

Housing Select Committee			
Title	Housing Matters		
Contributor	Executive Director for Customer Services	Item	5
Class	Part 1 (Open)	Date	19 June 2013

1. Overview

1.1. This report provides Housing Select Committee with an update in relation to a number of aspects of the Housing Matters programme. It presents:

- An update on the conversation with residents, including progress to date, immediate next steps, and overall timetable.
- An overview of findings of the stock condition survey.
- The latest developments on the Council's new build programme.
- The latest developments on the programme to review and improve older people's housing

2. Recommendations

2.1. Housing Select Committee is recommended to note the progress made to date in delivering the Housing Matters programme.

3. Housing Matters – Resident Consultation

3.1 The first phase of the conversation with residents, focussing on the two remaining options, is nearing completion. The aims of this phase are to:

- raise the awareness and understanding of both options,
- identify residents' priorities for their homes, communities and housing services
- identify any concerns residents might have about either option

3.2 The target for this phase is to complete 2,000 surveys with residents, with a further set of sub targets for each postcode based on the proportion of Lewisham Homes managed properties in that area. This is to ensure that a representative sample of residents is achieved.

3.3 The door-knocking ended on 31 May 2013. The target of 2,000 surveys was achieved, and contact was made with over 4,000 residents. There remain a few areas where the sub-targets have not been met and the consultation is carrying out follow up telephone calls to residents in these areas to ensure the sample is as reflective and accurate as possible. Once the final responses have been received, the data will be validated and the results fully analysed.

3.4 In order to provide quality assurance to the process that has been undertaken to date, Solon, the Independent Tenant Advisor, will be conducting a small

door-knocking exercise of 50 households to benchmark the consultation that has been carried out, and the questionnaire and methodology for undertaking this is currently in development. The sample of 50 households will be too small to provide a representative view; rather it is intended to provide an indication of how residents who participated in the consultation felt about the process and the options that were discussed.

- 3.5 The full findings of the Phase 1 consultation is scheduled for presentation at the Housing Select Committee meeting in September, alongside full details of the proposed approach to the second stage of conversation with residents.

4. Stock Condition Survey

- 4.1 In 2012, Savills was commissioned to undertake some initial asset management modelling of the Council's housing stock in order to generate the investment requirements over a 30 year period, and support the development of a long term investment strategy for the stock.
- 4.2 Savills did not undertake a new stock condition survey but instead carried out a desktop review of the information currently held. Their review and modelling showed that over 30 years that the expenditure for the stock would be £1,111,654,572 with an average cost per property of £85,512. It was Savills' view that Lewisham's stock was in average condition when compared with other non inner city urban authorities.
- 4.3 Some areas of inconsistency were found in the data, which was to be expected given that the previous survey was undertaken in 2008. Good practice guidelines recommend that stock condition surveys be updated every 5 years and as such it was advised that a new stock condition survey should be undertaken to enable Lewisham Homes and the Council to make better informed decisions about investment in the Council's housing stock.
- 4.4 In February 2013, Lewisham Homes commissioned Ridge to carry out a 10 per cent sample stock condition survey of the housing stock in order to prepare a whole stock 30 year expenditure profile and report.
- 4.5 The methodology of the survey was as follows:
- The dwelling stock was grouped by MRA (Major Repairs Allowance) archetype and locations and a random sample drawn from each of the groups for inspection, along with a contingent reserve for instances of no access.
 - Lewisham Homes wrote to all selected properties advising them of the survey
 - 1,219 rented dwellings (9.4% of the rented stock) were surveyed internally and externally
 - Common areas and external elevations of 153 flatted blocks were inspected (9.8% of all blocks)
 - The statistical accuracy achieved was +/-2.67%, which was well within CLG guidelines of not worse than +/- 4% at 95% confidence level. Put differently, if the survey was repeated 20 times, on 19 of those occasions

the results obtained would be within 2.67% of the results obtained on this occasion.

- 4.6 The survey found the following stock numbers and composition:
- Confirmed 17,742 dwellings of which 12,991 rented and 4,751 leasehold
 - Vast majority of stock is of traditional construction
 - 67 high rise blocks (6 storeys and above) containing 2,923 dwellings and 832 medium rise blocks (3-5 storeys).
- 4.6.1 Ridge's analysis showed that the total forecast expenditure on the whole stock was £1,274,086,364 over 30 years – this total includes an estimate of £146,034,696 for the cost of works relating to landlord responsibilities on leasehold property.
- 4.6.2 The total forecast expenditure on the rented stock is £1,128,051,668 which gives an average cost per rented dwelling of £86,833 over 30 years. This is marginally higher than the figures given by Savills (£85,512).
- 4.6.3 Ridge also confirmed that the costs put Lewisham in the middle of the range compared to other London boroughs and its investment need was reflective of the progress made in achieving the Decent Homes programme - average costs are lower in boroughs where Decent Homes has been completed and higher in boroughs that have more works yet to complete.
- 4.6.4 The results of the survey are being used to inform the long term financial modelling for the Council's housing stock. This modelling is being undertaken at present, and includes an update to the financial and investment capacity of both options currently under consideration by the Housing Matters programme.
- 4.6.5 The updated modelling will be reported alongside the phase one consultation results and plan for phase two 2 to Housing Select Committee in September.

5. Council's New Build Programme

- 5.1 The previous meeting of Housing Select Committee received a draft of the report proposed for consideration by Mayor and Cabinet on 22 May. Following consideration of the final version of that report Mayor and Cabinet agreed that:
- the Mercator Road garage site be prioritised for delivery of for the first homes in the Council's "New Homes, Better Places" programme
 - an amendment be made to the Management Agreement with Lewisham Homes to enable it to share the design and development of the new schemes with the Council and to client the construction and relate works to deliver the schemes
 - authority be delegated to the Executive Director for Customer Services to negotiate and implement the changes to the Management Agreement including the setting of a development management fee.

- 5.2 Officers are now looking at the most efficient manner for bringing forward a planning application for the site, with a target of submitting an application in July 2013. If this target is hit, and allowing for the normal timeframes for the planning process, a likely start on site date of February 2014 is achievable.
- 5.3 On the proposed community self build scheme at Church Grove, the media coverage of the proposal has generated 18 expressions of interest. Since the last Housing Select Committee, officers have written to all residents of Church Grove to update them on the proposal and to extend an invite to the planned information event.
- 5.4 The event planned for prospective interested parties, noted to Housing Select Committee last month as planned for July, will now take place in September. This additional time will allow for officers to fully explore the ways in which individual residents might be supported to be part of the programme, and not be at a disadvantage in relation to groups of residents. This would include, for instance, investigating the potential to use advocates or other support mechanisms to enable residents to work together to form a proposal.

6. Older People's Housing

- 6.1 On 26 October the Mayor of London launched his new Care and Support Specialised Housing Fund of up to £60 million. The fund is aimed at encouraging the development of new homes that provide specialised housing for London's older people and disabled adults. The announcement of the fund offered the potential to attract subsidy towards what was expected to be an expensive scheme to deliver.
- 6.2 One of the main qualifying criteria for a bid to the fund is a requirement to achieve a start on site for building works by the end of the March 2014 and as such officers focussed on reviewing the potential sites to assess which might be deliverable within the timescales set by the GLA.
- 6.3 In January 2013 officers submitted a bid to this fund for £4.5m to support the delivery of two new specialised schemes for older people in the borough.
- 6.4 The announcement on the bids is expected in June 2013. At the time of writing this report, the Council has not been formally notified of the GLA's decision but a verbal update will be provided at the meeting should a decision come through.

7. Conclusion

- 7.1 Good progress has been made in carrying out the conversation with residents for the Housing Matters programme. 2,000 residents have been consulted in the current phase, in addition to the 2,100 who were consulted in the autumn of 2012. Housing Select Committee will continue to receive regular updates on this programme, including consideration at the next meeting, in September, of the results of the latest phase and the proposed next steps.

Further progress reports on the new build and older peoples housing aspects of the programme will also be provided on a regular basis.

If you have any questions about this report please contact Jeff Endean (Housing Programmes and Strategy Team Manager) on 02083146213.