

Housing Select Committee		
Title	Lewisham Homes mid-year review 2014/15	
Contributor	Head of Strategic Housing	Item 4
Class	Part 1(open)	11 November 2014

## 1      **Summary**

- 1.1    Lewisham Homes went live on 22nd January 2007 and currently manages 13,000 social housing tenancies and 5,000 leasehold properties within the borough, on behalf of the Council.
- 1.2    The management agreement requires a delivery plan to be agreed annually between Lewisham Council and Lewisham Homes, and for this to be monitored twice a year. This report highlights progress made at mid-year against the 2014/15 delivery plan targets, covering the period April to September 2014.

## 2      **Purpose**

- 2.1    The purpose of this report is to provide members with:
- Details of mid-year performance against the 2014/15 Delivery Plan agreed with Lewisham Homes.
  - An update on Decent Homes funding to improve properties managed by Lewisham Homes.

## 3      **Recommendation**

- 3.1    It is recommended that Members note the contents of the report.

## 4      **Background**

- 4.1    The previous Government required all local authorities to carry out a stock options appraisal by July 2005 to determine how Decent Homes would be achieved for all Council housing stock. Lewisham Council completed its stock options appraisal in June 2005, and a comprehensive Decent Homes Strategy was developed that was endorsed by Mayor and Cabinet on 8th June 2005. Lewisham's Decent Homes Strategy outlines Lewisham's mixed investment approach including Lewisham Homes which is an Arms Length Management Organisation (ALMO).
- 4.2    Lewisham Homes is a not-for-profit company, limited by guarantee, and the Council is the sole shareholder. The Board is responsible for the strategic direction of the organisation and meets four times a year to monitor performance, agree the strategic direction of the business and

make key decisions. The Board consists of 15 non-executive directors made up of 3 Council Members, 5 independent members, 5 tenants and 2 leaseholders.

4.3 The management agreement sets out a requirement for Lewisham Council to approve a Delivery Plan for the ALMO. The 2014/15 Business and Delivery Plan was approved by the Lewisham Homes Board in July 2014, and by Mayor and Cabinet in September 2014. It sets out how Lewisham Homes plans to deliver excellent services to all its customers, and is in line with the overall vision of the Council and its partners in the Local Strategic Partnership.

- The business (and delivery) plan is attached as appendix 1
- KPIs for the first 6 months are attached as appendix 2
- The annual report for 2014 is attached as appendix 3
- Dealing with asbestos information as requested in appendix 4

## 5 Lewisham Homes Priorities for 2014/15

5.1 The Lewisham Homes mission is to deliver great housing services for thriving neighbourhoods. The mission is underpinned by the following strategic objectives:

- **Excellent Services** – to improve tenant satisfaction to 80% by 2016.
- **Quality Homes** – to improve customer satisfaction with the quality of the home to 80% by 2016.
- **Sustainable Business** – to create surpluses to invest in services and homes for residents
- **Community Focus** – to improve proportion of tenants satisfied that we take their views into account to 65%
- **Employer of choice** – to improve staff satisfaction with LH as a place to work to 80%

## 6 Performance against Delivery Plan targets

6.1 Attached to this report as Appendix 2 are tables reporting on performance against the Delivery Plan targets for the period ending 30th September 2014 and trend data for the last two years. A RAG system indicates whether KPIs have met target and the direction of travel. Analysis of this performance data is set out by strategic objective area below.

6.2 Lewisham Homes completed both business plan tasks that were planned to be done by the end of September. These were:

- Completing a review of potential areas for new business for the DLO; and
- Becoming a partner in the London-wide data sharing initiative to identify cases of potential fraud.

## **7      Excellent Services**

### **7.1      Repairs & Maintenance**

7.1.1    The Repairs Service is performing well:

- 99.4% of repairs were completed on time;
- 95.5% of repairs were completed on the first visit;
- tenant satisfaction with completed repairs is 86%; and
- the repairs contact centre answered 90% of calls within 20 seconds.

7.1.2    The Star survey of customer satisfaction shows that satisfaction with the repairs and maintenance and repairs service has increased by 10% from two years ago to 72%

7.1.3    The number of complaints relating to repairs has fallen significantly to 18 a month compared to 33 a month in 2010/11.

### **7.2      Customer care**

7.2.1    Tenant satisfaction with Lewisham Homes' services was tested through a survey conducted in summer 2014. Most areas have improved by 6% or more as shown in other parts of this report. Further results include:

- Overall satisfaction has improved to 71%, up 2%, from two years ago improved consistently over six years.
- When making an enquiry, 71% found it easy to get the right person, up by 4% and 64% were satisfied with the final outcome of their query, up by 6%

7.2.2    Complaints and enquiry handling is better than last year:

- 89% of complaints were responded to on time; and
- 87% of Mayor, MP and councillor enquiries were responded to on time.

7.2.3    The number of complaints received is reducing. In 2010/11 Lewisham Homes did not have a Decent Homes programme and received 63 complaints a month. Excluding Decent Homes, this has dropped to 35 a month in 2014/15.

7.2.4    Initiatives that will improve customer care over the next year include:

- a single office to improve communications between teams;
- rolling out more customer care training;
- introducing a combined customer services centre;
- providing more services online; and
- engaging with customers on the transfer and improvement of grounds maintenance.

## Estate Management

- 7.2.5 Satisfaction with internal cleaning and caretaking is 65% compared to 68% last year. Lewisham Homes has taken steps to improve this, including:
- Involving individual residents want to take an interest in improving standards in blocks or estates without Residents' Associations.
  - Contacting residents who give negative feedback in surveys, to help understand and address issues.
  - Giving all caretakers smart phones, which improve communication and enables caretakers to report issues such as communal repairs, bulk refuse and health & safety concerns.
- 7.2.6 The Residents Scrutiny Panel looked at the caretaking service and produced a report that was approved by the LH Board in July. Most recommendations have been carried out. The remaining recommendation is to review cleaning standards which involves consultation with residents and caretakers. LH is procuring a mobile inspection application to enable greater scrutiny of standards which will also help drive improvements.
- 7.3 Housing Management
- 7.3.1 Satisfaction with the ASB service has continued to improve over the first half of the year:
- 55% of respondents are very or fairly satisfied with the way their complaint was dealt with;
  - 58% of respondents are happy with the outcome of our investigation;
  - 83% of respondents state the situation has improved since reporting it to us.
- 7.3.2 In response to the introduction of the Anti-Social Behaviour, Crime & Policing Act 2014 Lewisham Homes has:
- Updated their ASB Toolkit to reflect the new powers afforded by the changes to legislation;
  - Reviewed and enhanced policies and procedures for tackling Domestic Abuse/Violence and Hate Crime;
  - Produced new policies and guidelines for the future use of CCTV within the stock;
  - Scheduled consultation with residents to raise awareness and encourage more reporting at an early stage.
- 7.3.3 Lewisham Homes has introduced improvements including:
- A more robust management of ASB cases.
  - Greater emphasis on dispute resolution including the procurement of a new mediation service provider.
  - Working with local communities, with increased attendance at TRA meetings where ASB is a recurrent or pressing issue.
- 7.3.4 Lewisham Homes retains the RSPCA Gold "Footprint" award for animal welfare. This confirms Lewisham Homes position as one of the leading housing providers in London in terms of encouraging residents to consider

and be mindful of their social impact on the local community. It has held seven more of the highly successful dog events this year, micro-chipping 72 dogs and entertaining over 400 visitors.

- 7.3.5 The vulnerable residents' overgrown gardening scheme continues to be successful. Further work on fire safety for vulnerable residents is outlined below under 'Health and Safety'.
- 7.4 **Leasehold Management**
- 7.4.1 For the half year, LH met all leasehold service's targets:
- Collecting 53.4% of the service charge due;
  - Serving all the Right to Buy forms on time, despite an increasing number of applications.
- 7.4.2 There is a range of support initiatives and payment options for resident leaseholders with large major works bills, which are well promoted. These include the three year interest-free payment option, as well as access to caseworkers and debt advice agencies.
- 7.4.3 This year there is an increase in the scale of external work being undertaken through the Decent Homes Programme, which will lead to additional bills for leaseholders for their share of works carried out.
- 7.4.4 Following increases in 'right to buy' discount to £102,700, we continue to receive a steady flow of applications. The table below compares activity in the same periods for 2013/14 and 2014/15. Compared to the first six months of 2013/14 applications are down but sales are up.

**Table 3 – RTB applications – Lewisham Homes only**

Stage of RTB application	Total 2012/13	Total 2013/14	April to September 2013/14	April to September 2014/15	Increase
<b>No of RTB applications received</b>	<b>189</b>	<b>285</b>	<b>173</b>	<b>136</b>	<b>-21%</b>
<b>No of RTB applications admitted</b>		<b>234</b>	<b>142</b>	<b>116</b>	<b>-18%</b>
<b>No of section 125 offer notices served</b>		<b>241</b>	<b>111</b>	<b>111</b>	<b>0%</b>
<b>No of offers accepted</b>		<b>169</b>	<b>87</b>	<b>59</b>	<b>-32%</b>
<b>No of completed sales</b>	<b>17</b>	<b>91</b>	<b>32</b>	<b>56*</b>	<b>+75%</b>

\*There have been a further 16 completions in October 2014

## **8            Quality Homes**

### **8.1        Major Works Investment Programme**

- 8.1.1 At the end of September, 65% of properties were assessed as 'decent', based on the government's Decent Homes' criteria. A major works investment programme is now in its fourth year and delivered 4,850 improved homes by September 2014. The process is on target to meet 80% decency by March 2015.
- 8.1.2 The 2013/14 budget, and forecast for capital major works investment is shown in the table below.

**Table 1 – Major works budgets and expenditure for 2014/15**

	<b>2014/15 original budget £'000</b>	<b>2014/15 expenditure to 30 Sept 14<sup>1</sup> £'000</b>	<b>Forecast 14/15 as at 30 Sept 14 £'000</b>	<b>Variance to original budget 14/15 £'000</b>
<b>Decent Homes Partnering Contracts<sup>2</sup></b>	38,000	18,210	38,728	728
<b>Security, Mechanical &amp; Electrical, etc. (including salaries)</b>	9,038	2,286	8,310	-728
<b>Total</b>	<b>47,038</b>	<b>20,496</b>	<b>47,038</b>	<b>0</b>

- 8.1.3 Tenant satisfaction with the improvements made through the Decent Homes Programme continues to be high, and was at 95% for the six months.
- 8.1.4 The Star survey of customer satisfaction carried out in the summer of 2014 showed that satisfaction with the quality of Home is 70%, an improvement of 7% since two years ago.
- 8.1.5 Table 2 below shows the funding and target improvements in Decent Homes profile agreed with the Greater London Authority (GLA). Lewisham Homes brought 733 more homes up to the Decent Homes Standard from April to September 2014, meeting the GLA targets. A further 1,400 homes are expected to be made decent to year end, again meeting our GLA targets.

<sup>1</sup> Including unpaid invoices and accruals

<sup>2</sup> Including Decent Homes works undertaken by Lewisham Homes DLO, excluding salaries

**Table 2 – No. units to be made decent - Decent Homes Backlog Funding**

	2011/12	2012/13	2013/14	2014/15	Total
<b>Decent Homes' Backlog Funding (£m)</b>	14.0	20.5	24.0	36.0	94.5
<b>Target homes made decent (units)</b>	993	1,313	1,505	2,137	5,948
<b>Homes made decent - GLA funds (units)</b>	1,025	1,317	1,505		
<b>Homes made decent - LBL funds (units)</b>		272			
<b>Total Homes made decent - all funds</b>	1,025	1,589	1,505		
<b>Percentage of homes that are decent</b>	49%	63%	65%	80%	

## **9 Sustainable Business**

### **9.1 Income Collection**

- 9.1.1 Income collection rates have been the best for five years, despite difficult economic conditions and welfare reforms.
- The collection rate was 99.5% of the rent debit in the year collected in the year to September. This improvement represents £600,000 extra income on an annual basis compared to last year.
  - Current tenant rent arrears as a percentage of the annual debit stand at 4.3% compared to 4.6% at the end of last year
  - The proportion of accounts over seven weeks in arrears has reduced to 9.1% compared to 10.1% achieved last year.
- 9.1.2 Lewisham Homes has continued to work closely with the Council to support households affected by the benefit cap and bedroom tax. A good partnership with the Trading Places Team has helped residents wishing to downsize. At the beginning of August 2014, the Trading Places Team had assisted 30 LH tenants affected by the Bedroom Tax to downsize.
- 9.1.3 Financial Inclusion work continues to support residents in financial need by:
- Working with local food banks to provide vouchers for those residents most in need.
  - Providing welfare benefit advice surgeries at local food banks.
  - Promoting the services provided by the Credit Union, with 1,235 current active LH members, with over £375,000 in savings.
  - Securing additional welfare benefits for residents, with £161,000 of backdated benefits obtained between February and September.
- 9.1.4 It is a priority to work with new tenants to ensure they are supported in

managing their finances helping them to:

- access benefits
- take up contents insurance;
- open savings or bank accounts; and
- receive budgeting advice.

## 9.2 Void Management

- 9.2.1 Voids performance has continued to improve in 2014/15. This has helped to maximise rental income and ensure properties are empty for shorter periods of time.
- 9.2.2 Rent loss through vacant properties was 0.67% (or £246,560) for the six months. This is better than 0.78% last year and significantly lower than rent loss in the previous years like 2010/11 when it was 1.98%. This represents a cash equivalent of £80,000 a year saved compared to 2013/14 and £950,000 a year saved compared to 2010/11, based at current prices.
- 9.2.3 Similarly, less time has been taken to re-let all properties from tenancy end to tenancy start. In the first six months of 2014/15 it was 41 days compared to 71 days in 2013/14.
- 9.2.4 All newly let properties now meet the Decent Homes Standard. This is both more efficient and has increased satisfaction for new tenants.

## 9.3 Tenancy Fraud

- 9.3.1 Housing fraud remains a priority leading to the recovery of 33 properties so far this financial year. Meetings with staff and residents help raise awareness of fraud and what actions can be taken.
- 9.3.2 A new contract with 'Call Credit', a credit search company enables Lewisham Homes to identify tenants who are linked to other properties. This is providing critical evidence when pursuing recovery of homes that are fraudulently occupied.

## 10 Community Focus

- 10.1 Residents are encouraged to be involved in many ways that give them a say in how services are delivered. This includes:
- seven residents on the LH Board;
  - the Residents' Scrutiny Panel;
  - the Area Panel;
  - improvement groups, and
  - tenant and resident associations.
- 10.2 This year we have introduced accredited training for the Resident Scrutiny Panel, through the Tenant Participation Advisory Service (TPAS), and funded by Lewisham Tenants' Fund (LTF). A Governance review will also consider the links between board and resident groups

- 10.3 In line with the Regulatory Framework for Social Housing, local offers have been developed in consultation with residents, which set out the service standards. Feedback for key services is obtained through regular satisfaction surveys.
- 10.4 The Community Investment Programme, delivered in partnership with the Decent Homes contractors, is meeting objectives with greater emphasis on digital inclusion including:
- supporting residents back into work;
  - opportunities for young residents to get involved; and
  - delivering skills based opportunities to carry out basic repairs.
- 10.5 The Decent Homes contractors have funded the following initiatives through the 2014/15 Community Investment Programme (CIP):
- £15,000 additional support for the 'Love to Dance' project, originally inspired by young street dancers from the Hazel Grove Estate, this project is now being offered to young people in the north of the borough in New Cross and Evelyn wards.
  - Career Events - 6 events across schools and colleges in Lewisham.
  - Accredited DIY training pilot course to be delivered in January 2015 over a four week period.
  - Digital inclusion programme in sheltered schemes including provision of tablets.
  - Upgrade of IT equipment in 2000 Community Action Centre.
  - A legacy pot for which residents can apply for funding for courses leading to recognised qualifications.
  - Support for the Home Park pocket park.
- 10.6 Back to Work opportunities include:
- An apprenticeship programme with 21 apprentices currently
  - 644 days of work experience over the course of the year, 12 Work Clubs with 80 residents attending.
  - High 5 – the project has achieved good outcomes for attendees and this year it is receiving £18,000 funding.
- 10.7 In addition, Lewisham Homes has a Community Fund, which enables residents to bid for small amounts of funding to deliver improvements to the environment or for the community, and can include improvements to safety or community cohesion. In May 28 projects had funding approved totalling £60k. The following projects have either been delivered or are in progress:
- Gardening – residents from sheltered schemes and community gardening projects applied for funding, we partnered with Streetscape (a social enterprise) who assessed and made recommendations on the bids. The 14 successful bids have received funding and support from Streetscape.
  - Kender Adventures – with match funding from the ward assembly and LTF, 23 adults and 46 children from Kender took part in a 4 day residential outdoor activity event in Shropshire.
  - Love to Dance – Providing street dance classes for young people

- leading to a number of showcase events and now launched in the north of the borough
  - Younger residents – in addition to Love2dance young people in Deptford were involved in a filming project and a holiday programme run by TNG in Sydenham
  - Older residents – funding has been given for activity clubs on Hazel Grove and Honor Oak estates. On Honor oak this includes computer skills
  - Community Events – ‘Pop in and Take part’ a 20 week programme is being delivered from the 2000 Community Action Centre, in Sydenham funding was provided to the World War 1 commemorative event ‘Til the Boys Come Home’ and ‘Arts in the Park’.
- 10.8 Other projects allocated funding are due to come online in the second half of the year.
- 11 Employer of choice**
- 11.1 Lewisham Homes is improving its biggest asset, its staff. This summer 85% of staff took part in the staff survey; twice the number compared to two years ago. It shows that engagement with staff is improving with 74% saying that their manager consults them on relevant matters, an improvement of 15%. Overall 69% of staff believe Lewisham Homes is a good place to work; consultations are taking place on how to improve that.
- 11.2 Lewisham Homes promotes training and job opportunities by employing four trainee graduates and eight apprentices.
- 12 Health & Safety**
- 12.1 Lewisham Homes has an established framework based on best practice to mitigate risks and to provide a safer environment for our staff and residents, as well as any third parties. There has been a stronger emphasis on auditing and embedding a safety culture within the organisation resulting in improved outcomes in the health and safety indicators.
- annual gas safety checks carried out on average 99.96% of properties; and
  - no enforcement notices from the London Fire Brigade since February 2012.
- 12.2 LH has established an Estate Inspection programme on a six-month cycle to inspect blocks and estates with more than six units of housing. The programme started in October 2013, and is now completing its second six-month cycle. The procedure, mobile solution and inspection regime has been commended by LBL Insurance, Internal Audit and the external Solicitors for LBL Insurance as “best practice”. This will help LH defend insurance claims more successfully.
- 12.3 Other highlights in the period include:

- LH is one of ten organisations participating in the Pan-London LFB Pilot to install Premises Information Plates to ten blocks. This will help the LFB understand the layout of a block if there is a fire, and is one outcome following the Lakanal fire in Camberwell.
- Installation of sprinklers into five of sheltered accommodation blocks, with the remaining Sheltered Accommodation to be completed by 2015/16. Mobile sprinklers are also being used as a solution for dealing with tenants whose vulnerability or lifestyle (such as hoarding) create a high risk of fire.
- The cyclical inspection of water tanks for our converted properties is on target with 100% to be inspected over a 5 year cycle, in line with best practice.
- The health and safety framework has been refined as part of a continuous improvement process, and assessed through the British Safety Council accreditation scheme. Performance against the framework is regularly monitored.

## **13      Crime & Disorder Implications**

13.1    There are no specific crime and disorder implications.

## **14      Financial Implications**

14.1    There are no specific financial implications.

## **15      Legal Implications**

15.1    There are no specific legal implications

## **16      Equalities Implications**

16.1    Lewisham Homes' Equality and Diversity Strategy was reviewed approved by the Lewisham Homes Board in May 2013. The Board receives regular monitoring reports to assess progress against the strategy.

16.2    Measures have been put in place to protect the most vulnerable tenants. Lewisham Homes has continued to collect profiling information for use in planning and improving services, and to flag up on the main database where tenants require support.

16.3    Lewisham Homes has continued to support the LB Lewisham Safeguarding Agreement, which helps protect vulnerable adults and children. A training programme in safeguarding awareness has been delivered.

## **17      Environmental Implications**

17.1    At 30 September 2014, 35% of Lewisham Homes' managed stock was

non-decent. Improving sustainability and energy efficiency is an important part of the Decent Homes Programme which is making sure that homes are warm, safe and dry.

**18      Background papers and report originator**

- 18.1    There are no background documents to this report.
- 18.2    Please contact Scott Cook, interim Housing Partnerships and Market Development Manager, on 020 8314 3603 or email  
[scott.cook@lewisham.gov.uk](mailto:scott.cook@lewisham.gov.uk)