

Public Document Pack

Housing Select Committee Agenda

Wednesday, 28 January 2015
7.30 pm, Committee Room 2
Civic Suite
Lewisham Town Hall
London SE6 4RU

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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 Wednesday, 28 January 2015.

Barry Quirk, Chief Executive
Tuesday, 20 January 2015

Councillor Carl Handley (Chair)	
Councillor Peter Bernards (Vice-Chair)	
Councillor Paul Bell	
Councillor John Coughlin	
Councillor Amanda De Ryk	
Councillor Maja Hilton	
Councillor Simon Hooks	
Councillor Olurotimi Ogunbadewa	
Councillor Jonathan Slater	
Councillor Susan Wise	
Councillor Alan Hall (ex-Officio)	
Councillor Gareth Siddorn (ex-Officio)	

Agenda Item 1

MINUTES OF THE Housing Select Committee Wednesday, 17 December 2014 at 7.30pm

Present: Councillors Carl Handley (Chair), Peter Bernards (Vice-Chair), Amanda De Ryk, Maja Hilton, Simon Hooks, Olurotimi Ogunbadewa, and Jonathan Slater.

Apologies: Councillors Paul Bell, John Coughlin and Susan Wise

Also present: Councillor Damien Egan (Cabinet Member for Housing), Kevin Sheehan (Executive Director, Customer Services), Genevieve Macklin (Head of Strategic Housing), Jeff Edean (Housing Programmes and Strategy Team Manager), Roz Spencer (Co-ordinator, Rogue Landlords Taskforce), Dayna Edwin (Generation Rent), Pru Waldorf (Generation Rent), Debi Waite (Environmental Health Team Manager, Residential Services, LB Greenwich), Bertie Dixon (Max Fordham LLP), James Gallagher (Chair, Parkside Residents Association), Mark Humphreys (Group Finance Manager, Customer Services), Madeleine Jeffery (Private Sector Housing Agency Manager), Martin O'Brien (Sustainable Resources Group Manager), Petra Der Man (Principal Lawyer) Timothy Andrew (Scrutiny Manager), and Roger Raymond (Scrutiny Manager).

1. Minutes of the meeting held on 11 November 2014

1.1 RESOLVED: That the minutes of the meeting held on 11 November 2014 be signed as an accurate record of the meeting.

2. Declarations of Interest

2.1 There were no declarations of interest.

3. Private Rented Sector Licensing

3.1 Dayna Edwin, representing Generation Rent addressed the meeting. The key points to note were:

- She had worked with Generation Rent on a House of Commons Bill on Private Sector Regulations.
- Generation Rent would like to see borough-wide licensing of all landlords or at the very least blanket landlord licensing in every ward where there is a significant private rented sector.
- If the Council budgeted exactly the same sum for enforcement as it currently does, presuming the cost of licensing is covered by the licence fee, then there are still benefits to the Council, for example:
 - Off-setting some of the overhead costs of the housing enforcement team to the licence fee account
 - Providing the enforcement team at its current scale with far better intelligence in terms of landlords of concern. When you prosecute a licensed landlord you will have a list of all their other properties in the borough which should be prioritised for proactive inspection

- The licence fees and conditions can be scaled to impact harder on non-compliant landlords.
- There is more likely to be uplift in Council Tax receipts if there is licensing of all landlords.
- Generation Rent would like to be signposted to residents in the borough where landlords have failed to protect their deposits to help them recover money through Rent Repayment Orders (RROs).
- Generation Rent rejects the idea that landlords would put up rents. Rents are high because there is little supply and lots of demand and that is how the market price emerges. For example, if market rents were based on costs then you would see £400-a-month family homes available where landlords had no mortgage to pay.
- It should cost less than the £1m a year in set-up costs estimated in the agenda report, but even if that were the case; if it provides a measure of protection to one quarter of this borough's population would be worth it.
- Generation Rent requests that the Select Committee calls for a business case to be prepared so that borough-wide licensing can remain an option for the Mayor and Cabinet.

3.2 In response to questions from the Committee, Generation Rent made the following further points:

- It was a disappointment that the Private Member's Bill that would have outlawed revenge evictions was unable to make it through the Parliamentary legislative process, and therefore now unlikely to become law by the end of this Parliament.
- Having a borough-wide licensing scheme would deter rogue landlords by ensuring they have to be registered and monitored with an enhanced enforcement team.
- Licensing can be a tool to help protect vulnerable tenants, including people who have English as a second language, and who are often in the worst private sector rented accommodation.

3.3 Debi Waite, Environmental Health Team Manager, Residential Services, LB Greenwich, addressed the meeting. The key points to note were:

- She has worked in the area of housing for over 20 years, and has experience of successful selective licensing in Gresham, Middlesbrough. She has also worked with a number of local authorities, including her present role at LB Greenwich.
- LB Greenwich's Public Sector Renting enforcement project cost an estimated £900,000.
- The project has been successful as it has been an intelligence-led approach and Enforcement Officers do not proceed until they have the complete intelligence package at their disposal.
- Many of the landlords, subject to enforcement, have been engaged in other criminal activity, and rarely comply with National Landlords Association regulations and similar conventions.
- Licensing should not be seen as a panacea for the problems of rogue landlords; when the Government proposed licensing in 2010, they did not anticipate local authorities to use it as a "borough-wide" measure.
- The use of licensing is a time-limited measure; it can only be issued for a period of up to five years.

- It is up to the individual local authorities to decide whether they proceed with a discretionary licensing scheme, and whether it should cover the whole borough. However, it must be noted that a borough-wide scheme would need a large enforcement team and a larger infrastructure due to the additional administration costs of registering all the landlords in the borough.
- When setting up a discretionary licensing scheme, it has to be shown that there is an element of anti-social behaviour (ASB) or poor health in play, and licensing would be effective in tackling this. This was an effective tool in tackling ASB in the course of her work in Gresham.

3.4 In response to questions from the Committee, the following was noted:

- It is still going to be difficult to stop landlords using revenge evictions if a tenant complains, with a licensing system. The Private Member's Bill on revenge evictions would have been helpful.
- LB Greenwich has tried to concentrate specifically on rogue/bad landlords rather than a borough-wide licensing scheme.
- To declare a landlord 'not fit and proper', a local authority must put in place Interim Management Order and take over the running over the property within 24 hours. To do so, they must have the resources and planning in place to be able to carry this out.
- Local Authorities must monitor the possibility that rogue landlords may transfer the property to a friend/relative so they can manage the property on their behalf.
- Licensing schemes are time-limited to five years, so local authorities must complete their objectives within that timeframe.
- In terms of claiming back rents on a RRO, a tenant living in a property may make an application to claim back any rent they have paid during the unlicensed period, up to a maximum of 12 months, if the landlord has been convicted of operating a licensed property without a licence, or has been required by a rent repayment order to make a payment to the local authority in respect of housing benefit on the property.
- LB Greenwich is working with their Public Health team on a project to use their expertise in collating statistics on health indicators to improve their information in this area.

3.5 Roz Spencer, Co-ordinator, Rogue Landlords Taskforce, gave a presentation to the Committee. The key points to note were:

- There are a number of London boroughs, as well as LB Newham, who are looking at introducing a discretionary licensing scheme of some description.
- The report to the Select Committee does not rule out any options to Mayor and Cabinet.
- The Housing Act 2004 Part 2 introduced a mandatory duty for local housing authorities to administer a licensing scheme for all large Houses in Multiple Occupation (HMO). It became a criminal offence for anybody to run an unlicensed HMO. It also introduced a power for local authorities to decide to extend the Mandatory licensing scheme to include additional types of HMO – i.e. smaller HMOs and illegally converted properties that do not meet planning requirements or the Building Regulations (illegal conversions - Section 257 HMOs) (additional licensing). Part 3 of the Housing Act introduced a power for local housing

authorities to introduce schemes requiring any privately rented property excluding HMOs (of any type or size) to be licensed (selective licensing).

- The key issues affecting housing in the borough are as follows:
 - 74% rise in homelessness in three years to September 2014 – 50% of applicants come from the private rented sector
 - Rising private sector rents – 11% in the last year alone
 - Declining physical standards – a 33% rise in complaints to the Council’s Environmental Health in four years to March 2013, and a projected further step up of 26% annualised in the rate of complaints in the first half of this year
 - More families dependent on insecure private rented sector accommodation
 - The impact of ‘welfare reform’ over the past few years.
- Even though private sector rented accommodation is less likely to have ‘category 1’ hazards than owner-occupied properties (36%-38%), and 80% of private rented sector tenants were ‘satisfied’ in a recent consultation, there is a small proportion of landlords exploiting the housing crisis for financial gain and causing a significant problem.
- The Council has been tackling rogue landlords using a tenant-led approach, and signposts tenants to opportunities where they can take up their legal rights. The Council would welcome working with other organisations to continue this work.
- There is an issue of significant sums of housing benefit going to rogue landlords. In 2013, £800,000 of housing benefit was paid to the top three rogue landlords being targeted in the borough.
- The use of the private sector for renting has doubled in the past 10 years, and with the trend set to continue, additional measures may be needed to tackle the issue of sub-standard accommodation and other activities in the private rental sector.
- Without licensing, there are still a number of measures that can be undertaken:
 - Require improvements to remove hazards
 - Prosecute for hazardous property conditions
 - Prohibit occupation of unsafe homes
 - Prosecute for overcrowding.
- Discretionary licensing would help provide the following:
 - Real time database of private rented sector landlords and properties (except those who hide)
 - Raises awareness legal requirements across landlord community.
 - “Double jeopardy” extended to new scheme – double jeopardy in this instance is once a landlord declared ‘not fit and proper’ but who still operates as landlord, are liable to up to £20k per prosecution plus repayment of up to 1 year’s rent
 - Raise the bar in management standards.
- It must be remembered that a licensing scheme does not raise money for anything else, and it must not make a surplus. Also, the license fee cannot pay for enforcement activity and a licensing scheme cannot be used for rent control or improving security of tenure.
- To set up a borough-wide scheme, there would be a cost of approximately £100,000 to construct a business case; plus a further £100,000 to deliver a public consultation on the proposals. There would also be a significant cost in setting up the IT infrastructure for the scheme, as there is no ‘off-the-shelf’ product available at present. There is also an estimated £1m per year that will be needed to expand the enforcement team. There may also be recruitment issues as there is also a

skills shortage in this area, plus there would be a lead-in time of 2-4 years, so it could not be implemented quickly.

- The proposal Lewisham is looking at right now, would consist of the following:
 - Continuing to focus on known priorities through the Rogue Landlord Taskforce
 - Build up the business case for whole borough discretionary licensing
 - Trial discretionary licensing on flats over shops
 - Strengthening the partnership with Lambeth and Greenwich towards a shared service

3.6 In response to questions from the Committee, the following was noted

- The Council is in discussions with Public Health about collating information on mental health, children's health and other health indicators to improve the statistics at their disposal.
- The Head of Strategic Housing sits on the Adult Integrated Care Programme Delivery Group, so they are aware of the health and well-being issues that affect those that live in Lewisham.
- The Rogue Landlords Taskforce has been engaged in multi-agency work in particular 'hot spots' to tackle rogue landlords in the borough.
- The Greater London Authority has set up a London Rental Standard so landlords can become accredited so they applied with the law and offer a good service to their tenants. It has not been successful in reaching its estimated target of 100,000 accredited landlords, with only 300 additional landlords signing up.
- The Council would have to deliver a comprehensive public consultation if it was to consider a borough-wide licensing scheme. LB Enfield recently lost a judicial review on its public consultation, the reasons being that they did not consult the people who should have been consulted broadly enough and did not consult for the required length of time.

3.7 RESOLVED: That:

- a) The proposals made in Section 2 of the officer report be noted.
- b) An update report to be presented in 2015-16.
- c) Generation Rent be asked for more information on their work with other local authorities in helping tenants claim rent back under RROs.

4. Communal Heating Systems Review

4.1 Bertie Dixon (Engineer from Max Fordham) made a presentation to the Committee. The key points to note were:

- Max Fordham LLP is a consultancy specialising in engineering and construction, who have been in business for over 50 years. They have worked with numerous local authority housing developments, including projects in Lewisham such as Milton Court. They have installed and refurbished all types of heating system in that period, and followed up the results where possible.
- The common description for 'district' or communal heating system that operates many houses or buildings, like a housing estates or shopping centres from one central boiler plant. The conventional system is the boiler system where you have one boiler per flat/house

- The general convention since the 1980s has been to fit individual boilers rather than communal heating when constructing housing developments. However, in the last 10 years there has been a move to fit communal heating systems.
- This is due to the very strong policy position that has developed that combined heat and power is the most efficient way to generate heat. The Greater London Authority (GLA) & in turn local councils now all but require communal heating systems in major housing developments in London, and strongly encourage combined heat and power. Max Fordham LLP believes that there is an 'gap in understanding' in the information that has led to this policy position held by the GLA and others, on the operational use of communal heating systems and the inappropriate use of small scale combined heat and power units.
- Government published calculation methods used for building control and planning state that there is a 5% loss in energy with communal heating systems; but Max Fordham LLP own calculations state that for new flat developments it is more like 50%-70%. Losses as low as 30% are possible but with unusually high standards of design and installation. This causes higher carbon emissions, significantly higher bills than one would predict using the government calculator. Furthermore the uncontrolled heat loss in the distribution system causes overheating with attendant health risks to the tenants.
- Housing developers are now expected by planners to install communal heating systems to meet sustainability requirements for new developments, when better energy-efficient building would have been a more effective solution.
- One of the issues is that policymakers seem not know how inefficient communal heating systems are, particularly in current UK practice, and seem to be unaware of the problems that social housing tenants have with these systems.

4.2 In response to questions from the Committee, Bertie Dixon made the following further points:

- With communal heating systems, the capital costs are substantially higher due to the increased level of infrastructure, and the running costs are higher due to the increased fuel used, maintenance and management. Bills are generally much lower for the tenant with a single boiler system in their dwelling.
- Housing developers do have an option not to install communal heating systems if they so wish, especially if they build more energy-efficient properties. However the policy is loaded against this as installing communal heating systems is a cheaper option to achieve the carbon reduction targets on new housing development than greater levels of insulation, given the unrealistically low loss figures provided in the Governments statutory calculation method. The pressure from planning to install communal heating make not installing it a greater planning risk. Therefore a policy which encourages district heating discourages inherently energy efficient buildings. Bertie Dixon observed that those installing communal heating systems should publish the efficiency performance figures at planning and during operation to make these issues public and plain to see.
- There is an acknowledgement that there is still a lot of learning to be done in terms of the knowledge of how communal heating systems function.

4.3 James Gallagher (Chair, Parkside Residents Association), introduced his report. The key points to note were:

- As well as being Chair of Parkside Residents Association, he also has worked as a construction economist during his career, so has some experience of the issues in respect of different heating systems.
- He queried the cost of moving to a communal heating system, and residents were told that the cost to them would be approximately £2-3 a week, which was a factor in many residents staying in Parkside. However the cost to residents has worked out to be in the region of £8-9 a week, a significant increase in what they were originally quoted.
- He estimated that the cost of putting in communal heating systems for the amount of new housing developments planned for London over the next 20 years would be in the region of £2bn, and feels that this money could be put to better use.
- Communal heating systems are utilised better in high demand environments, where they could be in use 24 hours a day/7 days a week; that is not the case in residential housing. The Carbon Trust suggests that communal heating system need to be in use for approximately 4,500 hours a year to be energy-efficient. The communal heating systems in Parkside are only in use for approximately 1400-1750 hours a year.
- The EU Directives of 2002/91/EU and 2010/31/EU should have been considered for housing developers, which would mean they would have to look at various heating systems before start of construction.
- The Mayor of London has a target to achieve 25 per cent of London's energy supply from decentralised energy sources by 2025. However, he believes that communal heating systems are not the best way to achieve this objective due to their inefficiency, and they also do not help in reducing energy poverty.

4.4 In response to questions from the Committee, James Gallagher made the following further points:

- His calculations conclude that communal heating systems add over £400 a year to bills, when you include tariff, operational, depreciation, and replacement costs.
- Landlords install communal heating systems with the objective of reducing tenants' energy bills, but this has led to some instances to an increase in overall bills.

4.5 RESOLVED: That the comments and evidence be noted for the Review.

5. New Homes Better Places: Phase 3

5.1 Jeff Endean (Housing Programmes and Strategy Team Manager), introduced the report. The key points to note were:

- The latest developments in the project will go to Mayor and Cabinet in January 2015.
- Phase 1 is soon to be completed; Phase 2 will start in Spring 2015, and Phase 3 will go to Mayor and Cabinet so the planning process can begin.
- There will also be two re-builds for Extra Care Schemes as part of the plans as proposed previously.

5.2 In response to questions from the Committee, the following was noted:

- There needs to be more communication with local residents and parents as many are unaware of the expansion of Fairlawn Primary School, which is situated next to the Greystead Road proposal.
- The roads and links that are part of the Elliot Bank proposal should improve the area around the site.

5.3 RESOLVED: That the report be noted.

6. Rent and Service Charge Setting and Consultation (2015-16)

6.1 Mark Humphreys, Group Finance Manager, Customer Services, introduced the report. The key points to note were:

- The Government has recently amended the Guidance for rental for social housing stock to Local Authorities.
- Following the introduction of the self-financing system for the housing revenue account (HRA) in 2012, the Council is responsible for ensuring that the costs of managing, maintaining, improving and developing its social housing stock can be met from rents collected and other income.
- The self-financing system allows the Council to develop plans over a longer term, unlike the previous annual housing subsidy system. This has enabled the Council to consider longer term options of how its stock is managed and developed.
- To assist in assessing the various management and development options, a financial model has been developed. Within this, there are 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 would rise in line with the Government's 'Convergence Formula' until all units have converged to its 'target' or formula rent using an annual uplift of RPI + 0.5% + £2pw, and increase by RPI + 0.5% p.a. thereafter.
- The intention of the Convergence Formula was to ensure that tenants in accommodation of a similar size in a similar location would pay similar rents. To date, the Council has set rents in accordance with this formula.
- Officers have provided four illustrations in the papers that provide potential rent rises for 2015/16. Three of the rent increase illustrations show a potential shortfall against the rent income assumption in the current HRA financial model. If the Council follows the Government Guidance for increases of CPI+1%, and the discontinuance of rent convergence, over the remaining life of the HRA financial model shows a deficit of £24.6m against the rental income assumptions. This will need to be made up by additional saving or efficiencies which would affect services to residents. It would also mean that approximately 30% of tenants would not reach convergence, i.e. there would be a high proportion of tenants paying differing rents for similar properties.
- The Formula suggested by the Government is only 'Guidance', however if the Council's 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 on the Council's investment plans; and if the rent is increased by more than the Formula amount, and the resulting average rent is higher than the amount Government has indicated it is willing to cover via Housing Benefit, the Council will receive only part of the financial benefit of the extra rent raised because of the way the housing benefit system operates in such circumstances.

- The recommendation from officers is that whilst no recommended increase is being made, tenants are asked for their opinion on the increase to be applied, for consideration by the Mayor & Cabinet.
- No proposals have been received to increase the current levy for Tenants' Fund which will remain at 13p per week.
- Garage rents are proposed to rise in line with RPI inflation @ September 2014 which is 2.30%. This represents an increase of £0.26pw and would raise the average charge from £11.32pw to £11.58pw. The proposed increase will raise an additional £30k of revenue income.

6.2 In response to questions the Committee, the following was noted:

- The reason there are differentials in the percentage rises for the various rental charge options is that the Council started converging rent rates later than other Councils. The policy of convergence would need to continue, to ensure that more tenants in accommodation of a similar size, in a similar location, would pay similar rents.
- It is still an option for the Council to carry on with the previous Government Guidance on rent setting, rather than adopting the new Guidance.
- The Government Guidance on rent setting is general guidance, not regulation, so therefore they cannot form the basis of a judicial challenge.

6.3 RESOLVED: That the Select Committee support Option B in the officer report.

7. Select Committee Work Programme

7.1 Timothy Andrew, Scrutiny Manager introduced the report. The key points to note were:

- The items scheduled for the January meeting were as follows:
 - Housing Strategy 2015-20
 - Communal Heating System Review
 - Key Housing Issues

7.2 In response to questions the Committee were advised:

- The Housing Strategy's consultation may have to be tabled at the meeting as there will be little time to prepare a paper for agenda despatch once the consultation has concluded on 21 January 2015.
- The Registered Housing Providers – Invitation item has been moved to the March meeting to provide more time to discuss the relevant issues at the meeting. Officers will write to the five major Registered Housing Providers in the New Year to invite them to the March meeting.
- Officers will write to Registered Housing Providers (L&Q have already provided evidence to the Communal Heating Review) so they can provide additional evidence to the Review from their perspective.
- Officers will request to Barratt Homes that they send a representative to the January meeting to give evidence as part of the Communal Heating Review.
- The item on 'Private rented sector update/licensing scheme' be removed from the March meeting, and an update would be provided to the Committee as part of its 2015-16 work programme.

8. Items to be referred to Mayor and Cabinet

8.1 There were none.

The meeting ended at 10.10pm

Chair:

Date:

Agenda Item 2

Committee	Housing Select Committee	Item No.	2
Title	Declarations of Interest		
Wards			
Contributors	Chief Executive		
Class	Part 1	Date	28 January 2015

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 members' 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)

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Housing Select Committee		
Title	Communal heating review: evidence session	
Contributor	Scrutiny Manager	Item 3
Class	Part 1(open)	28 January 2015

1. Purpose

- 1.1 At its meeting on 22 July 2014, the Committee decided to carry out a review into communal heating systems. At its meeting on 1 October, the Committee considered a scoping report for the review and agreed terms of reference.

2. Recommendations

The Select Committee is asked to:

- Consider the information provided by witnesses at the meeting on 28 January 2015
- Consider the additional information provided by Brian Regan (LBL Planning Policy Manager) case studies provided by Jonathan Graham (Combined Heat and Power Association (CHPA)) and Bertie Dixon (Max Fordham LLP)

3. Key lines of inquiry for the review

3.1 Review question:

- How can the Council help to ensure the effective deployment of communal heating systems in the borough, where appropriate?

In order to answer this question the Committee has resolved to establish the following:

- An understanding of the issues influencing the development and deployment of heating systems in Lewisham;
- Evidence of the benefits and drawbacks of existing communal heating systems in the borough;
- The factors influencing the effective design and operation of heating systems.

This will focus on the following key areas:

- Design (including predicted costs and energy consumption contrasted with actual costs and energy consumption from case studies)
- Implementation (including problems with construction)
- Monitoring and operation (including running costs)
- Lessons that can be learnt for future developments

3.2 Issues outside of the scope of the review:

- Government's carbon reduction targets;
- The Council's climate change targets and planning policy;
- Individual householder issues.

4. Timetable

4.1 The Committee has agreed the following outline timetable for the review:

Evidence sessions on 11 November 2014 and 17 December 2014 to include:

- Officers from two developments with communal heating schemes inside or outside of the borough.
- Officers from the GLA to update on the delivery of the London heat map project.
- Expert witnesses from the energy sector to talk about the opportunities and challenges of communal heating.
- Officers of the Council to provide information and evidence about the Council's planning and building control responsibilities.
- Residents who live in developments with a communal heating systems

4.2 A further evidence session was added to the meeting on 28 January 2015, to include:

- An expert witness from Barratt London - Vimal Bhana, Head Of Energy
- Additional evidence provided by witnesses

5. Recommendations and final report

- The Committee may choose to consider a final report presenting all the evidence taken and agree recommendations for submission to Mayor and Cabinet.

6. Further implications

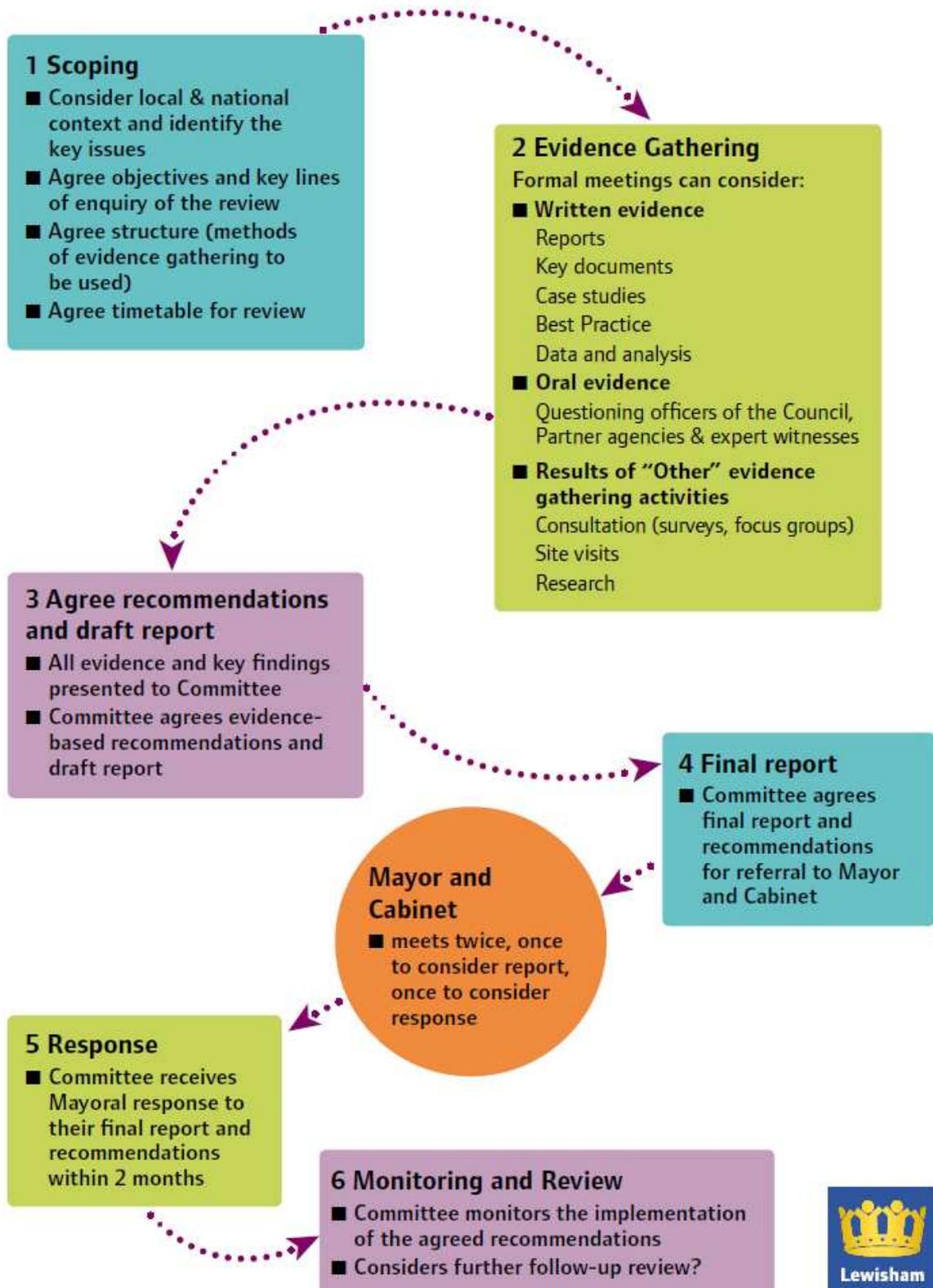
At this stage there are no specific financial, legal, environmental or equalities implications to consider. However, each will be addressed as part of the review. It should be anticipated that there will be implications arising from the Council's obligations to carbon reduction, agreed planning policy and building regulations.

Background Papers

Housing Select Committee minutes 22/07/14 <http://tinyurl.com/pmykvlz>

For further information please contact Roger Raymond, Scrutiny Manager on 020 8314 9976.

How to carry out an in-depth review



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Combined Heat and Power – Policy and Practice in Lewisham

Brian Regan, Planning Policy Manager, 9th December 2014

Introduction

This note provides a brief overview of the Council's Planning Powers in relation to communal heating systems. As requested It will cover the:

- Policy framework used by the council;
- Process for considering and granting planning permission;
- How we evaluate energy assessments;
- How we monitor the implementation of the heating systems granted planning permission.

Planning Policy

The legal planning system is that decisions on planning applications should be based on policies in the development plan unless other material considerations outweigh these.

National, Regional and Lewisham Planning Policy all promote decentralised energy provision.

The development plan for Lewisham comprises the London Plan 2011, The Core Strategy 2011; and other adopted Local plans.

The London plan and Lewisham Core Strategy contain policies relating to decentralised energy. London Plan policies 5.4, 5.5, 5.6 deal with decentralised energy. In summary, the Mayor expects 25% of the heat and power used in London to be generated through the use of localised decentralised energy systems by 2025. Boroughs should develop policies on decentralised energy in their local plans. Development proposals should evaluate the feasibility of CHP and where it is appropriate also examine opportunities to extend the system beyond the site boundary.

The Lewisham Core Strategy policy 8 develops the London Plan policy and requires applicants for major new developments to connect to existing or approved decentralised energy network, safeguard potential networks and make provision for future connection to a network or contribute to its development, where possible in the regeneration and growth areas.

Process for considering and granting planning permission

For all major applications the Planning Service encourages pre-application discussions and the development of a Planning Performance Agreement (PPA), if a proposal has a good chance of receiving a positive recommendation within a time period agreed between the parties.

In developing Planning Performance Agreements, Planning Officers will wish to include discussions covering a wide range of subject matter that influences the development of schemes and which is required to make a planning submission a valid application. This will include proposals for energy and Planners involve the sustainability team in discussing the topic with applicant teams and would hope that a draft of the required document is shared at an early stage. The Sustainability Officer is a standard internal consultee on receipt of applications.

On major sites in particular, the energy strategy should not only comprise a consideration of a Combined Heat and Power system for the application site, but also

the possibility of a future connection to a district network, including any emanating from SELCHP. Officers would liaise with SELCHP if appropriate.

Should proposals for energy potentially have adverse impact on air quality, the Environmental Protection team is consulted. In the case of major schemes that require an Environmental Impact Assessment, specialist consultants are sometimes appointed.

Conditions would normally be placed on any permission requiring the delivery of CHP proposals and the potential connection into a wider future network.

How we evaluate energy assessments

Energy Assessments are assessed against policies in the London Plan and the Core strategy. If the application is referable to the GLA then they will be consulted, otherwise specialist advice is provided by the Lewisham Sustainability Officer. Through the PPA process, officers would seek to ensure that detailed discussions had taken place before the submission of an application, so that the submitted documents reflected what had already been accepted in principle.

How we monitor the implementation of the heating systems

Conditions placed on any planning permission would require a system to be fully delivered in line with submitted documentation, which would form part of an approval. Planning officers are spending more time in ensuring that approved developments are delivered to the standards set out in submitted documentation. This is a departure from more traditional ways of planning which tended to respond to complaints being made about schemes and it is resource intensive. It is desirable to sign PPAs covering the discharge of conditions and for officers to build up a good working relationships with applicant teams to allow inspections when necessary. It is fair to say that energy is a specialist area and its delivery is harder to observe than, for example, changes to the built form or public realm.

There could be opportunities for closer working with Building Control, especially when considering below ground works, such as the laying for pipework for future connections to decentralised networks, though this isn't possible where the Council's Building Control Service is not used by applicants which is common on major applications.

If energy remains a matter for planning assessment rather than being covered by other legislation or through the Building Regulations for example, it could be possible to require evidence through condition that systems are installed in line with approved details and that they are functioning fully, though such an approach would need additional and potentially specialist resource for verification. This would be at variance with LBL practice of imposing conditions that require schemes to be built out in line with approved details whenever appropriate, rather than needing later assessment. However, it should be possible to require that the applicant funds the independent verification of the system.

First Choice Homes Oldham



First Choice Homes Oldham (FCHO) is a housing association that manages 12,000 homes. It has over 2,000 properties connected to district heating on over 50 schemes.

FCHO retrofitted heat metering equipment to its networks so that it could help its residents to better understand their energy usage and to help tackle fuel poverty.



The district heating system provides heating and hot water to the residents from a gas fired boiler on demand. Before the heat meters were installed, residents paid a fixed charge each month.

Heat meters were installed into each property, giving householders direct control over their heating and hot water consumption. Each resident now pays for what they use, rather than what is available.



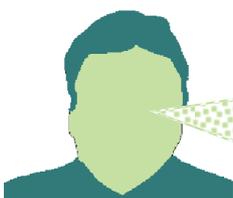
Gaining 'ownership' of their energy consumption has had a positive impact on residents' bills. **9 out of 10 residents pay less** now than they were doing on the standard charge with **63% reporting having halved** their heating and hot water bills or more.

Billing information is collected electronically using an innovative radio device, so residents do not need to be disturbed to collect the consumption information. By only producing the amount of heat and hot water that is needed by the residents the housing association has been able to run the district heating systems more efficiently, using less fuel which has helped to reduce costs and carbon emissions.



"All I have to do is use the simple control board. It's a fantastic improvement on the old fixed charge system."

- Mr Jagger, FCHO Resident



"It was clear right away that the heat metering systems would result in reduced fuel costs for the vast majority of tenants but, critically, it would also introduce real fairness."

- Martin Latham, Heating Service Manager

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West Bridge Mills District Heating



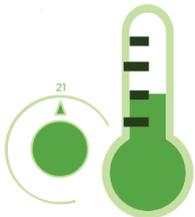
West Bridge Mill consists of 16 self contained flats for vulnerable young people as well as office space for charities. Link Group Housing Association chose combined heat and power with district heating so they could provide low carbon, affordable heat and power to help alleviate the fuel poverty of its residents.



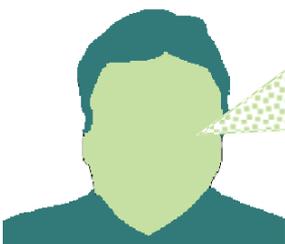
Before the renovation, each flat used electric storage heaters and immersion heaters which were inefficient, unreliable and expensive to run. Following the installation of the combined heat and power unit and district heating system, the site has **reduced its energy costs** by **£14,000** a year, **saving residents hundreds of pounds** on their energy bills.



The combined heat and power unit tracks energy demand to make sure that all of the residents' heating and hot water needs are met whatever the weather. The unit also supplies around 66% of the site's electricity demand. The new system is more fuel efficient and has helped the site to **reduce its carbon emissions by 31%**.



Each resident is able to meet their individual heat and hot water needs exactly through controls in each flat. The flats also have integrated energy meters which lets the resident check their energy consumption and lets the supplier take accurate meter readings for billing.



"We have seen a significant benefit in heating bills and found that our energy costs last year were reduced by around £14,000. The colossal energy savings made possible through this solution led to the project's recognition by the Chartered Institute of Housing awards in the Excellence in Environmental Sustainability Design category."

Colin Reid of Link Group

The West Bridge Mill project shows how combined heat and power and district heating can help to alleviate fuel poverty. The new system is much more fuel efficient and requires less maintenance. Thanks to the new system, residents have more control over the energy they use while also benefitting from reduced running costs and cheaper energy bills.

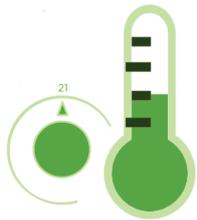
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Brownrigg Communal Heating Scheme



Brownrigg Court in Newcastle is a district heating scheme which connects XXX homes to 11 boiler houses.

Gentoo Sunderland chose district heating to reduce energy usage and to help tackle fuel poverty amongst their residents. It found that residents using district heating consumed less energy than those with an individual gas boiler.

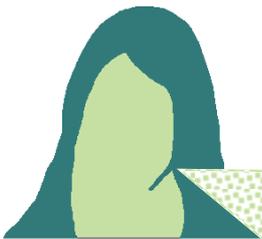


The district heating system provides heating and hot water to the residents on demand. The original boilers were reaching the end of their useful life, which gave the housing association, Gentoo Sunderland an opportunity to install the latest, most efficient gas boilers to provide heat to the network.



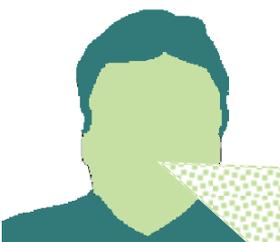
The new boiler houses were designed and tested offsite, which kept disruption of the residents to a minimum.

The new system is more fuel efficient, which has reduced gas bills, making it more affordable for the residents. By improving the efficiency of the site, the housing association was able to make a **cost saving of 22%**! It is so much more efficient that it has helped the site to **save 234,000 tonnes** in carbon emissions!



“I have lived in this property on the communal scheme just over three years. I moved from a property with an individual gas boiler which was much more expensive. I am using less energy and spending less money which is great!”

- Helen Speed, 21 Brownriggs Court



“Communal Heating promotes a more efficient and ‘cleaner’ way of heating our schemes. We have found the usage of communal heating schemes to be much lower than properties on individual gas boilers being more efficient and beneficial for our residents and reducing the element of fuel poverty. Working in partnership with the energy provider we are able to support each resident and provide energy advice from both angles.”

- Colin McCartney, Gentoo Sunderland

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CHP slashes sheltered housing fuel bill

A DACHS CHP unit is helping a sheltered housing complex near Newcastle cut its annual fuel bill by 30 per cent.

The CHP system, supplied by Baxi-SenerTec UK, was installed alongside Potterton MB Series modular boilers that have replaced the ageing district heating system at the 32-flat Lincoln Court building in Hebburn.

Design engineer Michael Cockram of South Tyneside Council, said he and the residents were delighted with the change.

“We are closely monitoring the performance of the DACHS and it is working 24/7 with a single stop / start per day,” he said. “Power output is 5.5kW and thermal output is about 15.5kW and that is good news. Everything appears to be nicely balanced.”

Lincoln Court is using the electricity produced by the CHP to supplement the landlord supplies to the corridors, common areas and the social lounge. It is also being used for security lighting, lifts and pre-heating of hot water supplies to washing machines. This has significantly reduced the amount of electricity drawn from the Grid.

Serving the mostly single occupancy flats and warden’s accommodation, the DACHS is in constant demand. Each flat has a typical average trickle demand of about 200 to 500W of heat so, even during the summer; there is a need for thermal energy from the CHP, which means it can continue providing electricity all year round.

The unit acts as lead boiler to displace some of the new gas condensing boiler heat load. Each flat is fitted with an indirect Elson tank and direct acting valves are fitted to the primary LTHW mains to control the tanks. These operate around the clock.

Mr Cockram explained: “We are using them as a heat sink to export the thermal output from the CHP.”

The new boiler plant is fitted with direct weather compensation that can be used for off peak heating periods.

The council is currently reading the gas meters on a monthly basis to identify operational costs and possible savings.

“Central power stations operate at around 35 per cent efficiency and conventional heating at around 80 per cent,” said Mr Cockram. “The DACHS burns approximately 30 per cent less fuel than independent production of heat and electricity, reducing both carbon emissions and costs, but still produces the same total output.”

www.baxi-senertec.co.uk

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Lewisham Housing select committee 17/12/14

Maxfordham written comments as requested.

Contents:

1. Typical heat losses from a district heating system in practice, for Lewisham Housing select committee
2. Brief answers to the scope of the enquiry
3. Suggestions on how to improve the situation

1. Typical heat losses from a district heating system in practice, for Lewisham Housing select committee

'Project B':

London. Around 200 homes completed in 2007. Medium rise.

This is a typical-to-good project in terms of quality of design, massing, workmanship & maintenance. ie there are worse systems.

SAP is the official calculator used to assess the CO2 emissions to demonstrate compliance with Planning, including the London plan, and Part L.

SAP predicted useful heat demand for project B: 725MWh/yr

SAP predicted heat losses from the district heating: 10% of demand

Actual heat demand: data not available

Measured heat loss from the district heating*: 1700MWh/yr

$1700/725=2.3$

Measured heat loss from the district heating as a percentage of SAP predicted heat demand: 230% of demand

Conclusion:

In this instance, the losses are apparently 23x as large as the official calculation predicted.

*calculated using data from a sample week

2. Brief answers to the scope of the enquiry (in red)

SCOPE OF THE LEWISHAM HEATING ENQUIRY

For district/community heating, biomass and CHP installations:

1. What are the calculated performance figures including the operating efficiencies and losses from schemes in the borough. This should include the fuel in, electricity in, heat delivered to the dwelling or user, electricity delivered to the user and/or grid. All figures to be in kWh and CO2 based on current CO2 emission factors from the department of energy and climate change [DECC]. **SAP is the official CO2 emissions calculator used to demonstrate compliance with Planning, including the London plan, and Part L. The SAP default value for district heating (DH) heat losses are typically 5-10% losses. If you actually measure the pipe lengths & calculate the loss (not required for CO2 compliance) the losses are more like 50-100%.**
2. What are the measured operating performance figures from schemes in the borough to back up the calculated figures, and how are they reconciled, if at all? **We have data from one scheme (not in Lewisham) as detailed above. Losses are 230% of SAP calculated useful heat demand.**
3. What is the calculated overheating effect caused by heat loss from system distribution losses and losses from heat interface units? **Significant. We haven't done a detailed analysis of this but our report submitted on the 17th December indicated the heat gain into the common parts from the pipework for various arrangements. To give some idea, one would fit a 1300 w radiator in a 25m2 room with external windows and walls. This would be well oversized for rapid warm up so the output would normally be much lower than this in the winter and nothing in the summer. 1300 w is the constant heat gain from the pipework into the small landing with no heat loss. It is like having a reasonably sized radiator running hot all the time.**
4. What are the measured temperatures in areas that are affected by heat loss from distribution pipes and heat interface units, and how do they reconcile with the calculations?
5. What is the effect of future changes to the CO2 emission factors for grid electricity on the overall carbon intensity of the heat being provided? **This report suggests that district heating systems & CHP installed now will lose any carbon advantage in less than 10 years, depending on how quickly the grid decarbonises. We think it is sooner than that (ie now) because this report does not take into account the system losses which we know quickly negates any marginal benefit using the CHP heat.** http://www.aecom.com/deployedfiles/Internet/Geographies/Europe/Document%20Library/heated_debate_sustainable_heat_low_carbon_future.pdf
6. What are the costs of installation operation and maintenance for the systems?

Installation:

This report written for the DECC in 2009 suggests it costs at least twice as much to build DH than gas boilers (table 35 of this: http://www.poyry.co.uk/sites/www.poyry.uk/files/A_report_providing_a_technical_analysis_and_costing_of_DH_networks.pdf)

See also figures available from James Gallagher which are less favourable to District heating.

Operation and maintenance:

We presented an analysis to the GLA in 2012 which showed that district heating could cost around twice as much to operate than gas combi boilers, [potentially bringing social tenants 80% of the way to the fuel poverty threshold, for a brand new building in Lewisham.](#)

7. How much are residents being charged for consumed kWh's, Daily Fixed Charge, Operating, Maintenance Costs & Depreciation Charges? [This item needs to be separated into two categories 1]

where there are heat meters installed & 2) where the heat delivered is estimated & charged as a fixed weekly amount. In 2) estimate the heat consumption of the dwelling to establish a specific cost per kWh. [See figures available from James Gallagher](#)

8. How does the advent of new highly insulated and air-tight buildings with very low heat loss affect the findings? [District heating is the cheapest way for a developer to pass the targets, as it is easier to build and less stringently tested than building fabric. Therefore, by encouraging poorly regulated district heating LBL is a penalising energy saving measures such as improved fabric. This is counter to the London plan energy hierarchy, and is a fundamental conflict in that policy.](#)

[The heat losses from district heat are fixed. So, as buildings become more efficient, they become less and less suitable for connection to district heating.](#)

9. As a comparative study, how much is the cost of a combination boiler installation in terms of Installation Costs, Fuel Costs, Operation & Maintenance Costs, and Replacement Cost? [Around half of that of district heating. \(ref table 35 of this: \[http://www.poyry.co.uk/sites/www.poyry.uk/files/A_report_providing_a_technical_analysis_and_costing_of_DH_networks.pdf\]\(http://www.poyry.co.uk/sites/www.poyry.uk/files/A_report_providing_a_technical_analysis_and_costing_of_DH_networks.pdf\)](#)

10. What are the other low energy options for providing heat to dwellings in the borough and what are the barriers to beneficial energy options being adopted? [Reducing the demand through insulation and airtightness will yield a reduction in energy use. Modern construction needs very little heat at all. In these conditions it is easy to use more energy moving the heat around and loose energy with poor controls than the actual building heating requirements. Appropriately sized and well controlled conventional systems will provide savings. In time the fuel sources of gas or electricity will decarbonise at a national level. This simple approach is basically shut down in London due to the need to install district heating which needs to sell heat to be economic and stops any innovative ways to provide heat locally. Efficient use of fossil fuels; Gas heating with Passivhaus fabric standards & Passivhaus quality control; Air source heat pumps in some examples.](#)

11. What is the effect of the costs differentials on energy poverty [We presented an analysis to the GLA in 2012 which showed that district heating could cost around twice as much to operate than gas combi boilers, potentially bringing social tenants 80% of the way to the fuel poverty threshold , for a brand new building in Lewisham.](#)

12. What are the options for making sure that residents with higher cost heating systems over other systems are not penalised. What are the options for allocating the costs differentials if the putative benefits are for the greater good of society rather than the individuals. Is this approach a defensible use of public money? [The price that a resident pays for heat from a district heating system could be capped at what they would pay for an equivalent market-linked gas combi boiler. We can not identify a group who could fairly be forced to pay for these ongoing costs. If no one party is responsible, or if no one party can legally be pursued, often the council has to pick up the cost. District heating is creating a legacy which must be dealt with, usually at the tax payer's expense, much like asbestos.](#)

3. Suggestions as to how to improve the situation.

1. **Change the policy:** London Borough of Lewisham (LBL) planning policy makes a presumption that district heat is nearly always right (>10 houses). This could be changed to allow schemes only on the basis that certain procedures are followed, as summarised below.
2. **Price cap on resident's bills:** LBL could require that the price that a resident pays for heat from a district heating system should be capped at what residents would pay for gas burned in a combi boiler that is replaced on a 15 year cycle and maintained on a bulk purchase maintenance agreement available to larger land lords such as RSL's. LBL could ask for a bond on behalf of the residents to ensure that this agreement is honoured in the event of the original contracting party going bankrupt-
3. **Require efficiency data to be shared:** LBL could require that all planning applications are accompanied with realistic carbon emissions based on accurate calculated assessments of the system losses*. These emissions are to be conditioned. Developers are to provide annual running data to allow this to be tested once in operation, and if not compliant, be challenged as a breach of planning conditions with all the sanctions given in planning law. Adding this level of liability and risk to the development will mean that the calculations are done well. This could most easily be enforced in publically funded schemes.
4. **Get training, or use experts:** Structural designs are technical documents which must be reviewed by an expert. Building control officers will send structural designs to external consultants for review. In the same way, district heating designs should be analysed just as rigorously. There are standard methods for assessing the feasibility of CHP & district heat- for example the DCLG Non-domestic compliance guide (part 6) which also refers to CHPQA. For example, maximum pipe heat losses are defined in the same, section 11. LBL to require that the heat loss from all fixings & valves should be included in this max value. These are examples of existing requirements which are routinely ignored/interpreted by developers, clients and building control. Enforcing this requires no change in policy, but it is a change in the culture. If LBL Planning officers, Housing associations, & LBL building control inspectors don't feel qualified to review the information, then it should be sent to external consultants for review, just as for structural designs.
5. **Test the performance:** Currently, all new buildings are physically tested for airtightness as part of the building control application. In the same way, district heating should also be physically demonstrated to be compliant with the stated design heat loss at planning. As an analogy: a new car must have an emissions test, so why not a district heating system?
6. **Link funding to performance:** Public funding for housing to only be released once the performance has been demonstrated. Funding should not be released before the performance/quality has been demonstrated. Would you buy a car without taking it for a drive?
7. Pumping power to be included in the above processes.
8. We anticipate that complying with the cost conditions in item 2 will mean that the developer will want a substantial sum to subsidise the installation and running costs. We anticipate that the realistic calculations set out in item 3 will mean the development will not comply with the building regulations carbon emissions and so other measures such as buying carbon offsets or additional PV's will be required. LBL could publish these costs and request that this funding is provided from the GLA.

*it should be noted that, to our knowledge, there are currently no accurate & robust assessment for predicting carbon emissions of CHP/district heated schemes. Developers are to offer their own assessment of efficiency data upto the apartment, based on their own data. This is reviewed in use.

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Agenda Item 5

Housing Select Committee			
Title	Homelessness, Lewisham Homes Property Acquisition: update on current initiatives and future addition options - Information item	Item No	5
Contributors	Scrutiny Manager		
Class	Part 1	Date	28 January 2015

1. Recommendation

- 1.1. The Select Committee is asked to note the content of the report.

2. Background

- 2.1. After the meeting of the Housing Select Committee on 17 December 2014, the Chair received a request to receive an information item looking at Temporary Accommodation Pressures.
- 2.2. The paper was received by Mayor and Cabinet on 14 January 2015.

3. Further implications

- 3.1. Specific financial, legal, environmental, equalities or crime and disorder implications are contained in the main body of the report.

If you have any questions about this report, please contact Roger Raymond, Scrutiny Manager (ext. 49976).

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MAYOR AND CABINET			
Report Title	Homelessness, Lewisham Homes Property Acquisition: update on current initiatives and future addition options		
Key Decision	Yes	Item No.	
Ward	Borough Wide		
Contributors	Executive Director for Customer Services Executive Director for Resources and Regeneration		
Class	Part 1	Date:	14 January 2015

1 Summary

- 1.1 Mayor and Cabinet has received a number of previous reports outlining the acute housing demands that the Council, like all London local authorities, is currently experiencing. This is expressed most clearly in the rapidly rising need for emergency nightly paid, bed and breakfast type accommodation for homeless households, which is both unsatisfactory for residents and very costly for the Council.
- 1.2 There are a number of factors driving this increase, and while broadly these are all beyond the control of the Council, the Council does retain a duty to respond to the problem and also bears the financial pressure associated with it. These factors include property price inflation which continues to hugely out-strip other measures of inflation, and which in turn provides incentives for landlords to seek higher rents than can be afforded by the Council or otherwise to sell their properties and cash out of the housing market while prices are high. It is also caused by on-going shortfalls in the new supply of all forms of housing and in particular affordable housing and by a general fall in the movement of current tenants within and out of existing stock.
- 1.3 In response to this crisis the Council has initiated a wide ranging and assertive programme of interventions in the local housing economy, including the construction of new homes, the acquisition of properties which provide a more sustainable and better quality alternative to bed and breakfast, piloting innovative methods of construction to provide more homes more quickly, and a range of policy changes, in order to address this crisis.
- 1.4 The construction of the first new Council homes of the 500 that will be delivered by 2018 - funded entirely by the Council and developed on its behalf by Lewisham Homes - will shortly complete and these homes will become available for residents in housing need. Other reports on this agenda set out further progress in this regard, with more than 200 new homes identified and in the development process.
- 1.5 In February 2014 Mayor and Cabinet approved plans to acquire two large properties which could be converted into hostels in the short term in order to provide the Council with access to additional short term accommodation for 32 homeless families, and which would be of better quality and at a reduced cost compared to bed and breakfast accommodation. In April 2014 Mayor and

Cabinet agreed to provide funding of £4.3m to enable the acquisition of a further 50 units of hostel accommodation, based on the same business case and logic as the two prior acquisitions.

- 1.6 In October 2014 Mayor and Cabinet approved plans for an innovative new model of development, whereby “re-deployable” temporary housing could be constructed on vacant sites in the short term, enabling both the use of vacant land in the short term and the provision of cheaper and better alternatives for homeless households at the same time. In total the Council has allocated £7.74m to fund the acquisition of properties, of which £6.725m has been already been allocated and will bring forward an additional 69 units of hostel or other temporary accommodation within the coming year, and the remaining budget is expected to be expended on funding additional purchases early in 2015.
- 1.7 Other policy changes have also been implemented. As an emergency measure 80 per cent of all two and three bed properties which become available for letting are being let only to homeless households. Changes to the delivery of front line services, by consolidating office accommodation and by focussing more on homeless prevention have also been made to help address the problem.
- 1.8 Whilst all of the above measures and the focus on homeless prevention have reduced the rate of increase in demand, the pressure on the Council to find accommodation for homeless households continues to be significant. The latest data, for December 2014, show that there are currently 596 households in bed and breakfast, or other nightly paid, accommodation in the borough. In March 2013 the number was only 60, and as such the Council is managing an tenfold increase in demand in just eighteen months ago. This level of demand is creating a budget pressure of more than £2.5m, at a time when the Council more widely has to radically change service delivery models to save £95m by 2018.
- 1.9 As such, it is imperative that the Council considers all available options for further interventions and acquisitions to help address the problem, but there are other factors which also argue in favour of the Council doing so. On that basis, this report recommends to Mayor and Cabinet that a further property acquisition programme is undertaken, in this instance by Lewisham Homes on behalf of the Council. These properties would be bought on the open market by Lewisham Homes and let to households who would otherwise be in more expensive and less appropriate temporary accommodation, while longer term and more sustainable options are sought.
- 1.10 Lewisham Homes is a strongly performing organisation which has improved housing management services considerably in the short time that it has been charged with managing the Council’s housing stock. This year it will manage more capital expenditure, and make more Council homes “decent”, than in any previous year. It is making excellent strides in developing new homes on behalf of the Council, and resident satisfaction with its services continues to rise. Given all of this, the Mayor is asked to agree with the proposals set out here to further utilise the capacity of Lewisham Homes to address the housing challenges the Council faces, by continuing to evolve its purpose, and

amending its management agreement with the Council to enable it to play a greater role in addressing the homelessness crisis.

2 Recommendations

The Mayor is recommended to;

- 2.1 Note the continuing extreme levels of demand faced by the Council from homeless households in the borough, and the progress in previously agreed measures that have been implemented to meet that demand
- 2.2 Agrees to extend the previously agreed budget for capital works for Hamilton Lodge and 118 Canonbie Road, as set out in section 5 of this report
- 2.3 Notes the business case for an additional programme of property acquisition, to be carried out by Lewisham Homes, as set out in section 6 of this report
- 2.4 Agrees that the Council provides a loan of up to £20m to Lewisham Homes, on the terms set out at section 8 of this report, to enable Lewisham Homes to acquire up to 100 new units as an additional intervention to help manage homelessness demand, and that the authority to finalise the terms of the loan agreement be delegated to the Executive Director for Resources and Regeneration
- 2.5 Agrees to the proposed changes to the Management Agreement between the Council and Lewisham Homes and to Lewisham Homes' Articles of Association as set out in section 9 to enable Lewisham Homes to acquire and own property, and to initiate discussions with the HCA regarding obtaining Registered Provider status, and agrees that authority to finalise and approve further minor amendments as a result of discussions with Lewisham Homes' Board in this regard be delegated to the Executive Director for Customer Services
- 2.6 Notes the timetable and scope of the proposed project to review and consider an extension of Lewisham Homes' Management Agreement after its expiry in 2017, including the potential ways in which Lewisham Homes might further evolve to help meet the Council's housing priorities, as set out at section 10

3 Policy Context

- 3.1 The contents of this report are consistent with the Council's policy framework. It supports the achievements of the Sustainable Community Strategy policy objectives:
 - Ambitious and achieving: where people are inspired and supported to fulfil their potential.
 - Empowered and responsible: where people can be actively involved in their local area and contribute to tolerant, caring and supportive local communities.
 - Healthy, active and enjoyable: where people can actively participate in maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities.

3.2 The proposed recommendations are also in line with the Council policy priorities:

- Strengthening the local economy – gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
- Clean, green and liveable – improving environmental management, the cleanliness and care for roads and pavements and promoting a sustainable environment.

4 Background

4.1 Lewisham, and London more generally, faces severe housing pressures across all tenures. A combination of historic and on-going lack of new supply, a reduction in the number of available lets across the social housing stock, welfare reform, and rising property prices and rents, has led to rapidly increasing, and unmet, demand for social housing.

4.2 This increasing demand has recently started to translate into acute pressure for temporary accommodation. The latest data from DCLG show that, London-wide, demand for temporary bed spaces has doubled in two years, and the impact in Lewisham has been even more severe. In Lewisham there are currently 596 households in nightly paid accommodation, against a target of a maximum of 50. The number has increased more than tenfold in the eighteen months since March 2013, when there were 60 households in nightly paid accommodation.

4.3 The table below sets out for Mayor & Cabinet the data which demonstrates the driver for this acute level of demand. In short, the projection for the number of cases this year in which the Council has accepted a homeless duty is 822, which is nearly 40 per cent more than two years ago. At the same time the total number of available lets is projected to fall by nearly 52 per cent.

Supply and demand			
	2012/13	2013/14	2014/15 (projected)
Homeless applications taken	1,248	1,041	1,325
Homeless duty accepted	588	710	822
Total tenanted lettings made (re-lets and new lets)	1,774	1,443	1,168

4.4 It is as a result of this pressure that the Council has already launched a range of acquisition programmes and other policy interventions in order to better manage demand and also to provide better short term alternatives where demand cannot be reduced. The next section of this report sets out the progress that has been made in delivering those programmes, and the business case for augmenting them with a further programme of purchasing small, individual properties in addition to the larger hostel-type acquisitions that have been made to date.

5 Update on current property acquisition programmes

- 5.1 In February 2014 Mayor and Cabinet approved plans to acquire two large properties in Forest Hill which could be converted into hostels in the short term in order to provide the Council with access to additional short term accommodation. These were at Hamilton Lodge, Honor Oak Road, and 118 Canonbie Road, and in combination both properties will provide better quality accommodation for 32 homeless families, and the potential for the Council to defer more than £0.5m of expenditure annually which it could otherwise have incurred if those families had been housed in bed and breakfast accommodation.
- 5.2 The purchase of both properties has now completed, and it is expected that the property at Hamilton Lodge will be available for letting in the summer of 2015. Planning applications for the required changes to both properties have been submitted, and following planning consent a programme of works will be required in order to convert the properties for their new temporary use.
- 5.3 Having had access to both properties, officers have been able to develop detailed costings for the work that has been required. With this exercise complete, it is now clear that additional investment will be required in order to complete the required works. The original budget that was agreed by Mayor and Cabinet in February 2014 is set out in the table below, alongside the updated budget requirement that has been arrived at following detailed surveys, and Mayor and Cabinet is requested to approve this expenditure to enable the works to be carried out.

Property	Original budget for capital works	Updated budget request for capital works
Hamilton Lodge	£350k	£530k
118 Canonbie Road	£150k	£320k
Total	£500k	£850k

- 5.4 In April 2014 Mayor and Cabinet agreed to provide funding of £4.3m to enable the acquisition of a further 50 units of hostel accommodation, based on the same business case as that used for Hamilton Lodge and Canonbie Road. This was that by purchasing large properties which can be managed in a similar manner to the hostels the Council already manages, the Council can deploy capital investment in order to achieve revenue savings, purchase and hold assets that can be used for a range of purposes in the medium to long term, and provide a better housing solution for homeless households.
- 5.5 The agreed parameters of the programme were that properties targeted for acquisition should be larger properties within which individual hostel rooms can be created, that the overall cost of acquisitions should equate to around £86,000 per room – which is the same level as that achieved with the two previous purchases – and that properties should provide flexibility for a range of future uses at the time at which they are no longer required for homeless households.

- 5.6 The table on the following page sets out progress in delivering this programme. Officers have been successful in identifying options for adding a further 37 hostel units with this funding, but Mayor and Cabinet will note that the majority of these units are being delivered through the conversion of existing under-used assets or through the innovative “re-deployable housing” scheme that has been agreed for the site of the former Ladywell Leisure Centre.

Property	Units	Total capital cost	Notes
Completed transactions/allocated capital funding			
106 Wells Park, Sydenham	1	£25,000	Conversion of a surplus Council asset
28 Deptford High Street, Evelyn	3	£254,934	Conversion to residential of upper floors of a Council owned commercial property
161-163 Deptford High Street, Evelyn	4	£495,649	Acquisition of a commercial property and conversion to residential of upper floors
Ladywell Re-deployable Housing	24	£2,040,000	Contribution to the cost of the re-deployable housing development
<i>Sub total</i>	32	£2,815,583	
Under negotiation			
2 property acquisitions/conversions	5	£471,000	Expected to complete early 2015
TOTAL	37	£3,286,583	

- 5.7 The manner in which the new units are being delivered reflects the nature of the local housing and property market. Officers have made a number of bids for and otherwise attempted a range of purchases of larger properties, but have found that rising values locally, combined with the agreed budget parameters and the required property types, have meant that the Council can rarely compete with private developers. Where properties have been purchased, this is largely the result of distressed sales or partner organisations, rather than open market purchases.
- 5.8 Nonetheless, the addition of 37 new units will play a role in addressing the problem, and the properties that they are contained within will provide for a range of medium term options for the Council. Furthermore officers are continuing to identify options and negotiate with vendors, and are confident that the full £4.3m budget will be allocated during 2015 and will deliver the target of 50 new units as required.
- 5.9 However, it is clear that this approach alone will not be sufficient in order to address the scale of the challenge the Council faces. This is primarily because of the nature of the housing market, and specifically for larger properties, where competitive bidding against property developers and other market participants who are able to take greater risks and let properties at higher rents means that the Council struggles to compete.

6 Enabling Lewisham Homes to acquire individual smaller properties

- 6.1 An alternative approach to property acquisition is to seek to acquire individual properties at market values. There would of course also be competition for these properties, but as the volume of supply is much greater there would be very many more opportunities to acquire. Furthermore, as standalone properties there would be much less interest from property developers seeking to adapt or change the use of larger properties.
- 6.2 The purchase of individual properties would achieve the same financial benefits as larger acquisitions, by generating annual savings of £20,000 per property. They would also benefit the households themselves by offering better quality than bed and breakfast accommodation, and so officers recommend that a programme of individual property purchases should be considered as an additional strand to the wide-ranging programme of interventions that the Council's is making to address the homelessness crisis.
- 6.3 It would be possible for the Council to undertake a programme of individual property acquisition, but it is recommended here that Lewisham Homes undertakes this programme on the Council's behalf instead. The three reasons for enabling Lewisham Homes to purchase these new homes are, first that by doing so the Council will benefit from additional flexibility in the manner in which it is able to target the properties to address the current homelessness crisis, second that it will enable the Council to develop a new model of homelessness prevention that is not currently possible under current structures, and third, and crucially, that it will enable the Council to make a robust intervention into the local private rented sector and set a benchmark for the standards and quality that Lewisham private tenants should come to expect.
- 6.4 Currently, the Council houses potentially homeless households in a range of temporary accommodation whilst those cases are assessed and a decision is reached over whether the households are owed a homelessness "duty". These are generally hostel-type properties and properties that are leased from private sector landlords, however the scale of the demand on the Council means that currently nearly 600 families in this situation are housed in nightly paid accommodation which is both expensive to the Council and hugely unsuitable for the families themselves.
- 6.5 The Council has constraints over the types of tenancies it can offer, however, the most appropriate form of tenancy for these sorts of properties, while tenants are awaiting a longer term housing solution, is an assured short hold tenancy (AST), which the Council itself cannot offer.
- 6.6 Subsidiary organisations of the Council, and companies owned by the Council, can however offer this form of tenancy where that is the right offer for tenants given their housing situation. An example is the Catford Regeneration Partnership, which is wholly owned by the Council and lets a small number of ASTs to private tenants living in privately rented premises that the Council purchased with the shopping centre. The same would be true – albeit for different purposes – with this proposal. In this situation Lewisham Homes, a

wholly owned company of the council, would let ASTs to tenants, in this case for the reason that this is the appropriate form of tenure while longer term housing solutions are sought.

- 6.7 Secondly, this proposed approach also offers the potential that in the medium-term the Council might be able to use these properties as a homeless prevention tool that is not currently available. Currently more than half of the homelessness cases the Council is managing come from households who had previously sustained private sector tenancies, but whose tenancies have now ended for a variety of reasons, including because the landlord has ended the tenancy.
- 6.8 If Lewisham Homes were to manage a stock of properties let on ASTs to which the Council had access, the Council could have confidence that these properties were well managed by a trusted landlord. In that situation it could create a new homelessness prevention tool whereby it was able to offer good quality and well managed private sector properties to current private sector tenants facing eviction and by doing so it could sustain those households in the private rented sector, and prevent the homelessness situation from occurring in the first place. This would only be possible because of the type of tenure, which the Council cannot offer but Lewisham Homes can, and, because it is a subsidiary of the Council, the Council could have a high level of confidence in the quality of home, and its management, that Lewisham Homes could offer.
- 6.9 The third reason is broader but equally important. The number of Lewisham residents living in the private rented sector has doubled in just ten years. There are now more private tenants than social housing tenants, and in a few years it is likely that there will be more private tenants than owner occupiers too. The private rented sector, therefore, is hugely important in the local housing economy and will become even more so and as such it is important that the Council considers the range of interventions and policy tools it has at its disposal to maintain standards and quality in the sector generally.
- 6.10 Over the past eighteen months the Council has established a coherent approach to the private rented sector, through the creation of a specialised Private Rented Sector Unit, and has focussed its attentions particularly on targeting the worst landlords. It has been successful in attracting external funding to create a team specifically focussed on this task. Other activities have included driving up standards through the private sector properties that the Council leases.
- 6.11 The proposal to enable Lewisham Homes to acquire properties and let them in the manner set out here fits well with this broader strategic direction. It will give the Council another tool for intervening in the sector and will create a large portfolio landlord over whom the Council has high levels of control and trust. In doing so it will be possible to set a higher standard of property quality and housing management, and to point to that as the standard that tenants should expect in Lewisham. This is only possible because Lewisham Homes will be able to let different sorts of tenancies to the Council, to intervene in the housing economy in a different way, and to do so with a high level of competence as an experienced social housing management company.

7 The long term relationship between the Council and Lewisham Homes

- 7.1 The addition of this service to the schedule of services that Lewisham Homes provides for the Council, if it is agreed, will enable the Council to make further and better use of the existing housing delivery infrastructure that is currently in place. In addition, elsewhere on this agenda for Mayor & Cabinet there are proposed further changes to that relationship, specifically in relationship to grounds maintenance on housing land.
- 7.2 The timing of these changes will enable the Council and Lewisham Homes to build on the success that has been achieved during the seven years since Lewisham Homes was created. It is now a strongly performing ALMO and has made excellent progress in delivering Decent Homes for residents - in this coming quarter it will deliver more investment into Decent Homes work than in any period in its history, and in the current financial year it will bring more homes up to the “decent” standard than in any previous year. In addition it is delivering the new build housing programme with increasing pace and quality, and the proposed acquisition programme would fit well alongside the existing roles and new roles it is delivering, further enabling it to further specialise in providing excellent affordable housing management services for the Council as freeholder.
- 7.3 Lewisham Homes is currently operating according to the terms of a ten year management agreement which expires in 2017. It is standard with contracts of this nature for negotiations regarding the future scale, scope and terms of the future management agreement to commence approximately 18 months before the expiry of the existing arrangement. In this case this would require negotiations to commence during 2015.
- 7.4 Given the progress that Lewisham Homes has made, the additional services that it is taking on, and the need to commence negotiations over the long term renewal of the management agreement, it is also recommended that the changes that are proposed here should be considered to be part of a longer term plan for the provision of affordable housing management in Lewisham. On that basis, the Mayor is recommended to agree that officers should now commence formal negotiations with Lewisham Homes and its board over the renewal of the management agreement, and the schedule of services that it contains.
- 7.5 As part of this process, it will also be possible to explore the potential that Lewisham Homes might further evolve the role it plays on behalf of the Council and its tenants, by registering with the Homes and Communities Agency (HCA) as a Registered Provider of affordable housing in its own right. In order for this to be achieved a lengthy process of negotiation with the HCA will be required, and it is not anticipated that this could be concluded before the autumn of 2015 at the earliest. However it is recommended that the Mayor agrees that including the potential of enabling Lewisham Homes to work towards Registered Provider status should form part of the management agreement negotiations that will take place in the coming year.

- 7.6 In principle, it is possible that by becoming a Registered Provider (RP), Lewisham Homes could further contribute towards meeting the Council's housing priorities, addressing the challenges it faces, and meet the housing needs of a wider range of Lewisham residents. As an RP, Lewisham Homes could offer a wider range of tenancy types to a wider range of tenants than is currently possible. For instance it could develop a shared ownership product, and develop new shared ownership homes in the borough. As an RP it could bid for grant directly to the GLA, develop homes of its own accord, and further contribute towards meeting the level of new housing supply required in the borough.
- 7.7 It is proposed that these and other potential benefits be tested as part of the negotiations for the extension of the management agreement, in conjunction with the HCA, and with due regard for the longer term regeneration vision for the borough and the role that Lewisham Homes as an RP could play in delivering that vision.
- 7.8 In the short term, and for absolute clarity, the evolution of Lewisham Homes will take place, if it is agreed by the Mayor, by enabling it to purchase and own properties as one of the tools in addressing the homelessness crisis. The longer term evolution, including moves towards RP status, will be further developed over the coming months separately to this proposal and updates will be brought back for consideration by Mayor and Cabinet in due course.

8 Outline financial model for the acquisition programme

- 8.1 The short term change that is proposed here is for Lewisham Homes to lead a property acquisition programme in its own right. In order to enable this to happen it is proposed that the Council provides a loan facility to Lewisham Homes to finance the property acquisitions.
- 8.2 The outline proposed terms of that arrangement are set out here, and it is proposed that these are agreed in principle by the Mayor in order for officers to negotiate and finalise those terms with the Lewisham Homes board, and that the authority to finalise those terms be delegated to the Executive Director for Resources and Regeneration.
- 8.3 The basis of the financial agreement would be that the Council provides a loan facility to Lewisham Homes of up to £20m, which is intended to fund the purchase of approximately 80 properties, at an estimated average cost of £240,000 per property. Loan finance will be provided at a commercial rate, and will therefore generate a revenue to the Council over and beyond the financial savings attained by having access to more, cheaper, alternatives to bed and breakfast. In addition to these financial benefits, the other policy benefits for the Council set out previously will also be achieved, and most importantly a large number of residents who are currently housed in nightly paid accommodation will benefit from much higher quality and more suitable accommodation.
- 8.4 Once acquired, Lewisham Homes would let the properties to households who would otherwise be housed in temporary accommodation, on ASTs and at Local Housing Allowance rent levels. Officers expect that, by setting rents at

this level, Lewisham Homes will be able to fund the on-going costs of management and maintenance and make interest only loan repayments for the coming ten years. The current modelling assumption is that at the end of 10 years Lewisham Homes would dispose of the properties at market value, and use the capital receipts to repay the principle of the Council's initial loan to it.

- 8.5 As set out above, the Mayor is requested to agree that officers negotiate with Lewisham Homes regarding the detail of this proposal, but based on the outline terms set out here.

9 Changing the Lewisham Homes Constitution and Management agreement

- 9.1 Changes will be required to the Lewisham Homes Management Agreement with the Council and to its current constitution to enable it to acquire and let properties in the manner specified here. The following section provides an overview of the key variations and additions that will be required to do this, and also proposes some changes that will be required in order to enable Lewisham Homes to enter into discussions with the HCA about the potential of it becoming a registered provider of affordable housing.

- 9.2 The nature and type of potential changes is set out below, and the Mayor is requested to allow officers to commence negotiations with the Lewisham Homes board on this basis, and to delegate the authority to finalise these terms, on the basis of that negotiation, to the Executive Director for Customer Services on the advice of the Head of Law.

Lewisham Homes Constitution

- 9.3 The constitution is the Lewisham Homes' governance manual and comprises two key company documents. The Memorandum of Association is the primary document and details the company objects (i.e. 'what the organisation wants to do') and the authority (or 'powers') the company needs to deliver its objectives and functions. The company's Articles of Association relate to the internal working, structure and governance of the company.
- 9.4 It is proposed that Lewisham Homes will issue tenancies direct to those tenants for the properties it owns and will continue to manage those tenancies relating to existing, Council, tenants. To provide clarity and distinction between Lewisham Homes tenants and leaseholders, and Council tenants and leaseholders, it is suggested that the company's Articles be updated to include specific mention to Lewisham Homes' tenants and leaseholders.

Management Agreement

- 9.5 The existing Management Agreement (MA), or contract, between the Council and Lewisham Homes, is a 10 year contract which commenced in June 2007 and is due to expire in June 2017 and contain provisions for the extension, termination and variation of the Agreement.
- 9.6 The MA can be extended by either one or two terms of 5 years. Any extension must be made in writing to Lewisham Homes by not later than 6 months before

the Agreement expires, being December 2016. It is proposed elsewhere here that negotiations with Lewisham Homes now commence regarding the extension of the Agreement, whether it be for a further one or two terms.

10 Next steps and timetable

- 10.1 If the recommendations set out in this report are approved, then officers will commence the negotiation process with the Lewisham Homes board in late January. These negotiations would take place at as quick a pace as is reasonable, with a view to enabling Lewisham Homes to commence an acquisition programme within this financial year.
- 10.2 The negotiations with the HCA, referred to here, relating to the potential for Lewisham Homes to become a Registered Provider, are expected to take a nine month period at a minimum. Further updates relating to this process will be brought back to Mayor and Cabinet in due course, to enable final decision making relating to these negotiations.
- 10.3 The Management Agreement between the Council and Lewisham Homes will end in 2017, and negotiations relating to the scale, type and scope of services to be included in its replacement agreement will commence immediately, if the Mayor authorises officers to do so.
- 10.4 The negotiations will be undertaken alongside, and in conjunction, with a full options appraisal of all the key options available to the Council for the future management of existing Council housing stock. The options appraisal will also link in with the outcomes that arose from the 'Housing Matters' programme and the consultation that was undertaken with residents. Further updates relating regarding the negotiations and full options appraisal will be brought back to Mayor and Cabinet in due course, to enable final decision making relating to the future management arrangements.

11 Financial Implications

- 11.1 The recommendation is to extend the budget by £0.35m to complete works on the Hamilton Lodge and Canonbie Road properties. This increase is on the original budget for these works of £0.5m as part of the overall £4.3m agreed for the scheme. This additional funding will come from resources available through Housing Capital Receipts and Right to Buy receipts.
- 11.2 The recommendation to allow Lewisham Homes to acquire properties and let them on assured short hold tenancies to alleviate bed and breakfast pressures will be funded by the Council advancing Lewisham Homes a fixed rate loan. Initial modelling is based on a loan for £11m for ten years to acquire 40 or more properties in the North of the Borough (i.e. within the areas eligible for the higher inner Local Housing Allowance). If successful the proposal is to extend the loan up to a maximum of £20m over ten years to enable further properties to be bought.
- 11.3 The Council will require Lewisham Homes to pay a commercial interest rate for this loan under State Aid rules. The addition of this borrowing to the Council's debt must meet the requirements of the Local Government Act 2003, the

CIPFA Prudential Code, the Department for Local Government guidance on Minimum Revenue Provision (MRP) and Investments and the CIPFA Treasury Management Code as set out in the Council's Treasury Strategy. This Strategy is set annually as part of the Council's budget.

- 11.4 The risk to the Council is Lewisham Homes ability to meet the interest and capital repayments over the life of the loan and refer sufficient tenants for these properties. These risks are mitigated by Lewisham Homes being able to make the properties available on the private rented sector market if necessary and then dispose of them at the end of the loan period.
- 11.5 The risks to Lewisham Homes include: the ability to acquire suitable properties and issue tenancies quickly to access rental income; a change in Local Housing Allowance policy over the period of the loan that results in rents falling and higher than expected voids and bad debts, or a lack of capital appreciation in the value of the properties at least in line with inflation over the period of the loan. Subject to Lewisham Homes Board agreeing, it is anticipated that these risks can be mitigated by: Lewisham Homes knowledge of the housing stock in Lewisham; experience and resources for managing properties and tenants; ability to make some of the properties available to the private rented sector if necessary; and adequate reserves to manage the necessary cash flow over the period of the loan until the properties are sold and the capital repaid.

12 Legal Implications

Duties and powers

- 12.1 The Housing (Homeless Persons) Act 1977 places a duty on local housing authorities to secure permanent accommodation for unintentionally homeless people in priority need. Authorities' duties towards homeless people are now contained in Part 7 of the 1996 Housing Act (as amended) and are briefly summarised in 12.2 below.
- 12.2 When a household makes an application to a local authority for assistance with homelessness the authority is under a duty to carry out inquiries in order to satisfy itself as to what level of duty is owed to a homeless applicant. If an authority has reason to believe that a homeless applicant has nowhere to stay and is in priority need, then there is an immediate duty to make suitable temporary accommodation available pending further inquiries. The 'priority need groups' include households with dependent children or a pregnant woman and people who are vulnerable in some way e.g. because of mental illness or physical disability, having been in care, in the armed forces or subject to domestic violence.
- 12.3 One recommendation in this Report is to permit Lewisham Homes to acquire properties on the open market to provide temporary accommodation for homeless households. Lewisham Homes is a legal entity separate from the Council and can let tenancies in accordance with the assured tenancy regime set out in the Housing Act 1988 (the 1988 Act), in particular on an assured

shorthold tenancy basis. The consequence is that the tenants would be subject to the limited protections afforded by the 1988 Act to assured shorthold tenants, chiefly, a minimum six month term, subject to termination on two months' notice. Rents can be charged at market levels although as indicated in the Report at paragraph 8.4, it is the intention of the Council and Lewisham Homes that the properties will be let at Local Housing Allowance level. Lewisham Homes' tenants would not have the benefit of the right to buy (RTB), notwithstanding the parent/subsidiary relationship between Lewisham Homes and the Council.

- 12.4 The power to permit Lewisham Homes to acquire and let these properties for temporary accommodation can be found in Section 1 of the Local Government Act 2011) which gives power to a local authority to do anything that individuals generally may do. Section 4 of the Localism Act provides that if a local authority is doing anything for a commercial purpose it must do so through a company. As Lewisham Homes is a company which is an existing wholly owned subsidiary of the Council Section 4 can be relied upon if the purpose was deemed to be for a commercial purpose.
- 12.5 The exercise of this discretionary power has to be reasonable. The Council could alternatively acquire these properties under S9 of the Housing Act 1985. However, paragraphs 6.3 to 6.11 of this Report set out the reasons for recommending that Lewisham Homes acquire the properties. Importantly, this is only one element in a housing strategy to meet the needs of all homeless persons and is strictly for the much needed provision of high quality temporary accommodation for eligible homeless households pending their assessment for secure accommodation. In these circumstances and provided that this purpose is not strayed from it can be justified on the grounds of reasonableness.
- 12.6 Section 1 of the Local Government Act 2003 (the 2003 Act) provides a local authority with power to borrow money for any purpose relevant to its functions (or for the prudent management of its financial affairs). Given the requirements of Part 7 of the Housing Act 1996 the Council can rely upon the first "limb" of this Section 1. The borrowing needs to be within the prudential limits which the Council determines for itself in accordance with its duty under Section 3 of the 2003 Act and the Council is required to have regard to the Prudential Code for Capital Finance in Local Authorities (the Code) when carrying out these duties. This includes a requirement to have regard to its financial commitments and obligations to any companies or similar entities in which it has interests (such as Lewisham Homes).
- 12.7 In providing the proposed "on-lend" finance to Lewisham Homes the Council can rely upon the power in Section 24 of the Local Government Act 1988 which provides that a local housing authority has power to provide any person with financial assistance for the purposes of, or in connection with amongst other things the acquisition of any property which is or is intended to be privately let

as housing accommodation. It requires Secretary of State consent to do so under Section 25 of the same Act. There is a general consent available in these circumstances. It covers any financial assistance (other than the disposal of an interest in land or property).

State Aid

- 12.8 The loan to Lewisham Homes is at market rate so no issues of State Aid arise which under EU law prevents Member states from granting aid to an organisation which would result in it being anti competitive in the market. There is in any event an exemption to the State Aid prohibition for affordable housing.

Procurement

- 12.9 As Lewisham Homes is a wholly owned subsidiary and 10-15% of its turnover relates to activities for the Council it is exempt from the EU procurement regime and the new build activity will not jeopardise this provided that a substantial housing management and maintenance service continues to be delivered by it to the Council.

Lewisham Homes Memorandum and Articles and the Management Agreement

- 12.10 Lewisham Homes Memorandum and Articles currently extend to providing and constructing housing to be available for letting in areas where the Council owns or manages stock and carrying out any activity which contributes to regeneration or development in the Council's area. These objects will require amending to extend its powers to this acquisition of property, ownership of the same and letting such property as landlord for the purpose of temporary accommodation activity. The scheme of delegation in the Management Agreement between the Council and Lewisham Homes will need amending to reflect this new function.
- 12.11 The term of the Management Agreement is currently for 10 years expiring on the 25th June 2017. If the Mayor was to approve the recommendation to permit Lewisham Homes to acquire and let property as landlord for temporary accommodation but the Management Agreement was not extended, the acquired properties would return to the Council as sole shareholder. In this event the status of any tenants in the properties at this time could change as the Council would be the landlord and there is a risk of the tenants on assured shorthold tenancies becoming secure.

Nomination rights

- 12.12 The Council would have to be granted nomination rights in respect of the properties acquired by Lewisham Homes as the Council still retains the homeless function.

Equalities Legislation

- 12.13 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). 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.
- 12.14 In summary, 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.
- 12.15 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 12.16 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:
<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>
- 12.17 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
1. The essential guide to the public sector equality duty
 2. Meeting the equality duty in policy and decision-making
 3. Engagement and the equality duty
 4. Equality objectives and the equality duty
 5. Equality information and the equality duty
- 12.8 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good

practice. Further information and resources are available at:
<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

13. Crime and disorder implications

13.1 There are no specific environmental implications arising out of this report.

14. Equalities Implications

14.1 There are no specific equalities implications

15 Environmental Implications

15.1 There are no specific environmental implications arising out of this report.

16. Background documents and originator

16.1 There are no background documents to this report.

16.2 If you would like any further information on this report please contact Genevieve Macklin, Head of Housing at Genevieve.macklin@lewisham.gov.uk or on 020 8314 6057.

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Agenda Item 6

Housing Select Committee			
Title	Select Committee work programme		
Contributor	Scrutiny Manager	Item	6
Class	Part 1 (open)	28 January 2015	

1. Purpose

To advise Members of the proposed work programme for the municipal year 2014/15, and to decide on the agenda items for the next meeting.

2. Summary

- 2.1 At the beginning of the new administration, 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 29 July 2014 and agreed a co-ordinated overview and scrutiny work programme. However, the work programme 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.

3. Recommendations

3.1 The Committee is asked to:

- note the work plan 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;
- review all forthcoming key decisions, attached at **Appendix C**, and consider any items for further scrutiny.

4. The work programme

4.1 The work programme for 2014/15 was agreed at the Committee's meeting on 22 July 2014.

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).

5. The next meeting

5.1 The following reports are scheduled for the meeting on 11 March 2015:

Agenda item	Review type	Link to Corporate Priority	Priority
Invitation to registered providers	Standard review	Decent homes for all	Medium
New Homes Better Places: phases 2, 3 and 4	Standard Item	Decent homes for all	High
Annual lettings plan	Standard Item	Decent homes for all	High
Communal heating review: review report	In-depth review	Decent homes for all	High
Key housing issues	Standard Item	Decent homes for all	Low

5.2 The five largest Registered Housing Providers in Lewisham have been invited to the Select Committee meeting on 11 March 2015. They are:

- L&Q
- Phoenix
- Hyde
- Hexagon
- Family Mosaic

5.3 They have been asked to provide information and answer questions on the following areas for the meeting:

- Their work to support eligible households to downsize
- Their thoughts on the recent decline in re-lets for new supply
- An update on their use of fixed term tenancies
- To update the Select Committee about affordable rents in their properties
- Their plans for tackling homelessness

5.4 Background information on the five largest Registered Housing Providers:

- **London and Quadrant Housing Trust (L&Q)**
 - L&Q manages over 70,000 homes in London and South-East England. As well as building homes, they also help manage the homes after completion

and are involved in community regeneration projects. Their 'L&Q Foundation' also invests £4 million each year in opportunities for local communities, including employment training, activities for young and older residents, financial advice and community building. L&Q are partnered with local authorities, voluntary organisations, faith groups, social enterprises and business networks.

- L&Q had a resident satisfaction rating of 78% in 2014, compared to 80% in 2013. In 2014, L&Q had a turnover of £579 million and a surplus of £174 million.
- L&Q manages over 7,000 properties in Lewisham. Their property portfolio in the borough mainly consists of properties the Council has transferred to them in the Grove Park, Catford, Rushey Green, Forest Hill and Sydenham areas. The first stock transfer from the Council to L&Q was Lewisham Park which took place in 2007.

- **Phoenix Community Housing Association Limited**

- Phoenix Housing is a not-for-profit housing association operating mainly in Bellingham, Whitefoot and Downham. Properties were transferred from Lewisham Council in a large-scale voluntary transfer in December 2007 following a positive ballot of all tenants. They use the "Community Gateway" approach, which allows tenants and leaseholders to be elected by residents and be part of the company's management board, allowing Phoenix to support local community initiatives.
- Phoenix had an overall resident satisfaction rating of 75.11% in 2012, in a customer survey that is conducted every 3 years. In 2013, Phoenix had a turnover of £34.1 million and a surplus of £7.4 million.
- Their stock numbers in Lewisham are presently around 6,500 and mainly consist of properties the Council transferred to them in 2007 in the areas of Bellingham, Downham and Whitefoot.

- **Hyde Housing Association Limited**

- Hyde Housing operates in London, East and South-East England and the East Midlands. They manage 49,000 homes, with £2.5 billion in assets. Their services with 'Hyde Plus' also manages youth activities, financial support and advice, employment advice, work placements and training for residents.

'Hyde Housing supports 'Homes for Britain' which is a campaign steered by Chartered Institute for Housing, Crisis, Home Builders Federation, National Housing Federation, NHBC, RIBA, RLA and RTPI. Homes for Britain, backed by housing associations and organisations throughout the country, that wants the next government to publish a long-term plan within a year of taking office that sets out how they will put an end to the housing crisis.

- In October 2014, Hyde received an overall resident satisfaction rating of 64.5%. In 2014, they had a group turnover of £282 million and an underlying surplus of £41.6 million.
- Hyde manages just over 2,400 properties in Lewisham, and spread across the borough. Around 80 of these properties were transferred to Hyde by the Council in 2008 as part of the Foreshore and Albermarle transfer in 2008.

- **Hexagon Housing Association Limited**

- Hexagon Housing manages approximately 4000 self-contained homes for single people or families, building around 70 new homes a year. They also provide specialist housing for those with support needs and two nursing homes for elderly people. Hexagon also partner with other organisations to provide temporary housing and help with maintaining homes after building work is completed, particularly regarding gas services.
- In 2014, Hexagon had a turnover of £26.2 million and a surplus of £8.8 million.
- Hexagon manages over 1,000 properties in Lewisham, predominantly in the south of the borough.

- **Family Mosaic**

- Family Mosaic has 24,000 homes in London, Essex and South-East England, operating with over 2,000 staff members. As well as building homes to rent, they provide a range of care in registered care homes from occasional visits to complex care. In 2012, Family Mosaic launched a manifesto for change through housing called 'Health, Wealth and Wellbeing', that set out a number of commitments for their future direction

- In 2014, Family Mosaic had an overall tenant satisfaction rating of 79%. In 2014, they had a turnover of £224 million and a surplus of £53 million
- Family Mosaic's manage approximately 1,000 properties in Lewisham, situated across the borough.

5.5 The Committee is asked to specify the information and analysis it would like to see in the reports for these items, 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

There are no financial implications arising from this report. There will be implications from the items being considered as part of the Committee's work programme, these will need to be considered in due course.

7. Legal implications

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.

8.2 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.

8.3 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

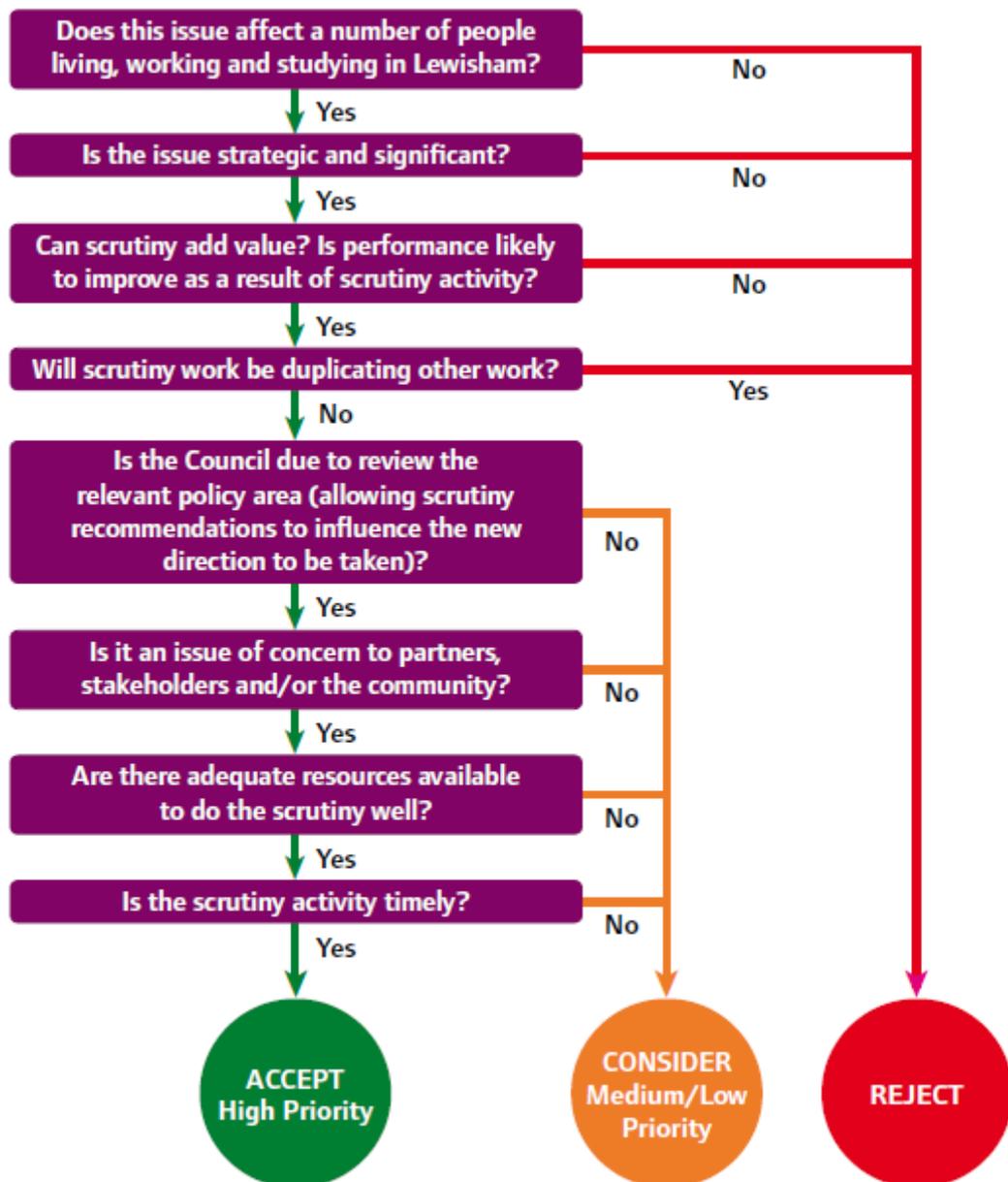
The date of the next meeting is Wednesday 11 March 2015

Background Documents

Lewisham Council's Constitution

Centre for Public Scrutiny: the Good Scrutiny Guide

Scrutiny work programme – prioritisation process

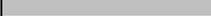


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Housing Select Committee work programme 2014/15

Programme of work

Work item	Type of item	Priority	Strategic priority	Delivery deadline	22-Jul	02-Sep	01-Oct	11-Nov	17-Dec	28-Jan	11-Mar
Lewisham Future Programme	Standard item	High	CP6	-							
Election of the Chair and Vice-Chair	Constitutional req	High	CP6	Jul							
Select Committee work programme	Constitutional req	High	CP6	Jul							
Homelessness applications & performance	Standard item	High	CP6	Jul							
Lewisham Homes annual report & business plan	Performance monitoring	High	CP6	Jul							
New Homes Better Places: phases 2, 3 and 4	Standard item	High	CP6	Mar							
Brockley PFI mid year review	Performance monitoring	Medium	CP6	Nov							
Lewisham Homes mid year review	Performance monitoring	Medium	CP6	Nov							
Communal heating systems review	In-depth review	High	CP6	Mar			Scope	Evidence	Evidence	Evidence	Report
Invitation to registered providers	Standard review	High	CP6	Mar							
Lewisham's Housing Strategy (2015-2020)	Policy development	High	CP6	Jan							
Welfare reform update	Standard item	Medium	CP6	Oct							
Self build update	Standard item	Medium	CP6	Nov							
Private rented sector update/licensing scheme	Standard item	High	CP6	Dec							
Proposed rent and service charge increases	Standard item	High	CP6	Dec							
Annual lettings plan	Standard item	High	CP6	Mar							
Temporary Accommodation Pressures	Policy development	Medium	CP6	Mar						Information Item	
Key housing issues	Standard item	Low	CP6	-							

	Item completed
	Item ongoing
	Item outstanding
	Proposed timeframe
	Item added

Meetings						
1)	Tue	22 July		4)	Tue	11 November
2)	Tue	02 September		5)	Wed	17 December
3)	Wed	01 October		6)	Wed	28 January
				7)	Wed	11 March

**Shaping Our Future: Lewisham's Sustainable
Community Strategy 2008-2020**

	Priority	
1	Ambitious and achieving	SCS 1
2	Safer	SCS 2
3	Empowered and responsible	SCS 3
4	Clean, green and liveable	SCS 4
5	Healthy, active and enjoyable	SCS 5
6	Dynamic and prosperous	SCS 6

Corporate Priorities

	Priority	
1	Community Leadership	CP 1
2	Young people's achievement and involvement	CP 2
3	Clean, green and liveable	CP 3
4	Safety, security and a visible presence	CP 4
5	Strengthening the local economy	CP 5
6	Decent homes for all	CP 6
7	Protection of children	CP 7
8	Caring for adults and older people	CP 8
9	Active, healthy citizens	CP 9
10	Inspiring efficiency, effectiveness and equity	CP 10

FORWARD PLAN OF KEY DECISIONS

Forward Plan February 2015 - May 2015

This Forward Plan sets out the key decisions the Council expects to take during the next four months.

Anyone wishing to make representations on a decision should submit them in writing as soon as possible to the relevant contact officer (shown as number (7) in the key overleaf). Any representations made less than 3 days before the meeting should be sent to Kevin Flaherty, the Local Democracy Officer, at the Council Offices or kevin.flaherty@lewisham.gov.uk. However the deadline will be 4pm on the working day prior to the meeting.

A "key decision"* means an executive decision which is likely to:

- (a) result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates;
- (b) be significant in terms of its effects on communities living or working in an area comprising two or more wards.

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
November 2014	2015-16 Council Tax Base and 2015/16 NNDR Base	Wednesday, 21/01/15 Council	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia, Cabinet Member Resources		
November 2014	Council Tax Reduction Scheme Review	Wednesday, 21/01/15 Council	Kevin Sheehan, Executive Director for Customer Services and Councillor Kevin Bonavia, Cabinet Member Resources		
December 2014	Extension of Statutory Public Funerals Contract	Tuesday, 27/01/15 Overview and Scrutiny Business Panel	Aileen Buckton, Executive Director for Community Services and Councillor Chris Best, Cabinet Member Health-Well-Being-Older People		
December 2014	Procurement of the Removals, Storage and Delivery Service	Tuesday, 27/01/15 Overview and Scrutiny Business Panel	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
December 2014	Savings Proposals Delegated to Executive Directors for Community Services, Customer Services and Resources and Regeneration	Tuesday, 27/01/15 Overview and Scrutiny Business Panel	Janet Senior, Executive Director for Resources & Regeneration, Aileen Buckton, Executive Director for Community Services, Frankie Sulke, Executive Director for Children and Young People and Councillor Kevin Bonavia, Cabinet		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
			Member Resources		
December 2014	Award of contract for works at Holbeach Primary School	Tuesday, 27/01/15 Overview and Scrutiny Education Business Panel	Janet Senior, Executive Director for Resources & Regeneration and Councillor Paul Maslin, Cabinet Member for Children and Young People		
December 2014	Award of contract for works at Kender Primary School	Tuesday, 27/01/15 Overview and Scrutiny Education Business Panel	Janet Senior, Executive Director for Resources & Regeneration and Councillor Paul Maslin, Cabinet Member for Children and Young People		
December 2014	Contract Award Launcelot Primary school	Tuesday, 27/01/15 Overview and Scrutiny Education Business Panel	Frankie Sulke, Executive Director for Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		
December 2014	Savings Proposals Delegated to Executive Director CYP	Tuesday, 27/01/15 Overview and Scrutiny Education Business Panel	Frankie Sulke, Executive Director for Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		
December 2014	Acquisition of Property	Wednesday, 11/02/15	Kevin Sheehan, Executive Director for		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
		Mayor and Cabinet	Customer Services and Councillor Damien Egan, Cabinet Member Housing		
November 2014	Budget 2015-16	Wednesday, 11/02/15 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia, Cabinet Member Resources		
September 2014	Church Grove Custom Build	Wednesday, 11/02/15 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
August 2014	Customer Service centre out of hours switchboard Procurement	Wednesday, 11/02/15 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
December 2014	Day Care Services	Wednesday, 11/02/15 Mayor and Cabinet	Aileen Buckton, Executive Director for Community Services and Councillor Chris Best, Cabinet Member Health-Well-Being-Older People		
September 2014	Deptford Southern Sites Regeneration Project	Wednesday, 11/02/15 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
January 2015	Local Government Association Peer Challenge	Wednesday, 11/02/15 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Joe Dromey, Cabinet Member Policy & Performance		
December 2014	Phoenix Community Housing Board	Wednesday, 11/02/15 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
December 2014	Re-configuring Community Based Healthy Eating Initiatives	Wednesday, 11/02/15 Mayor and Cabinet	Aileen Buckton, Executive Director for Community Services and Councillor Chris Best, Cabinet Member Health-Well-Being-Older People		
March 2014	Review of Blackheath Events Policy 2011	Wednesday, 11/02/15 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Rachel Onikosi, Cabinet Member Public Realm		
December 2014	Voluntary Sector Accomodation	Wednesday, 11/02/15 Mayor and Cabinet	Aileen Buckton, Executive Director for Community Services and Councillor Joan Millbank, Cabinet Member Third Sector & Community		
November 2014	Award of Highways Public Realm Contract Coulgate	Wednesday, 11/02/15	Janet Senior, Executive Director for Resources &		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
	Street	Mayor and Cabinet (Contracts)	Regeneration and Councillor Alan Smith, Deputy Mayor		
November 2014	Prevention and Inclusion Team Contract	Wednesday, 11/02/15 Mayor and Cabinet (Contracts)	Aileen Buckton, Executive Director for Community Services and Councillor Joan Millbank, Cabinet Member Third Sector & Community		
November 2014	Procurement of the School Catering Contract service	Wednesday, 11/02/15 Mayor and Cabinet (Contracts)	Frankie Sulke, Executive Director for Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		
December 2014	Savings Proposals Delegated to Executive Directors for Community Services, Customer Services and Resources and Regeneration	Tuesday, 17/02/15 Overview and Scrutiny Business Panel	Janet Senior, Executive Director for Resources & Regeneration, Aileen Buckton, Executive Director for Community Services, Kevin Sheehan, Executive Director for Customer Services and Councillor Kevin Bonavia, Cabinet Member Resources		
December 2014	Savings Proposals Delegated to Executive Director CYP	Tuesday, 17/02/15 Overview and Scrutiny Education Business Panel	Frankie Sulke, Executive Director for Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
January 2015	Healthwatch Contract Tender Award	Tuesday 17/02/15 Overview and Scrutiny Business Panel	Aileen Buckton Executive Director for Community Services		
November 2014	Budget Update 2015-16	Wednesday, 18/02/15 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia, Cabinet Member Resources		
January 2015	Community Infrastructure Levy Adoption version	Wednesday, 25/02/15 Council	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
January 2015	Planning Obligations SPD	Wednesday, 25/02/15 Council	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
November 2014	2015/16 Budget Report	Wednesday, 25/02/15 Council	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia, Cabinet Member Resources		
January 2015	Lewisham River Corridors Improvement Plan SPD	Wednesday, 25/02/15 Council	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith,		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
			Deputy Mayor		
December 2014	Asset Management Strategy (Highways)	Wednesday, 04/03/15 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
December 2014	Catford Town Centre CRPL Business Plan 2015/16	Wednesday, 04/03/15 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
June 2014	Housing Strategy 2015 - 2020	Wednesday, 04/03/15 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
November 2014	Pay Policy Statement	Wednesday, 04/03/15 Mayor and Cabinet	Andreas Ghosh, Head of Personnel & Development and Councillor Kevin Bonavia, Cabinet Member Resources		
September 2014	Strategic Asset Management Plan 2015-2020	Wednesday, 04/03/15 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
June 2014	Surrey Canal Triangle - Compulsory Purchase Order Resolution	Wednesday, 04/03/15 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
			Councillor Alan Smith, Deputy Mayor		
November 2014	Award of Design and Build Contract Phase 1 Grove Park Public Realm Project	Wednesday, 04/03/15 Mayor and Cabinet (Contracts)	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
September 2014	Award of Street Advertising and Bus Shelter Contract	Wednesday, 04/03/15 Mayor and Cabinet (Contracts)	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
September 2014	Prevention and Inclusion Contract Extension and Commissioning Recommendation	Wednesday, 04/03/15 Mayor and Cabinet (Contracts)	Aileen Buckton, Executive Director for Community Services and Councillor Chris Best, Cabinet Member Health-Well-Being-Older People		
September 2014	Prevention and Inclusion Framework Contract Award	Wednesday, 04/03/15 Mayor and Cabinet (Contracts)	Aileen Buckton, Executive Director for Community Services and Councillor Chris Best, Cabinet Member Health-Well-Being-Older People		
November 2014	Procurement of the School Kitchen Maintenance Contract	Wednesday, 04/03/15 Mayor and Cabinet (Contracts)	Frankie Sulke, Executive Director for Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
December 2014	Annual Lettings Plan	Wednesday, 25/03/15 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
November 2014	School Admissions 2015-16	Wednesday, 25/03/15 Mayor and Cabinet	Frankie Sulke, Executive Director for Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		
January 2015	Waste Strategy Consultation	Wednesday, 25/03/15 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Rachel Onikosi, Cabinet Member Public Realm		
December 2014	Catford Town Centre CRPL Business Plan 2015/16	Thursday, 26/03/15 Council	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
December 2014	Pay Policy	Thursday 26/03/15	Kevin Sheehan, Executive Director for Customer Services and Councillor Bonavia, Cabinet Member Resources		