

MINUTES OF THE HOUSING SELECT COMMITTEE

Wednesday, 18 September 2019 at 7.30 pm

PRESENT: Councillors Peter Bernards (Chair), Stephen Penfold (Vice-Chair), Tom Copley, Aisling Gallagher, Leo Gibbons, Sue Hordijkeno, Silvana Kelleher, Olurotimi Ogunbadewa and Susan Wise and

APOLOGIES: Councillors

ALSO PRESENT: David Austin (Acting Chief Finance Officer), Councillor Paul Bell (Cabinet Member for Housing), Councillor Kevin Bonavia (Cabinet Member for Democracy, Refugees & Accountability), Rachel Dunn (Housing Policy and Partnerships Manager) (London Borough of Lewisham), Lee Georgiou (Housing Options and Advice Manager) (LBL), Kevin Sheehan (Executive Director for Housing, Regeneration & Environment), Nicholas Stabeler, Natasha Valladares, Angela Hardman (Head of Development) (Phoenix Community Housing), Say Leddington (Head of Performance and Quality) (Phoenix Community Housing) and Anne McGurk (Chair) (Phoenix Community Housing)

1. Minutes of the meeting held on 10 July 2019

Resolved: the minutes of the last meeting were agreed as a true record.

2. Declarations of interest

The following interests were declared:

- Cllr Stephen Penfold is employed by the Lewisham Refugee and Migrant Network (in relation to item 6)
- Cllr Olurotimi Ogunbadewa is a board member of Phoenix Housing (in relation to item 5).
- Cllr Sue Hordijkeno is a board member of Phoenix Housing (in relation to item 5).
- Cllr Susan Wise is a board member of Lewisham Homes.
- Cllr Silvana Kelleher is a Lewisham Homes tenant.
- Cllrs Aisling Gallagher is a Lewisham Homes tenant.

3. Responses from Mayor and Cabinet

There were no responses to consider.

4. Budget cuts

David Austin (Acting Chief Financial Officer) introduced the report. The following key points were noted:

- 1.1 The Council continues to work towards finding cuts of £12m for next year. £9m of this target is currently being presented to scrutiny.
- 1.2 The cuts identified as falling within the remit of the Housing Select Committee are: CUS15, cuts to the No Recourse to Public Fund (NRPF), and CUS16, cuts to the Private Sector Housing Agency.

Lee Georgiou (SGM Housing Needs and Refugee Services) introduced proposal CUS15:

- 1.3 The Council has put £3.5m into the NRPF budget over the last 3 years. The service is now underspending and CUS15 is about recouping that money to be used on other services.
- 1.4 There are two elements to the NRPF budget: the administration of the team and the spend on service.
- 1.5 CUS15 is intended to realign the budget with the actual spend. It is not going to impact on staff or services being provided to families approaching the council.
- 1.6 The NRPF service has reduced its caseload significantly, helping the vast majority of cases receive settled status and entitlement to mainstream benefits. This has helped reduce the service's costs.
- 1.7 The committee asked a number of questions. The following key points were noted:
- 1.8 The committee noted that the report of the independent review of the NRPF service has not yet been scrutinised by the committee.
- 1.9 Some members of the committee felt that they were unable to properly assess the cut proposal and underspend in the NRPF service without having seen the independent review.
- 1.10 There may be challenges and changes in demand for the NRPF service in relation to Brexit. There is a risk that the number of people approaching the service for assessment will increase.
- 1.11 Extra funds would be provided if there was a spike in demand.

Nick Stabeler (SGM Private Sector Housing Agency) introduced proposal CUS16. The following key points were noted:

- 1.12 Proposal CUS16 is to reduce the Private Sector Housing Agency budget by £175k.
- 1.13 £125k of this will be delivered through operational savings in relation to the Council's proposal for a new borough-wide licensing scheme and the development of more effective techniques for identifying properties that fall below the standard.
- 1.14 £50k will be through a new enforcement process and money recouped through civil penalty notices.
- 1.15 There will be no negative impact of service or staffing.

The committee asked a number questions. The following key points were noted:

- 1.16 The £50k saving from money recouped through civil penalty notices is a conservative estimate based on the experience of other local authorities.
- 1.17 The committee asked if the new IT system would be resilient enough to provide trouble-free licensing for thousands of new properties.

1.18 The current IT system requires manual data entry. The new IT system will be more automated and less resource intensive. It will also be from the same provider and based on the same database.

1.19 There are contingency plans in place if the Council's application for a full borough-wide licensing scheme is not approved by the Secretary of State.

Resolved: That the following comments regarding Budget Cut CUS15 be referred to the Public Accounts Select Committee:

“some members of the Housing Select Committee have serious concerns about the impact of the proposed budget cut without first having the opportunity to scrutinise the findings of the independent review of the council's No Recourse to Public Funds service.”

5. Resident engagement in housing development - evidence session

Angela Hardman (Head of Development, Phoenix Community Housing) delivered a presentation on Phoenix's approach to engaging residents through the development and delivery of new homes. The following key points were noted from the presentation:

- 1.1 Phoenix are aiming to deliver an increasing number of new homes in Lewisham. The majority of their development programme is due to be delivered over the next 3-4 years.
- 1.2 All of the sites Phoenix will be developing sit within existing communities and estates. The impact on existing residents is an important consideration when thinking about how to deliver.
- 1.3 Phoenix's approach to resident engagement on housing development, called “building together”, sets out a number of commitments to residents affected by new homes.
- 1.4 When Phoenix was established a number of promises were made to residents and Phoenix are looking to follow a similar approach with the delivery of new homes.
- 1.5 Phoenix wants to develop proposals together with residents in a similar way to how it has with improvements to properties in the past.
- 1.6 They also intend to engage residents when they start to buy land for development in order to hear residents' views on affordable housing options such as shared ownership for example.
- 1.7 Phoenix aims to ensure that residents have an opportunity to get involved at every stage. This includes considering and funding environmental improvements identified by residents
- 1.8 Phoenix are conscious of the risk that existing residents may see investment in new homes as something that's not necessarily for them and want to ensure that the new homes programme is aligned with the interests and aspirations of existing residents.
- 1.9 Establishing and understanding existing residents' priorities and ideas for environmental improvements comes through the consultation process when developing new homes.
- 1.10 Phoenix's approach is intended to address the question “what's in it for us?”.
- 1.11 Residents are engaged at the beginning of the development process, when development is initially being considered on a certain piece of land, to ask what's important to them in their neighbourhood, while stressing the importance of delivering new homes.
- 1.12 They also intend to discuss with residents the balance between maximising new homes and economic viability.

- 1.13 At later stages in the process, residents will help select architects. Residents will also be involved in the selection of contractors and how to minimise disruption during construction and ongoing engagement during construction. During the construction of Hazlehurst Court, for example, Phoenix offered free coffee and cake at the Green Man community centre while the foundations were being laid.
- 1.14 Phoenix also carry out post-occupancy surveys with residents to gather feedback to help improve future developments.
- 1.15 Phoenix recognises that some of the money being invested in new homes has been raised through the rental stream that existing residents pay.
- 1.16 If environment improvements are identified and committed to, they are funded and put into a programme to be delivered over the course of the development programme.
- 1.17 One of the different ways Phoenix seeks to engage residents is through an informal resident consultation event it calls “Chat and Chips”, where residents are asked for their views on current and future plans while enjoying free fish and chips.
- 1.18 They held seven “Chat and Chips” events last year and engaged with more than 400 residents, 64% of which were residents that they had not engaged with previously.
- 1.19 Other methods include newsletters, door-knocking and looking at hard-to-reach groups.
- 1.20 On a recent development Phoenix have found that the use of 3D polystyrene models is a particularly useful way of engaging residents and discussing options and proposals. It can be difficult for some people to get a sense of a development from 2D plans alone.
- 1.21 In terms of engaging with hard-to-reach and under-represented groups, Phoenix’s tenancy sustainment officers help to identify vulnerable tenants, older people, disabled people, or young people who may not be engaging.
- 1.22 They also use data to identify potential groups that may be interested in a new development. For a new intergenerational scheme Melfield Gardens, for example, Phoenix has started looking into how to engage with different groups right from the beginning of the process. The idea is to attract residents who are under-occupying in order to generate chain lets.
- 1.23 One of the other commitments is to try to establish a local letting policy for Phoenix residents. On a previous development, Hazlehurst Court, a third of new homes were allocated to residents that were under-occupying existing Phoenix homes. This generated more than 60 chain lets.
- 1.24 From carrying out resident engagement on a recent development, Ravensbourne Estate, Phoenix established a number of commitments. The commitments included providing a community facility, new refuse facilities, addressing parking issues, and looking into ways to empower residents to manage some of the landscaped areas so that their children could play there.
- 1.25 Phoenix carried out five consultation events at different stages in the process to reach as many residents as possible and so that most of the issues could be resolved by the time it came to submitting plans.

The committee asked a number of questions. The following key points were noted:

- 1.26 Phoenix’s approach to resident engagement on housing development involves a lot of up-front work to try to understand residents’ concerns and come up with solutions through open and honest conversations. They do still get objections, but they want to bring residents on the journey rather than presenting a proposal as a done deal.

- 1.27 The funding for Phoenix's new homes programme comes from GLA grant funding, refinancing, rental income subsidy, and support for social homes from Lewisham Council. Building on their own land allows Phoenix to provide a high proportion of homes for social rent.
- 1.28 There are no resident ballots proposed in Phoenix's new homes programme.
- 1.29 In Phoenix's experience, young people aged 18-25 tend to be the hardest to reach and under-represented during engagement. Younger young people, under 18s, tend to use the Green Man Community Hub, but not 18-25s. The typical cohort tends to be older people and some families.
- 1.30 Phoenix are also trying to engage smaller groups of young people by providing training and support.
- 1.31 While Phoenix's development programme consists of mostly small infills, they are still calling it regeneration.

Resolved: the committee thanked the representatives from Phoenix for their presentation and noted the evidence provided.

6. Independent review of the Syrian Refugee Programme

Resolved: the committee thanked officers for their work on the refugee resettlement programme and noted the report.

7. Out of borough placements

Lee Georgiou (SGM Housing Needs and Refugee Services) introduced the report. There was a discussion and the following key points were noted:

- 1.1 The committee noted that it is clear that the use of nightly-paid temporary accommodation (TA) needs to be avoided as much as possible.
- 1.2 The committee stressed the importance of early intervention and encouraging people to approach the council early in order to reduce the need for emergency TA.
- 1.3 The committee noted that the council can help people find alternative accommodation in the private rented sector (PRS) and that a significant number of people who approach the council are already living in the PRS.
- 1.4 The committee noted that many people in temporary accommodation out of the borough were not connecting with local services as they thought their stay in TA would be short
- 1.5 The committee noted the positive feedback from residents where longer-term out of borough accommodation had been found.
- 1.6 The committee expressed concern about the 90 minutes travel priority in the Council's locational priority policy for the allocation of temporary accommodation.
- 1.7 The committee suggested that it could lead to people being sent as far as Basildon or Luton.
- 1.8 The committee noted that being placed 90 minutes from the borough could make the time and cost of travel to work impractical for someone with a part time or low paid job in the borough.
- 1.9 The committee referred to Chart 3 in the report and asked for a breakdown of those placed out of borough with the 90 minute travel priority and those with no locational priority.

- 1.10 The committee asked if landlord licensing might present an opportunity to build up relationships with more landlords to get people out of nightly paid and into PRS accommodation.
- 1.11 The council recognises the importance of early intervention and has been working to increase successful preventions by keeping people in their current homes and finding alternative PRS accommodation before households are made homeless.
- 1.12 The council recognises that the term “temporary accommodation” can be misleading as it doesn’t reflect the fact that many people can be in TA for up to 18 months.
- 1.13 With this knowledge, some households might make different decisions about moving and settling to longer term accommodation out of the borough.
- 1.14 Officers cited the positive experiences of households that had moved to Harwich, Essex.

The Chair proposed to suspend standing orders to continue the meeting. The Select Committee agreed to suspend standing orders.

- 1.15 Less than 5% of households in TA have been placed further than 90 minutes away.
- 1.16 Any offer of accommodation the council makes must be “suitable” to that household. Each case is assessed individually. A household can’t, for example, be placed in accommodation that they can’t afford.
- 1.17 The council is currently reviewing its resettlement service for residents placed out of borough. The team will be also be doubling in size to six officers to provide more help and support for households placed out of the borough. This includes inspecting properties and providing information about local services.

Resolved: the committee noted the report and agreed to receive a further update at its meeting in January.

8. Response to borough-wide licensing consultation

Resolved: the committee thanked officers for their work on the consultation for the borough-wide licensing scheme and noted the report.

9. Select Committee work programme

John Bardens (Scrutiny Manager) introduced the work programme.

- 1.1 The committee agreed to receive a further update on out of borough placements at its January meeting. This should include a breakdown of the number of people placed out of the borough with a 90 minute travel priority and those with no locational priority and how far away they have been placed.
- 1.2 The committee agreed to move the item on the Homelessness Reduction Act to its meeting in January.

Resolved: the committee agreed the work programme with the changes discussed.

10. Referrals to Mayor and Cabinet

There were no referrals to Mayor and Cabinet.

The meeting ended at 10.10 pm

Chair:

Date:
