

MINUTES OF THE Housing Select Committee
Tuesday, 8 July 2015 at 7.30pm

Present: Councillors Carl Handley (Chair), Peter Bernards (Vice-Chair), John Coughlin, Amanda De Ryk, Liz Johnston-Franklin, Olurotimi Ogunbadewa and Jonathan Slater.

Apologies: Councillors Maja Hilton, Simon Hooks and Susan Wise.

Also present: Kevin Sheehan (Executive Director, Customer Services), Genevieve Macklin (Head of Strategic Housing), Jeff Endean (Housing Programmes and Strategy Team Manager), Mark Humphreys (Group Finance Manager, Customer Services), Michael Westbrook (Housing Policy & Partnerships Manager), Andrew Potter (Chief Executive, Lewisham Homes), Adam Barrett (Director of Resources, Lewisham Homes), Steve Bonvini (Operations Director, RB3), Tracy Jones (Operations Manager, RB3), Sandra Simpson (Leasehold Manager, Pinnacle), Maxeene McFarlane (Contract Manager, Pinnacle), Laurence Rudman (Partnership Performance Director, Rydon) and Roger Raymond (Scrutiny Manager).

1. Minutes of the meeting held on 19 May 2015

- 1.1 RESOLVED: That the minutes of the meeting held on 19 May 2015 be signed as an accurate record of the meeting.

2. Declarations of Interest

- 2.1 There were no declarations of interest.

3. Lewisham Homes Business and Delivery Plan

- 3.1 Andrew Potter (Chief Executive, Lewisham Homes) and Adam Barrett (Director of Resources, Lewisham Homes), presented the report to the meeting. The key points to note were:

- Tenant satisfaction with overall services has increased to 71%, up 11% over the past six years. Satisfaction with their Repairs Service is up by 10% in two years.
- Rent income collection was an area of significant success for Lewisham Homes in light of welfare reform changes, collecting 99.9% of the debit against a target of 99%. This was an improvement on 98.7% for the previous year, representing an extra £860,000 in income for the HRA. Rent arrears reduced to 3.8% compared to 4.7% in March 2014, a reduction of £530,000.
- Lewisham Homes made over 2,130 properties decent in 2014/15 meeting its target of having 80% of homes meet the Decent Homes standard by March 2015 and leading to 81% of tenants being satisfied with their neighbourhood and:
 - tenant satisfaction with the quality of their home has increased to 70%, up 7 percentage points from two years ago;

- tenant satisfaction with the repairs and maintenance service is up to 72%, up 10 percentage points from 2 years ago; and
- 92% of tenants were satisfied with internal Decent Homes work done to their homes.
- Lewisham Homes built the first six of 500 new social rent homes in partnership with Lewisham Council.
- Lewisham Homes responded to 91% of complaints on time compared to a 90% target and 83% the previous year.

3.2 In response to questions from the Committee, the following was noted:

- The dynamics for leaseholds have been changing over the years, with the increasing costs of properties leading to a rise in expectations from leaseholders so this had to be addressed by Lewisham Homes to keep their satisfaction high.
- The level of charging for leaseholders is approximately £100 per annum for maintenance, which is comparably low, but even so Lewisham Homes have an undertaking to be more responsive to the queries and complaints of leaseholders, and a programme of training of staff has been carried out to help facilitate this.
- Additional research will need to be carried out to see what is behind the reason that tenant satisfaction with overall services has increased to 71%, up 11% over the past six years.
- Officers would re-assess the 'percentage of tenanted homes that meet the Decent Homes Standard' key performance indicator (KPI) to make it clearer. Lewisham Homes are on target to meet their Decent Homes indicator in 2015-16, with some external work on properties that needs to be completed to help achieve the target.
- Lewisham Homes have no plans to tackle the soundproofing issues that affect some properties, due to the cost of works required.
- Lewisham Homes have residents sitting on its Board, and also looks to get tenant feedback from a Lewisham Homes Customer Panel, and a Residents Scrutiny Committee, with this Committee reporting directly to the Board. There are also other projects that Lewisham Homes funds to get tenant feedback.
- Lewisham Homes are looking to reduce their Board from 15 to 12, so are not looking to fill the three additional posts. The posts not being filled are two resident vacancies and one independent vacancy.
- Lewisham Homes will send copies of the 'Big Conversation' feedback to Committee members.
- Lewisham Homes managed to get their letting of general needs properties to an average of 40 days compared to 71 days the year before by having better management focus and planning.
- Lewisham Homes has its own in-house service to carry out day-to-day repairs. They did have a contractor who carried out the Decent Homes work on their behalf, and are aware that some responses to residents were not adequate. This has led to the decision that all remaining internal work for Decent Homes will be carried out by the in-house workforce; and have changed the current contract arrangements to the contractor to ensure customer focus.
- Lewisham Homes have a rolling programme to improve internal door-entry systems. They also have an Anti-Social Behaviour (ASB) Team that is now

operating on extended hours on a Friday and Saturday night to deal with any ASB complaints.

3.3 RESOLVED: That the Committee note the report.

4. Update Brockley PFI - Annual Review Report

4.1 Steve Bonvini (Operations Director, RB3) and Tracy Jones (Operations Manager, RB3), presented the report to the meeting. The key points to note were:

- The PFI contract for refurbishing and maintaining the properties includes the provision for housing repair and maintenance, caretaking, cleaning, tenancy and estate management service for a period of 20 years.
- There are 26 contractual KPIs, of which 19 are provided on a monthly basis and seven on an annual basis.
- The residents from Brockley have been very happy with opportunities for participation. The satisfaction levels have been steadily increasing from 69% in 2009 to 87% in 2015.
- In terms of customer service, 415 items of correspondence were received, and 99% were responded to within the 10 working day target. In respect of complaints, RB3 received 64 complaints throughout the year, with most dealt with at Stage 1. In 2013-2014 RB3 received 131 complaints; RB3 reviewed the way in which complaints were managed and since the review have managed to significantly reduce complaints.
- In respect of tenancy management, after Chartered Institute of Housing ASB training, which was undertaken by all Brockley Housing Managers; RB3 introduced a new case monitoring system, with cases being regularly reviewed and action planned. They also renewed their contract with Lewisham Mediation (LAMP); they provide an invaluable service especially for neighbour dispute cases.
- Inspections are carried out on 113 blocks each month, both internal and external communal areas are inspected. Over the current period RB3 achieved an average Environmental Performance Report (EPA) standard A in 99 % of external inspections and a 98. % on internal inspection.

4.2 In response to questions from the Committee, the following was noted:

- RB3 officers are happy to discuss individual casework with Councillors in respect of customer services involving their staff, or pass them on to Pinnacle or Rydon.
- All Pinnacle staff members have recently received customer services training; each team has a 'Champion' to ensure that the customer services focus is maintained. This has been a focus for Pinnacle for the past 12-18 months for an area of continuous improvement.
- Rydon has trained officers to deal with the reporting of repairs. There is regular liaison with Rydon and Pinnacle staff to ensure they work in a joined-up way. Calls to Rydon are recorded so they are able to investigate any complaints to the call centre.

- Pinnacle employ a project worker from Project 70 to help tenants with their welfare reform issues, and are anticipating an increase in usage with the welfare reform proposals announced in the Budget.
- RB3 has managed to maintain a high level of satisfaction with leaseholders by tailoring their customer service best practice to meet the needs of their customers. The complaints system is no longer as onerous as in the past and all leaseholder complaints are addressed quickly. RB3 also employ a dedicated Leaseholder Manager.
- It is not in the RB3 contract to fit security doors on properties. They are happy to talk to the Council – who have already costed this provision - about a solution for this on-going issue.
- Rydon employ 'mystery shoppers' for their customer services and follow-up all their repairs to get feedback on the work carried out. They inspect in person 1-in-10 repairs, and any repairs that are over £500.
- RB3 are working with the Fraud Investigations Team to ensure there is no subletting fraud in its property portfolio. All properties were subject to tenancy checks. They are also working with partners to ensure audits are carried out on the properties, as per the contract.
- Turnover for Rydon administrative staff has been about 10% over the past year, and is very low for the operative staff. Pinnacle has had a small turnover of staff, in light of new opportunities that have arisen for staff members.
- RB3 will ensure that local ward Councillors are notified of any residents' meetings and events that take place.

4.3 RESOLVED: That the Committee note the report.

5. The work of the Single Homeless Intervention and Prevention Team (SHIP)

5.1 John Barker, (Housing Options and Advice Manager (Singles)) presented the report to the Committee. The key points to note were:

- SHIP is the single point of access for single homeless people within the borough of Lewisham. The team was originally created in 2008 in response to the increasing numbers of single homeless with support needs within the borough to coordinate access into the borough's extensive range of supported housing options funded through the supporting people programme.
- The work is split into three areas which broadly reflect the categories of single homeless clients that the team most commonly works with:
 - Young Persons
 - Generic Vulnerable Adults
 - Offenders
- The generic roles being further split into areas such as Rough Sleepers, Substance Use, Elderly and Vulnerable and Mental Health.
- Access to the service is primarily by one of two routes. Customers can drop in during opening times, for assistance and advice, and many of SHIP's first contacts with clients are made in this way. The second route is by way of referral from other statutory and voluntary agencies. The types of agency or organisation that SHIP commonly takes referrals from are:
 - London Street Rescue Outreach Service

- Community Mental Health Teams
- Lewisham Hospital
- Community Drug and Alcohol Team
- Community Advice and Assistance Agencies (Deptford Reach; The 999 Club; Bench Outreach etc)
- Probation Services
- HM Prison Service
- No Second Night Out
- SHIP will only work with people who are eligible, homeless and have a local connection as set out by the Housing Act 1996. However, one important difference is that for the majority of our clients they do not necessarily take into account Priority Need or Intentionality of Homelessness.

5.2 In response to questions from the Committee, the following was noted:

- Officers will do a number of reasonable checks to ensure the homeless person has a 'local connection' to be eligible for accommodation.
- Mental Health patients can access SHIP through the Care Programme Approach through Mental Health Services. There are a huge range of mental health services in the borough, such as Equinox or Penrose that can also help.
- Officers will monitor the impact of the Government's welfare reform proposals on the under-25s who will have a number of benefits taken away, and how they affect housing in the borough; and whether the Government will continue to fund discretionary budgets in a number of schemes.
- The Emergency Lodgings Accommodation Network (ELAN) is a short-term lodgings service providing accommodation for a maximum of 28 days to young people aged 16-21 providing a cooling-off period for them and their families, often following a crisis and having left the family home unplanned. The service run by CAYSH and commissioned by the South East London Housing Partnership (SELHP) – a consortium of five London Boroughs of (Bexley, Bromley, Greenwich, Lewisham and Southwark). The funding for the scheme is scheduled to end soon, and the local authorities involved are looking at alternative funding arrangements to keep the service going.
- Officers will supply Committee Members with the report on Rough Sleepers from the GLA, with the statistics in full.
- The Council works closely with No Second Night Out in identifying appropriate accommodation options for their Lewisham Connected Customers and in assessing their suitability for supported housing and other options.
- The Council has a pathway system for young adults to manage their transition from the care system to adulthood. For example, they are given priority for housing in the borough.
- There is a problem of No Recourse to Public Funds rough sleepers in some London boroughs, but this has not been a major issue in Lewisham. The pan-London protocol for rough sleeping outreach services looks to address this, amongst other things.

5.3 **RESOLVED:** That the Committee note the report.

6. Key Housing Issues: Government Policy and Welfare Reform

6.1 Genevieve Macklin (Head of Strategic Housing) to give a presentation to the Committee. The key points to note were:

- The previous Coalition Government brought in a number of changes that affected housing policy, namely:
 - Localism Act: 2011
 - Discharge into the Private Rented Sector (PRS) to end the homeless duty
 - Changes to housing register – no Band 4
 - 5 year fixed term tenancies
 - Grant rates for new housing supply reduced by 70%
 - Affordable rents – up to 80% market rents on new supply and % of relets
 - Welfare Benefit Changes (Cap/Bedroom Tax/ Local Housing Allowance at 30th percentile)
 - RtB Discount increased from £16k to £103k
 - Housing Revenue Account becoming self-financing
- Some of the effects of these changes were as follows:
 - Chronic shortage of housing
 - New supply reduces hugely
 - Turnaround in available properties to let significantly dries up
 - Major hike in acute demand / homelessness
 - Affordability problems across all tenures
 - Massive Growth in PRS
 - Councils build new housing again
 - More partnership / cross borough solutions
- Some of the current key issues in London/Lewisham are:
 - London needs 80,000 new homes per annum. – but delivered less than 18,000 per annum (22%) 2010-2014
 - Lewisham need 1,144 affordable p.a. commitment to deliver 500 per annum
 - Last 20 years average house price increased by 350% in London and 330% in Lewisham (£92,000-£414,000, £74,000 - £319,000)
 - Average house price 11x average salary
 - Numbers in Temporary Accommodation – almost 1800 76% increase in last 5 years
 - Number of properties to let = 1,100 decreased by 44% in last 5 years
 - 8500 on the Housing Register
 - Average wait time for 4-bedroom properties is 4 years...
 - 50% of all homeless acceptances come from the PRS
 - PRS doubled in size in 10 years.
- Number of available lets 2010/11 to 2014/15 are down by 45%, and Number of homeless households going into temporary accommodation, 2010/11 to 2014/15 up by 76%.
- There has been a considerable decrease in the amount of capital subsidy for the development of affordable housing. This has increased the housing benefit bill to subsidise Affordable Rents and the increased number of households in the private rented sector.

- The Council has been operating more flexibly in response to change. Some examples of this are:
 - changing the role of Lewisham Homes so that it focuses the wider Council housing agenda: infill development, grounds maintenance, PRS for temporary accommodation pressures, enhanced sheltered housing management
 - Greater Sub Regional working
 - Council role in providing local strategic focus – set direction for partners on supply, affordability, grab opportunities, evolve where appropriate e.g. PRS/Rogue Landlords
- The four policy and delivery objectives in the Housing Strategy will guide the Council's work:
 - Helping residents at times of housing need
 - Greater security and quality for private renters
 - Improving our residents' homes
 - Building the homes our residents need
- There will be a number of challenges ahead for the Council that they will need to tackle. These are:
 - Increase demand due to a couple of recent court cases on homelessness; and changes to housing benefit
 - Reduce supply due to the extended Right to Buy, forced sales of high value council properties and uncertainty in the Housing Association sector
- The Nzolameso v Westminster ruling will alter the protocols of where homeless applicants can be placed out of the borough – how far and who. A paper on the implications of this judgment will be presented to Mayor & Cabinet on 15 July – interim arrangements for temporary accommodations placements and PRS Discharge.
- Hotak, Kanu and Johnson ruling (LB Southwark) lowers the threshold of vulnerability when assessing need.
- Government proposals in the Budget for Housing Benefit Cap are to have new £23,000 limit in London, £20,000 outside London, and £0 for under 21 years/ Approximately 800 households would be affected in Lewisham.
- A decision would need to be made in respect of the Bedroom Tax in respect of continuing to prioritise bedroom tax cases, or focus on PRS and temporary accommodation.
- In respect of reduced supply, the new Government policy is focused on owner-occupation with the Right to Buy extended to Housing Association. Tenants Under current policy, sold properties have not been replaced one for one. Also, tenants with a household income over £40,00 to pay market rents. Extra income from local authorities will go to the Treasury
- There will also be the forced sale of high value council properties will drastically reduce supply of re-lets. It has not yet been confirmed whether the policy will be set with reference to London-wide values or more local values – this will have a big impact on the number of properties the council is forced to sell. If this is enacted, reduced supply will increase temporary accommodation costs.

6.2 In response to questions from the Committee, the following was noted:

- Officers will supply Committee members with the Homelessness Allocations Policy paper that will be presented to Mayor and Cabinet on 15 July.
- The Homelessness Allocations Policy will outline the new Council position on placing individuals and families inside and outside of the borough.
- It is proposed that this is an interim position for approximately four months, until more analysis can be conducted.
- The policy proposes that families could be placed up to 90mins travelling time away from the borough boundaries – with special stipulations for children in exam years, children with special needs and other exceptional circumstances.
- The Council are under statutory obligations to notify local authorities when placing homeless households in emergency temporary accommodation outside the borough.
- The Council will work with its local and regional partners to look at the impact that the Right to Buy and forced sale of high value empty Council homes would have on housing supply and demand.

6.3 RESOLVED: The Committee

- a) Note the presentation.
- b) Receive an update on the Housing Allocations Policy at its next meeting.

7. Milford Towers

7.1 Jeff Endean (Housing Programmes and Strategy Team Manager) presented the report to the Committee. The key points to note were:

- The process of decanting tenants from Milford Towers began in 2012 as part of the Council's long-term plans to regenerate Catford town centre. As an interim measure, a number of the properties that became empty were leased to Notting Hill in March 2013 so that they could be let on a short term basis at sub-market rent.
- This arrangement was entered into in order to prevent Milford Towers from becoming increasingly empty in advance of the longer term regeneration, whilst also reducing the risk of squatting and anti-social behaviour in the locality. It also provided a mechanism to minimise the amount of rent lost pending regeneration, while offering a housing solution for groups of local residents who may otherwise struggle to obtain self-contained accommodation locally, such as key workers and other people in work on relatively low incomes.
- The current short-term leases are due to expire in December 2015, as this is the time at which the demolition of Milford Towers was originally expected to commence. The on-going TFL review of options for the location of the South Circular means that demolition will not commence at that time. Given the success of the scheme to date, officers recommend that the lease be extended.
- In advance of considering the merits of extending the lease arrangement, Notting Hill undertook a survey of its residents to ascertain their level of satisfaction with their homes and with Milford Towers generally. A sample of 10% of the residents were surveyed and based on the results so far the main findings of this exercise were:

- 87% of the residents are happy or very happy with their home in Milford Towers. The remaining 13% are satisfied with their homes
- Many of the residents comment on the quality of Notting Hill's housing management service
- Many of the residents have lived in Lewisham for some time and are satisfied with living in the Catford area. Their tenancy in Milford Towers has allowed them to maintain their jobs in London and maintain their links to local schools and hospitals
- 100% of the residents surveyed said they would want to carry on living in Milford Towers for at least two more years if they are able to

7.2 In response to questions from the Committee, the following was noted:

- The Council expect to be earning more money due to the extension of the contract. The Council received approximately £600,000 in the last financial year. It is estimated that the proposed extension to the agreement could raise an additional net income to the Council of between £200,000 and £250,000 per annum.
- If Notting Hill would like to utilise more properties in Milford Towers, this would generate more revenue for the Council.
- The 1-bedroom properties in Milford Towers are more likely to be used by Notting Hill, whereas the 2-bedroom properties would be used for longer-staying social rent residents.

7.3 RESOLVED: That the Committee note the report.

8. Affordability Across All Housing Tenures Review: Scoping Paper

8.1 Roger Raymond (Scrutiny Manager) presented the report to the Committee. The key points to note were:

- The Committee had to decide whether it wanted the review to look at all four categories of housing tenure, or focus the review to 1-2 areas of housing tenure (if more than 2 then it will require more than 2 sessions); and
- The Committee had to decide if they are happy with the key lines of enquiry/terms of reference or would like to amend them.

8.2 In response to questions from the Committee, the following was noted:

8.3 RESOLVED: The Committee

- a) Note the report.
- b) Defer the decision on selecting what categories of housing tenure to focus on, the terms of reference and the key lines of enquiry to the next meeting.

9. Select Committee work programme

9.1 Roger Raymond (Scrutiny Manager) introduced the report. The key points to note were:

- The items scheduled for the September meeting are as follows:
 - Lewisham Future Programme
 - Lewisham Homes - Management Agreement Changes including RP status
 - New Homes Programmes
 - Affordability Across All Housing Tenures – Review – Evidence Session 1

9.2 In response to questions from the Committee, the following was noted:

- The item on Affordability Across All Housing Tenures – the Committee would decide on selecting what categories of housing tenure to focus on, the terms of reference and the key lines of enquiry at the September meeting.
- There would be an Information Item on the progress of the Council's interim position on its Housing Allocations Policy at the September meeting.

9.3 RESOLVED: That the Committee agree the work programme for 2015-16.

10. Items to be referred to Mayor and Cabinet

10.1 There were no items to refer to Mayor and Cabinet.

The meeting ended at 10.20pm

Chair:

Date:
