

<b>Housing Select Committee</b>		
Title	Lewisham Homes Business and Delivery Plan 2014-15	
Wards	All wards (Except Brockley, Whitefoot and Downham)	
Contributor	Executive Director for Customer Services	Item 4
Class	Part 1 (open)	22 July 2014

## **1 Purpose**

- 1.1 The purpose of this report is to provide the members of Housing Select Committee with an opportunity to scrutinise Lewisham Homes Business and Delivery Plan for 2014/15, before it is considered by Mayor and Cabinet on 3 September 2014. It was considered and agreed by Lewisham Homes Board on 29 April 2014.

## **2 Recommendations**

It is recommended that the Housing Select Committee:

- 2.1 Note the contents of Lewisham Homes Business and Delivery Plan 2014/2015 and;
- 2.2 Make any relevant referrals to Mayor and Cabinet.

## **3 Policy context**

- 3.1 Lewisham Council's Decent Homes Strategy outlines Lewisham's mixed investment approach including Lewisham Homes, the ALMO. The Management Agreement between the Council and Lewisham Homes requires Council approval for the Business and Delivery Plan.
- 3.2 Lewisham Homes Business and Delivery Plan fully supports Lewisham's Sustainable Community Strategy 2008-2020, which sets out a framework for improving the quality of life and life chances for all who live in the borough. Lewisham Homes, through its Plan, is contributing to the 'Clean green and liveable' priority, which aims to increase the supply and quality of housing to accommodate the diverse needs of the population.
- 3.3 The Council has outlined ten corporate priorities, which enable the delivery of the Sustainable Community strategy. The Lewisham Homes Delivery Plan addresses the corporate priorities to provide decent homes for all, to invest in social housing and affordable housing in order to increase the overall supply of new housing and to reduce the number of households in temporary accommodation, tackle homelessness and address housing need and aspirations.

## **4 Background**

- 4.1 The Business & Delivery Plan is Lewisham Homes' key organisational document containing all the organisation's targets and activities within one document, and it forms the start of the performance cascade and performance reporting. It sets out how Lewisham Homes plans to deliver excellent services to all the homes it manages.
- 4.2 The Plan holds Lewisham Homes accountable to delivering specific improvements in the service and performing against set targets as part of the Management Agreement. The Plan includes a task list and targets for key performance indicators which are reviewed by the Housing Select Committee on a regular basis.

## **5 Review of performance in 2013/14**

- 5.1 The proportion of homes meeting the Decent Homes standard is increasing and Lewisham Homes' target of 62.9% for 2013/14 was met. Lewisham Homes has made over 3,000 properties decent in 2013/14. The repairs service has performed positively in 2013/14 with 99.6% of repairs completed on time against a target of 99% and 98.9% of repairs completed on the first visit against a target of 95%.
- 5.2 Lewisham Homes measures its void performance through the amount of rent lost and how long it takes them to re-let their properties. Their void performance was generally positive in 2013/14 with the percentage of rent lost at 0.78% which was well within the target of 0.85%. Lewisham Homes re-let 469 properties in an average of 74.2 days, which did not meet their re-let target of 55 days for 2013/14. The reason for this increase was due to a handful of properties requiring extensive works and four extra care units taking on average over 2 years to let. The average without including these properties was less than 50 days.
- 5.3 Lewisham Homes responded to 93.8% of Mayor, MP and councillor enquiries on time, meeting the 90% target for 2013/14. This was also an improvement on the previous year's performance of 88%. The target to responding to general complaints was not been met by Lewisham Homes, with only 83% answered on time compared to the 90% target. A challenging area for Lewisham Homes has been responding to Decent Homes complaints particularly complaints from leaseholders. Lewisham Homes organised specific training for staff dealing with these types of complaints so anticipate better performance in this area for 2014/15.
- 5.4 Rent income collection continues to be a challenging area for Lewisham Homes in light of welfare reform changes. They collected 98.6% of the debit against a target of 99% for 2013/14. This was also slightly down on the previous year's performance of 98.9%. Rent accounts with over 7 weeks in arrears was 10.1% against a target of 9.5% for 2013/14. Lewisham Homes has set up a dedicated team to advise and support tenants to find solutions where benefits have been capped or reduced and this support will continue to be offered to tenants.

## **6 Lewisham Homes Business & Delivery Plan 2014/15**

- 6.1 The proposed Business & Delivery Plan is for one year. From April 2015, Lewisham Homes will be developing a longer-term business plan as the introduction of the HRA self-financing regime allows for a longer term approach to be adopted for financial planning.
- 6.2 The Business & Delivery Plan and its appendices is attached to this report at Appendix 1.
- 6.3 Lewisham Homes continues with its five strategic objectives:
- Excellent services – to improve tenant satisfaction with the overall service to 80% by 2016.
  - Quality Homes – to improve customer satisfaction with the quality of the homes to 80% by 2016. To build 500 new homes by March 2018.
  - Sustainable business – to create surpluses to invest in services and homes for residents.
  - Community focus – to improve the proportion of tenants satisfied that their views are taken into account to 65%.
  - Employer of choice – to improve staff satisfaction with Lewisham Homes as a place to work to 80%.
- 6.4 Current and future challenges for Lewisham Homes:
- Customer satisfaction – to increase tenant satisfaction from 69% (2012) to 80% by 2016.
  - Economy – is now growing but serious concerns about the sustainability of that growth. Those on the lowest incomes, many of whom are residents of Lewisham Homes, have been hardest hit by the recession and this will continue to impact on the Lewisham Homes' ability to maximise income collection.
  - Welfare Reform – around 7% of Lewisham Homes tenants are affected and the impact of direct payment of Housing Benefit to tenants is not yet known but bound to have an adverse impact on income collection. Lewisham Homes target for rent collection remains at 99%.
  - HRA Reform – provides a great opportunity to deliver longer term business planning but £127m cap on overall borrowing will constrain the business including the ability to deliver more housing. The Council and Lewisham Homes will continue to explore ways to maximise the supply of new homes.
  - Right to Buy – the increase in the discount from £70k to £100k is having a substantial impact on the business plan and will continue to put pressure on Lewisham Homes sustainability and the ability to deliver more new homes.
  - Stock Condition – it is likely that approximately 20% of Lewisham Homes stock will remain non-decent by April 2015. The Council and Lewisham Homes will be making a bid for further Decent Homes funding once the prospectus is released by central government. This funding will only be available to councils which have more than 10% non-decent stock.
  - Cap on Leaseholder Major Works bills – DCLG launched a consultation in

October 2013 proposing to set a £15k cap on London leaseholders major works bills (£10k for leaseholders outside of London). They are currently analysing the feedback. However, should this cap be introduced it will impact on what Lewisham will want to bid for when the next Decent Homes funding round becomes available.

## **7 Legal implications**

- 7.1 There are no specific legal implications pertaining to this report; save for noting, that the provisions of the 2010 Equality Act will be relevant to the implementation of the Lewisham Homes Business and Delivery Plan 2014/15.
- 7.2. The 2010 Act, brings together all previous equality legislation in England, Scotland and Wales. The Act includes a new public sector equality duty (the equality duty or the duty), replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. The new duty 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.
- 7.3 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.
- 7.4 As was the case for the original separate duties, the new 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.
- 7.5 The Equality and Human Rights Commission issued guides during January 2011 providing an overview of the new equality duty, including the general equality duty, the specific duties and who they apply to. The guides cover what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guides were based on the then draft specific duties so are no longer fully up-to-date, although regard may still be had to them until the revised guides are produced. The guides do not have legal standing unlike the statutory Code of Practice on the public sector equality duty, However, that Code is not due to be published until April 2012. The guides can be found at:  
<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-duties/new-public-sector-equality-duty-guidance/>

## **8 Financial implications**

- 8.1 There are no specific financial implications arising from this report although the performance of Lewisham Homes impacts on the Council's Housing Revenue Account and, therefore, the Council's ability to meet its housing priorities. The HRA self-financing regime has enabled the Council to develop a 30 year financial model, which informs the annual allocation made to Lewisham Homes. This has been agreed by Lewisham Homes and the model is reviewed every year.

## **9 Crime and disorder implications**

- 9.1 There are no specific implications arising from this report but Lewisham Homes will continue to take a proactive approach in dealing with anti-social behaviour..

## **10 Environmental implications**

- 10.1 Currently 35% of Lewisham Homes' stock is non-decent. Lewisham Homes, by the end of March 2015, will have received £94.5m in Decent Homes Backlog funding. It is anticipated that approximately 20-25% of the stock will remain non-decent. The Government announced that a further funding pot will be made available to authorities to complete their decent homes programmes. The bidding prospectus has yet to be published but the Council and Lewisham Homes will be submitting a bid.

## **11 Equality implications**

- 11.1 Many of the tasks and targets in Lewisham Homes' Business and Delivery Plan 2014-15 have an impact on promoting equality and diversity, particularly regarding their priority to deliver excellent services meet residents needs.

### **Background documents and report author**

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