

Mayor and Cabinet		
Title	Lewisham Homes Business and Delivery Plan 2017-20	
Wards	All wards	
Contributor	Executive Director for Customer Services	Item
Class	Part 1 (open)	25 October 2017

1 Purpose

- 1.1 The purpose of this report is to allow Mayor and Cabinet to review how Lewisham Homes performed in 2016/17, and to approve the Business and Delivery Plan for 2017-20.

2 Recommendations

- 2.1 It is recommended that the Mayor:
- 2.2 Notes the performance of Lewisham Homes against its targets, as set out in the report and appendices.
- 2.3 Reviews and approves the Business and Delivery Plan for 2017-20 in Appendix 1.

3 Policy context

- 3.1 The Management Agreement between the Council and Lewisham Homes requires Council approval for the Lewisham Homes Business and Delivery Plan (the Plan or Business Plan). Lewisham Council faces significant challenges of homelessness; Lewisham Homes, Lewisham Council's main housing partner, helps to meet these challenges by:
- Providing excellent easily accessible services
 - Building new homes;
 - Acquiring properties to help with homelessness; and
 - Investing in Lewisham's neighbourhoods.
- 3.2 Addressing issues relating to the quality and quantity of housing stock in the borough relates directly to the Council's Sustainable Communities Strategy (clean, green and liveable) and to the Council's corporate priorities (Decent Homes for all).

4 Background

- 4.1 A new management agreement has been agreed with Lewisham Council. It extends the life of the contract for another ten years. The management agreement requires Lewisham Homes to produce a business plan in consultation with Lewisham Council. The Business Plan is approved by the Mayor and Cabinet and is reviewed at Housing Select Committee on a regular basis.
- 4.2 Attached are:
- Appendix 1 – The 2017-20 Business Plan; (also available to view online)

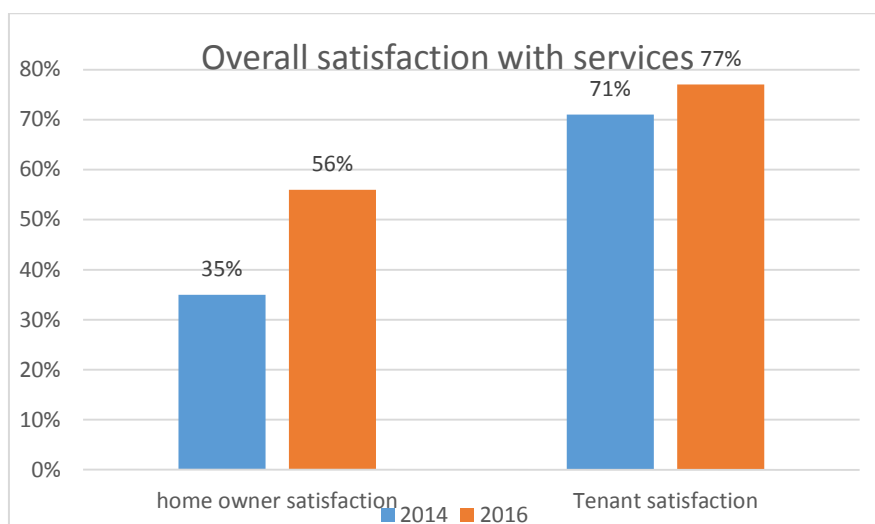
- Appendix 2 – The 2017-20 financial forecasts
- Appendix 3 – The 2017-20 targets and KPIs in the Plan
- Appendix 4 – Strategic performance indicators and action plan 2017-20
- Appendix 5 – The KPI outturn performance for 2016/17.

5 Review of performance in 2016/17

- 5.1 Lewisham Homes' mission is to deliver great housing services for thriving neighbourhoods. It has succeeded in progressing its aims to improve residents' homes and to provide excellent services to residents. The full details of the achievements are outlined in the rest of this report. The highlights are as follows.
- 5.2 Resident satisfaction has improved, particularly for home owners.
- 5.3 Lewisham Homes has improved performance against the majority of its key performance indicators.
- 5.4 The Decency level of the homes has increased from 41% in 2011 to 95% in March 2017.
- 5.5 Lewisham Homes purchased 25 homes in 2016/17 bringing the total owned to 75. These properties are all allocated to Lewisham Council nominations helping those in housing need and saving the Council £375,000 a year in temporary accommodation costs.
- 5.6 Efficiencies were delivered by taking on new services without an increase in overheads.
- 5.7 Lewisham Homes has achieved good progress over the last 10 years by recruiting the right people, investing in staff and creating a good working environment. In 2016 Lewisham Homes achieved the Investors in People Gold Standard.

6 Excellent Services

- 6.1 Business Plan achievements in 2016/17 include:
- Developing more customer-focused services and more choices for resident engagement, particularly online.
 - Continuing conversations with residents by personal contact to find out views on services (The Big Conversation)
 - Improved engagement with leaseholders to help steer service improvements.
 - Investment of £360,000 in environmental improvements.
 - Introducing a new enhanced sheltered housing support service for older residents.
- 6.2 The Business Plan set out 22 key performance indicators on which to judge the service. Lewisham Homes' performance improved in 20 out of the 22 indicators as shown in the appendix.
- 6.3 Lewisham Homes has made good progress in increasing resident satisfaction.



In 2016 a new satisfaction measure excluded 'neither satisfied nor dissatisfied'

- 6.4 Following discussion at Housing Select Committee on 6th September 2017, Lewisham Homes is looking into specific issues raised regarding engagement with Leaseholders.

Customer service

- 6.5 Lewisham Homes is providing more services online and residents are making better use of these services. On-line activity more than doubled during the year as shown in the table below.

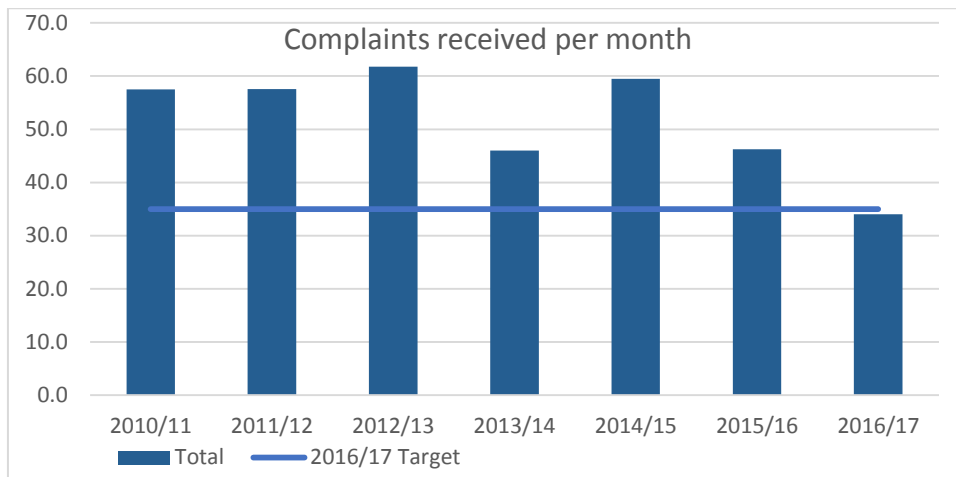
Increase in digital engagement per month

	Apr to Jul 016	Apr-17	Increase
% of households registered on portal	7.5%	15%	99%
Requests for text balances	603	1733	187%
Rent account page view	936	2186	134%
Service Charge account	64	215	236%
Book and view repairs	197	442	124%
Book and view communal repairs (Leaseholders)	31	109	252%

- 6.6 Timely call answering failed to reach target during the year so Lewisham Homes changed the call centre arrangements and returned to a repairs only function enabling tenants to call directly to all other teams.

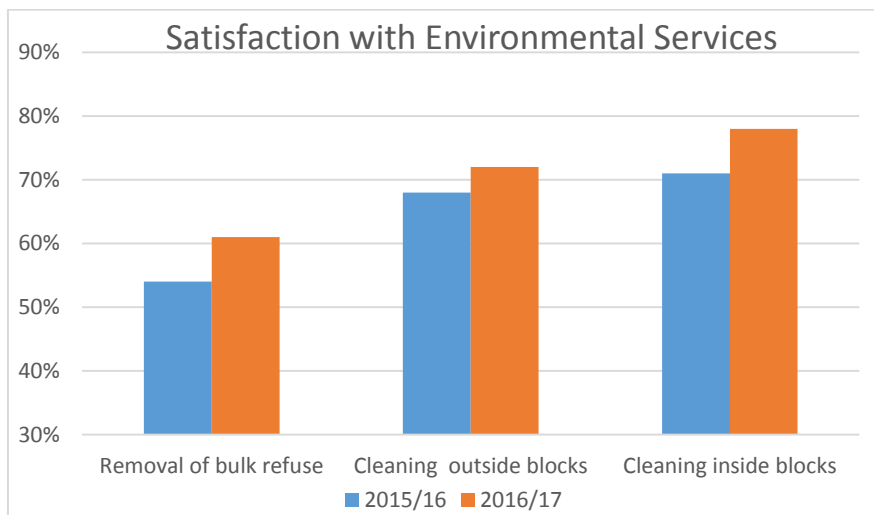
Complaints management

- 6.7 Complaints performance continued to improve during the year meeting the targets of 35 complaints or less per month and 90% responded to within the target time.



Environmental Service

- 6.8 Satisfaction with environmental services is improving as shown in the graph below.
- 6.9 Lewisham Homes took over responsibility for grounds maintenance from the Council in October 2015. Since then £400,000 has been invested in new equipment and vehicles and staff have planted new plants in 25 different sites. Resident satisfaction with the service has improved marginally to 77% for 2016/17.
- 6.10 Lewisham Homes took over cleaning outside blocks and removal of bulk refuse from the Council in April 2016. Satisfaction improved in both of these areas following the transfer of the services.

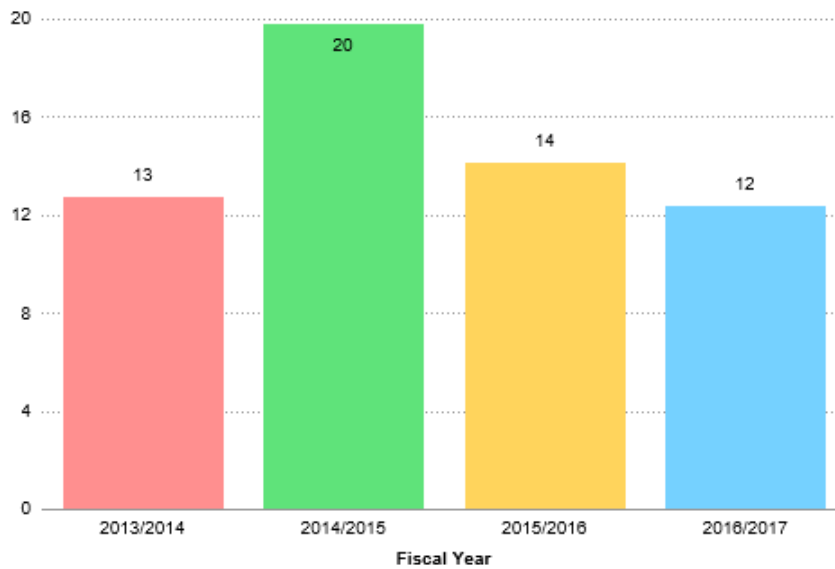


Repairs & Maintenance

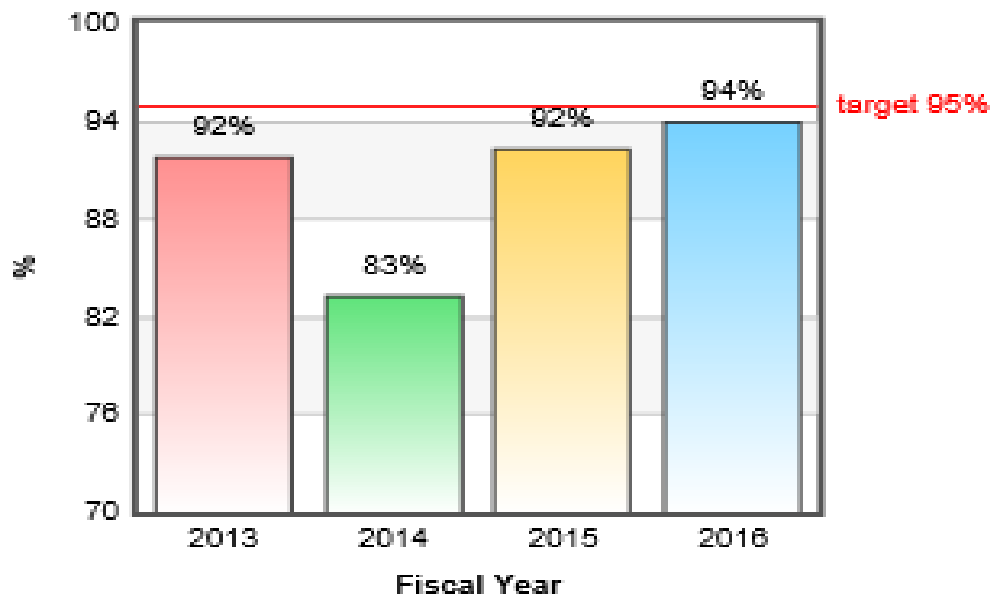
6.11 The Repairs Service has performed well:

- Complaints about the repair service per month have halved from 26 in 2010/11 to 12 in 2016/17.
- Satisfaction with the last repair has risen from 92% to 94%

Complaints per month about the repairs service

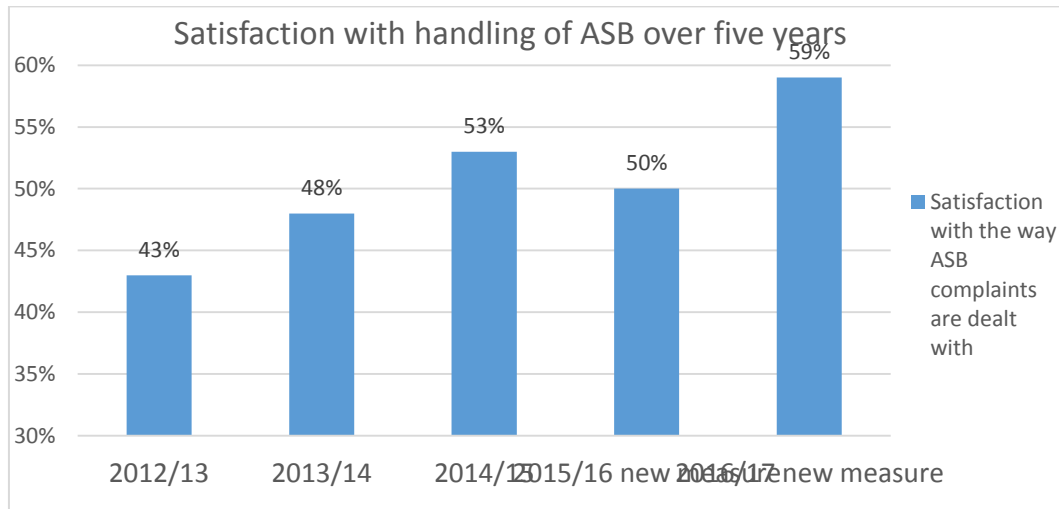


Satisfaction with the last repair



Housing Management

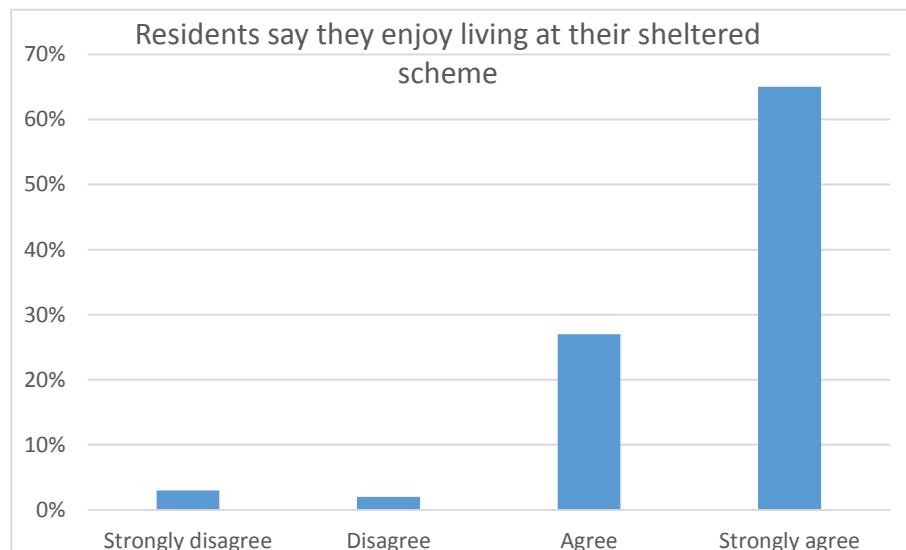
6.12 Satisfaction with ASB handling continues to improve.



Since 2015/16 a new satisfaction measure excluded 'neither satisfied nor dissatisfied'

Sheltered Housing

6.13 Lewisham Homes took over management of the Sheltered Housing service, providing an enhanced housing management service by the Independent Living Team with effect from 1 April 2016. The Team provide a variety of services to residents in order to help them live independently and maintain lifetime tenancies. Nearly all the residents like their home as shown in the following graph.



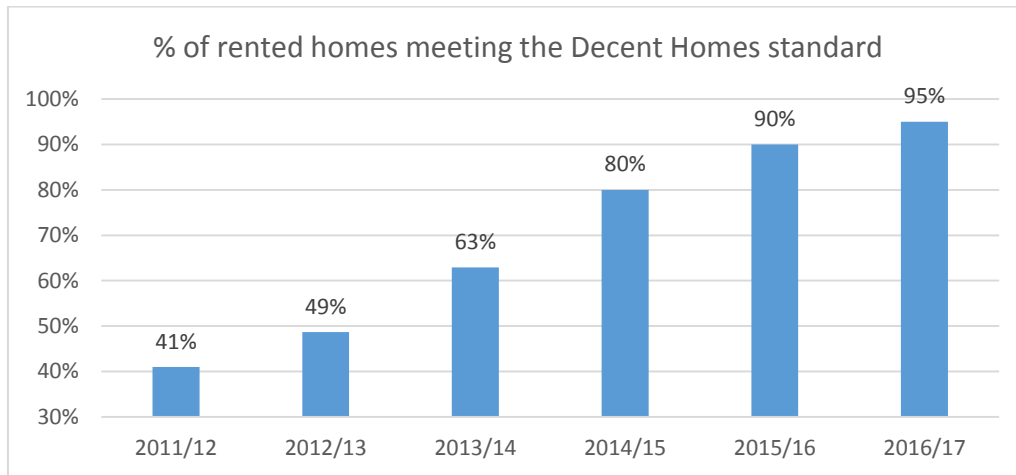
7 Thriving Neighbourhoods

7.1 Lewisham Homes Business plan sets out to work with Lewisham Council to increase housing supply in the borough, to ensure that all its homes meet the Decent Homes programme and to ensure that its investment in Lewisham maximises the opportunities for residents.

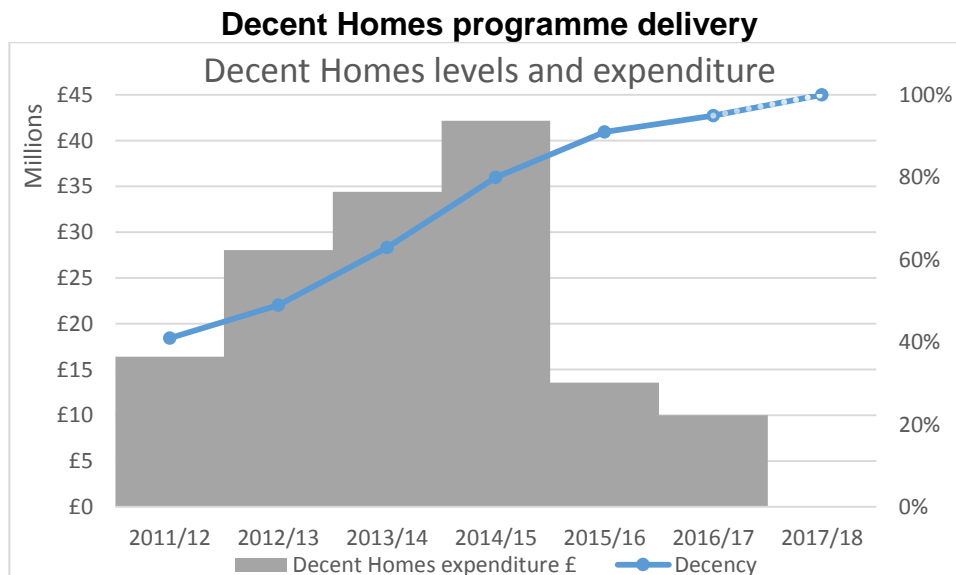
- 7.2 In line with the Business plan, in 2016/17 Lewisham Homes has:
- Increased levels of decency in the stock to 95%.
 - Continued its investment in apprenticeships and graduate employment opportunities.
 - Developed its community investment partnership with the Albany.

Major Works Investment Programme

- 7.3 Lewisham Homes has spent £146m since 2011 delivering stock improvements and the Decent Homes programme. Despite no grant from the GLA this year, Lewisham Homes increased the Decency level from 91% to 95% and will make all stock decent by April 2018.



- 7.4 Issues with the Decent Homes contractors and delays in procurement impacted on last year’s programme. Plans are in place to ensure that the programme is delivered in 2017/18, with underspends carried forward.



- 7.5 Work on kitchens, bathrooms and electrical rewire are now managed by the Lewisham Homes Repairs Service. They installed kitchens or bathrooms into 325 homes in 2016/17, a third were done by the direct labour force who achieved 98% satisfaction from residents.

New build

- 7.6 Lewisham Council is working with partners to deliver over 2000 affordable properties over the mayoral term. The programme includes over 500 new homes for social rent which will have started by March 2018.
- 7.7 Lewisham Homes completed four new build properties in the year bringing the total up to 10 with 79 under construction at March 2017. Of these, 6 homes were completed and handed over in June at Dacre Park South.
- 7.8 By the end of 2018 LH will have built or be building 320 new properties. Lewisham Homes is exploring off-site manufactured solutions for three schemes in the programme, which will increase the speed of delivery as well as offering high quality standards.

Community Focus

- 7.9 Residents are encouraged to be involved in many ways. This includes formal approaches
- 7 residents on the LH Board;
 - the Residents Scrutiny Committee; and
 - the Resident Engagement Panel.
- 7.10 LH is developing resident skills to help governance succession, improve involvement and to help residents' employment and careers. Lewisham Homes has organised for London Metropolitan University to run three successful 'improving housing services' courses;
- 39 residents completed the course; and
 - 14 gained accreditations enhancing their employment opportunities.
- 7.11 Lewisham Homes is helping residents access online services to save themselves time and money and ensure the services LH provides are efficient and affordable.
- The borough-wide 'Go On Lewisham' initiative helps residents learn how to do things online.
 - The weekly digital drop-in session at the Old Town Hall has provided residents with advice and tips on using their devices.
 - Lewisham Homes has installed IT equipment and Wi-Fi in the communal areas of three sheltered schemes.
- 7.12 By supporting the Lewisham Credit Union, Lewisham Homes is improving the financial inclusion of potentially marginalised residents, helping them sustain their tenancies. Participating LH residents are steadily growing, achieving:
- 1,350 active accounts;
 - £470,000 in total savings; and
 - 13 Loans to facilitate the costs of setting up a home, with interest rates 1% less than the standard credit union loans.
- 7.13 The partnership with the Albany continues and has delivered:
- 195 participants in Love2Dance, a free weekly street dance programme for 8-18 year olds. It increases aspirations, self-esteem and confidence and allows parents to form strong local connections. In 2016 the classes grew from 113 to 195 participants, and is now hosted over three different sites – Deptford, Sydenham & Honor Oak.

- 150 participants benefiting from 'Meet Me at Lewisham Homes', an arts, social and lunch club run in six sheltered schemes to help recognise the creative potential of the over- 60s and offering a way to combat loneliness and isolation.
- 650 participants benefitting from gardening activities including an accredited course for local residents with learning difficulties and a Gardening Club which attracts older residents.

7.14 Food banks are an essential aid for people in hardship run by the not-for-profit Trussel Trust. Lewisham Homes has an agreement with the Trust to supply residents with vouchers, which they can exchange for food at one of the food banks. In 2016/17 LH gave out 160 vouchers to residents and 10 bags of food from staff donations.

Leaseholder Engagement

7.15 Following discussion at Housing Select Committee on 6th September 2017, Lewisham Homes is looking into specific issues raised regarding engagement with Leaseholders.

8 Sustainable Future

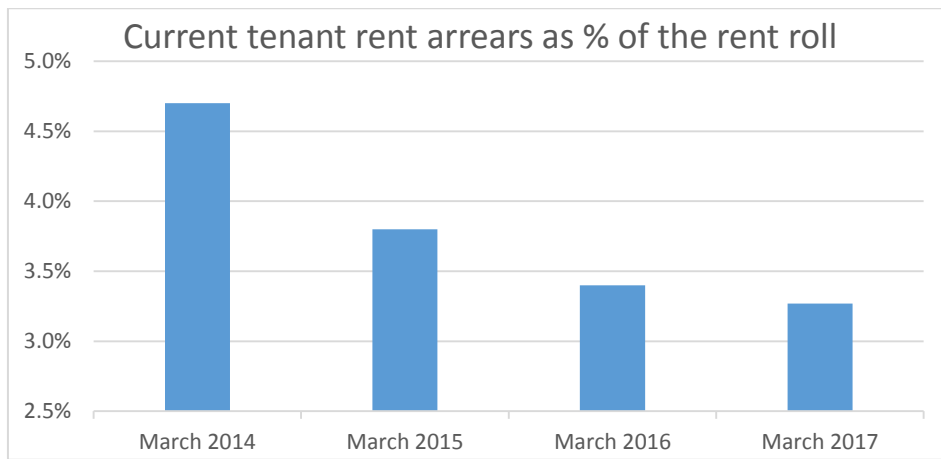
8.1 Lewisham Homes is committed to ensuring its services represent value for money and are affordable. It has a good track record of reducing management costs since 2007 and in using efficiencies delivered to invest in service improvements and to keep service charge increases low.

8.2 In line with the Business plan, in 2016/17 Lewisham Homes has:

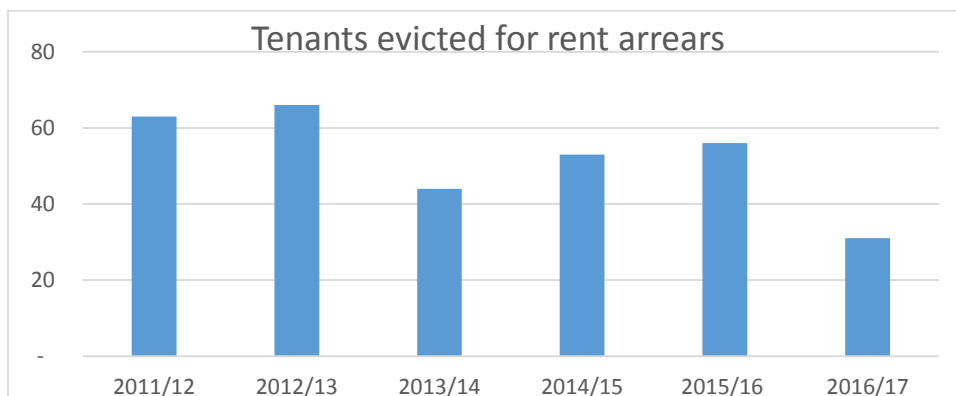
- delivered efficiencies through taking on new without an increase in overheads;
- reduced fixed costs for responsive repairs and invested more in planned maintenance;
- purchased 25 homes bringing the total up to 75 that help those in housing need and save the Council £5,000 a year each in temporary accommodation costs;
- invested in a new modern telephone system that has provided many technological advantages; and
- upgraded the approach to contract management.

Rent collection and welfare benefits

8.3 Current tenant rent arrears continue to reduce, down from 3.41% in March 2016 to 3.27 in March 2017

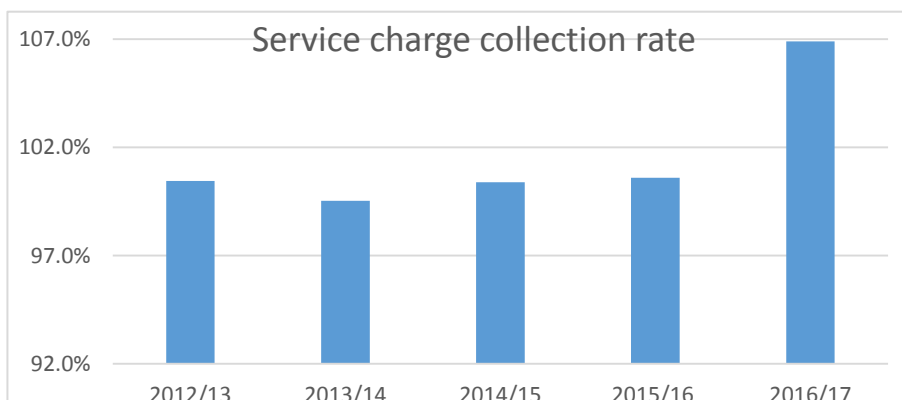


- 8.4 Rent income collection was successful, collecting 99.5% of the debit,
- 8.5 Financial Inclusion work supports residents in financial need by securing additional welfare benefits for residents, with £479,565 of additional benefits obtained in 2016/17.
- 8.6 This work paid off helping to sustain tenancies, the 31 tenants evicted represents the lowest level for many years.



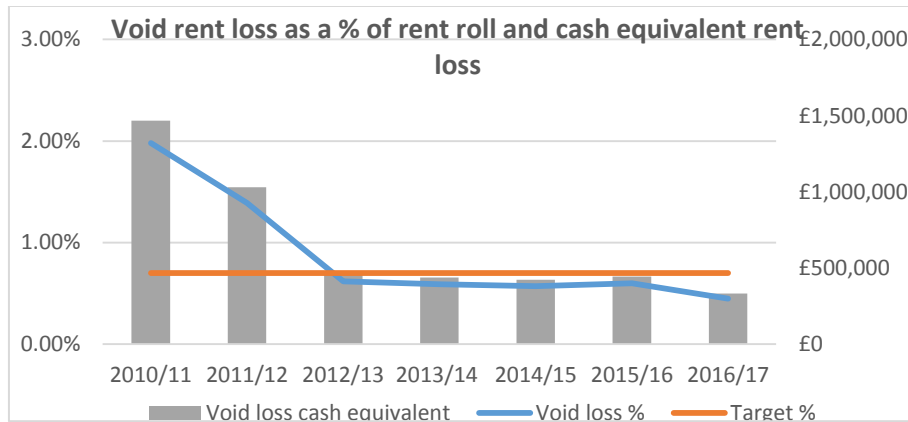
Home Ownership and service charges

- 8.7 Lewisham Homes collected 106.9% of the annual service charge due in the year and so reduced arrears from previous years. This is the best performance by far in the past five years.



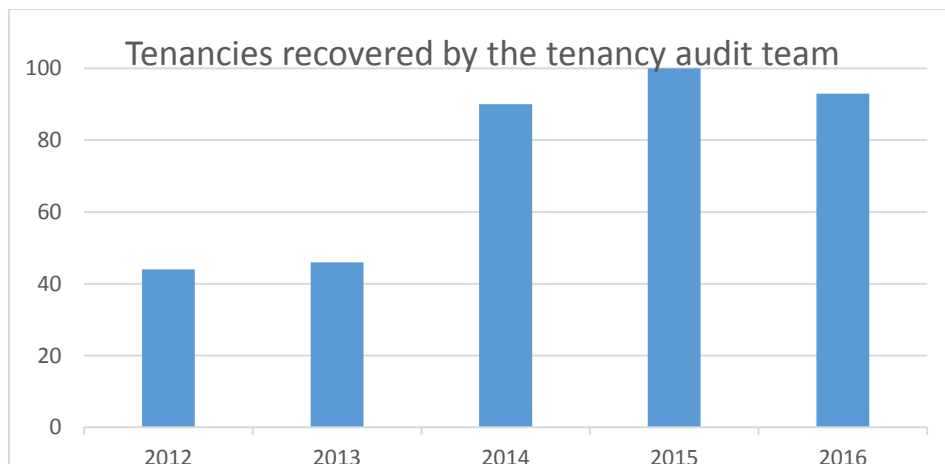
Void management

8.8 Void performance continues to be strong with void loss reaching 0.45% for the year against a target of 0.7%. Each 0.1% reduction saves £75k. All newly let properties now meet the Decent Homes Standard.



Tenancy Fraud

8.9 Between April 2016 and March 2017 Lewisham Homes recovered 93 properties to help the Council address the housing shortage. The graph below shows an improved level of recovery over recent years.



Property acquisition

8.10 As at 31 March LH had bought a total of 75 properties which it uses to provide good quality temporary accommodation to families placed by the Council to meet temporary housing duties and to prevent homelessness. Each property purchased saves the Council £5,000 a year in temporary accommodation costs. Lewisham Council is lending a further £20 million to Lewisham Homes to purchase an additional 72 properties in the next 24 months.

Improving efficiency and economies of scale

8.11 Lewisham Homes has improved efficiency by increasing economies of scale and working with the Council to bring services in house.

8.12 The turnover of the repairs service was increased by using contractors less. The repairs service carried out Decent Homes work in 625 homes, work that in the past used to be done by contractors. The turnover of the repairs team increased by £2.2m to £15.8m. Fixed costs in the repairs team went down in cash terms by 3% despite the increase in work.

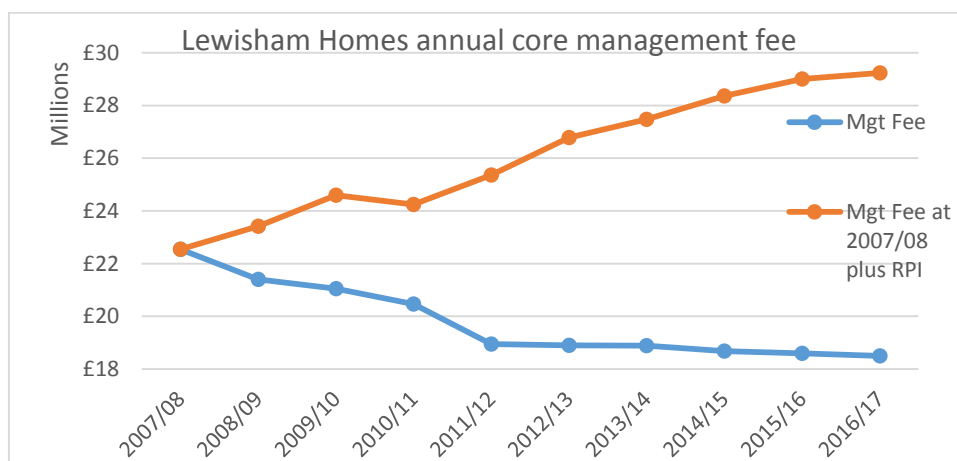
8.13 Lewisham Homes has taken on the following services from the Council in the past two years

- Grounds maintenance - October 2015
- External estate sweeping - April 2016
- Bulk refuse (Lumber) collection - April 2016
- Independent Living - April 2016
- Temporary Housing - September 2016
- Hostels management - September 2016

8.14 In 2016/17 Lewisham saved £1.1m against the budget as follows

Savings	£1,100,000
Growth	£700,000
Net savings	£400,000

8.15 Lewisham Homes management fee for 2016/17 was £21.4m, including £2.9m for the new services transferred from the Council in the past two years. The core management fee, excluding new services, was £18.5m. Lewisham homes continues to drive out further costs to work within a core management fee which is now £4.0m lower than £22.5m in 2007.



9 Employer of choice

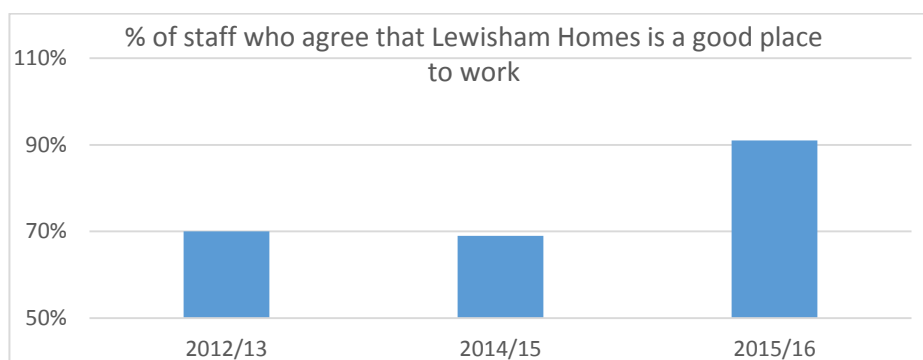
9.1 Lewisham Homes recognises that its staff are the driver for its performance and the quality and efficiency of our services. In line with the Business plan, in 2016/17 Lewisham Homes has:

- Reviewed its recruitment approach and rolled out a revised branding for 'Share the Ambition' to help attract the best staff.
- Invested in training programmes from personal professional development to core training modules.
- Achieved the Investors in People Gold Standard.
- Consolidated the approach to equality and diversity with a focus on

engaging communications, training, celebratory events and representation at all management levels.

- Agreed an approach to support the Ageing workforce.
- Implemented its talent and succession plan.

9.2 The percentage of staff who agreed that Lewisham Homes is a good place to work had jumped from 69% to 91%. The next survey will be in July 2017.



9.3 In April 2016 Lewisham Homes was awarded the prestigious gold award as an Investor in People.

9.4 A bespoke training course for aspiring managers was well received by the 16 people who completed the program, 5 of whom were promoted into a management role.

9.5 Lewisham Homes supports the Council's apprenticeship programme and promotes training and job opportunities. In 2016/17 LH employed five trainee graduates and ten apprentices.

9.6 During the year 21 staff benefited from mentoring by being paired with 21 more experienced staff members; two thirds said the mentoring met the objectives they set themselves. Successful internal recruitment opportunities enabled 21% of appointments to go to internal candidates.

9.7 Sickness remains relative low at 4.6 days per staff member per year for non-manual staff and 8.1 days for all staff.

10 Health & Safety

10.1 Monitoring Health and Safety Performance is well established with regular updates to the Executive Team and the LH Board, based on a comprehensive framework and performance indicators.

10.2 The Estate Inspection programme has reduced slips and trips and strengthened insurance claims management for over three years.

10.3 Lewisham Homes continues to build its relationship with the London Fire Brigade, who have commended it for its approach to installing sprinklers in new build properties and schemes for older people. LH was runner up for the National Fire sprinkler Network awards.

11 Fire Safety

11.1 Fire safety across Lewisham Homes has always been approached with the utmost priority. Since the detail in this report was compiled, the tragic and

unprecedented events at Grenfell Tower in June has focussed work on the safety of cladding, the use of sprinklers and wider fire safety aspects.

- 11.2 Tests conducted by the DCLG revealed three towers managed by Lewisham Homes have cladding that failed safety testing. These are Hatfield Close 1-48, Hatfield Close 49-96 and Gerrard House.
- 11.3 Since failing these tests, 24 hour fire safety 'waking watch' has been in place at the buildings and remedial work has been taken on advice of the London Fire Brigade (LFB). The LFB inspected the blocks on the 4th October with no further recommendations.
- 11.4 Removal of the cladding started on the 2nd October. Full removal is expected by December (weather dependent). Residents have been kept up to date with regular communications throughout.
- 11.5 All regular Fire Risk Assessments (FRAs) across all Lewisham Stock are up to date and have been completed within the proper timeframe. A regular programme of regular FRA's is in place.
- 11.6 Lewisham Homes have also started a rigorous programme of detailed and intrusive FRA inspections which go beyond the usual standard. The assessments will involve testing of blocks to ensure that compartmentalisation is fully retained and to assess for any fire risks that may be concealed during a regular assessment. The programme is expected to last two years, prioritised on a risk basis.
- 11.7 In addition to the sprinkler programme already in place across sheltered schemes, an assessment of the viability and need for sprinkler systems across all blocks over six stories will be conducted as part of the two year intrusive FRA survey process.
- 11.8 Quarterly reports to Mayor and Cabinet specifically on fire safety will commence from November.

12. Financial Implication

There are no specific Financial Implications arising from this report.

13. Legal Implications

There are no specific Legal Implications arising from this report.

14. Crime & Disorder Implications

There are no specific crime and disorder implications

15. Equalities Implications

Lewisham Homes' approach incorporates equality and diversity in its key strategies and policies, aiming to ensure good practice in employment, service delivery and community engagement. It is also a member of Stonewall.

Measures have been put in place to protect the most vulnerable tenants. Lewisham Homes collects profiling information to plan and improve services, and to flag up where tenants require support.

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

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

15. Equalities Implications

Improving sustainability and energy efficiency is an important part of the Decent Homes Programme.

16 Background papers and report originator

There are no background documents to this report.

For questions on this report please contact Rachel Dunn, Policy and Partnerships Manager, Rachel.Dunn@lewisham.gov.uk