

Minutes of the Housing Select Committee

Monday, 6 June 2022 at 7.30 pm

IN ATTENDANCE: Councillors Natasha Burgess, Suzannah Clarke, Will Cooper, Billy Harding, Mark Ingleby, Rosie Parry, Stephen Penfold and Sakina Sheikh

ALSO PRESENT: Fenella Beckman (Director of Housing), Councillor Brenda Dacres (Deputy Mayor and Cabinet Member for Housing Development and Planning), Jennifer Daothong (Executive Director for Housing, Regeneration and Public Realm), Councillor Sophie Davis (Cabinet Member for Housing Management and Homelessness), Margaret Dodwell (Chief Executive) (Lewisham Homes), Ainsley Forbes (Chair of the Board) (Lewisham Homes), Sayeed Kadir (Assistant Director of Housing Services (interim)) (London Borough of Lewisham) and Emma Talbot (Director of Planning)

ALSO PRESENT VIRTUALLY: Councillor James Rathbone, Councillor James Royston and David Syme

NB: Those Councillors listed as joining virtually were not in attendance for the purposes of the meeting being quorate, any decisions taken or to satisfy the requirements of s85 Local Government Act 1972

1. Election of Chair & Vice-Chair

RESOLVED: that Cllr Stephen Penfold and Cllr Will Cooper be elected as the Chair and Vice-Chair of the committee.

2. Minutes of the meeting held on 10 March 2022

RESOLVED: that the minutes of the last meeting be agreed as a true record.

3. Declarations of interest

The following interests were declared:

- Cllr Billy Harding is an employee of youth homelessness charity, Centre Point, which manages property in Lewisham.
- Cllr Stephen Penfold is an employee of the Lewisham Refugee and Migrant Network, a charity based in Lewisham
- Cllr Will Cooper is an employee of Community Advice Works, an advice and advocacy charity in New Cross.

4. Responses from Mayor and Cabinet

There were none.

5. Article 4 direction for HMOs

Cllr Brenda Dacres, Deputy Mayor and Cabinet Member for Housing Development and Planning, and Emma Talbot, Director of Planning, introduced the item, noting that:

- 5.1 The council's 2022 HMO review found a dramatic increase in HMOs and an overconcentration in most wards.
- 5.2 The council has also received a large amount of correspondence expressing concerns about HMOs.
- 5.3 There is now considered to be enough evidence to justify an Article 4 direction to cover the remainder of the borough.
- 5.4 An article 4 direction is not a ban on HMOs but means that a planning application will now be necessary, which will give the council better control over the quality of HMOs.
- 5.5 'Exempt accommodation' is not covered by Article 4.

The committee asked a number of questions about the proposals in the report and the following key points were noted:

- 5.6 The increase in HMOs was not actively monitored following the previous introduction of an Article 4 direction in some wards in March 2020. This was in part due to the Covid-19 pandemic and officers being redeployed. There will however be some active monitoring if the current proposals are agreed. The council will also continue to work with neighbouring boroughs to mitigate any potential negative impacts.
- 5.7 There will be some landlords that will seek to convert their properties to HMOs before the Article 4 direction comes into force, but the cost risk of implementing an 'immediate' Article 4 direction, and having to pay compensation to landlords, would be significant, potentially £millions.
- 5.8 Once the Article 4 direction is in force and landlords are required to seek planning permission, there will still be applications that are approved. The council will also, however, soon be updating its local plan and strengthening its policies in this area to ensure good quality accommodation is provided.
- 5.9 Unlicensed HMOs are identified in a range of ways, including reports from neighbours, officer visits, councillor casework and monitoring increases in waste.
- 5.10 In response to queries about the issue of 'exempt accommodation' in the borough, officers agreed to look into this as a separate piece of work and approach DWP for data if necessary.

RESOLVED:

- that the contents of the 2022 HMO review and evidence paper be noted;
- that the financial and legal implications of making the proposed Article 4 direction be noted; and
- that the committee receives further information, at a date to be agreed, on the extent of 'exempt accommodation' in the borough.

6. Housing Revenue Account business plan

Cllr Sophie Davis, Cabinet Member for Housing Management and Homelessness, introduced the item noting that:

- 6.1 The development of the HRA Business Plan is crucial to delivering the housing that Lewisham needs and improving the quality of existing council housing stock.
- 6.2 This includes improving the energy efficiency of our homes in line with the council's ambitious climate target.
- 6.3 Once developed the HRA Business Plan will be presented to Mayor & Cabinet as part of council's budget in February 2023.

Fenella Beckman, Director of Housing Services, also noted that:

- 6.4 One of the main reasons the HRA business plan is being developed and brought to scrutiny at an early stage is because the council is nearly at the limit of what it can afford to borrow and will need to prioritise if additional commitments are made from the HRA.
- 6.5 The HRA business plan will help to prioritise and ensure that the council efficiently manages its business as a landlord, meets its statutory responsibilities, and demonstrates that it can borrow and manage risks.

Margaret Dodwell, Chief Executive of Lewisham Homes, also noted that:

- 6.6 The 47% compliance figure for the decent homes standard was in large part due to fire doors being retrospectively deemed as defective and needing to be replaced.
- 6.7 Decent homes compliance currently stands at 85% and is on target to achieve 100% by the autumn, subject to residents granting access.
- 6.8 Lewisham Homes will provide a more comprehensive update to the committee in September.

The committee asked a number of questions about the HRA business plan and the following key points were noted:

- 6.9 Each scheme in the Building for Lewisham programme will need to satisfy a number of financial criteria to be recommended for approval by Mayor & Cabinet. Where a scheme isn't able to satisfy the relevant criteria the council will assess the options in consultation with lead members.
- 6.10 The council does currently have a balanced HRA. Having a business plan helps to increase the HRA's resilience by making provision for issues such as bad debt and non-collection of rent etc. but will be kept under review given the growing cost of living crisis.
- 6.11 In response to questions about repairs and energy efficiency of homes, it was noted that Lewisham Homes is looking closely at this issue as a number of their street properties have very high maintenance and heating costs and may not be suitable or affordable for some households.
- 6.12 It was also noted that some residents can be reluctant to provide access for repairs and maintenance for many reasons, but one of the main reasons is the time it can take, particularly for electricity checks, for example. It was also noted, however, that 100% of Lewisham Homes properties have been gas safety certified.
- 6.13 Lewisham Homes' 19/20 stock condition survey was primarily focused on the decent homes standard. There has been separate work on issues such as

lifts and large-panel systems and Lewisham Homes is working with the council to assess the costs and develop a strategic approach to address this.

6.14 In response to queries about the status of the 1,000 council homes in the Building for Lewisham programme, officers agreed to provide the committee with detailed figures on this.

RESOLVED:

- that the report and presentation be noted; and
- that the committee receives further detail on the status of the 1,000 homes in the council's Building for Lewisham programme.

7. Future of Housing Managed by Lewisham Homes: Options

Cllr Sophie Davis, Cabinet Member for Housing Management and Homelessness, introduced the item noting:

7.1 That the report sets out the options for the future management of the housing stock currently managed by Lewisham homes, including the preferred option of bringing the service back in house

Paul Leo, Housing Transformation Consultant, delivered a presentation on the options and proposals, noting:

7.2 That a report is due to go Mayor & Cabinet in July. Consultation would follow in August/September with another report to Mayor & Cabinet on the outcomes of the consultation and appraisal soon after so that notice could be given to Lewisham Homes, as required under the management agreement, around December 2022.

7.3 The committee noted that one of the strengths of Lewisham Homes is its resident-led aspect and expressed concern about the possibility of losing this in any future arrangements.

7.4 In response, it was noted that strengthening the voice of the resident is a requirement of the legislative and regulatory changes to social housing and a commitment of the cabinet member. There are also opportunities to engage with residents who are already working with Lewisham Homes on their business improvement programme and set out structures for this on an ongoing basis.

7.5 The committee also asked if any guarantees could be made to staff now so that they do not leave for another housing organisation.

7.6 In response, it was noted that it is a shared objective of the council and Lewisham Homes to continue to develop and invest in staff at Lewisham Homes and that if the preferred option was pursued that most would be needed as the council doesn't have these skills in house.

7.7 The committee noted that the direction of travel with ALMOs is to bring back in house. The committee discussed whether lessons could be learned from other

areas on issues such as staff and resident engagement and agreed to approach another similar local authority that has already taken this approach.

RESOLVED: that the committee has:

- considered the findings of the review of housing options;
- noted that transferring the housing landlord services may offer a better opportunity to respond to the revised regulatory and legislative requirements; noted that any decision about the future of housing management will require a decision by Mayor & Cabinet and be subject to consultation and engagement with tenants and leaseholders;
- endorsed the proposed approach to resident engagement; and
- agreed to approach other local authorities who have gone through a similar process in order to learn from their experience.

8. Lewisham Homes business plan

Cllr Sophie Davis, Cabinet Member for Housing Management and Homelessness, introduced the item noting that:

- 8.1 Under the management agreement with Lewisham Homes the council is required to approve Lewisham Homes' business plan on an annual basis.
- 8.2 Fenella Beckman, Director of Housing Services, noted that plan has been developed and endorsed through operational and strategic clienting between the council and Lewisham Homes.
- 8.3 In response to queries about retaining staff it was noted that Lewisham Homes has not put in place a specific retention scheme but is continuing to invest in staff with, for example, a management development programme.
- 8.4 It was also noted that there is scope for the council and Lewisham Homes to work together on staff development and retention now rather than waiting to see whether or not Lewisham Homes is brought back in house.
- 8.5 Lewisham Homes will return to the committee in September with more detailed performance indicators on tenancy services, rent collection and safety compliance.

RESOLVED:

- that the committee approves the business plan and recommends it to Mayor & Cabinet for approval; and
- that the committee agrees to receive more detailed information on KPIs and compliance alongside the Lewisham Homes annual report in September.

9. Select Committee work programme

The scrutiny manager introduced the work programme and invited the committee to consider potential items and agree a work programme; note opportunities for engagement; and to appoint a climate change champion for the committee. The following was noted:

- 9.1 The committee queried whether the Lewisham Homes repairs update item scheduled for November could be expanded also take into account the repairs issues faced in larger blocks by other residents such as private renters and home owners so that there can be a more joined up approach.
- 9.2 Lewisham Homes agreed to address the holistic management of blocks in the November update.
- 9.3 The committee suggested looking into the council's choice-based lettings scheme as it affects a lot of people and still generates a lot of casework for councillors.
- 9.4 The committee suggested that any engagement it decides to do with other local authorities on the topic of bringing ALMOs back in house needs to be done in September to be relevant.
- 9.5 The committee suggested keeping a watching brief on the issue of 'exempt accommodation'.
- 9.6 It was also noted that the committee has been offered a visit to the Sydney Arms rough sleeping accommodation initiative in Lewisham Road. A date will be arranged.
- 9.7 The committee also agreed to start committee meetings at 7pm going forwards, and to incorporate a 5 minute comfort break in the middle of the meeting.
- 9.8 The committee decided to appoint a climate change champion at a later date.

RESOLVED: that the committee agrees its work programme for the year ahead, notes the suggestions made by the committee and agrees to programme these in at an appropriate time.

The meeting ended at 9.55 pm

Chair: _____

Date: _____