will receive direct payment of all benefit, including the housing element, 1 month in arrears.

In the event that the impact is less than anticipated, the resulting surplus will be set aside for capital investment.

Item 6 Rental charges for paladin bins on estates

Environmental Services have incurred increasing costs in maintaining bulk waste bins and replacing stolen bins. As resources available decrease, it is becoming increasingly harder for the service to absorb these costs. A proposal has therefore been made as a part of the Council's budget strategy to introduce a charge for the repair, maintenance and replacement of these bins used by landlords and managing agents for communal properties

This proposal is to recharge the Housing Revenue account for the service in respect of homes managed by Lewisham Homes and RB3.

Under section 46(3) of the Environmental Protection Act 1990 a local authority is empowered to levy a one off or annual hire charge for the provision of receptacles for the containment of household waste. Economic pressures have now deemed it

necessary to introduce an annual hire charge to cover maintenance and replacement costs.

The proposed charge is £3 per bin per week and covers repair, maintenance and refurbishment costs to maintain bins in a usable condition and in a condition to enable collection by the council's waste collection service.

Based on 1,400 bins the charge in respect of Lewisham Homes will be £220k and, based on 180 bins, the cost in respect of Brockley PFI will be £30k. The fee will be reviewed annually as a part of the budget strategy process.

6.0 Rents and Rent Restructuring

- 6.1 The 2013-14 financial year is the 13th year of what was originally a 10-year rent restructuring programme due to complete by 2011/12. However, DCLG moved the convergence date to 1 April 2015 i.e. in 2 years' time.
- 6.2 The government has confirmed that the 2013/14 limit rent calculations (used for HB purposes) continues to assume a convergence date of 2015/16. In addition, they have confirmed that they expect that the actual rent rise calculations would also be based on this assumption if authorities are following formula rent increases.

2012/13 Rent Rise – Technical Formula Calculation

- 6.3 The forecast increase in actual tenants rents, using the rent restructuring guidance of limiting actual increases to RPI @ September 2012 of 2.60% + 0.5% + £2 (maximum convergence element) is 4.05%, which equates to an average rise of £3.54pw. This would raise the average 52 week dwelling rent for the London Borough of Lewisham from £87.49 to £91.03pw based on stock in the HRA as at 1st April 2012.
- 6.4 There have been no other changes in the methodology for calculating formula rents.
- 6.5 Following the rent restructuring formula will result in an average Limit Rent, which is the amount of rent that would be covered by Housing benefit, of £90.99pw, based on the stock in the HRA as at 1st April 2012.
- 6.6 The rent rise noted above in section 6.3 will generate £2.724m in additional rental income. A rent rise lower than the formula calculation is likely to result in lost resources in the HRA. For example a rent rise of RPI less 1% would generate £2.035m in additional rental income, a reduction of £0.689m or £0.88 per dwelling per week. A rent rise of £1 less than the forecasted amount would result in a reduction of £0.782m in additional rental income. Any reduction in the proposed rent increase would result in less resources available to the HRA business plan. It would therefore be likely that additional savings would be required to make up for any lost resources

- 6.7 A rent rise higher than the formula calculation is likely to result in additional recharges to the HRA via the HB subsidy limitation charges. For example an increase of 1% above the calculated average will generate additional income of £0.678m, but £0.416m would be lost in additional limitation recharges, resulting in a net benefit to the HRA of £0.262m. An increase of £1 above the calculated average will generate additional income of £0.780m, but £0.478m would be lost in additional limitation recharges, resulting in a net benefit to the HRA of £0.302m.

7 Service Charges & Garage Rents

- 7.1 The agreed policy on Service Charges are that charges should reflect full cost recovery for the type of service undertaken. Heating and hot water costs are also recovered by a charge to tenants and leaseholders. Lewisham Homes are proposing an increase of £0.19pw or 2.58%, raising their overall charge from £7.27pw to £7.46pw. Regenter B3, who manage the Brockley PFI area are proposing an increase of £0.11pw or 2.27%, raising their overall charge from £4.84pw to £4.95pw.

Garage Rents

- 7.2 Garage rents are proposed to rise in line with RPI inflation @ September 2012 which is 2.60%. This represents an increase of £0.30pw and would raise the average charge from £10.69pw to £10.99pw. The proposed increase would raise an additional 323k of revenue income.

8 Tenants' Levy

- 8.1 As part of the budget and rent setting proposals for 2005/6 a sum of £0.13p per week was 'unpooled' from rent as a tenants service charge in respect of the Lewisham Tenants' Fund. There has been no increase in this levy since its introduction, following consultation with Housing Panels.
- 8.2 There have been no proposals put forward by the tenants fund committee to increase the amount of the 2013/14 Levy.
- 8.3 The tenants' fund have provided the panels with a consultation report regarding the accounts of the fund and budget proposals for 2013/14.

9 Consultation

9.1 Consultation under tenants' compact

Consultation will take place in line with the tenants' compact arrangements. Since these arrangements provide an opportunity to engage tenants in a discussion on rent rises, it is proposed to continue to involve tenant representatives through the Housing Panels in December/January and feedback any views to Mayor & Cabinet.

9.2 Housing Select Committee

It is proposed that Public Account Committee will consider the proposals that Mayor & Cabinet will consider, in January/February 2013.

9.3 Public Accounts Committee

It is proposed that Public Account Committee will first consider the proposals that Mayor & Cabinet will consider, in January/February 2013.

10 **Financial Implications**

10.1 The estimated financial implications are contained in this report in each section of the report. In summary these are:

- Rents are proposed to increase by 4.05% which is an average increase of £3.54pw.

- Tenant service charges are proposed to increase by 2.58%, which is an average increase of £0.19pw.

- Garage charges are proposed to increase by 2.6% which is an average of £0.30pw.

- There are no proposal to increase the tenants fund levy which will remain at £0.13pw.

10.2 The Council's HRA financial model, as reported to Mayor & Cabinet in July 2012, showed a deficit of £85m against resource needs for services, the capital programme and new build schemes. The deficit was made up as follows:

Business Plan Assumptions

Decent Homes Programme	Yes
Lifecycle & Maintenance Programme	Yes
New Build Capacity @ £150k per unit	250
Borrowing Availability	£14.0m

Investment Requirement

Sheltered & Extra Care	£17.0m
Aspirational Costs	£30.0m
Further New Build Units – to 600	£52.5m

Total Additional investment	£99.5m
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Shortfall in investment Capacity	£85.5m
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10.3 The model has now been updated to take effect of the proposals contained in this report and shows that the deficit is £87.5m, an increase of £2.0m. This is

mainly due to the increased need to set-aside higher provisions due to the impact of the welfare reforms.

11 Legal Implications

- 11.1 Section 24 of the Housing Act 1985 provides that a local housing authority may make such reasonable charges as they determine for the tenancy or occupation of their houses. The Authority must review rents from time to time and make such changes as circumstances require. Within this discretion there is no one lawful option and any reasonable option may be looked at. The consequences of each option must be explained fully so that Members understand the implications of their decisions.
- 11.2 Section 76 of the Local Government and Housing Act 1989 provides that local housing authorities are under a duty to prevent a debit balance in the HRA. Rents must therefore be set to avoid such a debit.
- 11.3 Section 103 of the Housing Act 1985 sets out the terms under which secure tenancies may be varied. This requires –
- the Council to serve a Notice of Variation at least 4 weeks before the effective date;
 - the provision of sufficient information to explain the variation;
 - an opportunity for the tenant to serve a Notice to Quit terminating their tenancy.
- 11.4 The timetable for the consideration of the 2013/14 rent levels provides an adequate period to ensure that legislative requirements are met.
- 11.5 Part III of Schedule 4 of the Local Government and Housing Act 1989 provides that where benefits or amenities arising out of the exercise of a Housing Authority's functions, are provided for persons housed by the authority, but are shared by the community as a whole, the authority shall make such contribution to their HRA from their other revenue accounts to properly reflect the community's share of the benefits or amenities.
- 11.6 Where as an outcome of the rent setting process, there are to be significant changes in housing management practice or policy, further consultation may be required with the tenants affected in accordance with section 105 of the Housing Act 1985.

12 Crime and Disorder

There are no specific implications.

13 Environmental Implications

There are no specific implications.

14 Equality Implications

- 14.1 Council tenants include a higher than average proportion of elderly people and black and ethnic minorities. Many tenants are unemployed or on low income. The service has specific provision for more vulnerable groups within the community. A significant proportion of new allocations are made to families and women with young children.
- 14.2 In undertaking consultation and examining potential options, the equalities impact for different groups of people will be considered, particularly black and ethnic minorities, women, disabled people and young people.

15 Conclusion

- 15.1 It is currently forecasted that a rent rise of 4.05% (£3.54pw) will be applied to Council dwellings in 2013/14 under the rent restructuring formula.
- 15.3 The proposed timetable enables scrutiny of the budget and proposals by Public Accounts Select Committee in January/February 2013.
- 15.4 The consultation arrangements have been strengthened in the light of the Tenants Compact and Tenants Strategy Group are asked to consider the proposals accordingly.

If you require any more information about this report please contact Conrad Hall on 0208 314 8379 (e-mail conrad.hall@lewisham.gov.uk)

The Tenants' rent consultation meeting took place on 11th December 2012 with Lewisham Homes managed tenants. Brockley Tenants were consulted as part of their panel meeting held on 13th December 2012. Excalibur tenants consultation took place on 17th December 2012.

Views of representatives on rent rise & savings proposals				
	Lewisham Homes	Brockley PFI	Excalibur TMO	
No of representatives (excl Cllrs)	20	13	5	
Rent Rise	See over	No comments	See over	
Savings Proposals:-				
1. Hostels	No comments	n/a	n/a	
2. Lewisham Homes Fee	No comments	n/a	n/a	
3. R&M Inflation	No comments	n/a	n/a	
4. Void reduction	See over	n/a	n/a	
5. Bad Debt Provisions	No comments	n/a	n/a	
6. Paladin Bins	See over	n/a	n/a	
Service Charges	See over	See below	n/a	
Garage Rents	No comments	No comments	n/a	
Tenants Fund	Agreed	Agreed	No comments	
Heating & Hot Water Charges	No comments	n/a	n/a	

Summary of other comments made by representatives	
Lewisham Homes Panel	<p>Rent rise:</p> <p>Concern was expressed about the rent rise being greater than the increase in pensions.</p> <p>Tenants Service Charges:</p> <p>No comments were directly made about the increases in service charges although several were made about service delivery. These are to be taken up by Lewisham Homes.</p> <p>Savings Proposals:</p> <p>Void Reduction: Tenants were assured that this would not impact on quality.</p> <p>Paladin Bins: Tenants were advised that this cost did not drive the rent increase and wouldn't be passed on as service charge this year.</p>
Brockley PFI Area	<p>Tenants and Leaseholders Service Charges:</p> <p>No specific issues were raised about individual increases although a general question was asked about how tenants and leaseholders could be sure that the charges represented value for money. The meeting was advised that the proposed increases were calculated on a cost recovery basis and, while a rise in excess of 4% was allowable under the contract, the proposed increases ranged between 0% and 3%. Officers also updated the meeting on the progress of the local and central PFI benchmarking exercises currently being undertaken.</p> <p>Several issues, outside the scope of the rent consultation meeting, around management costs and performance were raised. RB3 will be looking to resolve these with leaseholders.</p>

Excalibur TMO

Rent rise

The main comments received from the TMO Committee was to question the validity and justification of any rent rise to be imposed on tenants in view of the poor condition of their property, and the fact that no major investment has ever been undertaken to the estate stock.

A query was raised relating to the rent rise imposed for 2012/13 which the committee felt was excessive at 10%, especially regarding the condition of the stock.

Officers have checked this and can confirm that the borough average rise for 2012/13 was 7.04% or £5.76pw.

In relation to the TMO, the average rise was £6.10 or 8.97%

There were a number of questions raised on the regeneration scheme for the estate as well as the TMO management & maintenance allowance, which was reducing as stock is lost to the regeneration project.

Although not directly related to the rent rise meeting, officers responded that questions on the regeneration scheme would be passed onto the regeneration team for a response.

In terms of allowances, officers responded by demonstrating that the actual allowance paid per unit managed was increasing, but acknowledged that overall payment was reducing as stock is lost to the TMO and passed to the regeneration project.

Officers offered to work with the TMO to identify efficiencies and other savings opportunities, to reduce some of this pressure.

In addition officers have requested the TMO forward their asset management plan which should identify areas of pressure within the maintenance regime for council consideration.

Agenda Item 7

Housing Select Committee			
Title	Select Committee Work Programme	Item No	X
Contributors	Scrutiny Manager		
Class	Part 1	Date	8 January 2013

1 Purpose

- 1.1 To advise Members of the Select Committee of the work programme for the municipal year 2012/13.

2 Summary

- 2.1 At the beginning of the municipal year, each select committee drew up a draft work programme for submission to the Business Panel for consideration.
- 2.2 The Business Panel considered the proposed work programmes of each of the select committees on 22 May 2012 and agreed a co-ordinated overview and scrutiny work programme, avoiding duplication of effort and facilitating the effective conduct of business.
- 2.3 However, the work programme is a “living document” and as such can be reviewed at each Select Committee meeting so that members are able to include urgent, high priority items and remove items that are no longer a priority.
- 2.4 Following the issuing in August of the 'Local Authorities (Executive Arrangements) (meetings and Access to Information) (England) Regulations 2012', existing requirements to publish a Forward Plan were abolished with effect from 10 September 2012. Instead the Council is now obliged to give notice of executive decisions which are to be considered in private. The Council has therefore published notice of intention to conduct private business on the website at the following address:

<http://www.lewisham.gov.uk/mayorandcouncil/aboutthecouncil/opendatatransparency/Pages/Notices-of-private-business.aspx>

In order to ensure transparency in the conduct of executive decision making, the Council also intends to publish a non-statutory document on the website, outlining all forthcoming executive decisions and this will be updated on a monthly basis. The first such document is attached to this report.

3 Recommendations

- 3.1 The select committee is asked to:
 - note the work programme attached at **Appendix B** and discuss any issues arising from the programme;

- specify the information and analysis required in the report for each item on the agenda for the next meeting, based on desired outcomes, so that officers are clear on what they need to provide;
- note all forthcoming executive decisions, attached at **Appendix C**, and consider any key decisions for further scrutiny.

4. The work programme

- 4.1 The work programme for 2012/12 was agreed at the meeting of the Committee held on 4 April 2012 and considered by the Business Panel on 24 May 2012.
- 4.2 The Committee is asked to consider if any urgent issues have arisen that require scrutiny and if any existing items are no longer a priority and can be removed from the work programme. Before adding additional items, each item should be considered against agreed criteria. The flow chart attached at **Appendix A** may help members decide if proposed additional items should be added to the work programme. The Committee's work programme needs to be achievable in terms of the amount of meeting time available. If the committee agrees to add additional item(s) because they are urgent and high priority, Members will need to consider which medium/low priority item(s) should be removed in order to create sufficient capacity for the new item(s).
- 4.3 The Committee is asked to note that officers have requested that the following three items are considered for addition to work programme for the meeting on 6 March 2013:
- New arrangements for social housing complaints
 - Annual Lettings Plan 2013 – 14
 - Discharge into the PRS / Out of Borough Procurement
- These items have been included in Appendix B as items 3 – 5 on the work programme for 6 March to give members a sense of how this would affect the agenda for that meeting. Members are asked to consider whether they would like make those additions to that meeting.

5. The next meeting

- 5.1 The following items are scheduled for the next meeting:

Agenda Item	Review Type	Link to Corporate Priority	Priority
1. Vacant			
2. Evidence session one - low cost home ownership	In depth review	Decent homes for all	High
3. Key housing Issues	Information item	Decent homes for all	Medium

- 5.2 The Committee is asked to specify the information and analysis it would like to see in the report for each item, based on the outcomes the committee would like to achieve, so that officers are clear on what they need to provide for the next meeting.

6. Financial Implications

6.1 There are no financial implications arising from this report.

7. Legal Implications

7.1 In accordance with the Council's constitution, all scrutiny select committees must devise and submit a work programme to the Business Panel at the start of each municipal year.

8. Equalities Implications

8.1 The Equality Act 2010 brought together all previous equality legislation in England, Scotland and Wales. The Act included a new public sector equality duty, replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

8.2 There may be equalities implications arising from items on the work programme and all activities undertaken by the Select Committee will need to give due consideration to this.

9. Date of next meeting

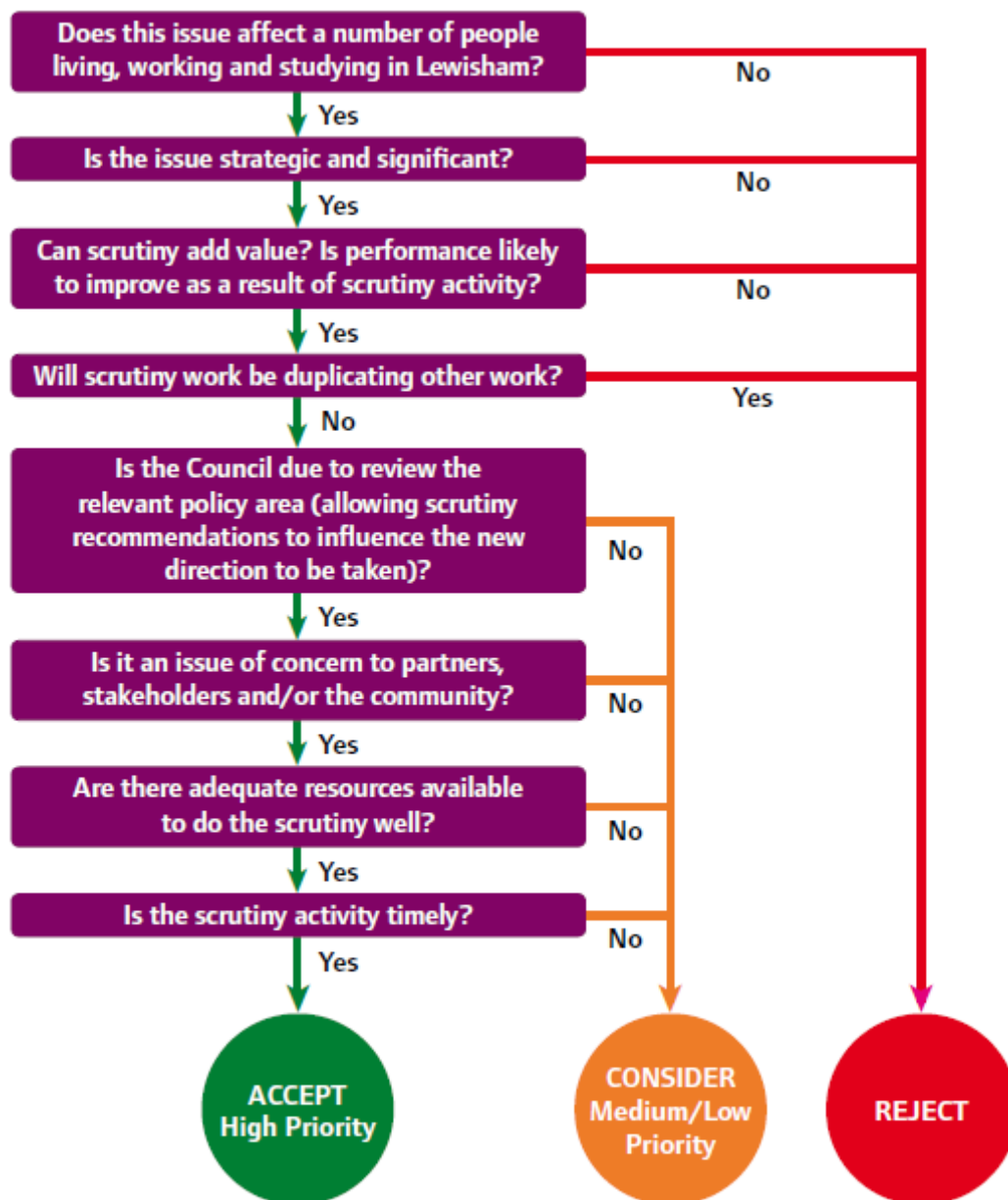
9.1 The date of the next meeting is 4 February 2013.

10. Background Documents

Lewisham Council's Constitution

Centre for Public Scrutiny the Good Scrutiny Guide – a pocket guide for public scrutineers

Scrutiny work programme – prioritisation process



Housing Select Committee Work Programme 2012/13

Date of Meeting	Agenda Item	Review Type	Link to Corporate Priority	Priority
Wed 4 April 2012	1. Confirmation of Chair and Vice-Chair	Constitutional requirement	-	-
	2. Work Programme 2012/13	Constitutional requirement	Decent homes for all; Inspiring efficiency, effectiveness and equity	High
	3. Update on implementation of recommendations arising from the Damp and Mould review	Performance monitoring	Decent homes for all; Inspiring efficiency, effectiveness and equity	Medium
	4. Affordable Housing and the Planning process	Standard Review	Decent homes for all	High
	5. The Future of Housing In Lewisham : Self financing framework	Presentation/in-depth scrutiny	Decent homes for all	Medium
Thursday 17 May 2012	1. Brockley PFI – end of year review	Performance monitoring	Decent homes for all; Inspiring efficiency, effectiveness and equity	High
	2. Lewisham Homes Delivery Plan – end of year review (to include info on the void policy)	Performance monitoring	Decent homes for all; Inspiring efficiency, effectiveness and equity	High
	3. The Future of Housing In Lewisham : Alternative models - experts	In-depth scrutiny	Decent homes for all; Inspiring efficiency, effectiveness and equity	High
Wednesday 20 June 2012	1. Review of Allocations Policy and Strategic Policy on Tenancies (SPOT)	Standard item	Decent homes for all	High
	2. The Future of Housing In Lewisham : Alternative model case studies	In-depth scrutiny	Decent homes for all; Inspiring efficiency, effectiveness and equity	High
	3. Key housing Issues	Information	Decent homes for all	Medium

		item		
Wednesday 4 July 2012 (extra meeting)	1. The Future of Housing In Lewisham : Options appraisal	In-depth scrutiny	Decent homes for all	High
Tuesday 11 September 2012	1. Family Mosaic: Heathside and Lethbridge	Standard item	Decent homes for all	High
<i>Visit to Heathside and Lethbridge prior to meeting</i>	2. Impact of welfare and housing reform (affordable rent regime, security of tenure etc.). Possibly including a presentation from RSLs on the affordable rent regime and fixed term tenancies (incl. plans for 'moving people on').	Standard item	Decent homes for all	High
	3. Update on corporately held housing and disposals	Information item	Decent homes for all	Medium
	4. Key housing Issues	Information item	Decent homes for all	Medium
Wednesday 31 October 2012	1. Savings proposals 2013/14 (and CSR report)	Standard item	Inspiring efficiency, effectiveness and equity	High
	2. Update on the implementation of agreed PRS review recommendations (to include info on the new Social Lettings Agency)	In depth review follow up	Decent homes for all	Medium
	3. Scoping paper – low cost home ownership	In depth review	Decent homes for all	High
	4. Key housing Issues (incl. Housing Matters update)	Information item	Decent homes for all	Medium
Tuesday 8 January 2013	1. Brockley PFI - mid year review	Performance monitoring	Decent homes for all; Inspiring efficiency, effectiveness and equity	High

	2. Lewisham Homes - mid year review	Performance monitoring	Decent homes for all; Inspiring efficiency, effectiveness and equity	High
	3. Proposed rent and service charge increases	Standard item	Inspiring efficiency, effectiveness and equity	High
	4. Housing Matters: results of consultation and way forward	In-depth scrutiny	Decent homes for all; Inspiring efficiency, effectiveness and equity	High
Monday 4 February 2013	1. Vacant			
	2. Evidence session one - low cost home ownership	In depth review	Decent homes for all	High
	3. Key housing Issues	Information item	Decent homes for all	Medium
Wednesday 6 March 2013 <i>Visit to a Hostel beforehand</i>	1. Evidence session two- low cost home ownership	In depth review	Decent homes for all	High
	2. Use of temporary accommodation for homeless households	<i>Standard Item</i>	<i>Decent homes for all; Inspiring efficiency, effectiveness and equity</i>	<i>Medium</i>
	3. Annual Lettings Plan 2013-14	<i>Standard item</i>	<i>Decent homes for all; Inspiring efficiency, effectiveness and equity</i>	<i>Medium</i>
	4. Discharge into the PRS/Out of Borough Procurement	<i>Standard Item</i>	<i>Decent homes for all; Inspiring efficiency, effectiveness and equity</i>	<i>High</i>
	5. New arrangements for social housing complaints	Standard item	Decent homes for all	High
	6. Key housing Issues	Information item	Decent homes for all	Medium

Information item

An information note on key housing issues has been scheduled for each meeting but will only form part of the agenda if there are significant, new legislative and policy developments to report, that are not covered by an existing work programme item.

NOTICE of FORTHCOMING EXECUTIVE DECISIONS

MAYOR & CABINET November 14 2012	
Title and details of Item	Directorate responsible
Approval for Lewisham Council to sign up to Climate Local including comments of the Sustainable Development Select Committee	Resources & Regeneration
Catford Town Centre Regeneration Programme – update report	Resources & Regeneration
Local Development Scheme 2012	Resources & Regeneration
Development Management – Further Options	Resources & Regeneration
Community Infrastructure Levy (CIL) – Draft Charging Schedule	Resources & Regeneration
15 Stanley St to be declared surplus to council requirements	Resources & Regeneration
Disposal of 1-20 Sanford Walk	Resources & Regeneration
Marlowe Business Centre Batavia Road – Assignment of Development Agreement	Resources & Regeneration
Appropriation of land rear of Hammersley Home, Pomeroy St, SE14 for planning purposes	Resources & Regeneration
Appropriation of Kender Phase4 (Kender Triangle) New Cross SE14 for planning purposes	Resources & Regeneration
Local Listing and Article 4 Direction	Resources & Regeneration
Disposal of Fellowship Inn, Randlesdown Road SE6	Resources & Regeneration
Green Chain Management Plan 2012-2017	Resources & Regeneration
Bereavement Services – Proposed increase in Cemeteries and Crematorium Fees and Charges	Customer Services

Early Years Centres	Children & Young People
Proposal to close Crossways 6th form and for the expansion of Christ the King post 16 provision on to the site	Children & Young People
Variation to Instrument of Government and LA Nomination St Margaret's Lee Church of England Primary School	Children & Young People
Variation to Instrument of Government and LA Nomination All Saints' Church of England Primary School	Children & Young People
Appointment of Local Authority Governors	Children & Young People
Developing integrated pathways across Health and Social care.	Community Services
Review of Adult Social Care Day Service Provision	Community Services

MAYOR & CABINET (CONTRACTS) November 14 2012

Title and details of Item	Directorate responsible
Contract award for Hostel refurbishment programme	Customer Services
Communities That Care Investment Fund	Community Services
Area Based Community Development	Community Services
Contract permitted extension of school catering contract between LBL schools and Chartwells 2013 – 2015	Children & Young People

MAYOR & CABINET December 5 2012

Title and details of Item	Directorate responsible
Budget Strategy Update	Resources & Regeneration
Energy Prices	Resources & Regeneration
Additions to the Lewisham's Local List	Resources & Regeneration
Management Report	Resources & Regeneration
Disposal of the Premises officer house – Brindishe School	Resources & Regeneration
Planning Service Annual Monitoring Report:- 2011-12	Resources & Regeneration
Acquisition of freehold interests in Nos. 4 & 15 Parkcroft Road SE12	Resources & Regeneration
Financial Forecasts for 2012/13	Resources & Regeneration
Response to the Public Accounts Committee: Fairness	Resources & Regeneration
Response to Sustainable Development Select Committee Local Pubs	Resources & Regeneration
Council Tax Benefit replacement	Customer Services
Statement of Principles (Gambling Act 2005)	Customer Services
Excalibur: Development Agreement, Financial Model and land disposal	Customer Services
Lewisham Time Credits	Community Services
Response to Healthier Communities Select Committee NHS 111	Community Services
Stakeholder consultations on the proposal to enlarge Rushey Green Primary school from 2 to 3 forms of entry to enlarge John Stainer Primary school from 1 to 2 forms of entry	Children & Young People

MAYOR & CABINET (CONTRACTS) December 5 2012

Title and details of Item	Directorate responsible
London Highway Alliance Contract – Framework Call Off Decision for Lewisham	Resources & Regeneration
Provision of Mobile Phones and airtime -Contract Award	Resources & Regeneration
NVQ Training Providers 2013/17	Resources & Regeneration
Contract Award Approval to appoint contractors for Deptford High Street	Resources & Regeneration
Contract Award Approval to appoint contractors for Catford Broadway	Resources & Regeneration
Award of contract for the construction of Primary phase accommodation at Prendergast Ladywell Fields	Children & Young People
Contract seeking tender for Boroughwide Management Organisation for community premises	Community Services

MAYOR & CABINET January 16 2013

Title and details of Item	Directorate responsible
Savings Report 13/14	Resources & Regeneration
Financial Forecasts for 2012/13	Resources & Regeneration
Building School for the Future Sydenham School - Stage 2	Resources & Regeneration
Building School for the Future Brent Knoll Stage 1	Resources & Regeneration
New Cross Gate Healthy Living Centre Scheme	Resources & Regeneration
Parking Policy Review	Customer Services
Council Tax Base Setting	Customer Services
Housing Matters	Customer Services
Measures to increase the provision of places in primary schools	Children & Young People
London Borough Grants Scheme – 2013/2014 Expenditure	Community Services

MAYOR & CABINET (CONTRACTS) January 16 2013

Title and details of Item	Directorate responsible
Parking Contract Award	Customer Services
Fleet Vehicle replacement 2012/13	Customer Services
Awarding the Healthwatch Lewisham contract	Community Services

MAYOR & CABINET February 13 2013

Title and details of Item	Directorate responsible
Budget Report 13/14	Resources & Regeneration
Financial Forecasts for 2012/13	Resources & Regeneration
Welfare Reform:Local Support scheme	Customer Services

MAYOR & CABINET (CONTRACTS) February 13 2013

Title and details of Item	Directorate responsible
Main grants programme – confirmation of funding 2013/2014	Community Services
Agree the selection/approval of (Fire, Asbestos & Water Hygiene) Contract	Resources & Regeneration