



## Housing Select Committee

### Housing Futures Report

**Date:** 28 November 2023

**Key decision:** Yes

**Class:** Part 1

**Ward(s) affected:** All

**Contributors:** Gillian Douglas, Executive Director of Housing Services, Fenella Beckman, Director of Housing Strategy, Lynne Sacale, Housing Futures Programme Lead,

### Outline and recommendations

This report gives a final update of the Housing Futures Programme, the transfer of Lewisham Homes into the Council on October 1 2023.

It is recommended that members note:

- a) Outcomes of transition
- b) Governance arrangements
- c) Costings
- d) Lessons learned

## 1. Summary

- 1.1. The decision was made to bring Lewisham Homes services into the Council under a new Housing Directorate on 1 October 2023.
- 1.2. This report sets out progress, outcomes and lessons that have been learned during this process.
- 1.3. A phased approach to transition circa 550 staff allowed a better understanding of services and to be business ready for the integration in October 2023.

## 2. Recommendations

- 2.1. To note the content of this report.

## 3. Policy Context

- 3.1. The contents of this report are consistent with the Council's policy framework. It supports the achievements of the Corporate Strategy (2022 – 2026).
- 3.2. Lewisham's Housing Strategy includes the following themes:
  - Delivering the homes that Lewisham needs
  - Preventing Homelessness and meeting housing need
  - Improving the quality, standard and safety of housing
  - Supporting our residents to live safe, independent and active lives
  - Strengthening communities and embracing diversity

## 4. Background

- 4.1. Drivers for the change included the need to meet the new regulatory and legal requirements which have significantly increased the pressure of accountability on landlords and improved quality of housing services. The new requirements also ensure tenants and leaseholders are a key part of governance and scrutiny arrangements, all with the aim of ensuring tenants and leaseholders have a voice and remain at the heart of the service.
- 4.2. The first phase of the transfer involved bringing across the Lewisham Homes Development team, consisting of 12 staff, into the Strategic Housing and Growth team on 1 February 2023. It should be noted that the transfer of the development team was separate to the work being carried out to review the transition of Lewisham Homes into the Council and changes made to the delivery of the function did not require engagement with tenants and leaseholders. However, the transition itself did provide useful learning for the future transition of staff.
- 4.3. The Development team were followed by some of the support services being transferred on 1 May 2023, including ICT, Finance, Technology Digital and Data, Temporary Accommodation and the clienting of Lewisham's two Tenancy Management Organisations; in total this phase of the transfer consisted of 44 staff.
- 4.4. The final cohort of staff transitioned approximately 500 staff, largely covering a range of housing landlord functions, into the newly formed Housing Directorate on 1 October 2023.

## 5. Housing Futures

### 5.1. Outcomes/ achievements

- 5.1.1. A corporate led programme (Housing Futures) with dedicated resources and robust governance processes was implemented to oversee the transition. This was to ensure staff had a positive experience and were provided with the right tools to do their jobs, and that residents experienced as little disruption to services as possible.
- 5.1.2. In preparation of the transition a new Housing Directorate and structure was set up. Recruitment commenced in March for an Executive Director of Housing Services and the Council welcomed Gillian Douglas into the new role in mid-September.

- 5.1.3. Two new Director posts have also now been recruited to: Director of Housing Quality and Investment and the Director of Housing Resident Engagement and Services. These two new posts join the existing Director of Housing Strategy and completes the new Housing Directorate.
- 5.1.4. A total of 554 staff transferred under TUPE from Lewisham Homes to the Council. There were also 35 vacancies that transferred.
- 5.1.5. All staff received their local induction between the 3<sup>rd</sup> and 18<sup>th</sup> October 2023. 60% of these attended in person and the remaining 40% attended virtually. Local inductions were led by the new Executive Director for Housing Services which was very well received by the staff. *"It was nice to meet Senior Management in person as it makes it feel more genuine."*
- 5.1.6. The majority also attended the corporate induction on 25<sup>th</sup> October and the remaining staff will attend in November.
- 5.1.7. 59 Managers have also attended the Governance and Finance training led by the Director of Law and Corporate Governance and the Acting Executive Director for Corporate Resources. Further specialist training is also being rolled out, including procurement, finance, recruitment and selection and appraisals. All staff are expected to complete mandatory training which includes Equality Diversity and Inclusion, Display Screen Equipment, Health and Safety, Unconscious Bias, General Data Protection Regulation and Information Security.
- 5.1.8. All staff were successfully transferred to the Council payroll and paid on 18<sup>th</sup> October after detailed and careful planning and testing. A small number of staff queries were received and dealt with before mid-day, printed pay slips had duplicated lines, which has been rectified for next month. All on-line payslips were accurate. People Services and Finance teams worked collaboratively to ensure the smooth transition.
- 5.1.9. A total of 545 staff (as of 30 October) migrated across to the Council IT systems, over a period of four weeks. Minimum disruption has been achieved due to dedicated resources and additional purchase of tools and equipment.
- 5.1.10. The IT transition includes successful migration of operational, resident and historical data, 65 shared mailboxes and 138 MS Teams sites.
- 5.1.11. All phonelines have been active and monitored throughout transition to receive incoming customer contact; wait times and number of calls answered impacted within expected levels. The out of hours emergency response has also been in place and functioning effectively throughout.
- 5.1.12. The Customer Relations inbox for complaints and councillor enquiries was unavailable for four days from Monday 9<sup>th</sup> to Thursday 12<sup>th</sup> October. IT worked with the Housing team to prioritise and rectify as quickly as possible.
- 5.1.13. A letter was sent to all residents in September to update them of transition to the Council.
- 5.1.14. Resident engagement continues and all governance arrangements transferred to the Council. Meetings have taken place with key stakeholders including Leaseholder Forums and TRA Chairs. Other scheduled meetings include the Service and Performance Panel (12 December 2023), the new Housing Board (23 November) and a TRA Chairs meeting on 30<sup>th</sup> November.

## 5.2. **Costs associated with transition.**

- 5.2.1. Programme costs have been carefully monitored and reported on a fortnightly basis. Actual spend is currently being finalised and will be within the approved amount as reported to Mayor and Cabinet in June 2023.
- 5.2.2. The main areas of costs relating to transition were mainly attributed to IT to enable staff in both organisations to continue to have the technology, systems,

applications and hardware needed without interruption to the service. Other main areas are attributed to programme resources, including professional services and one-off redundancy costs.

5.2.3. High level costs to be covered in Financial Implications.

### 5.3. **Lessons learned.**

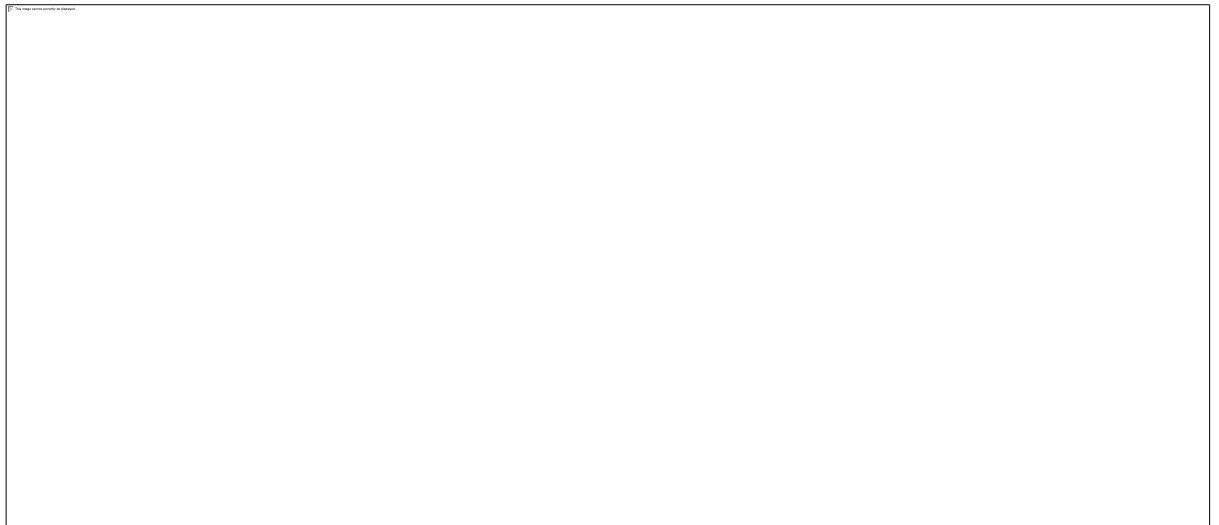
- 5.3.1. The phased approach to the transition of staff allowed us to learn from the integration challenges experienced in the previous phase and give us much better understanding for the final phase of transferring 500+ staff in October.
- 5.3.2. We were also able to learn from other Councils where ALMO transfers have already taken place. These learnings included early engagement, careful planning of transfer of data, having sufficient resources and understanding longer term and realistic expectations. Where ALMO transfers have already happened, Councils review Business and Improvement Plans year on year and estimate at least 3–5-year programmes before realising real benefits, including financial. Success to benefit realisation appears to be those where they have a clear programme of change with robust performance monitoring and reporting in place.
- 5.3.3. Other ALMO transfers did not have to set up their IT systems, re-network buildings or move to different accounting systems. Successful management of the migration of core housing service IT applications into the Councils' IT estate is attributed to dedicated resources and additional purchase of tools and equipment.
- 5.3.4. Minimum disruption to staff, services and residents has been achieved and, in the main, staff have continued to have the tools, systems, applications and hardware needed to do their jobs. To allow key council officers to maintain service continuity whilst also overseeing implementation of the transition, having the additional, dedicated programme resources allowed for better transition of services and robust handover with no lost learning.
- 5.3.5. Having clear lines of communication and approval/ decision making processes in place and formally recorded helped to improve relationships and improved ways of collaborative working. The dedicated Communications Officer proved positive to engage and inform staff with useful 'how to' guides, frequently asked questions and induction sessions welcomed by the transferred staff.
- 5.3.6. Timing of transition could have been better mapped and prioritised before the decision was made to bring the housing service in-house. Having clear deadlines and milestones may have allowed earlier improved focus and buy in from all parties. However, shorter timescales may have led to a rushed and less successful transition than the one we have achieved in October.
- 5.3.7. As transition deadlines became closer, engagement and discovery work increased and allowed better understanding and detail of service delivery. Earlier exposure to this information would have allowed for improvements and transformation planning to have commenced sooner. Maintaining definition between transition and business as usual has supported the success of transition, although may delay the timescales of benefit realisation across the service.

### 5.4. **Governance arrangements**

- 5.4.1. All Terms of Reference and responsibilities for the previous formal committees within Lewisham Homes (Audit, Risk and Assurance, Governance and People and Investment Committee) have been reviewed and are in line with existing terms of reference of the Council's established decision-making bodies: Mayor and Cabinet, Audit and Risk or the relevant Scrutiny Select Committee.
- 5.4.2. All resident engagement committees have been renamed 'panels' to ensure consistent use of language within the Council. These are service led under the new Executive Director of Housing Services. Stakeholder led engagement also falls under the new Directorate and will go through full review in line with new

regulation and improvements required.

- 5.4.3. The diagram below sets out the Resident Engagement structure that is now in place.



## 6. Next Steps

### 6.1. Our commitments

- 6.1.1. In a letter sent to residents in September 2022, ahead of consultation for the transfer of services, the Council referred to being a good landlord and wanting to set an example for landlords of social housing in the borough. It included the aim of keeping properties in good repair, maintaining the safety of buildings, handling tenant complaints effectively, engaging with tenants helpfully and with respect and taking a responsible role in managing the neighbourhood.
- 6.1.2. The letter made commitments to tenants and leaseholders including the following:
- 6.1.2.1. We will establish a Residents' Board and a new Tenant and Residents Association Forum to represent tenants and leaseholders and work directly with the Council as it develops the housing management service, ensuring residents are involved in all key decisions relating to how their homes are managed.
- 6.1.2.2. We will invest the savings we make as a result of bringing housing management back in house to improve the service you receive.
- 6.1.2.3. We will ensure that all residents continue to have a named contact who knows their area. Residents of housing blocks will also have a nominated person to deal with all safety concerns and ensure residents feel safe in their home.
- 6.1.2.4. We will publish a four-year investment programme of planned works to improve homes including external redecoration and planned maintenance.
- 6.1.2.5. We will improve tenants' overall satisfaction with their housing management service by making it easier for you to communicate with us, completing repairs more quickly and making staff more visible on your estate over the next four years.
- 6.1.2.6. We will respond to 98% of all complaints within 10 days. Where the complaint needs further investigation and a full response within 10 days is not possible, we will let you know within five days.
- 6.1.3. Since that letter, and in line with Housing Futures updates during 2023, the transition programme has been the focus and priority for the Council,

concentrating on TUPE and the mechanism of bringing in the housing service.

- 6.1.4. Now the transition is complete, our focus can shift, and our priority is to revisit those commitments and align to our Housing Strategy. We are committed to a programme of transformation and will work with tenants and leaseholders to prioritise those promises and deliver to the best of our ability.

## **7. Financial implications**

- 7.1. The progress update report in June 2023 estimated the cost of transitioning services from Lewisham Homes to Lewisham Council between £3.3m - £3.9m. Final transition costs are expected to be within the amounts set out.

## **8. Legal implications**

- 8.1. There are no specific legal implications for this report which is for noting.

## **9. Equalities implications**

- 9.1. The Council's Single Equality Framework provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010.
- 9.2. The consultation and engagement process with tenants and leaseholders complied with the Council's policies.
- 9.3. The programme of transferring Lewisham Homes services back to the Council was developed to ensure it complied with Council policy.

## **10. Climate change and environmental implications**

- 10.1. There are no direct environmental impacts arising from this report, although there are significant challenges in ensuring the housing stock can be improved to meet the Council's ambitions. Improving efficiency of the management of the housing services will provide greater capacity for the HRA to be able to invest in the stock.

## **11. Crime and disorder implications**

- 11.1. There are no direct implications relating to crime or disorder issues.

## **12. Health and wellbeing implications**

- 12.1. There are no direct implications relating to health and wellbeing issues.

## **13. Report author and contact**

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