

Overview and Scrutiny



Housing Select Committee Agenda

Monday, 6 June 2022

7.30 pm,

Council Chamber, Civic Suite

Catford, SE6 4RU

For more information contact: John Bardens (02083149976)

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Part 1

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Housing Select Committee Members

Members of the committee, listed below, are summoned to attend the meeting to be held on Monday, 6 June 2022.

Please note that only those members appointed as members of the Housing Select Committee at the council AGM on 25th May will be required to attend.

Kim Wright, Chief Executive
Wednesday, 27 May 2022

Members

Councillor Yemisi Anifowose

Councillor Tauseef Anwar

Councillor Peter Bernards

Councillor Chris Best

Councillor Bill Brown

Councillor Natasha Burgess

Councillor Suzannah Clarke

Councillor Will Cooper

Councillor Laura Cunningham

Councillor Liam Curran

Councillor Sian Eiles

Councillor Ese Erheriene

Councillor Billy Harding

Councillor Stephen Hayes

Councillor Coral Howard

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Councillor Edison Huynh
Councillor Mark Ingleby
Councillor Mark Jackson
Councillor Liz Johnston-Franklin
Councillor Eva Kestner
Councillor Ayesha Lahai-Taylor
Councillor Jack Lavery
Councillor Aisha Malik-Smith
Councillor Joan Millbank
Councillor Hilary Moore
Councillor John Muldoon
Councillor Oana Olaru
Councillor Rachel Onikosi
Councillor Rosie Parry
Councillor Jacq Paschoud
Councillor John Paschoud
Councillor Stephen Penfold
Councillor James Rathbone
Councillor James Royston
Councillor Rudi Schmidt
Councillor Aliya Sheikh
Councillor Sakina Sheikh
Councillor Liam Shrivastava
Councillor Luke Sorba

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Councillor Eva Stamirowski

Councillor Hau-Yu Tam

Councillor Luke Warner

Councillor Carol Webley-Brown

Councillor Susan Wise

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MINUTES OF THE HOUSING SELECT COMMITTEE

Thursday, 10 March 2022 at 7.30 pm

IN ATTENDANCE: Councillors Peter Bernards (Chair), Stephen Penfold (Vice-Chair), Silvana Kelleher and Olurotimi Ogunbadewa.

ALSO JOINING THE MEETING VIRTUALLY: Councillors Aisling Gallagher and Tauseef Anwar, and Paul Bell (Cabinet Member for Housing and Planning)

APOLOGIES: Cllr Olurotimi Ogunbadewa, Margaret Dodwell (Chief Executive, Lewisham Homes)

ALSO PRESENT: John Bardens (Scrutiny Manager)

ALSO PRESENT VIRTUALLY: Fenella Beckman (Director of Housing Service), Karen Barke (Head of Strategic Housing and Regeneration), Ellie Eghtedar (Head of Housing Needs & Refugee Services), Rachel Jackson (Lettings Manager, Home Makers, Phoenix Community Housing) and Sean Longley (Licensing & Housing Enforcement Manager).

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. Minutes of the meeting held on 20 January 2022

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

2. Declarations of interest

The following interests were declared:

- Cllr Stephen Penfold is an employee of the Lewisham Refugee and Migrant Network (in relation to item 4)
- Cllr Silvana Kelleher is a Lewisham Homes tenant.
- Cllr Aisling Gallagher is a Lewisham Homes tenant.

3. Responses from Mayor and Cabinet

Cllr Bernards invited the committee to note the Mayor & Cabinet response to the committee's referral on the Lewisham Homes repairs service noting that the committee has already requested a progress update later in the year.

1.1 The committee asked a number of questions about the response, in relation to, among other things, repairs operatives' terms of employment; call centre staffing levels; live disrepair cases; and property MOTs.

1.2 The Cabinet Member for Housing responded to the questions from the committee, noting that, among other things, repairs operatives terms of employment will not be changing; working from home has affected call centre response times; there are too many disrepair cases and this issue will be

reported back to the committee; and that the 2,000 property MOTs for the most immediate and urgent problems are running behind schedule.

1.3 The committee also noted it's disappointment that officers from Lewisham Homes were unable to attend the meeting.

RESOLVED: that the Mayor & Cabinet response to the committee's referral on Lewisham Homes' Repairs Service be noted and that the committee receives a progress update in six months.

4. Progress update on housing and homelessness strategies

Fenella Beckman, Director of Housing, introduced the item, noting that the two strategies were originally considered by the committee in September 2020, and proceeded to deliver a presentation providing an update against the actions of each. The committee considered the information, asked a number of questions and the following key points were noted:

1.4 There are around 1,000 vacant properties in the borough. The council works to trace landlords and homeowners in order to encourage them to bring houses back into use. This included offering empty homes grants in return for use of the property as temporary accommodation for a fixed period.

1.5 The committee queried the number of Lewisham Homes void properties and officers agreed to respond with the information.

1.6 The council's homelessness service is currently working with local homelessness partners to explore opportunities for collocation in order to allow face-to-face contact for the most vulnerable residents. An initial trial with the council's main partners will be set up in the coming months.

1.7 The homelessness service is also carrying out some fact-to-face assessments on an appointment basis as part of a joint working initiative with children's social care.

1.8 The homeless service also still has access to language line in order to engage interpreters for those with English as an additional language.

1.9 The council's rogue landlord team helped to prevent around 170 tenants from being evicted during the pandemic. This work was initially grant funded but has now been mainstreamed so that it can continue. Demand is still high with more than 80 cases in the last year.

1.10 In response to a question at committee about the size of the new temporary accommodation homes being delivered, the table below was provided following the meeting. This shows the number of bedrooms for the 188 temporary accommodation homes that have either been completed or have/are forecast to start on site between April 2018 and the end of March 22. This includes acquisitions as well as new builds.

1beds	2beds	3beds	4beds	5beds+	Totals
	16	22			38
23	58	34	1	1	117
33					33
56	74	56	1	1	188

- 1.11 Some homelessness families do still need to be accommodated on the day of their eviction. The aim of the Homelessness Reduction Act was to stop families being turned away and told to come back when they are evicted. In all instances however the council will look to negotiate with landlords before providing temporary accommodation.
- 1.12 Homeless families with no recourse to public funds (NRPF) will usually be referred by children's social care. The service will try to keep them in the same accommodation and work with them to regularise their status and access benefits.
- 1.13 All homelessness approaches will be needs assessed on the day and any applicants that may be affected by domestic abuse will be identified.
- 1.14 The council is unable to generate an income for HMO licensing, the fee must can only be used to pay for the service itself.
- 1.15 The committee queried the levels of fraud to gain council homes and officer agreed to respond with the information.
- 1.16 The council will be working on improving the energy efficiency of housing managed by Lewisham Homes and RB3 and will also be working closely with other local social landlords.
- 1.17 The council hasn't seen a sudden increase in homelessness applications since the restrictions on evictions during the pandemic have come to an end. There has, however, been a gradual increase, which is also in part due to the coming into force of the Domestic Abuse Act.

RESOLVED: that the report be noted and that the committee receives the data requested above on the number empty properties among Lewisham Homes stock and the number of cases of housing fraud.

5. Ethical lettings

Before inviting the guest to speak, the Chair noted that this item was being considered in response to a suggestion from Cllr Hall to consider how the council can increase support for ethical lettings.

Rachel Jackson, Lettings Manager, Home Makers, delivered a presentation on Home Makers, Phoenix Community Housing's ethically-minded lettings agency, established in 2018. Following the presentation, the committee asked a number of questions and the following key points were noted:

- 1.18 Home Makers provides both a lettings-only and fully managed service and works with a number of private landlords. It doesn't charge a finding fee, but does require prospective residents to pay for their referencing, provide a deposit and pay one week's rent in advance.
- 1.19 The main difference between Home Makers and a high street letting agent is that Home Makers has 'heart', Phoenix is a resident-led organisation, and new residents are invited to join that community.
- 1.20 Home Makers currently has 28 managed properties and one on the market. The main challenges are low stock levels and high levels of maintenance due to wear and tear of appliances.
- 1.21 In the last six months there have been 5 evictions. This is an increase on previous years as lots of people have lost their jobs and fallen behind on rent. Housing benefit payment delays are also putting some households at risk of eviction.

1.22 Those who have fallen behind with rent are provided with support and benefits advice from the Phoenix income team.

1.23 In Home Makers' experience, Landlords are usually happy to agree to long-term tenancies (2-3 years) providing there is a break clause after 12 months.

RESOLVED: that the information on ethical lettings be noted and the presenting officer from Phoenix Community Housing be thanked for sharing her knowledge and insight.

6. **Select Committee work programme**

The scrutiny manager introduced the work programme and the following suggestions were noted:

1.24 It was noted that Lewisham Homes is looking into installing solar PV and suggested that the committee look into the merits of established a utilities co-op that is resident owned and led.

1.25 It was also noted that the committee should carry out more regular scrutiny of Lewisham Homes in general, given the issues with repairs that have been identified over the last year.

1.26 In terms of bringing more attention to the climate change considerations of items considered at future committees it was suggested that the incoming committee requests to have climate change considerations brought to the front of reports.

RESOLVED: that the completed work programme for 2021/22 and the committee's suggested topics for the 2022/23 work programme be noted.

The meeting ended at 9.30 pm

Chair:

Date:



Housing Select Committee

Declarations of Interest

Key decision: No

Class: Part 1

Ward(s) affected: All

Contributors: Chief Executive (Director of Law)

Outline and recommendations

Members are asked to declare any personal interest they have in any item on the agenda.

1. Summary

1.1. Members must declare any personal interest they have in any item on the agenda. There are three types of personal interest referred to in the Council's Member Code of Conduct:

- (1) Disclosable pecuniary interests
- (2) Other registerable interests
- (3) Non-registerable interests.

1.2. Further information on these is provided in the body of this report.

2. Recommendation

2.1. Members are asked to declare any personal interest they have in any item on the agenda.

3. Disclosable pecuniary interests

3.1 These are defined by regulation as:

- (a) Employment, trade, profession or vocation of a relevant person* for profit or gain
- (b) Sponsorship –payment or provision of any other financial benefit (other than by the Council) within the 12 months prior to giving notice for inclusion in the register in respect of expenses incurred by you in carrying out duties as a member or towards your election expenses (including payment or financial benefit from a Trade Union).
- (c) Undischarged contracts between a relevant person* (or a firm in which they are a partner or a body corporate in which they are a director, or in the securities of which they have a beneficial interest) and the Council for goods, services or works.
- (d) Beneficial interests in land in the borough.
- (e) Licence to occupy land in the borough for one month or more.
- (f) Corporate tenancies – any tenancy, where to the member’s knowledge, the Council is landlord and the tenant is a firm in which the relevant person* is a partner, a body corporate in which they are a director, or in the securities of which they have a beneficial interest.
- (g) Beneficial interest in securities of a body where:
 - (a) that body to the member’s knowledge has a place of business or land in the borough; and
 - (b) either:
 - (i) the total nominal value of the securities exceeds £25,000 or 1/100 of the total issued share capital of that body; or
 - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person* has a beneficial interest exceeds 1/100 of the total issued share capital of that class.

*A relevant person is the member, their spouse or civil partner, or a person with whom they live as spouse or civil partner.

4. Other registerable interests

4.1 The Lewisham Member Code of Conduct requires members also to register the following interests:

- (a) Membership or position of control or management in a body to which you were appointed or nominated by the Council
- (b) Any body exercising functions of a public nature or directed to charitable purposes, or whose principal purposes include the influence of public opinion or policy, including any political party
- (c) Any person from whom you have received a gift or hospitality with an estimated value of at least £25.

5. Non registerable interests

- 5.1. Occasions may arise when a matter under consideration would or would be likely to affect the wellbeing of a member, their family, friend or close associate more than it would affect the wellbeing of those in the local area generally, but which is not required to be registered in the Register of Members' Interests (for example a matter concerning the closure of a school at which a Member's child attends).

6. Declaration and impact of interest on members' participation

- 6.1. Where a member has any registerable interest in a matter and they are present at a meeting at which that matter is to be discussed, they must declare the nature of the interest at the earliest opportunity and in any event before the matter is considered. The declaration will be recorded in the minutes of the meeting. If the matter is a disclosable pecuniary interest the member must take not part in consideration of the matter and withdraw from the room before it is considered. They must not seek improperly to influence the decision in any way. **Failure to declare such an interest which has not already been entered in the Register of Members' Interests, or participation where such an interest exists, is liable to prosecution and on conviction carries a fine of up to £5000**
- 6.2. Where a member has a registerable interest which falls short of a disclosable pecuniary interest they must still declare the nature of the interest to the meeting at the earliest opportunity and in any event before the matter is considered, but they may stay in the room, participate in consideration of the matter and vote on it unless paragraph 6.3 below applies.
- 6.3. Where a member has a registerable interest which falls short of a disclosable pecuniary interest, the member must consider whether a reasonable member of the public in possession of the facts would think that their interest is so significant that it would be likely to impair the member's judgement of the public interest. If so, the member must withdraw and take no part in consideration of the matter nor seek to influence the outcome improperly.
- 6.4. If a non-registerable interest arises which affects the wellbeing of a member, their, family, friend or close associate more than it would affect those in the local area generally, then the provisions relating to the declarations of interest and withdrawal apply as if it were a registerable interest.
- 6.5. Decisions relating to declarations of interests are for the member's personal judgement, though in cases of doubt they may wish to seek the advice of the Monitoring Officer.

7. Sensitive information

- 7.1. There are special provisions relating to sensitive interests. These are interests the disclosure of which would be likely to expose the member to risk of violence or intimidation where the Monitoring Officer has agreed that such interest need not be registered. Members with such an interest are referred to the Code and advised to seek advice from the Monitoring Officer in advance.

8. Exempt categories

- 8.1. There are exemptions to these provisions allowing members to participate in decisions notwithstanding interests that would otherwise prevent them doing so. These include:-
- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
 - (b) School meals, school transport and travelling expenses; if you are a parent or

guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor

- (c) Statutory sick pay; if you are in receipt
- (d) Allowances, payment or indemnity for members
- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception).

9. Report author and contact

9.1. Jeremy Chambers, Director of Law, Governance & Elections, 02083147648



Housing Select Committee

Report title: Article 4 Direction for the remainder of the borough to withdraw permitted development rights for the change of use from dwellinghouse (Use Class C3) to Small HMO (Use Class C4).

Date: 6 June 2022

Key decision: Yes

Class: Part 1

Ward(s) affected: All apart from Bellingham, Downham and Grove Park

Contributors: Head of Strategic Planning

Outline and recommendations

The purpose of this report is to provide Housing Select Committee with a summary of the 2022 Lewisham HMO Review and Evidence Paper and to set out the process of making an Article 4 Direction and the legal and financial implications of doing so.

It is recommended that Housing Select Committee:

- Note the contents of the 2022 HMO Review and Evidence Paper.
- Advise Mayor and Cabinet of any matters it wishes to be taken into account, or comments made with regard to the 2022 HMO Review and Evidence Paper and the recommendation of making of a non-immediate Article 4 Direction for the remainder of the borough to withdraw permitted development rights for the change of use from dwellinghouse (Use Class C3) to Small HMO (Use Class C4)
- Advise Mayor and Cabinet of any matters it wishes to be taken into account with regard to the proposed consultation in accordance with Section 5 of this report.
- Note the financial and legal implications of making the Article 4 Direction set out in Sections 6 and 7.

Timeline of engagement and decision-making

17 December 2018	Housing Select Committee expressed strong support for a Small HMO Article 4 Direction for Lewisham's southern wards of Bellingham, Downham, Whitefoot and Grove Park.
16 January 2019	Making of a non-immediate Small HMO Article 4 Direction for Lewisham's southern wards of Bellingham, Downham, Whitfoot and Grove Park (previous ward boundaries) was presented to and approved by Mayor and Cabinet, with such direction to come into force 12 months after notice of the direction is published.
18 September 2019	Following consultation, Mayor and Cabinet approved the confirmation of a non-immediate Small HMO Article 4 Direction for Lewisham's southern wards of Bellingham Downham, Whitefoot and Grove Park, with such direction to come into force on 7 March 2020.
21 October 2021	The MP for Lewisham East hosted a public meeting to discuss the impact of HMOs in Catford South ward; around 150 residents attended. The panel consisted of the Director for Housing, the Director for Planning, the Licensing and Enforcement Manger and the Cabinet Member for Housing and Planning.

1. Summary

- 1.1. A small HMO is a property where between 3 and 6 unrelated individuals live and share basic amenities such as a bathroom or kitchen and falls within Use Class C4 of the Use Classes Order 1987 (as amended). Current legislation allows a family dwelling (Use Class C3) to change to a small HMO (Use Class C4) without planning permission by utilising permitted development rights.
- 1.2. An Article 4 Direction made under the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended) (referred to hereafter as GDPO) removes these permitted development rights that would otherwise have been available to the property. It is important to note that an Article 4 Direction does not mean an application for a small HMO would be automatically refused. It merely requires the submission of a planning application for a proposed HMO so that the impacts can be assessed in accordance with the relevant planning policies adopted in the local plan at the time.
- 1.3. HMOs are an important source of low cost, flexible, private sector housing for those on low incomes, students, vulnerable groups and those seeking temporary accommodation. Therefore, as part of a balanced mix of housing, the Council recognises HMOs are a legitimate form of housing that meets a need for some of Lewisham's residents.
- 1.4. However, negative impacts can arise when HMOs are highly concentrated and poorly managed. A report on this issue was published in 2008 by the then Department for Communities and Local Government (DCLG), now called the Department for Levelling Up and Housing and Communities (DLUHC). The report - titled "Evidence Gathering Housing in Multiple Occupation and possible planning responses" - noted the following negative impacts that can be experienced in such circumstances:

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- Poor refuse management;
 - Anti-social behaviour, noise and nuisance;
 - Imbalanced and unsustainable communities;
 - Negative impacts on the physical environment and streetscape;
 - Pressures upon parking provision;
 - Increased crime;
 - Growth in private sector at the expense of owner-occupation; and
 - Pressure upon local community facilities, and restructuring of retail, commercial services and recreational facilities to suit the lifestyles of the predominant population
- 1.5. In 2018, the Council updated the 2016 HMO Review in response to concerns from Council Enforcement Officers, Councillors and local residents regarding the creation and concentration of poor quality HMOs. It concluded that while there was insufficient evidence to support a borough-wide Article 4 Direction, there was evidence to support an Article 4 Direction within a focussed area covering Lewisham's southern wards of Bellingham, Downham and Whitefoot and Grove Park. An Article 4 Direction was recommended in these wards. The Direction came into effect in March 2020.
 - 1.6. By September 2021, the Council were receiving regular correspondence and concerns about the impact of HMOs in Catford South ward and more generally across the borough from Councillors, local residents and the MP. As such, the Council has updated 2018 HMO Review. The 2022 HMO review (see Appendix 1) found that the situation has changed significantly since 2018. Firstly, there is a high and increasing demand for HMOs in Lewisham, and that this has led to a significant increase in HMOs, with over concentrations likely to be occurring within most wards. And secondly, the evidence suggests a link between HMOs and anti-social behaviour, including rubbish and fly-tipping, worsening the street quality.
 - 1.7. Based on the strength of the data within the 2022 Review, it concludes that there is now robust evidence to justify an Article 4 Direction for the remainder of the borough to better manage the impact of small HMOs and appropriately manage the supply of family housing (3 or more bedrooms).
 - 1.8. Article 4 Directions can be implemented with immediate effect or with non-immediate effect. In the case of an immediate Article 4 Direction, the Local Authority may be liable for compensation to any landowner or other stakeholder who has a planning application refused for a development that would have been allowed under permitted development rights. Compensation could be the difference between the property's value had permission been granted and the property's value without planning permission. For example, if, with planning permission, the property is valued at £1,000,000 but without the value is £600,000, the Council could be liable to pay the landowner £400,000 if an application is submitted but refused. There is little analysis available on the uplift in property value following the conversion of a C3 dwellinghouse into a C4 small HMO within the borough. However, research by Octane Capital shows that currently, the average property value of an HMO nationally is 33% more than a comparably sized house. In London, this figure is 72%.
 - 1.9. A non-immediate Article 4 Direction takes effect 12 months after notice of the Direction is published and negates compensation claims. Given the potential cost of compensation, officers recommend a non-immediate Article 4 Direction.
 - 1.10. An Article 4 Direction, if implemented, will not be introduced in isolation. It will assist the new Additional HMO Licensing Scheme - covering most HMOs - recently introduced in a complementary and coordinated approach between the Housing and Planning functions of the Council. This approach will help the Council ensure HMOs are of good quality and provide a suitable standard of accommodation in appropriate locations balanced with the need for family housing whilst preventing low-quality

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accommodation in inappropriate locations.

2. Recommendations

2.1. It is recommended that Housing Select Committee:

- Note the contents of the 2022 HMO Review and Evidence Paper.
- Advise Mayor and Cabinet of any matters it wishes to be taken into account, or comments made with regard to the 2022 HMO Review and Evidence Paper and the recommendation of making of a non-immediate Article 4 Direction for the remainder of the borough to withdraw permitted development rights for the change of use from Dwellinghouse (Use Class C3) to Small HMO (Use Class C4).
- Advise Mayor and Cabinet of any matters it wishes to be taken into account with regard to the proposed consultation in accordance with Section 5 of this report.
- Note the financial and legal implications of making the Article 4 Direction set out in Sections 6 and 7.

3. Policy Context

Article 4 Directions

National Planning Policy Framework (NPPF)

3.1. The National Planning Policy Framework (NPPF) sets out the Government's planning policies for England and how these are expected to be applied. The NPPF advises that Article 4 Directions should be applied in a measured and targeted way.

3.2. Paragraph 53 of the 2018 NPPF states:

The use of Article 4 directions to remove national permitted development rights should be limited to situations where this is necessary to protect local amenity or the well-being of the area.

3.3. In July 2021, the Government revised the NPPF to make it more difficult for Councils to enact Article 4 Directions by adding that they should apply to the smallest geographical area possible. Paragraph 53 of the current 2021 NPPF states:

the use of Article 4 directions to remove national permitted development rights should be... limited to situations where this is necessary to protect local amenity or the well-being of the area [and]...be based on robust evidence, and apply to the smallest geographical area possible

Planning Practice Guidance (PPG)

3.4. The government's online planning practice guidance (PPG entitled "When is permission required?") gives further detail on the use of Article 4 Directions.

3.5. An Article 4 Direction can be used to remove specific permitted development rights in all or parts of the local authority's area. It does not restrict development altogether but instead ensures that development requires planning permission. A planning application for the proposal would need to be submitted that would then be determined in accordance with the development plan unless material considerations indicate otherwise.

3.6. An Article 4 Direction cannot be used to restrict changes between uses in the same

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use class of the Use Classes Order. (PPG paragraph 030 revised 2020)

- 3.7. The PPG states that an Article 4 Direction to remove national permitted development rights should be limited to situations where it is necessary to protect the local amenity or the well-being of an area. It also states that in deciding whether an Article 4 Direction would be appropriate, local planning authorities should identify clearly the potential harm that the Direction is intended to address. Where the withdrawal of permitted development rights relates to a wide area (e.g. covering a large proportion of or the entire area of a local planning authority), the PPG states particularly strong justification is needed (PPG paragraph 038 revised 2021).
- 3.8. There are two types of Article 4 directions under General Permitted Development Order 2015 (as amended):
- **An immediate Article 4 Direction** applies when the development to which the direction relates would be prejudicial to the proper planning of their area or constitute a threat to the amenities of their area. The direction withdraws permitted development rights with immediate effect once notice of the direction is published. However, a local planning authority may be liable to pay compensation to a landowner when permitted development rights are removed by an immediate Article 4 Direction. All claims for compensation must be made within 12 months of the date on which the planning application for development formerly permitted is refused.
 - **A non-immediate Article 4 Direction** requires a 12 month interval after notice of the direction is published before the Direction comes into force. A non-immediate Article 4 Direction is therefore implemented to reduce the likelihood of any compensation claims against the Council.
- 3.9. The PPG explains when an immediate Article 4 Direction can be used. It states that an immediate Direction can be made where permitted development presents an immediate threat to local amenity or prejudices the proper planning of an area. It also states the consultation processes towards the making a non-immediate Article 4 Direction must have already begun (PPG paragraph 038).
- 3.10. The process for making a non-immediate Article 4 Direction is as follows:
- **Stage 1** (the current stage) - the council decides whether to go ahead and make a Direction setting a date in the Notice for when the Direction will come into force which must be at least 28 days and no more than 2 years after representations can first be made, which is usually after the last publication/service date.
 - **Stage 2** - Publication / Consultation stage.
 - **Stage 3** - On the same day that notice is given under Stage 2 above, the council refers its decision to the Secretary of State who has wide powers to modify or cancel a Direction.
 - **Stage 4** - Confirmation Stage - the council cannot confirm the Direction until after a period of at least 28 days from publication/service of the Notice. Once a Direction has been confirmed, the council must give notice of the confirmation in the same way as it gave notice of the initial direction, and must specify the date that the direction comes into force. A copy of the direction as confirmed must also be sent to the Secretary of State.

Lewisham's Housing Strategy (2020-2026)

- 3.11. The proposed Article 4 Direction will play a role in the implementation of Lewisham's Housing Strategy (2020-2026) vision, strategic direction and a number of the five key priorities, which are:

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- delivering the homes that Lewisham needs
- preventing homelessness and meeting housing need
- improving the quality, standard and safety of housing
- supporting our residents to live safe, independent and active lives
- strengthening communities and embracing diversity

Corporate Strategy (2018-2022)

3.12. The proposed Article 4 Direction will help the Council to better manage the impact of small HMOs within the borough and balance their demand with the need for family housing. This, in turn, will help to deliver on the following corporate priorities:

- **Tackling the housing crisis** - Everyone has a decent home that is secure and affordable.
- **Making Lewisham greener** - Everyone enjoys our green spaces and benefits from a healthy environment as we work to protect and improve our local environment.
- **Building safer communities** - Every resident feels safe and secure living here as we work together towards a borough free from the fear of crime.

4. Background

Evidence Base

4.1. In establishing an evidence base for the 2016, 2018 and 2022 HMO Review, the accurate identification of the quantity and spatial distribution of HMOs in the borough is problematic due to several factors. These include:

- The expansion of permitted development rights to allow conversion of a C3 dwelling house to Class C4
- Unauthorised development
- Underreporting of conversion
- The different definitions of HMOs used by different Council/government departments

2018 HMO Review Evidence Paper

4.2. However, for the 2018 Review an indicative picture of the range of HMOs was built up by assessing data from the following sources:

- Planning Records
- Planning Enforcement Records
- 2001 and 2011 census (Office for National Statistics)
- Council Tax records
- Benefits Data (Shared Accommodation Rate Claims)
- Street Surveys for Bellingham Downham and Whitefoot wards once the initial assessment had been undertaken. This was carried out to strengthen the evidence, as whilst the initial assessment demonstrated a change in HMOs' location, it did not clearly indicate a significant rise.

4.3. The review found that whilst the data available did not suggest a significant increase of HMOs within the borough, it did demonstrate a change in their spatial distribution with a significant increase and clustering within the borough's southern wards. It was deemed that these wards, which traditionally had the lowest proportion of HMOs in the borough, are unsuitable locations for high HMO concentrations due to their:

- high levels of deprivation;

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- poor public transport accessibility; and
- suburban character with a high concentration of family homes.

2022 HMO Review and Evidence Paper

- 4.4. For 2022 Review, the same data sources were reviewed again apart from Census Data, Benefits Data and Street Surveys due to their unavailability. However, additional data sets were also reviewed. This includes predictive modelling undertaken by the Council's Housing data scientist, which uses a range of indicators to estimate the borough's total number of HMOs. And research previously undertaken by the Council into the private rental sector and HMOs to inform the Council's additional licensing scheme and the application for selective licensing.
- 4.5. The evidence has demonstrated a high and increasing demand for HMOs in the borough due to several factors, including:
- a large and growing private rented sector;
 - the housing affordability challenge across London and within Lewisham;
 - a large and growing student population;
 - welfare reforms adding to the proportion of residents who can only afford a room in a shared house;
 - borough-wide Article 4 Directions in neighbouring local authorities; and
 - higher rental yields for HMOs than that of a single family dwelling.
- 4.6. A research briefing to the House of Commons in 2022 titled 'Supported exempt accommodation (England)' highlighted a rise in recent years nationally in non-commissioned providers utilising the exempt provisions of housing benefits to provide accommodation for vulnerable groups within HMOs. This also creates increased demand for HMOs within the borough. However, it is important to acknowledge that these types of small HMOs are unaffected by Article 4 Directions, which is recognised nationally as an issue with legislation.
- 4.7. The data sets - council tax records and licensing records - show this has resulted in a significant increase of HMOs since 2018 in many wards with either a low, medium or high presence of HMOs traditionally. As a result, the spatial distribution of HMOs between wards has changed significantly in that there are now more wards with a high presence of HMOs compared to historically. The spatial distribution of HMOs has also changed at a street level with a greater degree of clustering. These changes have been corroborated by predictive modelling, which estimates there are currently 7,100 HMOs in the borough, representing a 274% increase since the 2017/18 estimate.
- 4.8. The evidence has shown that harm is arising from increased concentrations of HMOs:
- Predictive modelling indicates that over concentrations of HMOs (where at least 10% of properties in a neighbourhood are an HMO) are likely to exist throughout the borough, which is harmful in itself by creating unbalanced communities and reducing the supply of housing available for families.
 - Extensive research which supported the Council's new additional licensing scheme found that the proportion of anti-social behaviour incidents recorded close by to an HMO is higher than the private rented sector overall.
 - Concerns of the community through the submission of petitions and complaints to the Council's HMO inbox provided evidence that poorly managed and increased concentrations of HMOs can cause issues in terms of street quality, waste and management problems.
- 4.9. However, it is important to emphasize that anti-social behaviour should not be

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attributed to all HMOs; many occupants of HMOs form part of and make a valuable contribution to the communities of Lewisham. Nonetheless, this does not take away from the need to better manage the cumulative impact of an increasing number of HMOs.

- 4.10. Based on the evidence, it is considered that an Article 4 Direction covering the remainder of the borough is the smallest geographical area possible to help ensure that the local amenity and well-being of areas are protected and the supply of family housing is appropriately managed.

Planning Applications

- 4.11. If permitted development rights are withdrawn and planning permission is required, the council would be obliged to determine any proposal in accordance with the development plan unless material considerations indicate otherwise. In Lewisham's case, the development plan includes the London Plan, the Core Strategy, the Development Management Plan, the Site Allocations Plan and the Lewisham town centre Local Plan.

- 4.12. The relevant policy relating to Homes in Multiple Occupation (HMOs) in the Lewisham Development Management Plan is **DM Policy 6 Houses in multiple occupation (HMO)**:

1. *The Council will only consider the provision of new Houses in Multiple Occupation where they:*
 - a. *are located in an area with a public transport accessibility level (PTAL) of 3 or higher*
 - b. *do not give rise to any significant amenity impact(s) on the surrounding neighbourhood*
 - c. *do not result in the loss of existing larger housing suitable for family occupation, and*
 - d. *satisfy the housing space standards outlined in DM Policy 32.*
2. *The Council will resist the loss of good quality Houses in Multiple Occupation.*
3. *The self containment of Houses in Multiple Occupation, considered to provide a satisfactory standard of accommodation for those who need shorter term relatively low cost accommodation will not be permitted, unless the existing floorspace is satisfactorily re-provided to an equivalent or better standard.*

- 4.13. The draft new Lewisham Local Plan (Regulation 18 stage "main issues and preferred approaches" document) proposes a more thorough and stringent policy in regard to HMOs, which factors in their overconcentration. This is set out in policy **HO 9 Housing with shared facilities (Houses in Multiple Occupation)**, which will take effect once the new Local Plan is adopted. Please note that the draft policy may be subject to revisions following consultation feedback, and that any amendments would be set out in the Regulation 19 Lewisham Local Plan: Proposed Submission Version.

5. Consultation

- 5.1. Consultation on making the Article 4 Direction will comply with the provisions set out in the General Permitted Development Order. Notice of the Direction will be made by:
- Local advertisement in the press.
 - Site notices placed in visible locations for a period of at least 6 weeks.
 - The requirement for written notifications can be waived as it is considered impracticable due to the number of owner or occupiers within the area.
 - The document will be made available on the Council's website as well as in a number of convenient locations including Planning reception and local libraries

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- 5.2. Following consultation and within 6 months, a report recommending whether the Direction should be confirmed will be reported back to Mayor and Cabinet.

6. Financial implications

- 6.1. The cost of making an Article 4 Direction can be met through existing budgets. A maximum expenditure of £1,000 is estimated.
- 6.2. There may be financial implications arising from the need to deal with future planning applications for change of use from C3-C4 which would otherwise be covered under permitted development. This will be managed within the existing planning budget. As of 17th January 2018 Lewisham now charges fees for applications covered by Article 4 Directions
- 6.3. Section 108 of the Town and Country Planning Act 1990 includes a provision that compensation can be sought where (i) the LPA makes an Article 4 Direction, (ii) an application is made for planning permission to carry out development that would formerly have been permitted by the GPDO and (iii) the LPA refuses that application or grants permission subject to conditions differing from those in the GPDO.

7. Legal implications

- 7.1. Article 4 Directions are made under the Town and Country Planning (General Permitted Development) (England) Order 2015 (“the GPDO”) and have the effect of removing the right to carry out the specified development without the need for planning permission. In this case the direction will remove permitted development rights for the change of use from dwelling houses (class C3) to small houses in multiple occupation (class C4) (HMOs), in the further areas covered by the order.
- 7.2. The procedure for making an Article 4 direction that will not have immediate effect is set out in Schedule 3 of the GPDO 2015 as explained in paragraph 3.10 above
- 7.3. Pursuant to section 9D of the Local Government Act 2000 all functions of an authority are executive functions unless they are specified as not in either the 2000 Act or the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended). Whilst some planning functions cannot be the responsibility of the Executive, the making of an Article 4 direction is not a specified function and it is therefore an Executive decision.
- 7.4. When considering the recommendations in this report, regard must be given to the public sector equalities duty to eliminate unlawful conduct under the Equality Act 2010. The duty is set out at Section 149 of the 2010 Act. It requires the Council, when exercising its functions, to have ‘due regard’ to the need to eliminate discrimination (both direct and indirect discrimination), harassment and victimization and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a ‘protected characteristic’ and those who do not share that protected characteristic.

8. Equalities implications

- 8.1. The Equality Act 2010 (the Act) brings together all previous equality legislation in England, Scotland and Wales. The Act includes a public sector equality duty which 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.
- 8.2. The Council must in the exercise of its functions, ***have regard to*** the need to:
 - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.

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- 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.
- 8.3. The Council's Single Equality Framework 2020-2024 provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010.
- 8.4. HMOs are frequently occupied by low income, vulnerable, transient people. A refusal for a change of use from a dwelling house (Use Class C3) to a small HMO (Use Class C4) would not necessarily have a negative effect on these groups. Rather the Article 4 Direction would mean that the quality and location of HMOs could be managed through the planning system. If confirmed, it will assist in delivering better quality housing and regulate their concentration, improving the living conditions for occupants and those nearby.
- 8.5. The Public Sector Equality Duty is only one factor that needs to be considered when making a decision and may be balanced against other relevant factors. The council also took into account other relevant factors in respect of the decision, including financial resources and policy considerations. In appropriate cases, such countervailing factors may justify decisions which have an adverse impact on protected groups.

9. Climate change and environmental implications

- 9.1. A Strategic Environmental Assessment (SEA) Screening Assessment has been carried out and concludes that the proposed use of the Article 4 Direction is unlikely to have any significant effects. (see Appendix 3)

10. Crime and disorder implications

- 10.1. There are no direct implications relating to crime and disorder issues.
- 10.2. Although it is worth noting that the then Department for Communities and Local Government (DCLG), previous street surveys carried out by the Council and responses to the previous consultation on the small HMO Article 4 Direction for Lewisham's southern wards have all highlighted areas which have experienced an increased clustering of HMOs have also experienced a rise in anti-social behaviour.

11. Health and wellbeing implications

- 11.1. Housing has a huge influence on our mental health and wellbeing; poor housing conditions can have a long-term impact on health. The evidence suggests that the PRS, of which HMOs make a significant proportion, often provide a poor standard of living accommodations.
- 11.2. Combined with the new additional licensing scheme covering most HMOs, an Article 4 Direction would allow the Council to ensure that HMOs are of high quality and safe, providing appropriate internal and external spaces.

12. Background papers

- 12.1. Lewisham HMO Review and Evidence Paper Update November 2018.
<https://lewisham.gov.uk/myservices/planning/policy/adopted-local-plan/evidence-base/ldf-evidence-base--housing>
- 12.2. Report to Housing Select Committee 18 December 2018.

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https://councilmeetings.lewisham.gov.uk/documents/s61360/04%20HMO_HousingCo mReport%20-%20171218.pdf

- 12.3. Report to Mayor and Cabinet 16 January 2019.
<https://councilmeetings.lewisham.gov.uk/documents/s61884/Article%204%20Direction%20to%20withdraw%20permitted%20development%20rights%20for%20the%20change%20of%20use%20from%20dwelling%20hou.pdf>
- 12.4. Report to Mayor and Cabinet 16 January 2019.
<https://councilmeetings.lewisham.gov.uk/documents/s67509/Article%204%20Direction%20for%20Lewishams%20southern%20wards%20of%20Bellingham%20Downham%20Whitefoot%20and%20Grove%20Park%20t.pdf>
- 12.5. Lewisham's existing adopted Local Development Framework.
<https://lewisham.gov.uk/myservices/planning/policy/adopted-local-plan> Which includes:
- Core Strategy 2011
 - Development Management Local Plan 2014
 - Site Allocations Local Plan 2013
 - Lewisham Town Centre Local Plan 2014
- 12.6. National Planning Policy Framework (NPPF) 2021.
<https://www.gov.uk/government/publications/national-planning-policy-framework—2>
- 12.7. National Planning Policy Framework (NPPF) 2018
<https://webarchive.nationalarchives.gov.uk/ukgwa/20210708211349/https://www.gov.uk/government/publications/national-planning-policy-framework--2>
- 12.8. Lewisham Local Plan Regulation 18 Stage “main issues and preferred approaches” document.
<https://lewisham.gov.uk/myservices/planning/policy/planning/about-the-lewisham-local-plan>
- 12.9. Department for Communities and Local Government, Evidence Gathering – Housing in Multiple Occupation and possible planning responses 2008.
<https://planningjungle.com/wp-content/uploads/Evidence-Gathering-Housing-in-Multiple-Occupation-and-possible-planning-responses-Final-Report-September-2008.pdf>
- 12.10. Article outlining research by Octane Capital, May 2022
<https://www.landlordzone.co.uk/news/shock-drop-in-number-of-hmos-blamed-on-growth-of-council-licensing-schemes/>
- 12.11. Research Briefing, Supported exempt accommodation (England) 2022, Houses of Commons Library.
<https://commonslibrary.parliament.uk/research-briefings/cbp-9362/>

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13. Glossary

Term	Definition
Article 4 Direction	Article 4 direction is a direction under article 4 of the General Permitted Development Order which enables the Secretary of State or the local planning authority to withdraw specified permitted development rights across a defined area.
Development plan	The London Plan, Local Plans, other Development Plan Documents and Neighbourhood Plans.
Family housing	A residential unit with three or more bedrooms.
Exempt accommodation	Exempt accommodation is supported housing which is exempt from Housing Benefit regulations that limit rents to defined local levels . Exempt accommodation is defined as a resettlement place or accommodation provided by a county council, housing association, registered charity or voluntary organisation where that body or person acting on their behalf provides the claimant with care, support or supervision.
Large HMO	In planning terms it is property occupied by more than 6 unrelated individuals that share basic amenities such as a kitchen or bathroom.
National Planning Policy Framework	National Planning Policy Framework - Prepared by the Government to explain statutory provisions and provide guidance to local authorities and others on planning policy and the operation of the planning system.
Permitted development rights	Permitted development rights are a national grant of planning permission which allow certain building works and changes of use to be carried out without having to make a planning application
Regulation 18	Local Plans must be prepared in stages set out in law. Regulation 18 is a public consultation at an early stage in preparing the Plan. The Regulation 18 consultation document and the responses received will help us to prepare a final draft of Lewisham's new local plan.
Regulation 19	Local Plans must be prepared in stages set out in law. Regulation 19 the second stage of the consultation process providing local communities, businesses and other interested stakeholders with the opportunity to comment on the policy content of a draft Local Plan, within a specific remit. The remit for public consultation relates to the 'Tests of Soundness' and includes legal compliance, as set out in National Planning Policy Framework.
Small HMO	In planning terms it is where dwelling that is occupied by between 3 and 6 unrelated individuals who share basic amenities such as a kitchen or bathroom.

14. Report author(s) and contact

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Comments for and on behalf of the Director of Law, Governance and HR

14.3. Joy Ukadike, Senior Planning Lawyer, Legal Services, Joy.Ukadike@lewisham.gov.uk

15. Appendices

- **Appendix 1:** HMO Review and Evidence Paper May 2022
- **Appendix 2:** Plan indicating extent of Article 4 Direction
- **Appendix 3:** Draft Strategic Environmental Assessment (SEA)

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Lewisham HMO Review and Evidence Paper

May 2022

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1. Introduction

- 1.1. This paper has been written in response to continued concern from Councillors, a Member of Parliament (MP) and local residents regarding the impact of Houses in Multiple Occupation (HMO) across the London Borough of Lewisham (LBL) but particularly in Catford South ward.

2016 Review

- 1.2. In 2016, the Council carried out a review of the quantity and spatial distribution of HMOs in the borough. This was in response to concern from Council Enforcement Officers, Councillors and local residents regarding the creation of poor quality HMOs, particularly within Bellingham, Downham and Whitefoot wards. The review looked at whether there was sufficient evidence to demonstrate sufficient harm arising from high concentrations of HMO to justify an Article 4 Direction.
- 1.3. It found that neither a high number nor concentration of HMO in any particular area could be identified with the data sets available. Therefore, the review concluded there was insufficient evidence to support an Article 4 direction. It also noted that the issues being faced could be dealt with more appropriately via licensing.

2018 Review

- 1.4. In 2018, the Council updated the 2016 review following concerns from Council Enforcement Officers, Councillors and local residents regarding the creation and concentration of poor quality HMOs.
- 1.5. The review found that whilst the data available did not suggest a significant increase of HMOs within the borough, it did demonstrate a change in their spatial distribution with a significant increase and clustering within the borough's southern wards. It therefore concluded there was insufficient evidence to support a borough-wide Article 4 Direction.
- 1.6. However, an Article 4 Direction to remove permitted development rights for small HMOs in Lewisham's southern wards of Bellingham, Whitefoot, Downham and Grove Park was recommended. It was deemed that these wards which traditionally had the lowest proportion of HMOs in the borough are unsuitable locations for high HMO concentrations due to their high levels of deprivation, poor public transport accessibility and suburban character with a high concentration of family homes. The Article 4 Direction came into effect in March 2020. The boundary of the Article 4 Direction is shown in Appendix 1.
- 1.7. The review also recommended that:
 - Alongside the Article 4 Direction, a selective or additional licensing scheme is explored to enable the Council to better manage the impact and improve the standard of small HMOs within Lewisham's southern wards.
 - The new Local Plan being prepared proposes development management policies which addresses the harmful overconcentration of HMOs.
 - A Council-wide monitoring system which facilitates cross-departmental data sharing and a better understanding of HMOs should be developed. It can be used to as part of a robust evidence to support future Article 4 Directions and extensions to licencing.

- 1.8. The following recommendations been implemented since the 2018 Review:
- The Council implemented a new Additional Licensing scheme covering most HMOs in April 2022.
 - The new Local Plan being prepared proposes more stringent and thorough development management policies regarding HMOs, which addresses harmful over concentrations.
- 1.9. However, the development of a Council-wide monitoring system facilitating cross-departmental data sharing and a better understanding of HMOs has been hampered by the Covid-19 pandemic, but improvements have been made. For instance, the Council have enacted a joint enforcement approach whereby officers from multiple Council services, including enforcement, building control and planning, have started to attend inspections together and commit to cross-departmental data sharing.

2022 Review

- 1.10. By September 2021, the Council were receiving regular correspondence and concerns about HMOs in Catford South ward and more generally across the borough from Councillors, local residents and the MP. As such, the Council has undertaken an update of the 2018 review. The purpose of this review is to:
1. Update the data sets and review new data sets on the quantity and spatial distribution of HMOs.
 2. Review evidence available on whether harm to the local amenity or wellbeing of an area are arising from HMOs.
 3. Ascertain whether there is sufficient evidence to justify further Article 4 Directions in other wards.

Evidence

- 1.11. For the 2018 Review, an indicative picture of the range of HMOs was built up by assessing data from the following sources:
- Planning Records
 - Planning Enforcement Records
 - 2001 and 2011 census (Office for National Statistics)
 - Council Tax records
 - Benefits Data (Shared Accommodation Rate Claims)
 - Street Surveys for Bellingham Downham and Whitefoot wards once the initial assessment had been undertaken. This was carried out to strengthen the evidence, as whilst the initial assessment demonstrated a change in HMOs' location, it did not clearly indicate a significant rise.
- 1.12. For the 2022 Review, the same sources were reviewed again apart from three data sets due to unavailability:
- **Census data:** whilst a new census was completed in 2021, the data is unreleased from the Office for National Statistics (it is anticipated to become available by 2023).
 - **Benefits data** (Shared Accommodation Rate Claims): no longer available to the Council due to the rollout of universal credit in July 2018, which absorbed housing benefits.
 - **Street surveys:** given that the initial assessment has clearly indicated significant rises in the number of HMOs within many wards, this was considered unnecessary

and would be too-resources intensive and costly to undertake comprehensive street surveys across the borough.

- 1.13. Additional data sets and research were also reviewed as part of this update. This includes predictive modelling, undertaken by the Council's housing data scientist, which predicts the probability of properties being an HMO using a range of indicators to estimate the borough's total number of HMOs. And research previously undertaken by the Council into the private rental sector (PRS) and HMOs to inform the Council's additional licensing scheme and the application for selective licensing.
- 1.14. New LBL ward boundaries has taken effect since the local elections on the 5th of May 2022. This review however uses previous ward boundaries for two reasons. Firstly, using previous ward boundaries enables direct comparison of the quantity and spatial distribution of HMOs between wards since the 2018 review. Secondly, the evidence drawn upon as part of this review used previous ward boundaries as the studies were undertaken before the new ward boundaries came into effect. However, this review includes maps showing the distribution of predicted HMOs in relation to both old and new ward boundaries.
- 1.15. In establishing an evidence base for 2016, 2018 and 2022 Review the accurate identification of the quantity and spatial distribution of HMOs in the borough was problematic due to several factors, the primary ones being:
 - the expansion of permitted development rights to allow conversion of a C3 dwellinghouse to C4 small HMO;
 - unauthorised development; and
 - under-reporting of conversions.

2. Background

- 2.1 The London Plan (2021) acknowledges the role of HMOs in meeting the housing needs of London's residents. HMOs are an important source of low-cost housing within the private rented sector, particularly for those on low incomes, students, young people and vulnerable groups who cannot access other types of market or affordable housing. HMOs are also an important source of flexible housing for those seeking temporary accommodation.
- 2.2 A report¹ produced by the then Department for Communities and Local Government (DCLG), now the Department for Levelling Up, Housing and Communities (DLUHC), was directly prepared in response to the problems associated with high concentrations of HMO. Despite the report noting that positive regeneration impacts can result from this spatial distribution, such as introducing a new population and life into an area, it notes that the following negative impacts can also be experienced:
 - Poor refuse management;
 - Anti-social behaviour, noise and nuisance;
 - Imbalanced and unsustainable communities;
 - Negative impacts on the physical environment and streetscape;
 - Pressures upon parking provision;

¹ [Evidence Gathering – Housing in Multiple Occupation and possible planning responses 2008.](#)

- Increased crime;
 - Growth in private sector at the expense of owner-occupation;
 - Pressure upon local community facilities, and
 - Restructuring of retail, commercial services and recreational facilities to suit the lifestyles of the predominant population.
- 2.3 Currently, 17 out of 32 London Boroughs have introduced an Article 4 Direction removing permitted development rights for the change of use from C3 dwellinghouse to C4 small HMO. 11 of these apply borough-wide, and 6 apply to focussed areas. The fact that over half of all London Boroughs have demonstrated a need to remove such permitted development rights - the majority of which are borough-wide - clearly indicates that an unregulated growth of small HMOs is an issue across London and not just in Lewisham.
- 2.4 As part of a balanced mix of housing, the Council recognises that HMOs are a legitimate form of housing that meets a need for some of Lewisham's residents. However, when highly concentrated and poorly managed, they can create harmful impacts for local communities, including the occupants of HMOs themselves, and reduce the supply of family housing units (3 or more bedrooms). Therefore, this review has been prepared to ascertain whether a further Article 4 Direction is required to ensure the local amenity and well-being of an area is protected and the demand for HMOs is balanced with the need for family housing.
- 2.5 An Article 4 Direction does not mean an application for small HMO would be automatically refused. It merely requires the submission of a planning application for a proposed HMO so that the impacts can be assessed in accordance with the relevant planning policies adopted in the local plan at the time.
- 2.6 It is important to note that issues surrounding HMOs cannot be mitigated by planning alone. Any further Article 4 Direction will form part of a corporate response across the Council, including licensing, to improve property standards and better manage the impacts of HMOs.

3. HMO definitions

- 3.1 HMOs are defined in a number of ways by different Council and government departments. This is an issue in itself for making the accurate identification of the quantity and spatial distribution of HMOs in the borough problematic.
- 3.2 The definitions of a HMO within the planning, housing, council tax and census context are set out below.

Planning

- 3.3 Planning law² divides HMO types into two categories:

- **A small HMO** is defined as a dwelling that is occupied by between 3 and 6 unrelated individuals who share basic amenities such as a kitchen or bathroom. A small HMO

² [The Town and Country Planning \(Use Classes\) Order 1987 \(as amended\) and The Town and Country Planning, \(General Permitted Development\) \(England\) Order 2015.](#)

is classified as a 'C4' use within the Use Class Order, 2015. Single family dwellings (classified as C3 use) are permitted to change use to a C4 use and vice-versa without the need to gain planning permission according to The Town and Country Planning, (General Permitted Development) (England) Order 2015.

- **A large HMO** is defined as a property that is occupied by more than 6 unrelated individuals that share basic amenities such as a kitchen or bathroom. A large HMO is classified as Sui Generis (a use that does not fall in any Class). The creation of a large HMO requires planning permission.

Housing

3.4 In summary, the definition of a HMO according to the Housing Act, 2004 is a building or part of a building that:

- is occupied by more than one household and where more than one household shares, or lacks an amenity, such as a bathroom, toilet or cooking facilities;
- is occupied by more than one household and which is a converted building, but not entirely into self-contained flats (whether or not some amenities are shared or lacking);
- and/or, is converted into self-contained flats, but does not meet as a minimum standard the requirements of the 1991 Building Regulations (known as S275 HMOs), and at least one third of flats are occupied under short tenancies.

Council Tax

3.5 The Council Tax (Liability for Owners) (Amendment) Regulations 1992 define a HMO as any which:

- Was originally constructed or subsequently adapted for occupation by persons who do not constitute a single household; or (and prior to 1 April 1995).
- is inhabited by a person who, or two or more persons each of whom, is either: the tenant of, or has a licence to occupy part only of the dwelling (e.g. a single room) or; has a license to occupy the dwelling, but is not liable (whether alone or jointly with other persons) to pay rent.

Census

3.6 The Census makes the distinction between shared and unshared dwellings. A dwelling is classified as shared if:

- the household spaces it contains have the accommodation type "part of a converted or shared house";
- not all the rooms (including kitchen, bathroom and toilet, if any) are behind a door that only that household can use; and,
- there is at least one other such household space at the same address with which it can be combined to form the shared dwelling.

4. Policy and legislative context

National

4.1. The National Planning Policy Framework (NPPF, 2021) does not set out specific guidance on HMOs. Although, paragraph 61 of the NPPF states that *the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies.*

- 4.2. In addition, paragraph 7 of the NPPF states *that the purpose of the planning system is to contribute to the achievement of sustainable development*. At a very high level, the NPPF explains the objective of sustainable development as *meeting the needs of the present without comprising the ability of future generations to meet their own needs* (NPPF, paragraph 7).
- 4.3. In order to achieve sustainable development, the planning system has three overarching objectives: economic, social and environmental. The social objective seeks to ensure that *a sufficient number and range of homes can be provided to meet the needs of present and future generations* (NPPF, paragraph 8.b).

Planning Use Classes

- 4.4. Important changes affecting HMOs took place in 2010. The Town and Country Planning (Use Classes) (Amendment) (England) Order 2010 (SI 653) came into force on 6 April 2010 and its main effect was to amend Class C3:

Prior to the amendment Class C3 read as below:

Dwellinghouses

Class C3 Use as a dwellinghouse (whether or not as a sole or main residence) by- a single person or by people living together as a family, or by not more than six residents living together as a single household (including a household where care is provided for residents).

Post the amendment:

Class C3. Dwellinghouses

Use as a dwellinghouse (whether or not as a sole or main residence) - by

- a. a single person or by people to be regarded as forming a single household;
- b. not more than six residents living together as a single household where care is provided for residents; or
- c. not more than six residents living together as a single household where no care is provided to residents (other than a use within Class C4).

Interpretation of Class C3

For the purposes of Class C3(a) “single household” shall be construed in accordance with section 258 of the Housing Act 2004.”

Class C4. Houses in multiple occupation

Use of a dwellinghouse by not more than six residents as a “house in multiple occupation”.

Interpretation of Class C4

For the purposes of Class C4 a “house in multiple occupation” does not include a converted block of flats to which section 257 of the Housing Act 2004 applies but otherwise has meaning as in section 24 of Housing Act 2004.

- 4.5. After the publication of the 2010 amended Use Classes Order, the then DCLG published ‘Changes to planning regulations for dwelling houses and houses in multiple occupation’ (2010) which further explained that “*For the purposes of C3(b) and (c) single household is not defined in the legislation.*” (Paragraph 1) and “*Furthermore, C3(b) continues to*

make provision for supported housing schemes, such as those for people with disabilities or mental health problems.” (Paragraph 4).

- 4.6. The Town and Country Planning (General Permitted Development) (Amendment) (England) Order also highlights the tenure types and types of management arrangements that are excluded from C4 (HMO between 3 and 6 unrelated individuals):
- *Social housing is excluded from C4 as are care homes, children’s homes and bail hostels. Properties occupied by students which are managed by the education establishment, those occupied for the purposes of a religious community whose main occupation is prayer, contemplation, education and the relief of the suffering are also excluded. Some of these uses will be in C3, others will be in other use classes or fall to be treated as sui generis (Paragraph 30).*
 - *Properties containing the owner and up to two lodgers do not constitute a house in multiple occupation for these purposes (Paragraph 31).*
- 4.7. In the document ‘Changes to planning regulations for dwellinghouses and houses in multiple occupation’ Annexe A Guidance on Classes it gives the following guidance in regard to large HMOs:
- *Large houses in multiple occupation – those with more than six people sharing – are unclassified by the Use Classes order and are therefore considered to be ‘sui generis’ (Paragraph 16).*
 - *Although the control limit of six persons defines the scope of the C3 (b) and (c) dwellinghouses and C4 houses in multiple occupation classes, this does not imply that any excess of that number must constitute a breach of planning control. A material change of use will occur only where the total number of residents has increased to the point where it can be said that the use has intensified so as to become of a different character or the residents in relation to C3 no longer constitute a single household (Paragraph 17).*

Article 4 Directions

- 4.8. The Government has given Councils the power to remove certain ‘permitted development rights’ in all or part of their area through Article 4 of the General Permitted Development Order 2015 (as amended) if they consider it is appropriate to do so and there is sufficient planning justification.
- 4.9. There are two types of Article 4 directions under the 2015 Order:
- **An immediate Article 4 Direction** applies when the development to which the direction relates would be prejudicial to the proper planning of their area or constitute a threat to the amenities of their area. The direction withdraws permitted development rights with immediate effect once notice of the direction is published. However, a local planning authority may be liable to pay compensation to a landowner when permitted development rights are removed by an immediate Article 4 Direction. All claims for compensation must be made within 12 months of the date on which the planning application for development formerly permitted is refused.

- **A non-immediate Article 4 Direction** requires a 12 month interval after notice of the direction is published before the direction comes into force. A non-immediate Article 4 Direction is therefore implemented to reduce the likelihood of any compensation claims against the Council.

4.10. Paragraph 53 of the NPPF states the use of Article 4 directions to remove national permitted development rights should:

...be limited to situations where this is necessary to protect local amenity or the well-being of the area... [and]...be based on robust evidence, and apply to the smallest geographical area possible

4.11. Furthermore, Planning Policy Guidance (PPG) adds further clarity on when it is appropriate to use Article 4 Directions. Paragraph 038 states:

The potential harm that the article 4 direction is intended to address will need to be clearly identified, and there will need to be a particularly strong justification for the withdrawal of permitted development rights relating to a wide area (e.g. those covering entire area of a local planning authority).³

4.12. The PPG also clarifies that Article 4 Direction cannot be used to restrict changes between uses in the same use class of the Use Classes Order as movement from one primary use to another within the same use class is not development and therefore does not require planning permission.⁴

Regional

London Plan

4.13. The London Plan (2021) recognises the importance of HMOs. Policy H9 (Ensuring the best use of stock) of the London Plan states that *Boroughs should take account of the role of HMOs in meeting local and strategic housing needs. Where they are of a reasonable standard they should generally be protected.*

4.14. The supporting text of Policy H9 clearly acknowledges the important role HMOs play in London's Housing market by stating:

HMOs are an important part of London's housing offer, reducing pressure on other elements of the housing stock. Their quality can, however, give rise to concern. Where they are of a reasonable standard they should generally be protected and the net effects of any loss should be reflected in Annual Monitoring Reports. In considering proposals which might constrain this provision, including Article 4 Directions affecting changes between Use Classes C3 and C4, boroughs should take into account the strategic as well as local importance of HMOs (Paragraph 4.9.4).

4.15. Achieving high standards of residential quality and design internally and externally are matters that the 2021 London Plan seeks to deliver through Policy D56 Quality and Design of Housing Developments, in that *housing development should be of high quality design and provide adequately-sized rooms with comfortable and functional layouts*

³ [Paragraph: 038 Reference ID: 13-038-20210820](#)

⁴ [Paragraph: 036 Reference ID: 13-036-20140306](#)

which are fit for purpose and meet the needs of Londoners without differentiating between tenures.

Local

Adopted

- 4.16. DM Policy 6 of the Development Management Local Plan (2014) sets out the Council's planning policy approach to HMOs. DM Policy 6 states:
1. *The Council will only consider the provision of new Houses in Multiple Occupation where they:*
 - a. *are located in an area with a public transport accessibility level (PTAL) of 3 or higher;*
 - b. *do not give rise to any significant amenity impact(s) on the surrounding neighbourhood*
 - c. *do not result in the loss of existing larger housing suitable for family occupation, and*
 - d. *satisfy the housing space standards outlined in DM Policy 32.*
 2. *The Council will resist the loss of good quality Houses in Multiple Occupation.*
 3. *The self-containment of Houses in Multiple Occupation, considered to provide a satisfactory standard of accommodation for those who need shorter term relatively low cost accommodation will not be permitted, unless the existing floor space is satisfactorily re-provided to an equivalent or better standard.*
- 4.17. One of the purposes of DM Policy 6 is to protect family housing unless environmental issues such as noise and lack of amenity space render the retention of a dwellinghouse unsuitable. However, these exceptions are subject to accordance with the plan's design policies and a minimum floor space of 130 sqm.
- 4.18. The adopted local development framework does not contain policies which seek to address the harmful overconcentration of HMOs.

Proposed

- 4.19. The draft new Lewisham Local Plan (Regulation 18 stage "main issues and preferred approaches" document) proposes a more thorough and stringent policy in regard to HMOs, which factors in their overconcentration. This is set out in policy HO 9 Housing with shared facilities (Houses in Multiple Occupation) outlined below:
- A. *Development proposals for new housing with shared facilities (i.e. Houses in Multiple Occupation) (HMOs) in the Sui Generis Use Class will only be supported where they contribute to a beneficial mix and balance of uses within an area and:*
 - a. *Do not result in the loss of existing larger housing suitable for family occupation;*
 - b. *Do not result in an overconcentration of HMOs in the area;*
 - c. *Do not give rise to adverse impacts on the amenity of the surrounding properties and neighbourhood, including cumulative impacts taking account of other HMOs in the area;*
 - d. *Are appropriately located in areas of good transport accessibility; and*

- e. *Are well-designed and provide high quality accommodation that satisfies the relevant standards for HMOs along with other Local Plan policies, including for internal space standards and amenity space provision.*
- B. *Development proposals for small HMOs in the C4 Use Class (i.e. 3 to 6 unrelated people) within any area covered by an Article 4 Direction will only be permitted where they contribute to a beneficial mix and balance of uses within an area and:*
- a. *The gross original internal floorspace of the existing dwelling is 130 sq. metres or greater; and*
 - b. *The requirements of (A)(b-e) above are satisfied*
- C. *Development proposals that result in the loss of an HMO, or the self-containment of any part of an HMO, will be resisted unless it can be suitably demonstrated that:*
- a. *The existing building does not meet the appropriate standards for an HMO and has no realistic prospect of meeting the standards; and*
 - b. *Adequate replacement provision can be secured within the Borough, having regard to the requirements of (A) above, with no net loss in HMO floorspace; or*
 - c. *Any replacement use includes an element of residential provision that meets an acute local housing need, particularly genuinely affordable housing, with at least the equivalent amount of residential floorspace re-provided.*
- D. *Large-scale purpose-built shared living accommodation in the Sui Generis Use Class will generally be resisted as this type of use compromises opportunities to deliver conventional housing in the Borough. Development proposals will only be permitted where it is suitably demonstrated that:*
- a. *They meet an identified local need for the type of housing proposed;*
 - b. *Private residential units within the development are demonstrably not accommodation in the C3 Use Class;*
 - c. *There is adequate provision of communal facilities and services suited to the intended occupiers;*
 - d. *They are appropriately located and designed to high quality standard, having regard to the requirements of (A) above;*
 - e. *The development will be suitably managed and maintained over its lifetime, as evidenced by a management plan;*
 - f. *Minimum tenancy lengths are available to occupants; and*
 - g. *A cash-in-lieu contribution is made towards affordable housing in the C3 Use Class.*
- 4.20. This draft policy may be subject to revisions following consultation feedback, and that any amendments would be set out in the Regulation 19 Lewisham Local Plan: Proposed Submission Version.

5. Licensing

- 5.1 Most HMOs within the borough have to be licensed. The Council currently operates the following licensing schemes.

National Mandatory Licensing Scheme

- 5.2 Since October 2018, by law, an HMO must have a national mandatory licence if it has five or more people in more than one household and share amenities, such as

bathrooms, toilets and cooking facilities. National mandatory licenses, if granted are valid for five years.

Lewisham Additional Licensing Scheme

- 5.3 An Additional License Scheme has been in effect in the Borough since February 2017 and applies to any HMO above commercial premises. This Additional Licensing Scheme was replaced with a new Additional Licensing Scheme, which came into force on 5 April 2022 and applies to most HMOs in Lewisham that the National Mandatory Scheme does not capture. This includes properties with three or more tenants forming two or more different households irrespective of the property type, i.e. it includes flats and houses. Each licence can last up to 5 years or until the scheme expires on 4 April 2027
- 5.4 Certain types of properties are exempt from HMO licensing as they are not legally defined as HMOs in Schedule 14 of the Housing Act 2004. These include buildings controlled and managed by a:
- local housing authority
 - non-profit registered provider of social housing
 - body which is registered as a social landlord
 - police and crime commissioner;
 - fire and rescue authority
 - health service body
- 5.5 These changes to licensing will help to achieve a higher quality of HMO accommodation across the borough by requiring them to meet set standards for room sizes, health and safety, and property management, ensuring safe, secure and well-managed properties for tenants. Landlords will also be required to have clear plans in place to tackle any anti-social behaviour related to their properties.
- 5.6 Whilst licensing will help to improve standards for private renters in HMOs, some issues assessed and mitigated as part of a planning application are not covered within a licensing application. Such issues can include: the loss of housing suitable for family occupation, the cumulative impact resulting from a harmful overconcentration of HMOs, ensuring HMOs are located in areas that are well-connected to local services, impacts on local amenities and refuse storage arrangements.

6. Evidence: high and increasing demand for HMOs

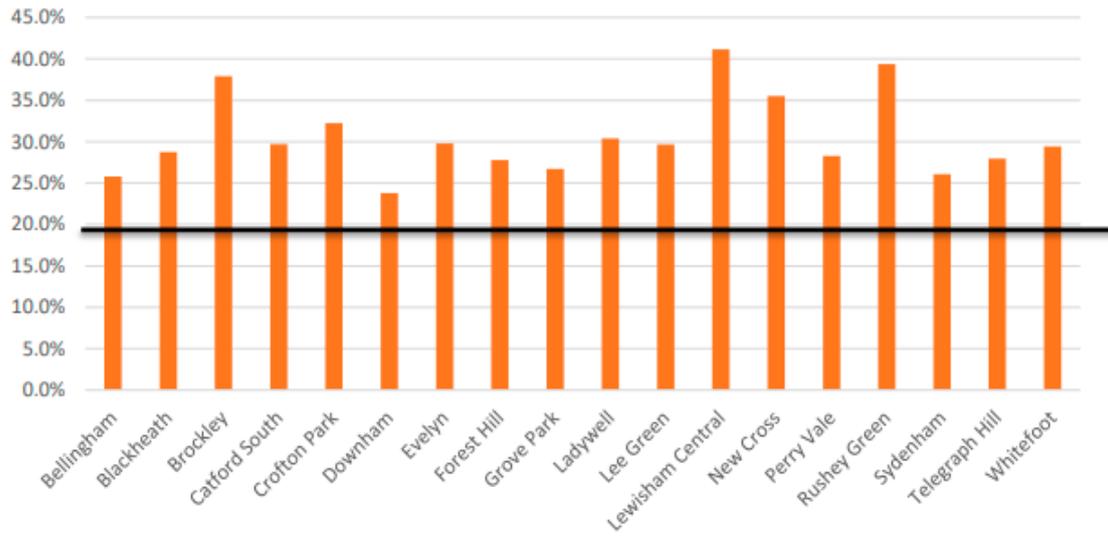
- 6.1 This section considers the opportunities in which HMOs are created and factors contributing to the increasing demand for HMOs within the borough.

Tenure

- 6.2 A large and growing private rented sector lends itself to HMO conversions within the borough.
- 6.3 The proportion of private sector housing in the borough has increased significantly at the expense of owner-occupation. Over the past two decades, the private rented sector (PRS) has more than doubled from 14% in 2001 (Office for National Statistics - ONS) to 31% in 2021 (Metastreet), whilst owner-occupation decreased from 50% in 2001 (ONS) to 41% in 2021 (Metastreet). Such changes in tenure are part of long term nationwide and regional trends, with the PRS in the UK growing from 9% in 2000 to 19% in 2020

(ONS). However, the PRS remains more prevalent across Lewisham when compared nationally. Figure 1 below shows that each ward in the borough has a higher percentage of private sector housing than the national average (19%). Lewisham Strategic Housing Market Assessment Update (SHMA) (2021/22) explains that the growth of the PRS for both 'active choice' renters and 'frustrated would-be' homeowners can be attributed to increasing house prices, a struggling sales market and less access to social rented housing.

Figure 1: Percentage of PRS dwellings by each ward. Horizontal black line shows national average at 19%



Source: LBL Private Rented Sector: Housing Stock Condition and Stressors Report (2021)

Affordability

- 6.4 The affordability challenge across London as a whole and Lewisham as a borough is likely to result in increased demand from lower-income households for HMOs.
- 6.5 Lewisham's SHMA Update (2021/2) states that prices in the borough have risen dramatically since 2000, with median prices increasing 330% from £99,995 in 2000 to £430,000 in 2020. This has been the largest proportionate increase compared with neighbouring boroughs, the South East and England. Affordability is a major issue within the Borough as the ratio of median house price to median gross annual (workplace-based) earnings (2021) for Lewisham is 14.23.

Student population

- 6.6 A large and growing student population in Lewisham means the demand for HMOs is likely to be high given that HMOs present a type of lower-income housing. The delivery of new purpose-built student accommodation (PBSA) will help to alleviate some of the demand for new HMOs resulting from a growing student population. However, there will still be increasing demand for HMOs from students who cannot afford PBSA.
- 6.7 There are four key higher education providers borough: Goldsmiths College located within the north borough with 10,090 full time students (2019/20)⁵, University of

⁵ Source: Higher Education Statistics Agency

Greenwich located to east of the borough with 19,825 full-time students (2019/20)⁶, Trinity Laban located within the north of the borough with 1,250 full-time students (2019/2020)⁷ and Lewisham College⁸ located within the north of the borough. Goldsmiths College also has significant expansion plans to grow the number of full-time students to 13,885 by 2025⁹.

- 6.8 2021 council tax data reports 1,013 dwellings that students wholly occupied, a significant proportion but not all of which are likely to be HMOs. Table 1 below shows these were located throughout the borough but mainly concentrated in the wards of Brockley, New Cross and Evelyn, given its proximity to Goldsmiths College.

Table 1: Council tax student exempt properties by ward

Ward	Number
Evelyn	146
New Cross	140
Brockley	110
Lewisham Central	101
Telegraph Hill	74
Blackheath	55
Bellingham	48
Sydenham	44
Rushey Green	41
Forest Hill	34
Whitefoot	34
Perry Vale	33
Lee Green	32
Grove Park	29
Ladywell	28
Downham	25
Crofton Park	21
Catford South	18

Source: Lewisham SHMA Update (2020/21)

⁶ Source: Higher Education Statistics Agency

⁷ Source: Higher Education Statistics Agency

⁸ No data available on the number of full time students enrolled at Lewisham College

⁹ Source: Planning Statement submitted for planning application DC/20/116334

Welfare Reform

- 6.9 The Shared Accommodation Rate (SAR) introduced in 1996 initially limited the Housing Benefit of a single person under the age of 25 to the average rent level charged for a room in a shared house. The government extended the SAR to cover single claimants up to age 35 from January 2012. Such changes to housing benefits have expanded the HMO market by adding to the proportion of the rental population who can only afford a room in a shared house. In effect, opportunities for landlords seeking to purchase single-family dwellings and convert them into HMOs have widened following this expansion in potential HMO occupants.
- 6.10 The 2018 HMO Review and Evidence Paper evidenced a growth in a clustered manor of this particular delivery model of small HMOs - those occupied by people with access to SAR for housing benefit - within the wards of Bellingham and Whitefoot. These two wards were targeted for small HMO conversions to house people claiming housing benefit because they have some of the lowest median property values for terraced and semi-detached houses within the geographical area to which the Inner South East London Local Housing Allowance Rate (LHA) applies.
- 6.11 Whether a growth in this particular delivery model of small HMOs has occurred in wards outside the current Article 4 Direction boundary cannot be ascertained as part of this updated review. This is because housing benefit data for SAR claims is no longer available to the Council due to the roll out in universal credit in July 2018, which absorbed housing benefits.

Exempt Accommodation HMOs

- 6.12 The growth in non-commissioned exempt accommodation nationally has added to the proportion of vulnerable groups who live in HMOs.
- 6.13 Exempt accommodation is supported housing which is exempt from Housing Benefit regulations that limit rents to defined local levels¹⁰. Exempt accommodation is defined as:
- a resettlement place or;
 - accommodation provided by a county council, housing association, registered charity or voluntary organisation where that body or person acting on their behalf provides the claimant with care, support or supervision.¹¹
- 6.14 The 'exempt' provisions of Housing Benefit have been in place since 1996 and are an established mechanism of funding, primarily, the housing-related costs of a wide range of supported housing schemes. It often houses vulnerable groups including: recent prison leavers; care leavers; those fleeing domestic violence; and homeless people experiencing substance dependence or mental health issues¹². When delivered well, exempt accommodation can play a useful role in providing good quality transitional accommodation and support for people to enable them to move onto mainstream housing.

¹⁰ Limits set by Local Housing Allowance rates. Help towards housing costs for people living in supported 'exempt' accommodation is provided.

¹¹This definition is set out in paragraph 4(10) of Schedule 3 to the Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006.

¹² [Research Briefing, Supported exempt accommodation \(England\) 2022, Houses of Commons Library](#)

- 6.15 However, evidence highlighted in a research briefing to the House of Commons in April 2022¹³ has shown a rise in non-commissioned providers utilising the exempt provisions of housing benefit to provide poor quality, unsafe accommodation within HMOs with limited care, support and supervision. Despite exempt provisions of housing benefit being in place since 1996, the number of exempt accommodation properties has increased significantly in recent years. As of May 2021, 153,701 households in the UK were housed in exempt accommodation, representing a 62% increase from 2016 to 2021. Research by Crisis¹⁴ explains that several factors have driven growth in poor quality non-commissioned exempt accommodation, including reductions in spending on housing-related support, reduced availability of social and private rented housing for single adults experiencing homelessness and weak sector regulation and oversight (for instance, exempt accommodation is exempt from HMO licensing schemes).
- 6.16 Recent community concerns have highlighted that HMO developers are targeting exempt accommodation in Catford, Lewisham and their surrounding areas. Whilst the extent of exempt accommodation in the borough has not been verified as part of this review, it is reasonable to assume such growth is likely in line with national trends considering the borough has a large and growing private rented sector, high levels of deprivation in some areas and a notable proportion of homeless residents seeking accommodation (1.03 per 1,000 households)¹⁵.
- 6.17 It is important to acknowledge the planning system has limited tools to ensure HMO exempt accommodation occupied by less than 7 people is of high quality and not over concentrated in an area. This is because these types of HMOs are unaffected by Article 4 Directions as they would fall under use class C3(b) - *not more than six residents living together as a single household where care is provided for residents* - and single households are not defined in legislation for C3(b). As outlined in paragraph 4.12, an Article 4 Direction cannot be used to restrict changes between uses in the same use class.
- 6.18 This is recognised nationally as an issue with legalisation. Birmingham City Council, for instance, has the highest concentration of exempt HMO accommodation in the country despite having a city-wide Article 4 Direction on small HMOs in place. They are lobbying central government to change planning legislation to ensure exempt accommodation are subject to the same planning approval and licensing process as other HMOs.¹⁶

Higher yields for HMOs

- 6.19 Gross yields for HMOs are higher than the standard buy-to-let property. For example, the median rent for a three-bedroom property in Lewisham was £1350 in 2019¹⁷, whereas a room in a shared house was £600 in 2019¹⁸. When multiplied by three (3 x £600=£1800), the gross yield generated by three-person HMO when let on a single room basis is a third higher than that generated by a single-family. Therefore, landlords have a greater financial incentive to let properties as HMOs rather than single-family dwellings.

¹³ [Research Briefing, Supported exempt accommodation \(England\) 2022, Houses of Commons Library](#)

¹⁴ [Crisis Policy Briefing: Exempt Accommodation 2021](#)

¹⁵ [Trust for London Homelessness duties owed by London Boroughs 2021](#)

¹⁶ [Exempt Accommodation Report 2021, Birmingham City Council](#)

¹⁷ [Greater London Authority London Rents Map](#)

¹⁸ [Greater London Authority London Rents Map](#)

Article 4 Directions in neighbouring boroughs

- 6.20 Table 2 below shows five out of seven neighbouring boroughs to Lewisham have a borough-wide Article Directions withdrawing the permitted development rights for small HMOs. Such Directions could drive demand to develop small HMOs within LBL. A displacement could occur in LBL as HMO developers may seek to avoid the additional costs and uncertainty associated with the requirement for a planning application (through an Article 4 Direction) by investing in properties in Lewisham where the demand and profitability for HMOs are high whilst being outside an area subject to an Article 4 Direction.

Table 2: Neighbouring boroughs which have borough-wide Article 4 Directions

Borough	Borough-wide Article Direction in effect	Year Article Direction came into effect
Tower Hamlets	Yes	2021
Southwark	No	-
Greenwich	Yes	2018
Lambeth	No	-
Bexley	Yes	2017
Bromley	Yes	2022
Croydon	Yes	2020

7. Evidence: quantity and spatial distribution of HMOs

- 7.1. To understand the quantity and spatial distribution of HMOs the following sources of data have been used to provide an indication of the changes that have occurred since the 2018 review:
- Council tax records
 - HMO licensing records
 - Planning records
 - Enforcement records
 - Predictive modelling

HMO licensing records

- 7.2. At the time of the 2018 review, there were 351 properties licensed as an HMO as of December 2017. As of April 2022, there were 1120 properties with a license or expired license, representing a significant increase of 211%. It is important to note that this data set does not capture all HMOs; small HMOs between 3 and 5 persons not above commercial premises are excluded and many HMOs requiring licenses remain unlicensed.
- 7.3. Table 3 below shows the year in which those HMO licenses were issued. The number of licenses issued has increased significantly from 2017 onwards. However, this may reflect the introduction of the additional license scheme by Lewisham in 2017 and the extension of the mandatory license scheme in 2018 rather than a genuine substantial increase.

Table 3: Number of HMO licenses issued according to year

Year	No. of HMO Licensed Issued ¹⁹	Total
2007	9	9
2008	25	34
2009	9	43
2010	7	50
2011	5	55
2012	2	57
2013	21	78
2014	30	108
2015	41	149
2016	46	195
2017	156	351
2018	231	582
2019	158	740
2020	214	954
2021	138	1092
2022 ²⁰	37	1129

7.4. The wards which had the highest number of licensed HMOs as of 2017 were (see table 4):

- Evelyn (47);
- Lewisham Central (44); and
- Brockley (41).

7.5. As of 2022, this has changed to:

- Evelyn (127);
- Rushey Green (110); and
- Brockley (106).

7.6. Whilst an increase in licensed HMOs can be seen in all wards, the wards which saw the highest were:

¹⁹ This data set includes HMO licenses which have not been renewed, and excludes renewed HMO licenses to avoid double counting.

²⁰ Till April 2021

- Evelyn (80);
- Rushey Green (79); and
- Catford South (69).

7.7. 133 streets had a licensed HMO present as of 2017. This has increased significantly to 404 streets in 2022.

7.8. 26 streets had three or more licensed HMOs present as of 2017. This has increased significantly to 113 streets in 2022.

7.9. 9 streets had five or more licensed HMOs present as of 2017. This has increased significantly to 54 streets in 2022.

7.10. The streets which had the highest number of licensed HMOs as of 2017 were:

- New Cross Road (16);
- Pepys Road (12); and
- Lee High Road (9).

7.11. As of 2022, this changed to:

- New Cross Road (52);
- Brockley Road (26); and
- Deptford High Street (26).

Table 4: Distribution of licensed HMOs by ward²¹

Ward	As of 2017	As of 2022 ²²	Increase
Evelyn	47	127	80
Rushey Green	31	110	79
Catford South	13	82	69
Brockley	41	106	65
Bellingham	3	67	64
Whitefoot	5	67	62
New Cross	27	83	56
Lewisham Central	44	99	55
Crofton Park	23	61	38
Telegraph Hill	32	68	36
Ladywell	10	45	35

²¹ This data set includes HMO licenses which have not been renewed, and excludes renewed HMO licenses to avoid double counting.

²² Till April 2022

Ward	As of 2017	As of 2022 ²²	Increase
Perry Vale	16	47	31
Lee Green	18	45	27
Sydenham	11	32	21
Grove Park	8	26	18
Downham	5	21	16
Blackheath	7	21	14
Forest Hill	10	22	12
Total	351	1129	778

Council tax records

7.12. In a HMO where tenants are paying rent for individual rooms on individual tenancy agreements, it is the landlord who is liable to pay Council Tax. Council tax records identified that in March 2018 there were 1,067 HMO properties HMO according to the definition set out in paragraph 3.5. As of March 2022, this increased by 83% to 1,950. However, it is important note that this does not capture all HMOs; HMOs where occupants have a shared tenancy agreement or HMOs occupied by students are excluded.

Private rented HMOs

7.13. Council tax records however included care homes and properties managed by organisations such as housing associations, homelessness charities, universities and housing cooperatives. As such it was considered appropriate to focus on private-rented HMOs where a private landlord manages the property.

7.14. The number of private rented HMOs increased significantly by 122% from 822 properties in 2018 to 1746 in 2022 (see table 5)

7.15. The wards which highest number of private rented HMOs in March 2018 were:

- Lewisham Central (96);
- New Cross (68); and
- Crofton Park (64).

7.16. In March 2022, this changed to:

- Brockley (159);
- Lewisham Central (146); and
- New Cross (135).

7.17. Whilst an increase in private rented HMOs can be seen in most wards, the wards which saw the highest increase were:

- Brockley (96);

- Perry Vale (76); and
- Blackheath (70).

- 7.18. 404 streets had a private rented HMO present in March 2018. This has increased significantly to 707 streets in 2022.
- 7.19. 81 streets had three or more private rented HMOs present in March 2018. This has increased significantly to 200 streets in 2022.
- 7.20. 27 streets had five or more private rented HMOs present in March 2018. This has increased significantly to 80 streets in 2022.
- 7.21. The streets which had the highest number of private rented HMOs in March 2018 were:
- New Cross Road (17);
 - Lee High Road (14); and
 - Bromley Road (12).
- 7.22. As of 2022, this changed to:
- Bromley Road (33);
 - Brownhill Road (32); and
 - New Cross Road (32).

Table 5: Distribution of private rented HMOs by ward

Ward	2015	2018	2022	Change from 2015 to 2018	Change from 2018 to 2022
Brockley	88	63	159	-25	+96
Perry Vale	44	26	102	-18	+76
Blackheath	24	18	88	-6	+70
New Cross	82	68	135	-14	+67
Catford South	60	39	104	-21	+65
Grove Park	25	28	83	3	+55
Forest Hill	38	30	84	-8	+54
Rushey Green	78	63	117	-15	+54
Lewisham Central	96	96	146	0	+50
Lee Green	42	19	66	-23	+47
Evelyn	43	45	89	+2	+44
Sydenham	46	48	92	+2	+44
Downham	31	33	75	+2	+42
Whitefoot	32	38	75	+6	+37

Ward	2015	2018	2022	Change from 2015 to 2018	Change from 2018 to 2022
Bellingham	36	29	62	-7	+33
Crofton Park	70	64	96	-6	+32
Telegraph Hill	84	61	93	-23	+32
Ladywell	69	54	80	-15	+26
Total	988	822	1746	-166	+924

Non Private rented HMOs

- 7.23. Housing associations, housing cooperatives, hostels, supported housing and nursing homes have all been classified as non-private rented HMOs where a private landlord does not manage the property.
- 7.24. The number of non-private rented HMOs has decreased from 245 in 2018 to 204 in 2022. This represents a shift in the proportion of HMOs managed outside of the private-rented sector from 23% in 2018 to 10% in 2022.
- 7.25. Although council tax records indicate these properties as HMOs, this does not necessarily mean that they classify as a HMOs in planning terms. Therefore, the class use of these specified as non-private rented HMOs and whether planning permission is required to change the use from C3 dwelling house are outlined below:
- Hostels would require planning permission as it falls under Sui Generis.
 - HMOs managed by housing cooperatives classify as C4 HMOs in planning terms so whether planning permission is required depends on whether 6 or more unrelated individuals occupy the property.
 - There is ambiguity over of the class use HMOs managed by housing associations; some will be in C3, others will be in other use classes or fall to be treated as sui generis.
 - Supported housing would not require planning permission as it falls within the same class a dwelling house but of a different variation – C3 (b).
 - Nursing homes would require planning permission as it has a different class use of C2 (Residential Institutions).

Planning records

- 7.26. Data obtained from planning records for the period 2018 to 2022 highlighted 56 approvals for Lawful Development Certificates relating to small HMO's. This is an increase from the 2018 HMO Evidence Paper which highlighted there were 8 approvals relating to small HMOs for the period of 2009 to 2017. Whilst this is a fraction of the true number of small HMO conversions taking place, it does indicate an increase in such conversion activity has taken place in the borough over recent years

Planning enforcement records

- 7.27. The planning enforcement team holds data on the number of HMO-related cases, covering all complaints from neighbours, councillors and other internal and external

stakeholders. These may include cases where the change is to a small HMO and, as this is permitted development no further action is necessary; physical changes to a property to accommodate an HMO; and unauthorised conversions to a large HMO.

7.28. Planning enforcement records for the period of 2009 to 2022 show there were 173 HMO cases and a trend in the number of HMO cases increasing cannot be observed (see table 6). However, it should be acknowledged that these figures only capture a fraction of all HMOs as not all conversions will be reported or subject to complaints.

Table 6: Planning enforcement HMO cases by year

Year	Planning Enforcement HMO Cases
2008	1
2009	1
2010	1
2011	2
2012	12
2013	3
2014	18
2015	15
2016	36
2017	14
2018	11
2019	12
2020	26
2021	24
2022	3

7.29. At the time of previous HMO Review undertaken in 2018, the wards which had highest number of planning enforcement HMO cases between 2008 and 2017 (see table 7) were:

- Bellingham (22);
- Whitefoot (22); and
- Telegraph Hill (15).

7.30. This has changed between 2018 and 2022 to:

- Catford South (14);

- Whitefoot (11); and
- Rushey Green (9).

Table 7: Distribution of planning enforcement HMO cases

Ward	2008 to 2017	2018 to 2022
Bellingham	22	5
Blackheath	1	1
Brockley	5	7
Catford South	8	14
Crofton Park	0	2
Downham	2	3
Evelyn	7	0
Forest Hill	2	1
Grove Park	9	2
Ladywell	4	3
Lee Green	1	1
Lewisham Central	11	5
New Cross	2	1
Perry Vale	1	5
Rushey Green	10	9
Sydenham	0	3
Telegraph Hill	15	2
Whitefoot	22	11
Total	100	76

Comparison to neighbouring boroughs

7.31. Table 8 below shows the estimated number of HMOs in LBL compared its neighbouring boroughs in 2017/18 and 2020/21. It demonstrates that since 2017/18, Lewisham has experienced the second-largest increase (+4,100) in the number of estimated HMOs out of its seven neighbouring boroughs. Lewisham has gone from having the second-lowest number of HMOs in 2017/18 (1,900) out of its neighbouring boroughs to having the third-highest (6,000) in 2020/21.

- 7.32. It is worth highlighting that several neighbouring boroughs with a lower estimate for HMOs in 2020/21 than Lewisham have a borough-wide Article 4 Direction in place concerning small HMOs. This relates to the following boroughs: Greenwich, Bromley, Bexley and Croydon.

Table 8: Estimated HMOs within Lewisham and neighbouring boroughs

Borough	Estimated HMOs 2017/18	Estimated HMOs 2020/21	Change
Tower Hamlets	1,896	9,900	+8,004
Lewisham	1,900	6,000	+4,100
Bexley	1,400	1,930	+530
Lambeth	4,800	5,207	+407
Croydon	2,600	3,000	+400
Bromley	2,000	2,215	+215
Southwark	13,000	11,550	-1,450
Greenwich	6,500	4,196	-2,304

Source: Local authority housing statistics data returns for 2017/18 and 2020/21

Predictive modelling

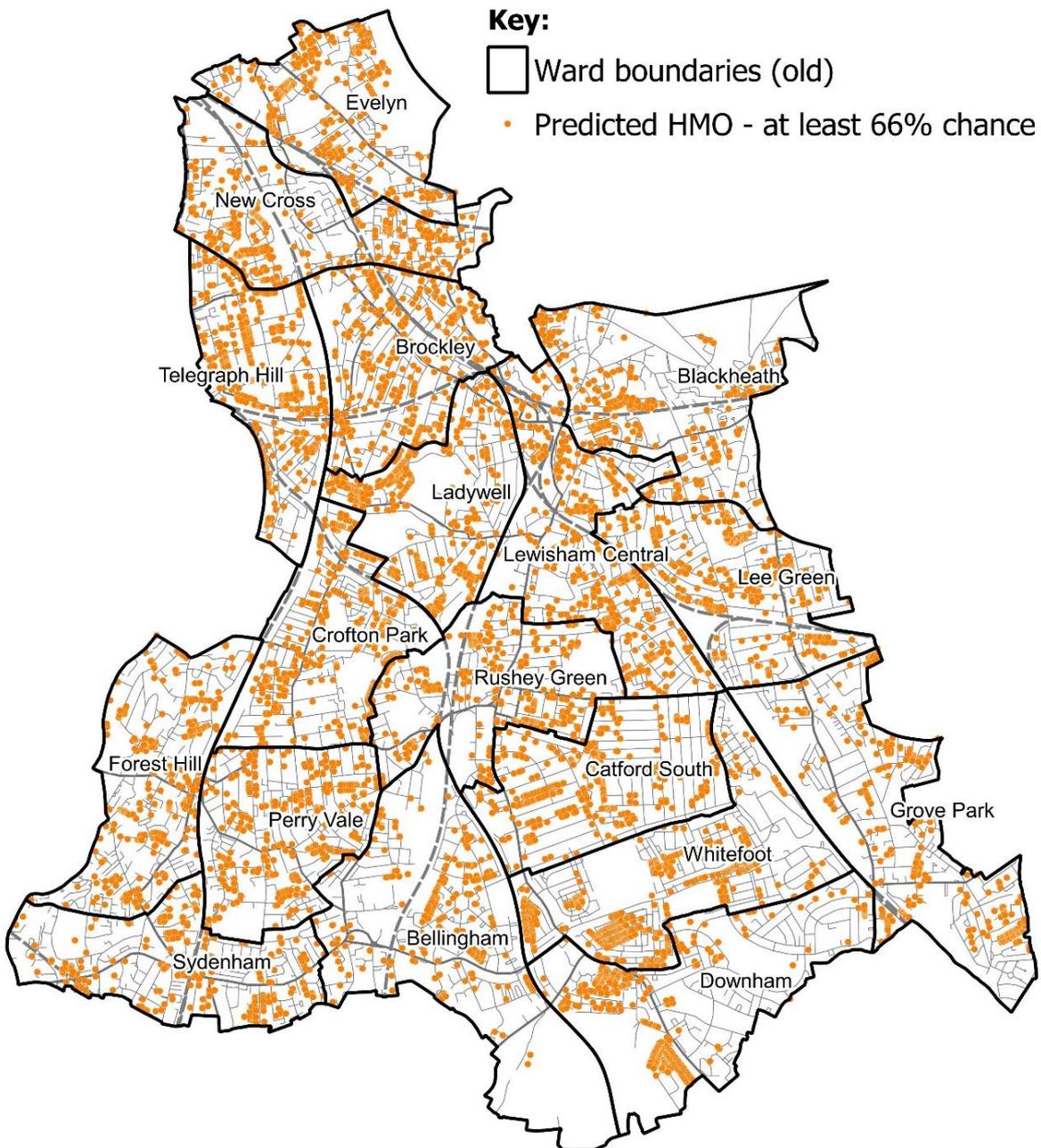
- 7.33. The Council's housing data scientist undertook predictive modelling using a range of data sets such as electoral records to estimate the total number of HMOs in the borough currently. The predictive modelling process applied the London-wide recognised random forest model - an advanced statistical analysis and algorithm tool. The model was developed by the Greater London Authority and Nesta within the piloted London Office of Data Analytics in 2016/17²³.
- 7.34. The modelling process to predict HMOs and estimate their total number in the borough is explained briefly below:
- Step 1: linking the known HMOs and known non-HMOs to the total list of properties in Lewisham, represented as unique property reference numbers in the Local Land and Property Gazetteer.
 - Step 2: adding location-specific data from both historical Census records and more recent data, including: youth population, crime rates, household composition, and deprivation and student numbers.
 - Step 3: adding property-specific data from the Electoral Roll, Council Tax records, previous Housing Benefit information and complaints and enforcement data for properties.
 - Step 4: added data was used to predict the probability of any given property being an HMO. This was achieved by generating decision trees, each of which divides up the data in its own way, by splitting apart different categories and thresholds, until it has effectively divided the data into HMO and non-HMO.
 - The random forest methodology ensures that this prediction can be generalised to all properties and not only those that were in the sample. This is done by generating a large number of decision trees and finding a compromise between

²³ [Piloting the London Office of Data Analytics 2018, Mayor of London and Nesta](#)

- them. This finds the optimal balance between correctly identifying known HMOs, and still working effectively to identify unknown HMOs.
- The performance of this is evaluated by testing what proportion of already known HMOs were identified (90%) as well as whether it gives a plausible estimate of total HMOs across the borough.

7.35. The results of predictive modelling show there are 10,700 properties in the borough with at least a 66% chance of being an HMO, leading to a total estimate of 7,100 HMOs. Figure 2 below has mapped these predicted HMOs; it illustrates that clusters of HMOs are likely to exist in all wards of the borough.

Figure 2: Map of predicted HMOs



7.36. A map of predicted HMOs in relation to new ward boundaries is shown in Appendix 2.

7.37. Table 9 below shows the wards with the highest number of predicted HMOs currently are:

- Evelyn (1268);
- Lewisham Central (959); and
- Brockley (955).

Table 9: Distribution of predicted HMOs by ward

Ward	Number
Evelyn	1268
Lewisham Central	959
Brockley	955
New Cross	778
Telegraph Hill	687
Whitefoot	613
Ladywell	589
Blackheath	562
Perry Vale	513
Lee Green	512
Crofton Park	504
Rushey Green	495
Catford South	449
Forest Hill	441
Grove Park	395
Downham	382
Sydenham	344
Bellingham	320

8. Evidence: harm to local amenity and well-being of an area

8.1 The following section reviews evidence available on whether harm to the local amenity or wellbeing of an area are arising from HMOs by looking at:

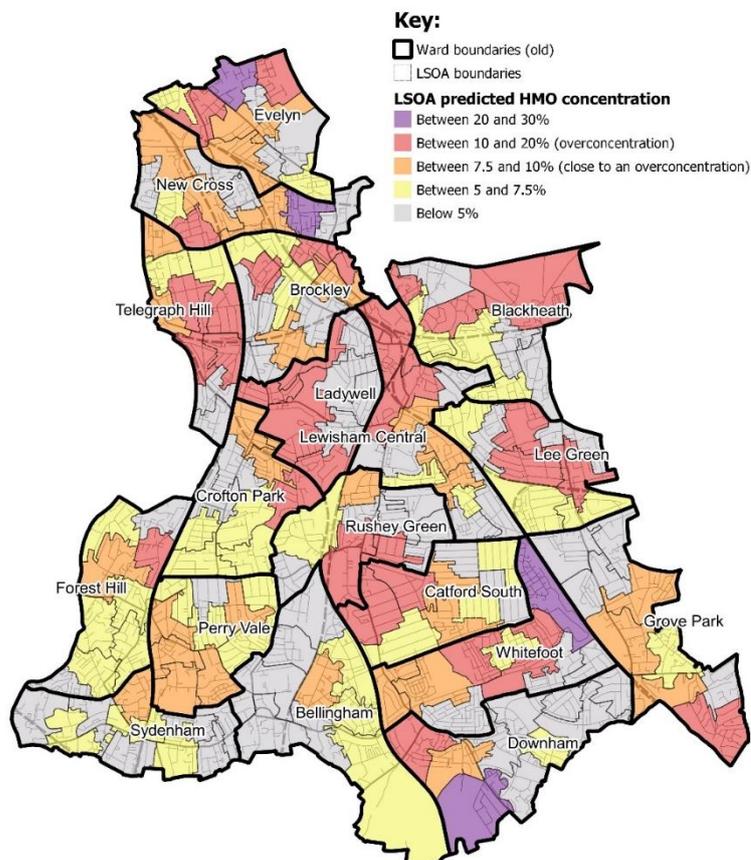
- The overconcentration of HMOs
- Links between ASB, HMOs and the PRS
- Links between poor housing conditions, HMOs and the PRS
- Community concerns
- Need for family housing

Overconcentration of HMOs

8.2 Nationally, it is generally accepted that an overconcentration of HMOs occurs when 10% of properties in a neighbourhood are HMOs. Research argues 10% concentration is the tipping at which HMOs may give rise to harmful effects and where neighbourhoods goes from balanced to unbalanced communities²⁴.

8.3 Using Lower Super Output Areas (LSOA) as the boundary for the neighbourhoods, a mapping exercise (see figure 3) has been undertaken to identify areas in the borough where there is likely to be an overconcentration (10% of properties or more) or close to an overconcentration (between 7.5 and 10% of properties) of HMOs using predicted HMOs outlined in figure 2 previously. For the purposes of this exercise, dwelling houses and HMOs that are located within blocks of flats or subdivided properties were counted as one property. Residential institutions, care homes, hostels, PBSA and other specialist housing were also counted as one property per block. This ensured that calculations of HMO concentration were not skewed.

Figure 3: Map of predicted HMO over concentrations



²⁴ [National HMO Lobby \(2008\)](#)

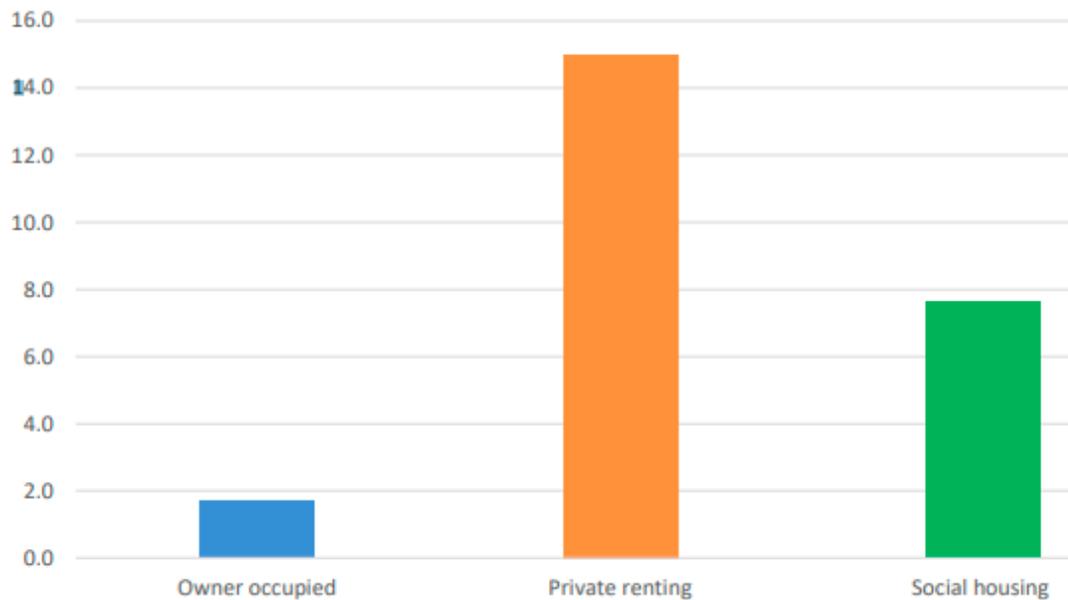
- 8.4 Figure 3 above illustrates that all wards within the borough contain at least one LSOA with either an overconcentration or close to an overconcentration of HMOs. Of the 169 LSOAs in the borough:
- 4 are likely have a very high HMO overconcentration - where between 20 to 30% of properties are an HMO - and these are located within the wards of Evelyn, Downham, New Cross and Whitefoot.
 - 21 are likely to have an HMO overconcentration and are these dispersed across all wards except for Perry Vale, Bellingham and Sydenham.
 - 31 are likely have a close to an HMO overconcentration and these are dispersed across all wards except for Lee Green and Ladywell.
- 8.5 A map of predicated HMO concentrations in relation to new ward boundaries is shown in Appendix 4.

Links between ASB, HMOs and the PRS

- 8.6 The Council commissioned Meta Street to a prepare study - Private Rented Sector: Housing Stock Condition and Stressors Report (2021) - to support an application for selective licensing in the borough. The study looks at the link between the PRS in Lewisham and ASB and poor housing standards. The data collated as part of the study, which is explored in further detail in this section, demonstrated that:
- High levels of ASB and poor housing conditions are linked to the PRS; and
 - ASB and poor housing conditions is more prevalent private rented properties than in either owner occupied or social rented properties.
- 8.7 While the data is not specific to HMOs and relates to the PRS more broadly, it is reasonable to assume that higher levels of ASB and poor housing conditions also relate to HMOs, given that HMOs make up 20% of the PRS.
- 8.8 Over a 5-year period 5 (2016 to 2021), 948 ASB incidents and statutory nuisances have been recorded associated with residential premises in the PRS²⁵. This is made up of, but not limited to, noise (various), verbal abuse, harassment, prostitution, nuisance animals, nuisance vehicles, substance misuse, rubbish and fly tipping.
- 8.9 Figure 5 below illustrates that rates of these recorded ASB and statutory nuisance incidents in the PRS are higher that other tenure types.

²⁵ ASB and statutory nuisances investigated on a street corner that cannot be linked to a residential property are excluded.

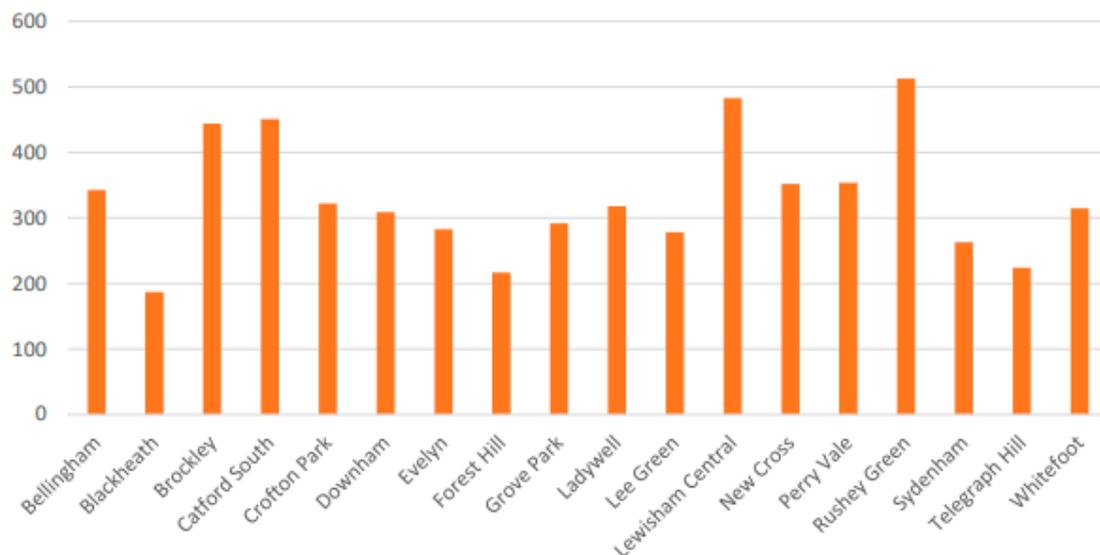
Figure 5: ASB rates per 100 properties by tenure



Source: LBL Private Rented Sector: Housing Stock Condition and Stressors Report (2021)

8.10 Figure 4 below shows that ASB and statutory nuisances directly linked to PRS properties occur across all wards in the borough. However, Rushey Green (513) and Lewisham Central (483) have the highest level of ASB incidents which also coincides with these wards also having a relatively higher number of HMOs. Forest Hill (around 200) and Blackheath (around 190) have the lowest level of ASB incidents which also coincides with these wards having a relatively lower number of HMOs.

Figure 4: No of ASB incidents and statutory nuisances by ward



Source: LBL Private Rented Sector: Housing Stock Condition and Stressors Report (2021)

8.11 As part of the 2019 evidence²⁶ which supported the new Additional Licencing Scheme analysis showed that:

- The proportion of known HMOs with an ASB incident recorded close by was 70%, which is higher than the PRS overall. This was based on a sample of 569 licensed HMOs.
- 46% of HMOs have experienced multiple incidents of environmental ASB in close proximity to the property.

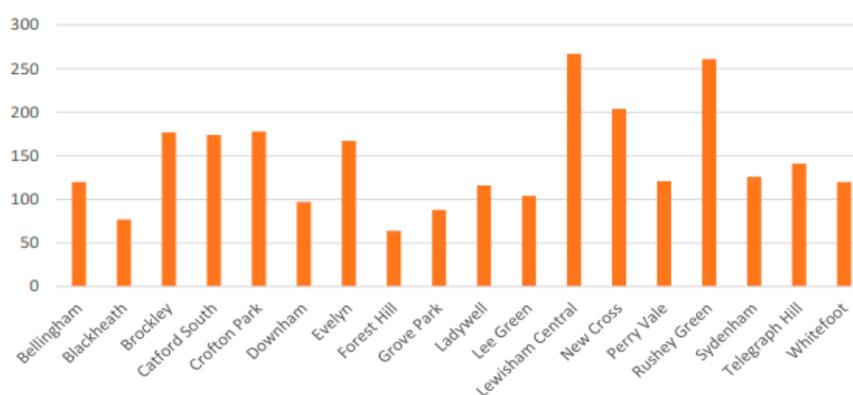
8.12 It is also worth highlighting that as a whole Lewisham receives an average of 19.6 noise complaints per 1,000 population which is more than double the national average of 7.6²⁷.

Links between poor Housing Standards, HMOs and the PRS

8.13 Increases in rent over the 20 past years across London have resulted in problems with residents being able to afford and access decent, affordable housing. This trend has resulted in many households being forced to put up with sub-standard properties with a range of housing hazards. Housing hazards are rated by severity. A category 1 hazard is a serious or immediate risk to a person's health and safety²⁸. There are 8,995 private rented properties in Lewisham that are likely to have at least 1 serious housing hazard (Category 1, HHSRS). This represents 22.7% of the PRS stock, higher than the national average (13%).

8.14 Lewisham recorded 2,602 complaints from private tenants over a 5-year period between 2016 and 2021 regarding and poor property conditions and inadequate property management. Figure 6 below illustrates that these complaints were distributed across all wards. However, Lewisham Central (267) and Rushey Green (261) received the most complaints, which also coincides with wards that have a relatively higher number of HMOs. Whereas Forest Hill (around 60) and Blackheath (around 70) received the lowest complaints, which also coincides with wards with a relatively lower number of HMOs.

Figure 6: PRS complaints by ward



Source: LBL Private Rented Sector: Housing Stock Condition and Stressors Report (2021)

²⁶ Private rented selective and additional property licensing in Lewisham Evidence base for public consultation Spring 2019

²⁷ Source: Office for Health Improvement and Disparities (OHID)

²⁸ This is defined in the Housing Health and Safety Rating System (HHSRS)

Community concerns

Deptford Park Petition

- 8.15 In September 2021, the Council received a petition with 99 signatures from residents concerning the increasing conversion of small Victorian terraced houses into small HMOs on residential streets around Deptford Park, particularly Alloa Road, and the harmful impact this is having on local amenities. The issues highlighted were:
- loss of family housing
 - fly-tipping on street corners
 - overflowing bins
 - bins obstructing pavements
 - anti-social behaviour

Corbett Estate Public Meeting

- 8.16 In October 2021, Janet Daby - the MP for Lewisham East - hosted public meeting at St Andrews Church Hall concerning the impact of HMOs on the Corbett Estate - consisting largely of small Victorian terraced houses - within Catford South ward. The meeting was attended by at least 150 local residents. Some the key issues raised by local residents included:
- HMOs being created in the Corbett Estate are often of poor quality, overcrowded and poorly maintained.
 - Some HMOs created in the Corbett Estate are housing vulnerable adults including those with substance dependence.
 - Increasing HMOs has led to excessive rubbish on streets, increased antisocial behaviour and noise nuisances.
 - The overconcentration of HMOs is the changing family orientated character of the area.

Council HMO evidence collection inbox

- 8.17 In October 2021, the Council set up HMO evidence collection inbox to allow the recording of further HMO-related issues. A number complaints were received from residents concerning noise nuisances and negative impacts streetscape due to overflowing bins and bins repeatedly left out on pavements associated with HMOs on the following streets:
- Alloa Road (Evelyn ward)
 - Scawen Road (Evelyn ward)
 - Trundleys Road (Evelyn ward)
 - Torrindon Road (Catford South Ward)
 - Hazelbank Road (Catford South Ward)
 - Fordel Road (Catford South Ward)

8.18 Some of these complaints also included photos on the negative impact some HMOs are having on the streetscape:



8.19 HMO Licensing records confirmed the streets highlighted in paragraph 8.17 had a high number of HMOs:

- Alloa Road (22)
- Scawen Road (10)
- Trundleys Road (22)
- Torrindon Road (7)
- Hazelbank Road (5)
- Fordel Road (5)
- However, there may be many more unlicensed HMOs.

8.20 Petitions and complaints to the HMO evidence collection inbox show increasing community concern regarding the negative impact of HMOs on the streetscape due to excessive waste. However, this was not reflected in more formal complaint channels to the Council. For example, 99 complaints regarding the overfilling of bins and 554 complaints regarding uncontrolled waste made to the Environmental Crime (enforcement) Team for the year 2021 showed no correlation to HMOs indicated by licensing records or council tax records. This may suggest low public awareness on how the Council addresses immediate issues around HMOs impacting street quality.

8.21 The Council's Environmental Crime Enforcement team and Street Environmental Services respond to fly-tipping and waste issues (such as uncontained builders waste) and complaints. Action can be taken via section 59 of the Environmental Protection Act which allows the Council to serve notices to occupier/owner to remove controlled building waste on private property that is uncontained and not secured within a receptacle. Over-spilling bins are dealt with via a Community Protection Notice (CPN) to owner, occupier, managing agent or landlord. Both can be dealt with by the courts for failure to comply.

Need for family housing

8.22 Lewisham's SHMA Update (2021/22) identifies the overall dwelling mix needed in the borough for the period 2019/2020 to 2028/2029 according to size based on demographic analysis. The findings of the analysis are set out in table 10 below.

Table 10: Overall dwelling need mix based on demographic analysis

Dwelling need		
Dwelling size	% Dwelling stock	No. of dwellings
1-bedroom	12.1	2,020
2-bedroom	26.2	4,370
3-bedroom	42.3	7,050
4 or more	19.4	3,230
Total	100.0	16,670

Source: Lewisham SHMA Update (2021/22)

- 8.23 The table shows there is a significant need for three-bedroom dwellings (7,050), equating to 42.3% of the overall dwelling need. In addition, there is also a need for four or bedroom dwellings (3,320), equating to 19.4% of the overall dwelling need.
- 8.24 The need for family housing is also supported by qualitative data. As part of the Lewisham SHMA (2019) stakeholders were invited to participate in a questionnaire survey aimed at identifying a range of information, including establishing the key perceived housing market issues in Lewisham. A total of 20 separate responses to the stakeholder consultation were obtained and represents a small sample of opinions. Building affordable homes to rent and family housing were ranked as the highest priorities by stakeholders, with 94% and 88% of respondents (respectively) considering these as high priority.
- 8.25 For these reasons the new Local Plan proposes policies that seek to protect existing larger homes suitable for families and maximise the future provision family housing units (3+bedrooms) in major developments of 10 or more dwellings.

9. Evidence summary

- 9.1 The evidence in Section 6 has demonstrated a high and increasing demand for HMOs in the borough due to several factors, including: a large and growing PRS; the housing affordability challenge across London and within Lewisham; a large and growing student population; welfare reforms adding to the proportion of residents who can only afford a room in a shared house; the growth in non-commissioned exempt accommodation nationally adding to the proportion of vulnerable groups living in shared housing; borough-wide Article 4 Directions in neighbouring local authorities and higher rental yields for HMOs than that of single family dwellings.
- 9.2 The evidence in Section 7 has shown that this has resulted in a significant increase in HMOs within the borough since the previous 2018 HMO review. HMO licensing records showed HMOs have increased by 211% since 2017, and council tax records show private rented HMOs have increased by 112% since 2018. However, it is important to note that these data sets do not capture all HMOs for reasons set in paragraphs 7.2 and 7.12, and the exact number of HMOs is estimated to be significantly higher. Predictive modelling estimated there are currently 7,100 HMOs in the borough; this still represents a significant increase of 274% since the 2017/18 estimate (1,900).
- 9.3 A comparative exercise against neighbouring boroughs was undertaken (Table 8) to contextualise this increase. It showed that Lewisham experienced the second-highest increase in estimated HMOs (+4,100) of its seven neighbouring boroughs since 2017/18.

- 9.4 The evidence in Section 7 has indicated that whilst HMOs have increased across all wards since 2018, some wards have seen a greater increase than others. HMO licensing records show Evelyn, Rushey Green and Catford South had the highest increases, whereas council tax records show Brockley, Perry Vale and Blackheath had the highest increases. Overall, these increases have led to significant changes in HMOs' spatial distribution between wards in that there are now more wards with a high presence of HMOs compared to historically. Rushey Green, Perry Vale, Blackheath and Catford South now have a high presence of HMOs, as indicated by council tax or licensing records, in addition to those wards such as Brockley, New Cross and Lewisham Central, which had a high presence of HMOs traditionally.
- 9.5 The evidence in Section 7 has also showed significant changes in the spatial distribution of HMOs at a street level since the 2018 review, with a greater degree of clustering. HMO licensing records indicated the number streets with five or more HMOs has increased from 9 in 2017 to 57 in 2022 and from council tax records the increase has been from 37 in 2018 to 81 in 2022. This increased level of clustering is also corroborated by predictive modelling, which approximated that 25 LSOAs across most wards are likely to have an overconcentration of HMOs (10% of properties).
- 9.6 Lastly, regarding harm arising from HMOs the evidence in Section 8 has demonstrated that over concentrations of HMOs exist throughout the borough, which is harmful in itself by creating unbalanced communities and reducing the supply of housing available for families. Secondly, the evidence suggested that links exist between anti-social behaviour (ASB) and HMOs. Extensive research which supported the Council's new additional licencing scheme found that the proportion of ASB incidents recorded close by to a HMO is higher than the PRS overall. Thirdly, concerns of the community also offered first-hand evidence through the submission of petitions and complaints to the Council's HMO inbox that poorly managed and increased concentrations of HMOs can cause issues in terms of street quality, waste and management problems.

10. Need for Article 4 Direction

- 10.1 Considering the evidence, an assessment of the need to introduce further Article 4 Directions is presented below.

Infrastructure Planning

- 10.2 Population growth puts pressure on existing infrastructure and creates increased demand for infrastructure such as healthcare facilities, leisure facilities and open spaces, but also less visible infrastructure such as utilities and telecommunications.
- 10.3 The change of use from dwellinghouses to small HMOs results in a greater number of different types of households that might otherwise have not been planned for. Consequently, HMOs could put greater pressure on the services and social infrastructure in the area, such as health and community facilities. The adopted and emerging Infrastructure Delivery Plan does not plan for this additional population growth, which appears to be 'invisible' as it is subject to permitted development rights.

- 10.4 Introducing a further Article 4 Direction would help the Council to ensure that communities' needs are being considered and reviewed through planning applications seeking to create new HMOs.

Improving standards

- 10.5 As the analysed evidence suggests, the private rented sector, of which HMOs make a significant proportion, often provide a poor standard of living accommodations. Combined with the new additional licensing scheme covering most HMOs, introducing further Article 4 Directions would allow the Council to promote and secure high quality and safe HMOs, providing appropriate internal and external spaces. Furthermore, an impact on the living conditions of the surrounding properties could be assessed and managed as part of the planning application process.

Minimising impact on local amenity

- 10.6 As the analysed evidence suggests, links between HMO concentrations and anti-social behaviour, noise and excessive waste exist. Introducing a further Article 4 Direction would allow the Council to review proposals for small HMO proposals to ensure that the cumulative impact of such properties does not give rise to additional adverse impacts in terms of social and environmental issues.

Need for family housing

- 10.7 There is a significant need for family housing units in the borough with around 10,000 families on the Council's waiting list for social rented housing. The need for family housing units, particularly 3 bedroom units, is high in both the affordable and market sector. It is therefore important to ensure that there are various tenures and units sizes that can cater for diverse population in the borough such as families, but also for people who can only afford and/or want to live in HMOs.
- 10.8 The increasing conversion of family dwellings into small HMOs creates an even higher demand for family houses as the existing family housing stock gets reduced through permitted development rights. The conversion of family units to HMOs is also hindering the Council's ability to buy back suitable properties for affordable family housing.
- 10.9 The adopted and emerging Local Plan's policies seek to protect existing family homes and maximise their future provision. Introducing a further Article 4 Direction would help the Council to manage the existing housing stock and monitor the extent of family housing units that gets converted into small HMOs through the permitted development rights.

11. Options

- 11.1 The following options have been considered with respect to introducing a further Article 4 direction:
- Option 1: do nothing
 - Option 2: introduce in certain wards
 - Option 3: introduce in the remainder of the borough

Option 1: do nothing

- 11.2 This option would not introduce any further Article 4 directions. As a result, the conversion of dwellinghouses to small HMOs would continue under permitted development rights outside the existing Article 4 Direction boundary (see Appendix 1). This could potentially lead to more over concentrations of HMOs in the borough, creating unbalanced communities, and giving rise to harmful impacts to the local amenity and well-being of an area. This could also impede Council's objective to ensure there is a sufficient supply of family homes.
- 11.3 The recently introduced additional licensing scheme for HMOs would help achieve a higher quality of HMO accommodation in the borough as well as minimise anti-social behaviour associated with some HMOs. However, some of the issues assessed by a planning are not dealt with by licensing as outlined paragraph 5.6.
- 11.4 As such, it is considered that the option of not introducing further Article 4 Direction would be an inappropriate response to better manage the impact of HMOs and the supply of family homes.

Option 2: introduce in certain wards

- 11.5 The second option would introduce further Article 4 Directions in certain wards that are seen as more problematic than others. However, the evidence shows that HMOs have increased and over concentrations occur across borough.
- 11.6 Furthermore, this option could potentially result, over time, in further harmful over concentrations of HMOs in areas which are not covered by an Article 4 Direction if the market reacts to localised planning controls, especially when borough-wide Article 4 Directions in neighbouring local authorities are factored.

Option 3: introduce in the remainder of the borough

- 11.7 This option would introduce an Article 4 direction covering the remainder of the borough so all HMOs in the borough would require planning permission.
- 11.8 It is considered this option could ensure a more consistent and effective management of HMOs alongside the new additional licensing scheme. It would help prevent further over concentrations of HMOs (once the new Local Plan is adopted) and associated negative impacts from being displaced to other areas as well as help to ensure the supply of family housing is managed across the borough.

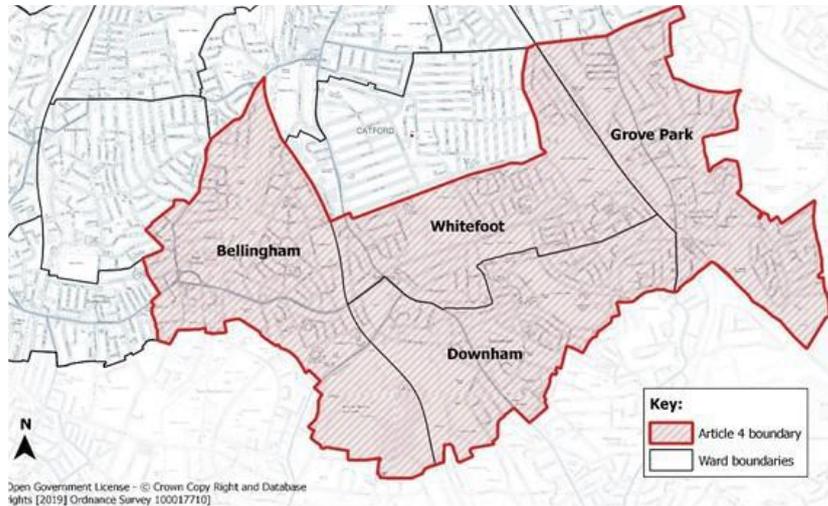
12. Conclusion

- 12.1 This report has evidenced that the situation has changed significantly since the last HMO Review was undertaken in 2018. Firstly, there has been a significant increase in HMOs, with over concentrations occurring across the borough in many wards with either a low, medium or high presence of HMOs traditionally. Secondly, the evidence suggests a link between HMOs and anti-social behaviour, including rubbish and fly-tipping worsening the street quality. However, this should not be attributed to all HMOs; many occupants of HMOs form part of and make a valuable contribution to the communities of Lewisham. Nonetheless, this does not take away from the need to better manage the cumulative impact of an increasing number of HMOs.

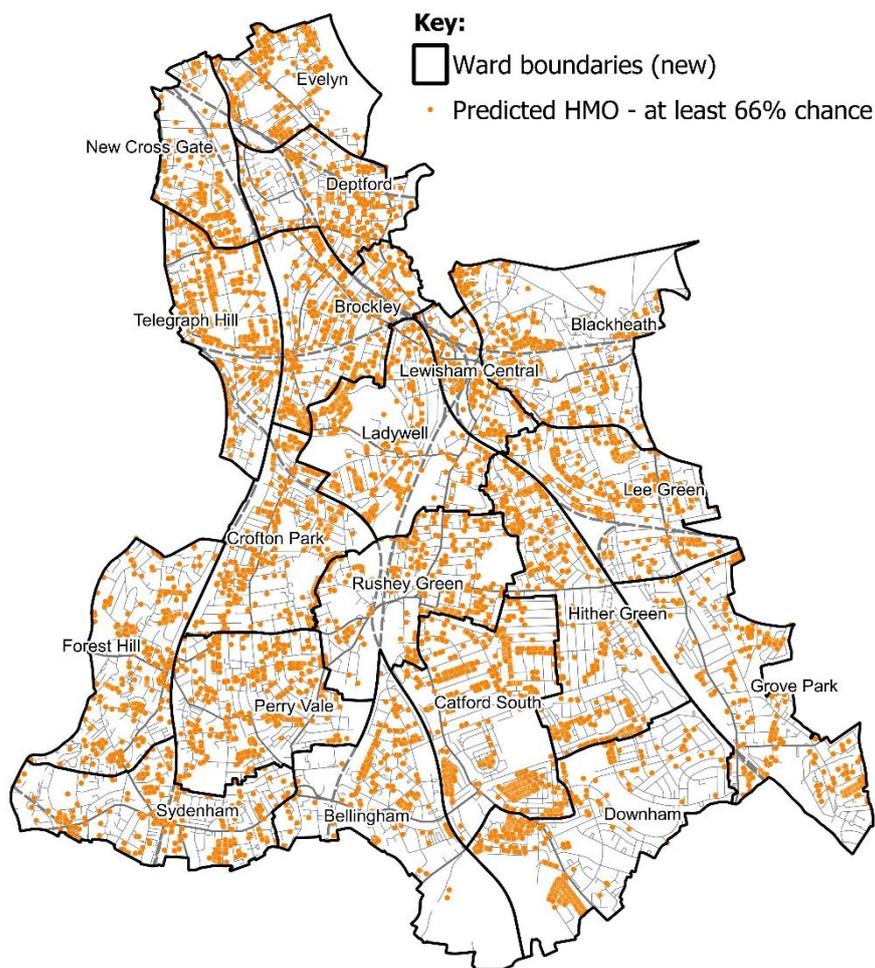
- 12.2 On the strength of the data that has been discussed in this paper, the implementation of a of an Article 4 Direction covering the remainder of the borough can be justified as an increase in HMOs at a borough-wide level in a clustered manner to the point where it is giving rise to harm on local amenity and wellbeing and exacerbating the acute need for family housing can be observed.
- 12.3 After considering the options in Section 11, it is considered an Article 4 Direction applying to the remainder of the borough is the smallest geographical area possible in order to ensure that the local amenity and well-being of areas is protected and the supply family housing is appropriately managed.
- 12.4 An Article 4 Direction covering the remainder of the borough, if implemented, will not be introduced in isolation. It will assist the new Additional HMO Licensing Scheme – covering most HMOs - recently introduced in a complementary and coordinated approach between the Housing and Planning functions of the Council. This approach will help the Council ensure HMOs are of good quality and provide a suitable standard of accommodation in appropriate locations balanced with the need for family housing whilst preventing low-quality accommodation in inappropriate locations.

13. Appendices

Appendix 1: Existing Article 4 Direction boundary



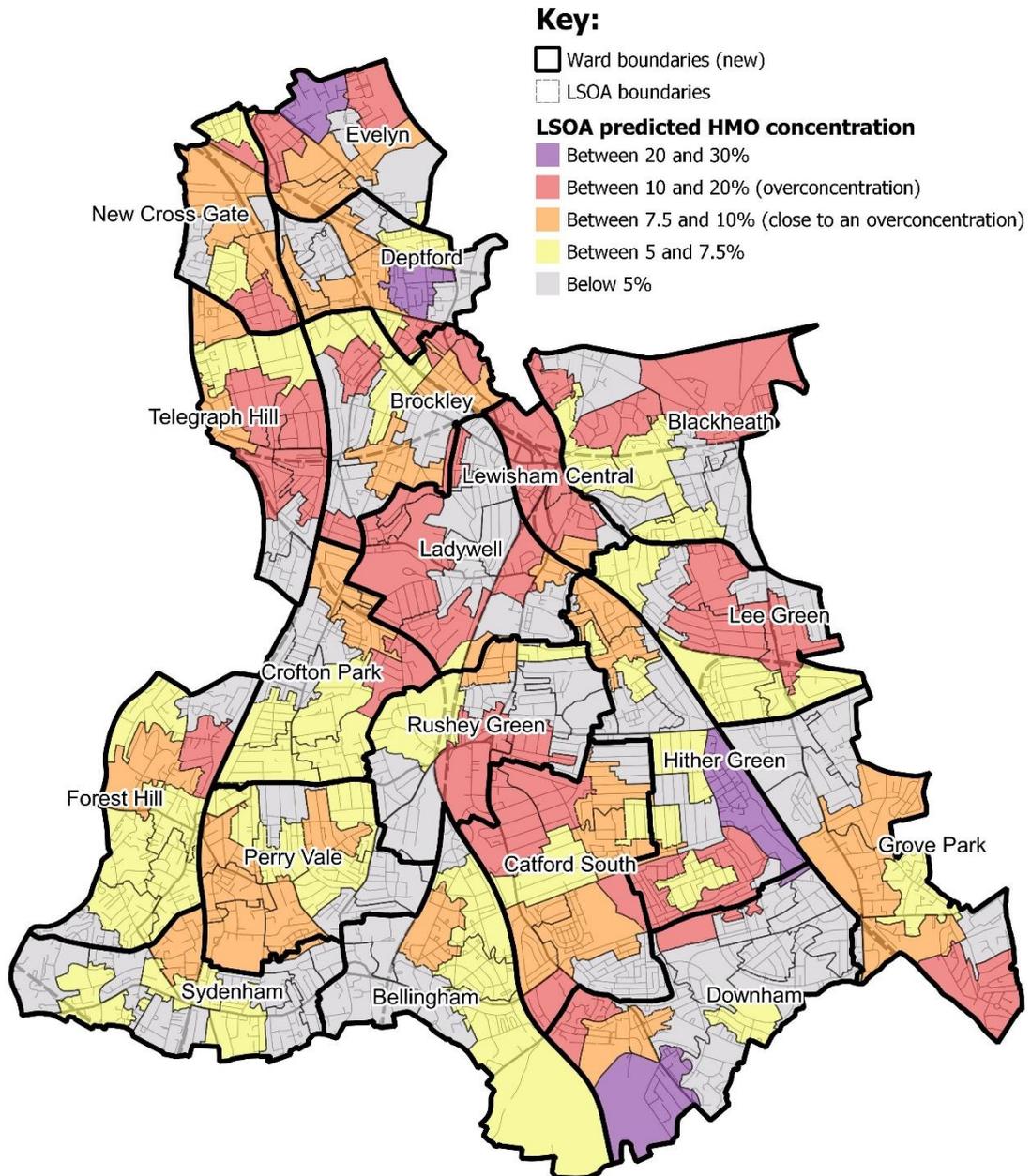
Appendix 2: Predicted HMOs in relation to new ward boundaries



Appendix 3: Distribution of predicted HMOs by new wards

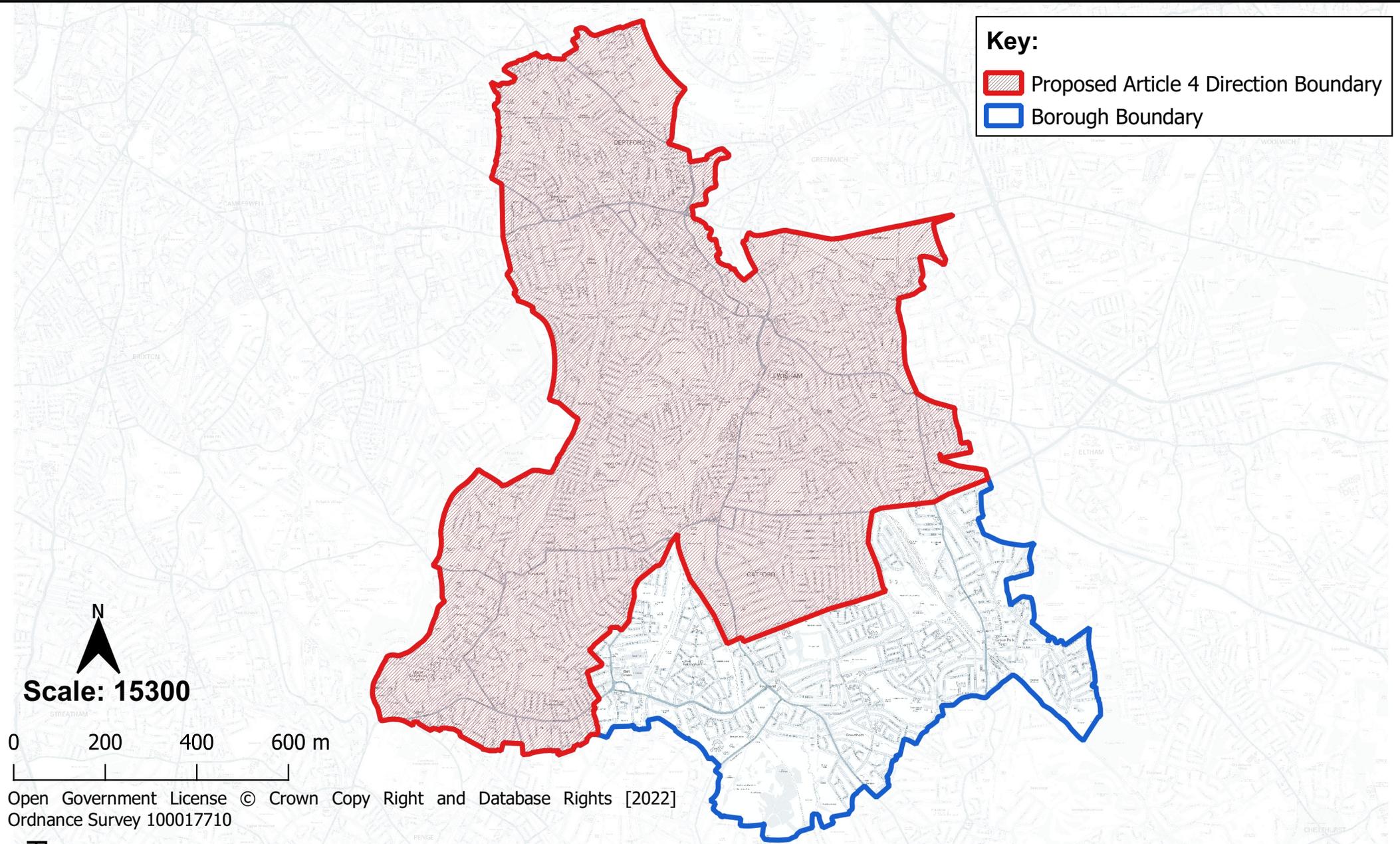
Ward	Number
Evelyn	1125
Brockley	1046
Catford South	736
Telegraph Hill	687
Hither Green	620
Blackheath	614
Deptford	605
Perry Vale	553
Rushey Green	518
Lee Green	512
Crofton Park	508
Lewisham Central	506
Ladywell	499
Forest Hill	442
Grove Park	410
Downham	406
New Cross Gate	363
Sydenham	352
Bellingham	264

Appendix 4: Predicted HMO over concentrations in relation to new ward boundaries



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Area covered by Article 4 Direction



Date: May 2022

Author: Strategic Planning

London Borough of Lewisham



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DRAFT

Strategic Environmental Assessment (SEA) Screening Assessment

Article 4 Direction for the remainder of the borough to withdraw permitted development rights for the change of use from dwellinghouse (Use Class C3) to Small HMO (Use Class C4)

Prepared by:
London Borough of Lewisham

For consultation with statutory consultees

17 May 2022

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2.0	SEA Screening Procedure	2
3.0	Scope	3
4.0	Assessment of Environmental Effects	4
5.0	Draft Determination	9

1 Introduction

- 1.1 This Screening Assessment report has been prepared to determine whether a Strategic Environmental Assessment (SEA) is required for the use of an Article 4 Direction for the remainder for the borough to withdraw permitted development rights for the change of use from dwelling house (Use Class C3) to small HMO's (Use Class C4), in line with the Strategic Environmental Assessment Directive (Directive 2001/42/EC), transposed into law by the Environmental Assessment of Plans and Programmes Regulations (the 'SEA Regulations') 2004.
- 1.2 Recognising that the Article 4 Direction will withdraw permitted development rights and require planning permission to be sought in accordance with our development plan unless material considerations indicate otherwise, the council is required to consider whether the Article 4 Direction has the potential to result in significant environmental effects, particularly where such effects may not have already been assessed during the preparation of the council's statutory Development Plan.
- 1.3 This Screening Report has been prepared in accordance with Regulation 9 of the SEA Regulations 2004.
- 1.4 This is a draft screening assessment for consultation with the prescribed statutory consultation bodies. A final determination will be published by the council having regard to all representations received.

2 Scope of the Article 4 Direction

- 2.1 The proposed Article 4 Direction Article 4 Direction for the remainder of the borough to withdraw permitted development rights for the change of use from dwellinghouse (Use Class C3) to small HMO's (Use Class C4).
- 2.2 The making of an Article 4 Direction is considered to be in compliance with the NPPF and would enable the Council to better manage the impact of small HMOs across the borough and balance their demand with the need for family housing.

3 SEA Screening Procedure

3.1 The SEA screening procedure generally comprises of 6 stages, as detailed below:

1. Preliminary Assessment: to determine whether screening is necessary;
2. Assessment of likely Environmental Effects: if screening is required the an assessment of the likely environmental effects, including any significant effects, will be undertaken in accordance with the SEA Regulations 2004;
3. Draft Screening Report: a draft screening report will be prepared summarising the results of Stage 2 and including a draft determination as to whether the SPD is likely to have significant environmental effects;
4. Consultation with statutory bodies.
5. Final Screening Report: consideration to be given to the responses from the three statutory bodies and then a final version of the screening report prepared confirming:
 - a. The result of the screening;
 - b. Responses from the consultation bodies;
 - c. The final determination, and
 - d. The statement of reasons if no SEA is required
6. Final Screening Report made publically available: the Council will issue the Final Screening Report to each of the three statutory consultees and make it publicly available for inspection.

3.2 This is the stage 3 report, with the current consultation being stage 4.

4 Assessment of Environmental Effects

4.1 The council, as the “responsible authority”, must determine whether the plan or programme (in this case, the use of an Article 4 Direction) is likely to have significant environmental effects. The criteria for determining the significance of effects are set out in Schedule 1 of the SEA Regulations 2004, which are set out in the Table 4.1 below. The proposal has been assessed against each of these criteria and the results are also detailed in Table 4.1.

Table 4.1 - SEA Screening Assessment

SEA Directive Criteria	Assessment	Likely Significant Effects?
1. Characteristics of the plan or programme		
(a)	<p>the degree to which the plan or programme sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources;</p> <p>It is not considered that this programme will significantly influence or set the framework for other projects or activities. The Article 4 Direction is not a statutory development plan document or a strategic plan, and does not set a framework for allocating resources.</p> <p>The proposed Article 4 Direction is a targeted intervention, which will help give effect to the adopted spatial development strategy for the borough.</p>	No
(b)	<p>the degree to which the plan or programme influences other plans and programmes including those in a hierarchy;</p> <p>The National Planning Policy Framework (NPPF) 2021 paragraph 53 states that.</p> <p><i>the use of Article 4 directions to remove national permitted development rights should be... limited to situations where this is necessary to protect local amenity or the well-being of the area [and]...be based on robust evidence, and apply to the smallest geographical area possible).</i></p> <p>The HMO Review May 2022 has evidenced that the situation has changed significantly since the last HMO Review was undertaken in 2018. Firstly, there has been a significant increase in HMOs, with over concentrations occurring across</p>	No

		<p>the borough in many wards with either a low, medium or high presence of HMOs traditionally. Secondly, the evidence suggests a link between HMOs and anti-social behaviour, including rubbish and fly-tipping worsening the street quality</p> <p>The making of an Article 4 Direction is considered to be in compliance with the NPPF and would enable the Council to better manage the impact of small HMO's within the borough and balance their demand with the need for family housing.</p> <p>It is important to note that an Article 4 Direction merely removes the permitted development right, it does not remove the right of a person to make an application for planning permission to carry out the development.</p> <p>In Lewisham's case, the development plan includes the London Plan, the Core Strategy, the Development Management Plan, the Site Allocations Plan and the Lewisham town centre Local Plan.</p>	
(c)	<p>the relevance of the plan or programme for the integration of environmental considerations in particular with a view to promoting sustainable development;</p>	<p>The use of an Article 4 Direction will help ensure that the impact of small HMO's within the borough are better managed and their demand is balanced with the need for family housing.</p> <p>And that HMOs are in appropriate, sustainable locations in line with DM Policy 6 Houses in multiple occupation (HMO) as part of a balanced mix of housing.</p> <p>The relevant policies relating to Homes in Multiple Occupation (HMOs) in the Lewisham Development Management Plan are policy DM Policy 6 Houses in multiple occupation (HMO)</p> <p><i>1. The Council will only consider the provision of new Houses in Multiple Occupation where they:</i></p>	No

		<p>a. are located in an area with a public transport accessibility level (PTAL) of 3 or higher</p> <p>b. do not give rise to any significant amenity impact(s) on the surrounding neighbourhood</p> <p>c. do not result in the loss of existing larger housing suitable for family occupation, and</p> <p>d. satisfy the housing space standards outlined in DM Policy 32.</p> <p>2. The Council will resist the loss of good quality Houses in Multiple Occupation.</p> <p>The self containment of Houses in Multiple Occupation, considered to provide a satisfactory standard of accommodation for those who need shorter term relatively low cost accommodation will not be permitted, unless the existing floorspace is satisfactorily re-provided to an equivalent or better standard.</p>	
(d)	environmental problems relevant to the plan or programme;	It is not anticipated that any environmental problems will be introduced or intensified as a result of the proposed Article 4 Direction.	No
(e)	the relevance of the plan or programme for the implementation of Community legislation on the environment (e.g. plans and programmes linked to waste-management or water protection).	<p>The concentration of HMOs in inappropriate locations can often lead to negative impacts.</p> <p>A report produced by then Department for Communities and Local Government (DCLG), Housing in Multiple Occupation and possible planning response (2008) noted the following negative impacts that can be experienced in such circumstances:</p> <ul style="list-style-type: none"> • anti-social behaviour, noise and nuisance; • poor refuse management; • imbalanced and unsustainable communities; • negative impacts on the physical environment and streetscape; 	No

		<ul style="list-style-type: none"> • pressures upon parking provision; • increased crime; • growth in private rented sector at the expense of owner-occupation; and • pressure upon local community facilities and restructuring of retail, commercial services and recreational facilities to suit the lifestyles of the predominant population. <p>The making of an Article 4 Direction would enable the Council to better manage the impact of small HMOs within the borough.</p>	
2. Characteristics of the effects and of the area likely to be affected			
(a)	the probability, duration, frequency and reversibility of the effects,	The impact of the Article 4 is likely to be overwhelmingly positive, with the document having the potential to have positive impacts in the short, medium and longer term.	No
(b)	the cumulative nature of the effects	<p>Once in place the Article 4 Direction will be relevant to all properties that fall within the proposed area, and only where an application for a change of use to a small HMO is made.</p> <p>The Article 4 Direction will enable the council to better manage the impact of small HMO's within the borough and is expected to have a positive cumulative impact, however these are not considered to result in likely significant environmental effects.</p>	No
(c)	the trans-boundary nature of the effects of the SPD	There are no trans-boundary effects anticipated from the proposed Article 4 Direction.	No
(d)	the risks to human health or the environment (for example, due to accidents)	HMOs are most frequently occupied by low income, transient people. The proposal for an Article 4 Direction will assist in delivering better quality HMOs and regulate their concentration improving the living	No

		<p>conditions for occupants and those nearby.</p> <p>There are no anticipated risks to human health or the environment.</p>	
(e)	<p>the magnitude and spatial extent of the effects</p> <p>(geographical area and size of the population likely to be affected),</p>	<p>The proposed Article 4 Direction will cover 16 wards (2520ha in size) and an estimated population of 242,295.</p> <p>The extent of the Article 4 Direction covers a significant proportion of the borough but a small proportion of the sub-region; the proposal is not considered to result in likely significant environmental effects.</p>	No
(f)	<p>the value and vulnerability of the area likely to be affected due to:</p> <p>i) special natural characteristics or cultural heritage</p> <p>ii) exceeded environmental quality standards or limit</p>	<p>The area does contain many statutory designated heritage assets. The Article 4 Direction is not expected to have any significant impact on these assets.</p> <p>There are a number of Sites of Importance Nature Conservation (SINC) and also Metropolitan Open Land (MOL). The Article 4 Direction is not expected to have any significant impact on these assets.</p>	No
(g)	<p>the effects on areas or landscapes which have a recognised national, Community or international protection status</p>	<p>There are a number of Sites of Importance Nature Conservation (SINC) and also Metropolitan Open Land (MOL). The Article 4 Direction is not expected to have any significant impact on these assets.</p>	No

5 Draft Determination

- 5.1 The screening assessment detailed in table 4.1 indicates that that the use of an Article 4 Direction for the remainder of the borough to withdraw permitted development rights for the change of use from dwelling house (Use Class C3) to small HMO's (Use Class C4), will not result in any significant environmental impacts. It is noted that the SEA Regulations 2004 do not specify the nature of effects (i.e. positive or negative) that would give rise to a full SEA. However, this assessment has identified that the Article 4 Direction is unlikely to generate significant environmental effects by itself, and there are no negative effects on the environment anticipated. The spatial extent of the Article 4 covers the remainder of the borough and will enable the council to better manage the impact of small HMO's across the borough and balance their demand with the need for family housing.
- 5.2 Any effects resulting from higher tier planning documents including the 'parent policies' relevant to HMOs have already been considered and assessed by a separate full SEA through the Development Plan process.
- 5.3 The Article 4 Direction does not propose any new policies, or the amendment of existing policies, and will not allocate resources or direct other higher level plans and programmes.
- 5.4 In conclusion, the draft determination is that a SEA will not be required.

Next Stage

- 5.5 The draft determination is that a SEA will not be required for the Article 4 Direction. However, before a final determination is made it will be necessary to:
- 1 Consult on this draft determination with statutory consultees
 - 2 Prepare a final screening report, which is to be made publicly available.

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Housing Select Committee

Report title: Housing Revenue Account (HRA) Business Plan

Date: 6 June 2022

Key decision: Yes.

Class: Part 1

Ward(s) affected: All

Contributors: Fenella Beckman, Director of Housing Services

Outline and recommendations

Housing Select Committee are asked to note the report and the presentation which will be given at the 6 June Committee meeting and to provide comments.

Timeline of engagement and decision-making

6 June 2022	Presentation to Housing Select Committee members

1. Summary

- 1.1. This report introduces a presentation to be made to Housing Select Committee members regarding the development of a Housing Revenue Account Business Plan.

2. Recommendations

- 2.1. Housing Select Committee are asked to note the report and presentation which will be given at the meeting and to provide comments.

3. Policy Context

- 3.1. The contents of this report are consistent with the Council's policy framework. It supports the achievements of the Corporate Strategy objectives:
- 3.1.1. Tackling the housing crisis – Everyone has a decent home that is secure and affordable.
- 3.2. The contents of this report support the achievement of the following Housing Strategy 2020-26 objectives:
- 3.2.1. Delivering the homes that Lewisham needs;
- 3.2.2. Improving the quality, standard and safety of housing.

4. Background

- 4.1. Statutory requirements as to the keeping of a Housing Revenue Account (HRA) are contained in the Local Government and Housing Act 1989. The provisions include a duty, under Section 76 of the Act, to budget to prevent a debit balance on the HRA and to implement and review the budget.
- 4.2. A HRA business plan is assessed across a 30-year period so as to understand the long term financial implications of changes in the capital programme, legislative change and other strategic decisions. It is updated to include the impact of known forecast changes, Government policies, capital plans, funding arrangements and risk factors.
- 4.3. The main focus is on the medium-term (five years) as there is more certainty on costs, demands, resources and pressures, which allows housing investment to be prioritised. Medium term planning is also needed in order to take account of the Council's strategic objectives and how Government policies may impact rents, disposals and regeneration.

5. Developing our HRA Business Plan

- 5.1. In order to inform and facilitate the production of the Plan, meetings have been arranged to date with key stakeholders, including the Cabinet Member for Housing

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(Pre-May 2022 election), and officers from the Council, Lewisham Homes and the PFI.

- 5.2. Lewisham Homes has produced a draft Asset Management Strategy for 2021 to 2026. This is based on a Stock Condition Survey that was carried out during 2019 and 2020 and was reported in early 2021. The draft Asset Management Strategy prioritised fire safety works, maintaining decency, planned maintenance and cyclical programmes. The following items were not included:
 - 5.2.1. Planned lift replacement
 - 5.2.2. Meeting the Council's climate emergency ambitions to achieve EPC ratings of B or above
 - 5.2.3. Environmental improvements that will be required to comply with the new consumer standards regulation
 - 5.2.4. Lifecycle maintenance for Large Panel System blocks.
- 5.3. The Council is therefore working with LH to finalise it's a joint Asset Management Strategy taking into account the need to address the points set out at 5.2. The new Asset Management Strategy will set out our priorities for managing our stock and will ensure that the costs are budgeted for in the Housing Revenue Account.
- 5.4. The Council wishes to upgrade its stock so that all dwellings have a SAP rating of A or B. However, there are 851 properties where achieving a grade above C would not be possible and there is no budgetary provision for this policy on the grounds that the upgrades may be funded by government grants. The Council is therefore carrying out a review of the 851 properties where achieving a grade above C would not be possible, and is assessing the potential costs of the zero carbon policy with a view to establishing an appropriate contingency in the business plan.
- 5.5. Following discussion at Housing Select Committee, a draft HRA Business Plan will be developed to consider the options that are available to the Council to balance the Housing Revenue Account in the long-term. It will later be incorporated into the Council's established financial monitoring and reporting processes and a report presented to Mayor and Cabinet for approval as part of the Council's budgets and MTFs process from February 2023.

6. Financial implications

- 6.1. The Housing Select Committee are asked to note this report and presentation on the development of the Housing Revenue Account Business Plan and to provide comments. As such, there are no direct financial implications arising from this report.
- 6.2. Developing a 30-year Business Plan for the Housing Revenue Account will consider the strategic priorities for the service and take account of the Capital and Revenue requirements arising from those priorities. The plan will contain a key set of assumptions such as investment needs, future inflation rates and rental assumptions. It will be the key tool for ensuring a viable longer-term strategic approach is taken for managing the service.
- 6.3. The Business Plan should demonstrate if the investment proposals are fundable, subject to the assumptions within the plan, and that the HRA remains sustainable and viable over the 30-year period. The plan will need to be updated regularly to take account of legislative and financial changes and mitigations identified at an early stage where affordability issues arise.

7. Legal implications

- 7.1. The HRA business plan is the Council's strategy for spending and borrowing: to

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maintain its stock, operate services for its tenants and leaseholders, and design and build new council homes. As with any other business plan, it must show that the Council has clear proposals for achieving its objectives and that these are financially viable in the short, medium and long term. Having an HRA Business Plan that is approved by Mayor & Cabinet, based on reasoned assumptions and an underlying financial model, forms the basis of good governance and sound financial management.

8. Equalities implications

8.1. There are no anticipated equalities implications.

9. Climate change and environmental implications

9.1. Investment in the stock, financed by the HRA will be required in order to meet minimum standards going forwards in order to meet certain climate change and environmental impact considerations.

10. Crime and disorder implications

10.1. There are no anticipated crime and disorder implications.

11. Health and wellbeing implications

11.1. There are no anticipated health and wellbeing implications.

12. Report author and contact

12.1. Fenella Beckman, Director of Housing, 020 8314 8632;
Fenella.Beckman@lewisham.gov.uk

12.2. Comments for and on behalf of the Executive Director for Corporate Resources:
Tony Riordan, principle accountant, 020 8314 6854, Tony.Riordan@lewisham.gov.uk

12.3. Comments for and on behalf of the Director of Law, Governance & Elections

12.4. Katherine Kazantzis, Principal Lawyer; 020 8314 7820,
Katherine.Kazantzis@lewisham.gov.uk

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Housing Revenue Account Business Plan – Key Messages

**Housing Select Committee
6th June 2022**

The Housing Revenue Account (HRA)

- Statutory requirements as to the keeping of a Housing Revenue Account (HRA) are contained in the Local Government and Housing Act 1989.
- The provisions include a duty, under Section 76 of the Act, to budget to prevent a debit balance on the HRA and to implement and review the budget.
- The HRA is a statutory “landlord” account that must be kept separate from other local authority accounts and contains all the income from and expenditure on our housing stock
- The HRA has to be balanced at the end of each year, it cannot be in deficit.

The HRA

The HRA is currently £305m of which:

- £95m is Operational HRA and
- £210m is capital which comes from income and borrowing

The Operational HRA is funded:

- Around 83% from rents
 - 7% from fees and charges to tenants
 - 10% from Government subsidy
- There are 20,213 homes (including hostels) of which 13,999 are tenants and 5,894 are leasehold homes.
 - Lewisham Homes manage 18,383 homes, including hostels (12,505 are tenants, 5,167 are leaseholders, plus 236 tenanted and 155 leasehold homes are managed by TMO agreements).
 - Regenter B3 (PFI contract) manage 1,830 homes (1,258 are tenants and 572 are leaseholders)



Income and Expenditure - revenue

Income comes from:

- Rents
- Tenant and leaseholder service charges
- Hostel charges
- Charging from major works programmes
- Grant income and interest earned

Expenditure:

- Management costs
- Repairs and maintenance
- PFI costs
- Depreciation/ Interest
- Revenue contribution to capital

Income and expenditure - capital

Income:

- Major Repairs Reserve Opening Balance
- Revenue contribution to Capital
- Depreciation
- GLA Grants
- RTB Receipts
- Sale Receipts
- Borrowing

Expenditure:

- Capital programme (including Decent Homes)
- New Build construction

The HRA Business Plan

- It is good practice to have a business plan which sets out how priorities are determined and monitored.
- A HRA business plan is assessed across a 30-year period so as to understand the long term financial implications of changes in the capital programme, legislative change and other strategic decisions.
- It needs to be regularly updated to include the impact of known forecast changes, Government policies, capital plans, funding arrangements and risk factors.
- HRA business plans also need to be reviewed to understand the impact of changes in the assumptions and capital expenditure on the affordability of the plan. This will enable any necessary mitigations to be identified at an early stage.
- The main focus is on the medium-term (five years) as there is more certainty on costs, demands, resources and pressures, which allows housing investment to be prioritised. Medium term planning is also needed in order to take account of the Council's strategic objectives and how Government policies may impact rents, disposals and regeneration.

Why we need a HRA Business Plan

The Business Plan will enable the Council to make medium and long term plans to ensure we are able to meet our Priorities. It also ensures that we are:

- Efficiently managing our business as a landlord
- Meeting our existing statutory responsibilities and have set out how we are going to meet new responsibilities
- Setting out how we will fund our annual maintenance programmes as well as maintenance that needs to be done every five years, ten years
- Can demonstrate to Treasury that we have a plan so that we are able to borrow
- Managing our risks. The Council reviewed its Strategic Risk Register in September 2021 and identified risks relating to:
 - Failure to comply with the new consumer standards
 - Estate rationalisation
 - Increase in building costs

Developing our Business Plan

In order to inform and facilitate the production of the Plan, meetings have been arranged to date with key stakeholders. These stakeholders include the:

- Cabinet Member for Housing.
- the Executive Directors for Housing, Regeneration and Public Realm, and Corporate Resources, and the Directors of Housing Services, Inclusive Regeneration and Financial Services.
- Lewisham Homes through meetings involving the Chief Executive, the Director of Property Services and Safety and the Director of Finance and Technology amongst others.
- Senior officers from Regenter B3
- Officers from both the Council's Regeneration and Lewisham Homes Development teams



Existing challenges that need to be addressed..

Lewisham Homes have published an Asset Management Strategy 2021-26 which was based on the findings of a Stock Condition Survey carried out during 2019-20. The Stock Condition Survey highlighted that the stock was currently not in good condition with 47% failing the decent homes standard.

Emerging challenges that need to be addressed

Other emerging challenges include:

- Planned lift replacement
- Meeting the Council's climate emergency ambitions to achieve EPC ratings of B or above
- Environmental improvements that will be required to comply with the new consumer standards regulation
- Lifecycle maintenance for Large Panel System blocks.

Other risks / challenges ...

- Our priorities include bringing all our homes up to a SAP rating of A or B. However there are 851 homes that have been assessed as not being able to achieve a grade above C. We therefore need to establish what we will do with these 851 homes.
- Brockley PFI comes to an end in 2027 and the properties will be coming back to the Council.

The Building for Lewisham programme

In January 2020 the Mayor approved the expansion of the Building for Lewisham programme to meet the corporate objectives for 2018-22 which included a target of building 1000 social homes through direct delivery and through partnerships with other RPs.

The new build programme falls into four categories:

- Schemes that are onsite / complete – these are schemes where the council has entered into contracts for delivery
- Planning – these are schemes that are at an advanced stage of design and planning where there are planning consultants appointed to take the schemes through planning and to procure a contractor
- Approved pipeline – these are schemes at an early stage of design and planning
- Unapproved pipeline – these are schemes at an early feasibility study stage. No commitment made to deliver these schemes

The HRA Business Plan will include the first three categories and these schemes need to be kept under constant review.

Next Steps

Following discussion at Housing Select Committee, a draft HRA Business Plan will be developed. It will later be incorporated into the Council's established financial monitoring and reporting processes.

The next steps will be to:

- Develop a shared Asset Management Strategy
- Ensure strong assurance and spending controls
- Keep development programme under constant review
- Incorporate the HRA Business Plan into the Council's budgets and MTFS process from February 2023

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Housing Select Committee

Future of Housing Managed by Lewisham Homes: Options

Date: 6th June 2022

Key decision: Yes

Class: Part 1

Ward(s) affected: All

Contributors:

Jennifer Daothong, Executive Director Housing, Regeneration and Public Realm

Outline and recommendations

The Mayor has requested that the Council make use of its contractual right to review its management agreement with Lewisham Homes and consider whether, in light of the changing legislative and regulatory environment, these management arrangements still best meet the needs of Lewisham Homes tenants and leaseholders. Changes in social housing legislation and regulations will be introduced later this year. A report will be brought to Mayor and Cabinet in July that considers the implications of these changes and the options which are available to the Council in delivering the best housing management outcome for Lewisham Homes tenants.

It is recommended that in advance of Mayor and Cabinet considering that report, Housing Select Committee:

- Consider the findings of the review of housing management options.
- Note that transferring the housing landlord services may offer a better opportunity to respond to the revised regulatory and legislative requirements set out in appendix 1.
- Note that any decision around the future of housing management will require a decision by Mayor and Cabinet and then be subject to consultation and engagement with Lewisham Homes tenants and leaseholders.
- Endorse the proposed approach to engagement with residents as set out in section 8.

1. Summary

- 1.1. This report sets out the work undertaken to date to consider the options for the future arrangements for managing the homes currently managed by Lewisham Homes.
- 1.2. It sets out the conclusions drawn following a review of alternative housing management models. Transferring the landlord management services to direct delivery by the Council offers an opportunity to respond to the revised regulatory and legislative requirements and avoid some of the additional costs that these requirements will involve.

2. Recommendations

- 2.1. The Housing Select Committee is recommended to:
 - a) Consider the findings of the review of housing management options.
 - b) Note that transferring the landlord management services may offer a better opportunity to respond to the revised regulatory and legislative requirements set out in appendix 1.
 - c) Note that any decision around the future of housing management will require a decision by Mayor and Cabinet and then be subject to consultation and engagement with Lewisham Homes tenants and leaseholders.
 - d) Endorse the proposed approach to engagement with residents as set out in section 8.

3. Policy Context

Council strategies

- 3.1. The Council's Corporate Strategy (2018-2022) refers to:
 - **Tackling the Housing Crisis** – Providing a decent and secure home for everyone.
 - **Building an Inclusive Economy** – Ensuring every resident can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy.
 - **Making Lewisham greener**- Everyone enjoys our green spaces and benefits from a healthy environment as we work to protect and improve our local environment.
- 3.2. The strategy states that the Council:
 - Has an ambition that everyone in Lewisham should have a decent home that is secure and affordable.
 - Seeks to improve standards across all housing sectors.
 - Wants residents to be supported to have a stronger voice.
- 3.3. Lewisham's Housing Strategy (2020-2026), includes the following themes:
 - Delivering the homes that Lewisham needs
 - Preventing homelessness and meeting housing need
 - Improving the quality, standard and safety of housing
 - Supporting our residents to live safe, independent and active lives
 - Strengthening communities and embracing diversity.

4. Background

- 4.1. London Borough of Lewisham (LBL) established an Arm's Length Management

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Organisation (ALMO), Lewisham Homes (LH) in 2007. At that time, additional grant was made available to authorities establishing ALMOs to invest in meeting the Decent Homes standard. Since then, LH has managed 19,000 homes on behalf of LBL, of which around one third are leasehold properties.

- 4.2. LH was successful in achieving additional investment of £100 million to meet the Decent Homes standard. The work focused on internal improvements which mainly involved new bathrooms and kitchens and some communal area works
- 4.3. A new management agreement between LH and LBL was agreed in June 2017 for ten years with a break clause which allows LBL to give six months' notice before the fifth anniversary of the agreement. Following on from a need to focus on Covid response over the last two years, this break clause has been extended by a year by mutual agreement, which means that LBL can terminate the agreement if notice is given before 27 December 2022. This break clause was included within the original management agreement to ensure that the Council had opportunity to flexibly respond to changes in the wider operating context for housing management services.
- 4.4. The management agreement specifies the services provided by LH. In terms of this report, the Landlord Management Services are the services provided by LH on behalf of LBL for its tenants and leaseholders and include all landlord functions from new tenancies through to turning around void properties at the end of tenancies including repairs and maintenance, estate management, leasehold management, rent collection and tenant engagement. These are funded through the Housing Revenue Account. Since the original establishing of LH, some additional Council services have been managed by LH which are funded by the Council's General Fund. These include administering Right to Buy and managing Homeless and temporary accommodation on behalf of the Council. LH also monitor and client the Council's two Tenant Management Organisations for LBL.
- 4.5. Since 2013, LH has also acted as developer for the Council, delivering part of the Building Homes for Lewisham programme on behalf of the Council.
- 4.6. LH has been successful in developing community involvement (including foodbanks, youth development work, supporting financial inclusion) and a comprehensive resident engagement structure (including leaseholder forum and Tenants and Resident Association forum).

New Regulatory and Legislative Requirements

- 4.7. New regulatory standards and legislation are being introduced for social housing following the Grenfell fire in 2017. These will strengthen the existing accountability landlords have for providing safe homes, quality services and treating tenants and leaseholders with respect. It underlines that the landlord is responsible for meeting the regulatory standards and will be held to account for the performance of the landlord service – these accountabilities cannot be passed on to an ALMO. It is incumbent on the landlord to ensure the homes it owns are safe. A more complete summary of these requirements is included in appendix 1 whilst the main elements are referred to in this section.
- 4.8. The Queen's Speech in May 2022 confirmed that the new Social Housing Regulation Bill is to be introduced in this Parliament. The 2020 Social Housing White Paper had a number of themes linked by a common thread - that the safety, wellbeing and opinions of social housing residents is paramount and that it is the responsibility of landlords to demonstrate engagement and performance to their residents. There is a greater emphasis on safety, resident voice, performance monitoring and home ownership. This will be backed a greater role for The Regulator of Social Housing (RSH).
- 4.9. The RSH is preparing new consumer standards backed by a code of practice. The

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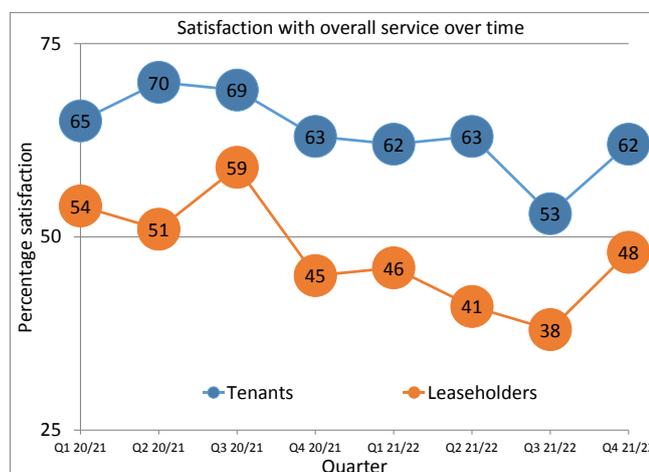
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new consumer standards and code of practice are likely to include requirements for landlords to publish policies on tackling domestic abuse, evidence of how they have sought to improve tenant engagement and greater awareness of the complaints process. The RSH will be responsible for enforcing the new standards through a regular inspection cycle as well as reactive investigations where non-compliance is suspected. Non-compliance with the new standard may result in unlimited fines, and reputation-damaging publication of results.

- 4.10. Involving tenants will be a key part of a landlord’s governance and scrutiny arrangements. Engagement opportunities will need to be tailored to residents’ needs and interests to support greater involvement.
- 4.11. Complaint handling by the Housing Ombudsman is to be sped up. Currently residents must first raise complaints through a “designated person”, which can be an MP or Councillor, before referring it to the Ombudsman. This is known as the “democratic filter” and is to be removed so that residents can raise a complaint directly with the Ombudsman. The Ombudsman will be given powers to take action against landlords who are too slow in handling complaints. The Ombudsman will publish quarterly reports detailing landlords that have failed to handle complaints properly.
- 4.12. A revised Decent Homes Standard is expected to include energy and efficiency requirements.
- 4.13. New environmental and sustainability requirements are being introduced. This will require additional investment in homes to ensure they meet these new standards.
- 4.14. The Fire Safety Act 2021 is expected to come into force soon and extends the scope of fire risk assessments which need to be carried out for all multi-occupied residential buildings whatever their height.

Housing Challenges

- 4.15. Satisfaction ratings for the housing service has fallen in the last two years. In particular the COVID-19 pandemic has impacted satisfaction ratings across the whole housing management sector as it has at LH. Residents have spent more time in their homes and this has led to higher demand for repairs and support. The repairs performance has been a matter of concern and was referred to Mayor and Cabinet by Housing Select Committee in January 2022.
- 4.16. Lewisham Homes’ regular survey of residents’ satisfaction shows that overall tenant satisfaction reduced during the pandemic and has started to increase more recently. The level of the reduction in satisfaction was disproportionately affected by a change in the scale used for measuring satisfaction in 2020/21. The target satisfaction level is 65%.



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- 4.17. The reasons behind the reduction in satisfaction relate in particular to timescales to complete repairs and to answer the phone and the issue of damp within tenants' homes.
- 4.18. The Lewisham Homes stock condition survey carried out during 2019 and 2020 has identified substantial additional investment is required to properties over the next 30 years.
- 4.19. Based on the findings of the stock condition survey, a total of £300 million at 2021 prices over the next five years was estimated to be required to bring the stock up to the Decent Homes standard with priority given to health and safety work. The draft Asset Management Strategy developed by LH for LBL prioritised fire safety works, maintaining decency, planned maintenance and cyclical programmes. The following items are not included within this figure:
- a) Planned lift replacement
 - b) Meeting the Council's climate emergency ambitions to achieve EPC ratings of B or above
 - c) Environmental improvements that will be required to comply with the new consumer standards regulation
 - d) Lifecycle maintenance for Large Panel System blocks.
- 4.20. It is clear that on top of the investment challenge already identified, there remain potentially significant investment sums that must be made available in order to proactively ensure these homes offer a decent living environment.
- 4.21. In addition to this, the construction sector as a whole has been experiencing levels of build cost inflation that are impacting on new homes delivery, repairs and maintenance costs. The Council and Lewisham Homes have been proactively managing these risks but are not immune from wider market trends.
- 4.22. Given the pressures for increased stock investment, HRA capacity will need to be prioritised on ensuring existing homes are safe and brought up to at least the anticipated new Decent Homes Standard. These are ultimately decisions for the Council in consultation with residents. In making these decisions a simple governance process can assist, along with ensuring that the management services are as efficient as possible to maximise the amount of investment available.

Opportunity

- 4.23. Given the changes in the regulations and legislation affecting social housing and the housing challenges facing Lewisham, the break clause in the management agreement provides an opportunity to consider other options in how the homes currently managed by LH might be managed in future. There may be more efficient ways to respond to the changes, avoid costs and provide a more integrated service for tenants.

5. Landlord Management Services Options Considered

- 5.1. In light of the challenges set out above, a high-level initial review of options for the landlord management services have been considered. These options are consistent with those that have been considered by other Local Authorities who have recently reviewed their Landlord Management Services models. The options that offer the best opportunity to respond to the issues raised above can be subject to a more detailed appraisal using the assessment criteria outlined and working with tenants and leaseholders.
- 5.2. **Option 1: No change**

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- 5.3. Continue with the existing management agreement with Lewisham Homes. Although this option is described as no change, in order to comply with new legislative and regulatory requirements, the Council would need to increase significantly its oversight of LH activity, meaning a growth in the Council's clienting team and support services (finance in particular) would be required to support this option. This would lead to some duplication of costs.
- 5.4. **Option 2: In house management**
- 5.4.1. Bring landlord management services back in house to LBL for direct delivery. The Lewisham Homes teams would transfer to the Council.
- 5.5. **Option 3: Transfer all or some of the Council's housing stock to an existing Registered Provider**
- 5.5.1. This registered provider would own the housing stock and be responsible for the management and investment in the stock and meeting the new legislative and regulatory requirements.
- 5.6. **Option 4: Change the structure of Lewisham Homes**
- 5.6.1. LH could become a Registered Provider and transfer the stock to this new organisation.
- 5.7. **Option 5: Transfer all or some of the Council's housing stock to a new resident-led housing association**
- 5.7.1. A similar model to the Phoenix Community Housing Model.
- 5.8. **Option 6: Establish a PFI agreement**
- 5.8.1. A PFI might be able to deliver investment and landlord management services to all or part of the stock.

6. Initial High-Level Review of Options

- 6.1. At this stage an initial high-level appraisal of the pros and cons of the options has been carried out. If the Council decides to progress with a review of the landlord management services and consult with tenants and leaseholders, a fuller appraisal of short-listed options will be developed.

Option	Pro	Con	Recommendation
No change	Avoid disruption caused by change prior to LH gearing up to comply with new regulatory and legislative standards	The Council cannot discharge responsibility or liability for legislative or regulatory breaches, without some changes to clienting arrangements. The Council carries this risk through complex governance. Additional resources will be needed at LBL to respond to the new L&R environment. Opportunities for operational efficiencies are missed.	Keep under review for full appraisal
In-house	Council can streamline	Disruption to services	Keep under review

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Option	Pro	Con	Recommendation
Management	<p>and strengthen governance in line with L&R changes</p> <p>Opportunities for efficiencies by removing duplication and ALMO governance</p> <p>Opportunity for Council to improve engagement with council tenants & leaseholders</p> <p>Closer strategic alignment</p>	<p>and programmes at LH while its future is reviewed.</p> <p>Cost of change</p> <p>Risk of reduced tenant/leaseholder involvement without tenant board representation.</p> <p>Risk of loss of expertise, e.g. specialist board members and staff</p>	for full appraisal
Transfer stock to existing registered provider	<p>Council no longer responsible for these homes, therefore reduces risk to Council of legislative and regulatory compliance</p> <p>May enable access for different sources of lending outside of Council finance depending on the RPs ability to borrow funds</p>	<p>Does not meet the Council's strategic priority to in-source services where possible.</p> <p>Many RPs struggling to meet the costs of compliance currently, no additional funding attached to a stock transfer for residents that could be used to improve homes, likely that the Council would have to offer a payment to a provider with transfer to go towards investment costs</p> <p>Cost of change; it is likely that the RP would require a dowry from the Council to help funding outstanding improvements.</p> <p>Council loses responsibility for managing housing and land assets that could be used to meet housing demand.</p> <p>Disruption to service will delay improvements.</p>	Discount this option
Change structure of Lewisham Homes to become RP and transfer stock	<p>Council no longer responsible for these homes, therefore reduces risk to Council of legislative and regulatory compliance</p> <p>May enable access for different sources of lending outside of</p>	<p>Does not meet the Council's strategic priority to in-source services where possible.</p> <p>No additional grant funding available to improve homes</p> <p>Cost of change</p> <p>Council loses</p>	Discount this option

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Option	Pro	Con	Recommendation
	Council finance	responsibility for managing housing and land assets that could be used to meet housing demand Disruption to service will delay improvements	
Transfer stock to new resident-led association	Council no longer responsible for these homes, therefore reduces risk to Council of legislative and regulatory compliance May enable access for different sources of lending Would result in a tenant-led organisation	Does not meet the Council's strategic priority to in-source services where possible. A tenant led organisation would take time to establish and must be bottom up, not top down. Legislative and regulatory change is imminent. Real risk of establishing an organisation to fail its residents. No additional grant funding available to improve homes Cost of change Council loses responsibility for managing housing and land assets that could be used to meet housing demand Disruption to service will delay improvements	Discount this option
Establish a PFI agreement to deliver investment and landlord management services to all or part of the stock	Access alternative financing for investing in improving homes	Does not meet the Council's strategic priority to in-source services where possible. LBL remains responsible as landlord and so issues of governance under revised L&R requirements would need to be resolved Would involve time consuming procurement process which would not be complete before break clause in current management agreement Would better fit being considered as part of an asset management strategy: it may be more appropriate to consider	Discount this option

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Option	Pro	Con	Recommendation
		this option separately from the management arrangements and along with all other investment options to be considered	

- 6.2. It should be noted that since ALMOs were first set out as a means to deliver services, sixteen London boroughs have decided to bring services in-house. There remain only four authorities, excluding Lewisham, that have not done so.

7. Proposed Criteria for Assessing Options

If a full Options Appraisal is carried out, it is recommended that the short-listed options for the future of the landlord management service are more fully assessed according to the following criteria:

7.1. Does it improve tenant and leaseholders' empowerment?

This is a priority for the Council, and the new regulatory standard makes it clear that tenants should be given a stronger say in how their home is managed.

7.2. Could it improve the quality of homes?

Could it provide an opportunity to improve building safety and improve services? The new regulatory standard makes it clear that the Landlord is responsible for building safety. The Council has an ambition to ensure that all residents live in a decent and affordable home and expects its own homes to set the standard expected of other providers in Lewisham. This includes the experience of living in the home and the standard of caretaking.

7.3. Does it offer opportunities to contribute to the Council's priorities and further the Council's values?

These include the Council's response to the climate emergency, desire to insource services where it offers residents a better service and efficiencies and exploring ways to deliver Council and housing services together such as anti-social behaviour.

7.4. Does it provide better value for money?

The demands on the HRA are increasing. Therefore it is important to provide as efficient service as possible to increase the resources available to improve the housing stock.

7.5. Does it improve accountability and governance?

The new legislative and regulatory standards are clear that the Council as Landlord is accountable for the performance of the services received by tenants and leaseholders of its properties. The Council's ambition is to improve housing and therefore it needs to be able to provide robust governance

8. Engagement with tenants and leaseholders

- 8.1. Government guidance, which is reproduced in full in appendix 2, states that any change in housing management services should be subject to a test of opinion "no less rigorous than the test undertaken on transferring management functions to the ALMO." In the case of the original ALMO consultation in Lewisham in 2005, an independent research company carried out a door-to-door survey to reach a representative sample of 600 tenants.

- 8.2. The government guidance also states that any review of future options should be

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transparent, tenants should have the opportunity to be fully engaged in the process, be included in any project group leading the work and be allowed to scrutinise the Council's process. It is appropriate that Leaseholders also be consulted and for them to have the opportunity to give their views, but it should be noted that under the government guidance it is the tenant view that is paramount.

- 8.3. The new regulatory standard requires that a stronger voice be given to tenants. The review provides an opportunity to go further than the minimum required by using a range of methods to engage and develop a stronger voice for tenants, leaseholders and the other residents of homes owned by LBL which will include tenants of leaseholders and those in temporary accommodation. This could be developed into a longer-term approach to give further empowerment to residents.
- 8.4. It is proposed that a consultation and engagement with tenants and leaseholders exercise would be carried out over summer 2022. If Mayor and Cabinet agrees with the officer recommendation to consider bringing housing management back into the Council, the exercise would be overseen by a specialist external organisation to ensure it conforms to government guidelines (attached as Appendix 2) and provides statistically valid results. A separate experienced organisation will be retained to act as an independent tenant advisor.
- 8.5. The exercise would seek tenants' views on their priorities for future investment, tenant engagement and how their homes and estates should be managed, and shape the future of their management service. Subject to the decision by Mayor and Cabinet in July, this can include a 'test of opinion' of whether they wish to see their home managed by the Council.
- 8.6. The LBL engagement and consultation exercise will be developed with LH and use the existing engagement structures as much as possible. It is proposed to include the following elements:
 - A steering group of 'involved tenants' which will include those already involved in tenants' and residents' associations and other residents who may want to become involved. There will also be a presentation to the Tenant and Resident Association Chairs
 - A series of roadshows to promote the survey and obtain feedback. Where possible, these roadshows can coincide with other events that are planned during the summer
 - Attendance at existing events such as coffee mornings
 - An online survey
 - A letter with paper survey to tenants and leaseholders
 - Early data analysis to identify gaps in feedback from particular groups
 - A targeted 'door knocking' exercise to ensure contact with seldom heard groups and under-represented tenants.
- 8.7. The aim will be to ensure a significantly higher level of feedback than that achieved in 2005 which will give valuable insight into tenants' priorities and views on the management of their homes.
- 8.8. The Council must review and consider all responses to the consultation before making any decision on changes to the housing management arrangements.

9. Development Management

- 9.1. Under the management agreement, Lewisham Homes has a programme of building new homes on sites identified by the Council. This has been financed using HRA

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lending capacity to build on Council owned land to deliver affordable housing and further enabled by the use of grant, most notably Affordable Housing Grant.

- 9.2. Recent stock surveys indicate that significant investment will be required to bring existing stock up to the safety and quality levels now required. It may be more viable to redevelop some existing stock as part of a wider regeneration programme. Going forward, Council housing delivery will need to be less reliant on HRA borrowing.
- 9.3. The Council and Lewisham Homes are actively managing the development programme to ensure it remains within agreed cost envelopes. This will require consideration of ways to improve the efficiency of the overall programme.
- 9.4. It should be noted that development is not considered to be a landlord function, meaning that any changes made to the delivery of this function would not require engagement with tenants and leaseholders as described in section 8, but would instead be decisions to be made by the Council and Lewisham Homes. These decisions and the timing of their implementation is not dependent on the timing of any potential change to the landlord management services.

10. Back-office functions

- 10.1. There are a number of 'back-office' functions (e.g. legal, HR, comms, IT) at Lewisham Homes which might reduce duplication and provide opportunities for improved efficiencies if they were shared with the Council. Many ALMOs have shared some or all of these services with their respective councils. The uncertainty about the future of Lewisham Homes means that it is currently difficult for LH to recruit and retain permanent staff.
- 10.2. Where it offers opportunities for efficiencies or improvements, moving back-office functions could take place by agreement of the senior management of the two organisations. Where staff are transferred, the TUPE process and consultation would be used but no wider consultation is required. These decisions and the timing of their implementation is not dependent on the timing of any potential change to the landlord management services. Senior management will review this as appropriate in the coming months.

11. Staffing Implications

- 11.1. If the result of a review is that staff are to transfer between organisations, the TUPE process will be followed. Early and continuing communications and an avoidance of unnecessary uncertainty will be key to minimising disruption. The Council has established processes for consultation with staff and unions.
- 11.2. The direct impact of any changes to staff may be minimal. However, there is a risk of staff leaving while there is uncertainty around the future service provision. This has been a significant challenge elsewhere.

12. Communications

- 12.1. Throughout any future process, and in addition to the comprehensive engagement exercise with tenants and leaseholders, keeping staff within LH and the Council, Council members, LH Board members, and the wider community informed will be vital. The process will need to be carefully co-ordinated.
- 12.2. The Department for Levelling Up, Housing and Communities would need to be informed of any Options Review.
- 12.3. A workplan will need to be developed supported by the communications teams in LBL and LH working together.

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13. Conclusion

- 13.1. The high-level appraisal identifies that if LBL continue with the management agreement in its current form, it still will need to make changes to how LH is cliented to respond to the changes to the Legislative and Regulatory requirements. This will involve additional costs.
- 13.2. The appraisal suggests that there is no clear financial advantage in transferring stock ownership away from the Council. Transferring ownership would involve a long process and require a positive result in a tenant ballot. Given the current and future stock investment requirements and the constraints on rental income, it is highly unlikely that a financial arrangement could be agreed. In the meantime, disruption to the service could delay improvements.
- 13.3. Taking back direct management of landlord services provides an opportunity to respond to the legislative and regulatory changes in a more cost effective manner than would be involved in having a separate organisation delivering landlord management services.
- 13.4. On this basis, officers will recommend to Mayor and Cabinet that, based on the high level review, the option that appears to best fit the assessment criteria is to bring housing management back into Lewisham Council. In keeping with Government guidance, a full appraisal involving engagement with tenants and leaseholders and a test of opinion should be carried out before a decision on whether to exercise the break clause in the management agreement is made before 27th December.

14. Financial implications

- 14.1. Changing the landlord management arrangement offers opportunities for efficiencies and cost avoidance. These could come from reducing the cost of governance and by integrating services. There will be one-off costs associated with any changes to the current arrangements which will be estimated. There will be a cost benefit exercise carried out as part of an options appraisal following the Mayor and Cabinet decision.
- 14.2. A pressing need for investment to improve the housing stock condition has already been identified. If efficiencies can be identified, these can increase the capacity of the HRA to invest in the housing stock.

15. Legal implications

- 15.1. The management agreement between the Council and Lewisham Homes has provision for changing the services provided by the Company.
- 15.2. The Government issued guidelines for councils considering the future of their ALMO housing management services in December 2011, and these still apply. They set out the process councils should undertake and are attached to this report in Appendix 2.
- 15.3. The Housing Act 1985, section 105 sets out a legal obligation to consult with tenants on changes to the management their homes. This obligation will be fulfilled by conforming to the guidelines referred to above.

16. Equalities implications

- 16.1. The Council's Single Equality Framework 2020-24 provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010.
- 16.2. The consultation and engagement process this report describes has to be developed to ensure it complies with the Council's policies. Using specialist support will assist in ensuring the process is designed appropriately.

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17. Climate change and environmental implications

- 17.1. There are no direct environmental impacts arising from this report, although there are significant challenges in ensuring the housing stock can be improved to meet the Council's ambitions. Improving efficiency of the management of housing will provide greater capacity for the HRA to be able to invest in the stock.

18. Crime and disorder implications

- 18.1. There are no direct implications relating to crime and disorder issues.

19. Health and wellbeing implications

- 19.1. There are no direct implications relating to health and wellbeing issues.

20. Risks

- 20.1. A full risk register will be developed. At this stage the key risks to considering changing the landlord management arrangements are:
- Loss of key staff members due to uncertainty or concern about their future
 - Continuity of service
 - Regulatory inspection could take place from 2024 under the new regime
- 20.2. Mitigation measures are being developed to reduce these risks.

21. Background papers

- 21.1. The Agreement for Housing Management and other services between LBL and LH dated 27 June 2017.

22. Report author and contact

- 22.1. Jennifer Daothong, Executive Director Housing, Regeneration and Public Realm,
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Appendix 1 – Legislative and Regulatory Requirements

Social Housing White Paper

Following Grenfell fire in 2017, a government review of failings and a wide consultation with the social housing sector revealed five themes for further action. These were published for further consultation in the “A New Deal for Social Housing” green paper:

- Ensuring homes are safe and decent
- Effective resolution of complaints
- Empowering residents and strengthening the Regulator
- Tackling stigma and celebrating thriving communities
- Expanding supply and supporting home ownership

The white paper published in November 2020 sets out changes to how social housing organisations operate, and the themes from the green paper have been re-drafted and expanded into seven themes with further specific policies, measures, and an enhanced role for The Regulator for Social Housing and The Housing Ombudsman.

There is a greater emphasis on safety, resident voice, performance monitoring and home ownership. This will be backed up by a risk-based inspection regime from The Regulator of Social Housing. Non-compliance with a new consumer standard can result in unlimited fines, and reputation-damaging publication of results.

The seven themes in the social housing white paper are linked by a common thread – that the safety, wellbeing and opinions of social housing residents is paramount, and it's the responsibility of landlords to demonstrate engagement and performance to their residents. Six of the seven themes are particularly relevant when considering the options for future housing management.

There are some particular implications for managing housing through an ALMO which are highlighted.

Building and home safety

Building and home safety will become an explicit part of the redesigned consumer regulation standards. All landlords will need to have a nominated, publicly named person who is responsible for health and safety compliance.

There will be consistency in safety measures across the private and social rented sectors, with mandatory installation of smoke and carbon monoxide alarms, and an increased focus on electrical safety.

Landlords will need to engage residents of all tenures on safety issues. Two-way balanced engagement leads to trust which is key to ‘feeling safe’. The accountable person for every high-rise building will be required to produce and action a resident engagement strategy to share safety information and allow safety concerns to be voiced.

Where an ALMO is managing stock, the Council as landlord will need to be able to assure itself that all requirements of the new standards are met. It will not be able to defer the responsibility to the ALMO. This would imply the need for additional specialist expertise within the Council's clienting function.

Landlord Performance

A set of Key Performance Indicator metrics is being developed which landlords will have to produce. They will follow the themes of the green paper around properties being in good

repair, building safety, engagement and neighbourhood management – including measures on anti-social behaviour.

Once gathered, landlords will be required to share these metrics with residents in a standardised and consistent way – at least annually, but preferably on a continuous basis – using technology. Additionally, information on landlord performance must be easier to access, through a reduced ‘freedom of information’ request approach.

Alongside the new KPIs, landlords will also be required to publish expenditure data. Each landlord will need to name a nominated person responsible for consumer standards compliance; someone suitably senior and identifiable to all, including The Ombudsman, The Regulator and residents.

This will require increased resources for the Council as landlord to ensure that it can fulfil these roles. It will no longer be sufficient to delegate these matters to the ALMO.

Complaint Handling

The ‘democratic filter’ (where residents must go through a “designated person” or wait 8 weeks before taking their complaint to The Ombudsman) is to be removed.

The Ombudsman’s new complaints handling code will be designed to help ensure consistency of complaint handling by different landlords and also put greater emphasis on learning from complaints as a route to service improvement.

Complaints handling will be sped up, with The Ombudsman given powers to take action against landlords who are systemically unreasonably slow in handling complaints or are slow to provide information to The Ombudsman for them to review escalated complaints. The Ombudsman will also speed up their own case handling, reducing average case times to 3-4 months by March 2022.

The Ombudsman will publish online reports of complaints handled for each landlord as well as detailing the outcomes. On a quarterly basis they will also publish ‘complaint handling failure orders’ – naming the landlords and reason for failure.

The Regulator, The Ombudsman and the Government will lead a centralised awareness raising campaign of social housing residents’ right to complain and the routes of objection open to them. Landlords will also be required to publish their complaints process both on their website and more widely, as well as raising awareness themselves of the complaints process.

This will involve revising complaints handling to ensure that it can be demonstrated that the Council is learning from complaints.

New Consumer Standards

The Regulator is preparing new consumer standards and an accompanying code of practice. This is likely to include requirements for landlords to publish policy on tackling domestic abuse, evidence how they have sought best practice to improve tenant engagement and an objective surrounding greater transparency.

The “serious detriment” threshold for Regulator intervention will be scrapped and replaced by a four yearly inspection cycle. The inspections will be in the form of an annual desk-top review of the new KPIs and complaints (particularly those escalated to The Ombudsman), four yearly inspections based on risk (considering the size of the organisation and those who house the most vulnerable i.e. specialist providers) and reactive investigations where non-compliance is suspected.

Landlords will be required to self-refer any breaches of the consumer standard to The Regulator. The cap on fines which The Regulator can impose will be removed, and Performance Improvement Plans will be introduced for failing landlords. Local Authorities will also be held to greater accountability for their management of ALMOs and TMOs.

The notice period The Regulator must give a landlord to survey the condition of their properties will be reduced from 28 to 2 days. Following completion of a survey The Regulator will be empowered to arrange repairs to homes and recoup the costs.

The Council will need to be ready for the new inspection regime, and so if changes to the arrangements with Lewisham Homes are to be instigated, they need to be implemented with a view to the new regime. Whether or not there are changes, the Council clienting function will need to be able to provide information directly to The Regulator rather than referring to the ALMO.

Empowering Tenants

'Involved tenants' should be a key part of any landlord's governance and scrutiny arrangements. Residents who don't want to attend formal meetings or join a panel need to have their needs identified and voices heard too. Landlords need to tailor engagement opportunities to residents' needs and interests, encouraging and supporting greater involvement.

The Regulator will review if landlords have "sought out best practice" in resident engagement and involvement, and continually improved how they engage with residents.

A Government-led learning and support programme will be accessible to all residents of social housing to improve the skills of residents who would like to be more involved in formal scrutiny and decision making,

The Government will lead a working group to review professional training and development, including the need for mental health awareness training for frontline staff, to ensure residents are treated with care and receive the correct support from landlords.

Where an ALMO is managing a Council's stock, there will be a need for the Council to have more direct engagement with tenants and leaseholders. This will involve additional resources within the Council's housing service.

Decent Homes Standard

A revised Decent Homes Standard is being considered. This revision will include energy efficiency and decarbonisation, access to green spaces and access to communal space.

The inclusion of 'satisfaction with anti-social behaviour' handling in the new KPIs has relevance, with landlords having to report how they are performing in this area, and can be challenged on this by The Regulator.

The Government will clarify the responsibilities of landlords and the police in directly tackling anti-social behaviour, so residents understand where to access support and what to expect in terms of a response, including greater clarity around the availability of Community Trigger or multi-agency ASB Case Review arrangements.

The new regulatory consumer standards will include requiring landlords to have a policy to tackle issues surrounding domestic abuse.

The social housing green paper included an evidence collection exercise, gathering data on how allocations processes were working in different areas. This review will also aim to ensure people with disabilities are allocated suitably adapted and accessible homes.

Where an ALMO is managing a Council's stock, the Council will need to be able to report to The Regulator and take responsibility for aspects for the new standard rather than relying on the ALMO to fulfil all requirements. This will involve increase resources for clienting.

Fire Safety Act 2021

The Fire Safety Bill was introduced following the Grenfell Tower fire in June 2017. The Act closes the loophole that the Regulatory Reform (Fire Safety) Order 2005 overlooked some 16 years ago.

The Order requires that the 'Responsible Person' (the person having control of the building, or a degree of control) takes reasonable steps to reduce the risk from fire and makes sure people can safely escape if there is a fire. This includes all people that might visit the premises. The 'Responsible Person' has a legal responsibility to commission a fire risk assessment with these points being considered.

The Act applies to all multi-occupied residential buildings and is not dependent on the height of the building. It allows the Fire and Rescue Service to enforce against non-compliance in relation to the external walls and the individual doors opening onto the common parts of the premises.

The Act introduces the concept of 'risk-based guidance' in order to support a proportionate approach towards assessing the structure, external walls, flat entrance doors and other doors adjacent to common parts that provide (or line) escape routes from multi-occupied residential buildings in buildings which contain two or more domestic premises.

If a building owner or manager can show compliance with the risk-based guidance (once that guidance is made available), then that will be an indication that the Fire Safety Order has not been breached. It follows that the opposite scenario will be indicated where any failure in terms of compliance is demonstrated.

Although the Bill received Royal Assent in April 2021, it is yet to come into force and be a legal requirement. The risk-based guidance is not yet finalised, having been closed for consultation in May 2021, but is due out shortly

If a Responsible Person fails to follow the risk-based guidance, in the worst case scenario they could face criminal prosecution and an unlimited fine. The Responsible Person is from Lewisham Homes under the current arrangements.

Lewisham Homes have undertaken Fire Risk Assessments to make sure they cover the external walls and individual entrance doors, bringing them in line with the proposed Act.

Appendix 2

Latest Government guidance for councils considering the future of their ALMO housing management services, December 2011.

Purpose

1. About half of all council housing is managed by ALMOs. ALMOs have successfully delivered much of the Decent Homes investment programme, ALMOs have proved very popular with tenants and residents and in many areas have become key local providers of neighbourhood services.
2. As a number of the original management delegations and funding contracts between councils and ALMOs are now drawing to a close, councils are considering how best they can deliver their ongoing housing investment and management services into the future.
3. The reform of the HRA subsidy system will also bring major changes to the system of council housing finance and to the way in which councils view stock management. It is therefore timely to remind those councils who intend to review their housing management of the need for thoroughness and openness.
4. Councils are continually having to reassess how best to deliver all their services, including the provision of housing management. ALMOs are not immune from the need to drive value for money savings and spend tax payers money wisely.
5. When determining the future of their ALMOs, councils will need to consider a number of important and competing factors. These include the wider financial, organisational and local political landscape within their councils, alongside the views of tenants.
6. This document sets out the Government's guidance on the processes that councils should undertake when considering taking housing management functions back in-house. This note strengthens previous guidance issued by the Department.

Current Position

7. The Government believes that the decision to take ALMO housing management functions back 'in-house' should remain a local one. Councils in England are currently required to seek consent from the Secretary of State under section 27 of the Housing Act 1985 where it seeks to transfer all or part of its housing management functions to an ALMO. There is no requirement for a council to seek consent when taking ALMO housing management functions back in-house.

Government does not propose to alter these arrangements.

8. Guidance issued by the Department in 2004 was consolidated after the Review of Arms Length Housing Management Organisations issued in June 2006. The Review considered a number of scenarios for taking forward the work of

ALMOs, including the process should a council decide to take housing management back in-house following a consultation with tenants.

9. The Review recommended that any change in housing management arrangements should be the subject of a test of opinion no less rigorous than the test undertaken on transferring housing management functions to the ALMO.
10. The document went on to emphasise the importance of consulting and working with tenants and outlined the possible consultation mechanisms, including questionnaires, telephone surveys and ballots. A combination of options rather than a single favoured option was considered to be appropriate. This remains the case.

Future arrangements

11. Government does not believe in imposing any unnecessary additional regulations or burdens on councils. The Government does not consider it necessary to impose upon all councils with ALMOs a mandatory duty to hold a ballot of their tenants when considering taking housing management functions back from their ALMOs.
12. However, in line with the principles set out in the Review document, Government considers that in the interests of fairness and consistency, councils that had held ballots to gauge tenant opinion before transferring their housing management functions to an ALMO should also similarly hold a ballot when considering taking housing management functions back from the ALMO. This is important as it allows tenants to express their opinion in a similar manner to the original ballot.
13. For those councils that did not hold a ballot to test tenants' opinions but chose to use an alternative method, they may of course choose to hold a ballot. There are no plans to require those councils to follow a particular course of action.
14. However, it is expected that the consultation exercises undertaken by all councils considering the future of their ALMOs should be as comprehensive as that undertaken when transferring those functions to the ALMO originally. This could be either through a ballot or a full survey or other locally appropriate method.
15. Ballots and other tests of opinion should not however be seen as a "be all and end all" solution, but as part of an ongoing, process of engagement. Any council considering undertaking an options review of its housing management arrangements should notify the Department as soon as possible in the process, as part of its wider commitment to demonstrate the openness of the process.

Tenant Engagement & Consultation

16. There are a range of steps that councils will need to consider and undertake when consulting their tenants on the future for their ALMOs. The list is not definitive and councils will wish to undertake the level of consultation which they consider is appropriate locally.

17. Councils should ensure that the information provided to tenants must be accurate and impartial. Tenants should have the opportunity to make a meaningful contribution to process leading to the final decision,
18. All tenants should have the opportunity to have a say in the final decision, either through a ballot or other comprehensive consultation process, and the process should be overseen by an external organisation, to ensure that it is fair and valid. Tenants could also be provided with an Independent Tenants Adviser (ITA) paid for by the ALMO/Council.
19. Councils should ensure that tenants have the opportunity to shape the options, and be consulted from the outset. Tenants should be given the opportunity to be included in any project group leading the work and be allowed to scrutinise the council's process.
20. The aims and objectives of the review, plus timescales, processes, and criteria for short listing options and the final decision making, should be clearly set out and be publicly accessible.
21. Councils should carry out a full cost-benefit assessment exercise and risk analysis of the implications for the councils' wider housing service. Preferably, this should be externally validated. *(Risks should include potential loss of key staff and how that might affect implementation of self financing and major capital programmes, including decent homes, so that they fully understand the financial rationale for any decision they take).*
22. The council must clearly set out the pros and cons of the various options reviewed, demonstrate the potential impact on residents, and explain the reasons for recommending its final option(s).
23. The ALMO Board and employees should be allowed to contribute fully in any housing management review process. ALMOs and councils should work collaboratively towards an agreed outcome.
24. ALMO officers and their boards should cooperate fully with any review and assist their council to undertake any review in a timely and professional manner. In that way, any call on costs and resources can be minimised.

Conclusion

25. It is clear that the best run councils and ALMOs are those where both parties work together collaboratively on behalf of tenants to ensure that the services they provide are efficient and value for money. Undertaking a thorough consultation exercise on the future of an ALMO and housing management is no different.
26. The Department recognises that there will be local differences in the way councils and ALMOs undertake their tenant consultation exercises. It is imperative that the views of tenants should be at the centre of these considerations,
27. If the Council intends to support the ALMO going forward, then clear funding streams for this must be identified, and a council decision ratifying such expenditure should be included in any consultation material

28. ALMO housing management option reviews should be transparent and tenants should have all the information available so that they have the opportunity to be fully engaged in the process from the outset. The underpinning rationale remains that the level of consultation and engagement should be at least as comprehensive and robust as undertaken to transfer the housing management functions to the ALMO originally.
29. The Department does not intervene directly in disputes between councils and their ALMOs but will provide assistance and support as appropriate to try to ensure that reviews are conducted satisfactorily.

December 2011



Housing Select Committee

Lewisham Homes Annual Business Plan 2022/23

Date: 6 June 2022

Key decision: Yes

Class: Part 1

Ward(s) affected: Borough-wide

Contributors: Lewisham Homes Board

Lewisham Homes Executive Leadership Team

Lewisham Council Senior Officers

Outline and recommendations

This report introduces Lewisham Homes' Annual Business Plan for 2022/23 which has been structured around delivery of the Corporate Plan 2019/23.

Recommendation: Committee approves the business plan and recommends to Mayor and Cabinet for approval.

Timeline of engagement and decision-making

Annual Business Plan approved by Lewisham Homes' Executive Leadership Team, March 2022

Annual Business Plan approved by Lewisham Homes' Board, March 2022

Annual Business Plan submitted to Housing Select Committee, June 2022

1. Summary

- 1.1. The Council is required to approve the Lewisham Homes Business Plan on an annual basis. This report gives background to the development of Lewisham Homes' Annual

Business Plan for 2022/23, and the key information and implications.

- 1.2. The business plan sets out the objectives that Lewisham Homes will commit to deliver in 2022/23 and is aligned to the “Corporate Strategy “and political commitments of Lewisham Council.
- 1.3. The business plan does not explicitly reference the Council’s review of housing management options, but was drawn up in the knowledge that this was likely, it focusses on business improvement and measures that could be taken to improve resident satisfaction. These reflect the Council’s priorities regardless of the delivery route for housing management functions. Should the recommended option of bringing housing management services back in house be approved by Mayor and Cabinet following resident consultation over the summer, these changes will be reflected in the next update to the business plan. Such an update to the plan would set out shared objectives for both Lewisham Homes and the Council to work towards in continuing to improve service delivery prior to insourcing.
- 1.4. The full business plan for Financial Year 2022/23 is attached as an appendix to this report.

2. Recommendations

- 2.1. Committee approve the business plan for 2022/23 and recommends this be put forward to Mayor and Cabinet for approval.

3. Policy Context

- 3.1. The Business Plan 2022/23 supports the delivery of the Lewisham Homes Corporate Plan, 2019-2023, which was developed in collaboration with Lewisham Council.
- 3.2. The Business Plan also supports the aims and objectives of Lewisham Council and aligns with key priorities in Lewisham’s Corporate Strategy, notably on:
 - Tackling the housing crisis
 - Building an inclusive local economy
 - Making Lewisham greener
 - Building safer communities.
- 3.3. The plan continues Lewisham Homes’ commitment to the Mayor’s primary political priority of building new homes for social rent.

4. Background

- 4.1. This report is being brought to Housing Select Committee, and Mayor and Cabinet, in line with the business planning requirements in the management agreement between Lewisham Council and Lewisham Homes.
- 4.2. Lewisham Homes consulted widely on setting the Corporate Plan 2019-23. This commenced with significant contributions from our staff and the basis for consultation was approved by the Board. Open workshops were held to seek the views of our residents. We sought the views of the Mayor of Lewisham, local MPs, the Housing Select Committee and Cabinet Member for Housing.

Content of this year’s business plan has been developed in line with the ‘Raising Our Game’ agenda and focusses on two main themes, the implementation of the data and systems roadmap which replaces the current housing management system, and the improvement of the repairs and service charge functions in order to support the work which is being undertaken to meet the additional requirements of consumer regulation to improve levels of resident satisfaction.

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Over the period of the last business plan the impact of Covid on the expectations of residents and the regulator has focussed the need to deliver improvements in the repairs process and the platforms on which this can be delivered.

The actions and objective contained in the plan will form part of directorate and team plans, as well as being included in individual performance objectives. All staff are therefore aware of our plans and their role in delivery.

The business plan does not explicitly reference the Council's review of housing management options, but was drawn up in the knowledge that this was likely, it focusses on business improvement and measures that could be taken to improve resident satisfaction. These reflect the Council's priorities regardless of the delivery route for housing management functions. Should the recommended option of bringing housing management services back in house be approved by Mayor and Cabinet following resident consultation over the summer, these changes will be reflected in the next update to the business plan. Such an update to the plan would set out shared objectives for both Lewisham Homes and the Council to work towards in continuing to improve service delivery prior to insourcing.

Such an update to the plan would set out shared objectives for both Lewisham Homes and the Council to work towards in continuing to improve service delivery prior to insourcing and would be shaped by tenant and leaseholder feedback from engagement over the summer. It is likely that such objectives would include:

1. A priority focus on a deliverable asset management plan that is appropriately resourced to manage building safety, responsive repairs and delivers value for money in planned works.
2. A continued focus on business improvement, readiness for new consumer standards and improving systems.
3. Delivering a better resident experience
4. Investing in the workforce to support the delivery of shared objectives across Lewisham Homes and the Council, with a focus on developing and retaining talent.

5. Lewisham Homes Annual Business Plan 2022/23

- 5.1. The proposed business plan is appended and consists of the following sections:
 - Context
 - Objectives
 - Key performance indicators
 - Property safety compliance measures
- 5.2. The context gives a significant overview into how and why the objectives have been developed, as well as the emerging landscape of regulation against which the plan will be delivered.
- 5.3. The objectives began development in October 2021 in line with both our four year Corporate Plan objectives, and our budget-setting process. Objectives are grouped by our five 'ambitions': Landlord, Placemaker, Employer, Partner, and Enterprise.
- 5.4. Each task supports the delivery of one of the strands of our Corporate Plan, and each task has a target date for delivery.
- 5.5. The KPI table in section 3 of the plan includes our current year-to-date performance, and the targets. Where the KPI measure is benchmarked by Housemark, we have also

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indicated, where available, what the median quartile performance of our peer group is.

- 5.6. The property safety scorecard in section 4 gives an overview of all the compliance measures that are captured throughout the year and illustrates how these important indicators will be reported to the Executive, Board, and to Lewisham Council.

6. Financial implications

- 6.1. The Lewisham Homes Board has approved a budget to deliver the Annual Business Plan which includes investment in system improvement. This budget is based on the management and other allowances agreed with the authority on an annual basis and is predominantly funded from the Housing Revenue Account (HRA).
- 6.2. Lewisham Homes have ensured that all costs associated with the actions contained in the Business Plan have been contained within this budget. There are no further costs anticipated which are outside this envelope.

7. Legal implications

- 7.1 None specific to this report.

8. Equalities implications

- 8.1. The business plan covers the implementation of Lewisham Homes' 'Equality, Diversity and Inclusion' action plan, both in the context section, and with specific objectives.

9. Climate change and environmental implications

- 9.1. Objectives within the business plan actively support Lewisham Council's aim of becoming carbon neutral by 2030.

10. Crime and disorder implications

- 10.1. None specific to this report.

11. Health and wellbeing implications

- 11.1. Several tasks within the business plan actively and positively address the health, safety and wellbeing of Lewisham Homes' staff and resident's.

12. Background papers

- 12.1. None.

13. Glossary

- 13.1. The following terms are referenced in this report, or in the attached appendix.

Term	Definition
Corporate Plan	The current four-year plan of objectives for Lewisham Homes, begun in April 2019.
Annual Business Plan	The agreed set of objectives that Lewisham Homes plans to deliver in a given year. The Annual Business Plan attached to this report is for the financial year beginning April 2022, and ending March 2023.

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Term	Definition
KPI	'Key Performance Indicator'. A measurement taken of a specific element of business performance. A KPI usually has a target against which performance can be tracked.
ELT	'Executive Leadership Team'. The Chief Executive and Directors of Lewisham Homes.
LBL	'London Borough of Lewisham'
EDI	'Equality, Diversity and Inclusion'
ICT	'Information and Communications Technology'. In the context of this report, ICT refers to the Lewisham Homes team concerned with IT support and infrastructure.
"The White Paper"	Refers to the government white paper "The charter for social housing residents", published in November 2020, which sets out the actions the government will take to ensure that residents in social housing are safe, are listened to, live in good quality homes, and have access to redress when things go wrong.

14. Report author and contact

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**ANNUAL
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PLAN
2022 – 2023**

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**RAISING
OUR
GAME**



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THE CONTEXT

This is the fourth and final annual business plan focused on delivering the Lewisham Homes Corporate Plan 2019–23: Building Our Future.

Most of the homes we manage are owned by Lewisham Council and we have an agreement with them to manage and maintain 19,000 homes across the borough. As is normal with these sorts of agreements, there is a contractual break clause to allow the Council to review the contract. As such, the Council will be reviewing the contract with Lewisham Homes during 2022-23 and we will collaborate with them on this while keeping our operations and services to our residents as the primary focus.

LANDLORD

As a landlord, we have faced the past two years' challenges head-on, maintaining essential services, while making major adjustments to our ways of working.

PLACEMAKER

As a place-maker, we continued with major fire safety and renovation programmes at the same time as investing in our current stock and developing new social homes in the borough.

EMPLOYER

As an employer, we have supported and developed our staff through turbulent times and are committed to investing in their training and development.

PARTNER

As a partner, we work closely with the London Borough of Lewisham, our contractors and other partners to deliver our common goals in a collaborative spirit.

ENTERPRISE

As an enterprise, we have maintained our commitment to modernising our ways of working, and laid the foundations for upgrading our systems to improve our offer to residents.

Lewisham Homes is a not-for-profit organisation with a mission to provide safe, quality homes, deliver efficient services and enhance the life chances of our residents.



We will continue to respond proactively to external factors including the long-term impacts of the Covid-19 pandemic; the changing economic circumstances impacting our residents and our business, as well as the changing landscape of social housing and the importance of maintaining focus on the condition of all our properties and neighbourhoods.

2021-22 was a year of adapting and responding to uncertainty, while continuing to deliver for our residents.

2022-23 will be a year where we focus on the services we deliver and how we deliver them.

To deliver our mission and vision we will

Ensure our homes and services are safe and compliant

Meet our customers' service expectations

Deliver a more personalised service based on needs

Demonstrate our effectiveness, value for money and social impact

WE WILL DO THIS BY...

Modernising our Systems

We have adapted to the changing external environment and focused less on delivering a Target Operating Model and more towards improving our standards of customer service both internally and externally. We are delivering new systems, as this is where we believe we can have the biggest impact and make the most difference to our residents.

Our efforts will focus on modernising the way we work with enhanced strategic alignment with the council, greater collaboration and better record keeping. Information and Communications Technology (ICT) change is our priority and new systems will complete towards the end of 2022-23. We will also be making smaller everyday changes to ensure we are incrementally improving in all our ways of working.

**RAISING
OUR
GAME**



Building new homes

Social homes remain in short supply across London. We are proud to be working with Lewisham Council to build genuinely affordable, high-quality council housing, while helping to create and support sustainable and diverse communities.

There are 14 sites currently in development, and we expect to have over 250 new homes ready for residents in 2022-23. In addition two new schemes have planning permission and with the demolition underway, we anticipate that the construction of new homes will commence towards the end of the financial year.

There are 11 sites in the planning and design stage, which will provide over 730 homes and we continue to identify where opportunities may exist to build in the Borough. All new homes that we deliver will be energy efficient and sustainable. Social value will be delivered through partnership working with our contractors to deliver community projects as well as supporting apprenticeship placements for local people.

Lewisham Homes' flagship development is Creekside in Deptford, scheduled for completion in summer 2022. The site was acquired with existing planning permission for a block of flats plus commercial space, and with a developer already on board. The scheme will be 100% affordable housing, offering 22 homes at social rent (an increase of 50% from the planning target) and 34 on a shared ownership basis (an increase of 74%).



Improving the energy efficiency of our stock and reducing our carbon footprint

Our sustainability approach is framed within the UK government's ambitious climate change target to reduce emissions by 78% by 2035 (compared to 1990 levels) and to achieve net zero carbon by 2050. As well as the 'London Borough of Lewisham Climate Emergency Action Plan' which sets out the ambition for the borough of Lewisham to be carbon neutral by 2030.

The Asset Management Team and sustainability manager are working to understand the impact of these targets and how they will affect budget setting over the next 30 years. We have already made provision for sustainability with clear links to our Asset Management with the following commitments:

- Explore innovative ways of improving the energy efficiency of our properties and exploring different measures to reduce the carbon footprint of our stock.

- Use energy performance data collected through the surveys to calculate the cost of upgrading our stock to a minimum of Standard Assessment Procedure (SAP) band B by 2030.
- Collaboration on building design components and sustainability between our Property Services and New Build Development team.
- Adopt a "sustainability by default" approach on capital works programmes including requiring our contractors and suppliers to have a clear, positive and proactive approach to sustainability.
- We will make use of available grant funding, such as affordable warmth grants to improve the thermal efficiency of homes where cases of damp are contributed to by fuel poverty.



Maintaining quality homes

We will develop a blended approach between reactive and proactive repairs, mainly through the roll out of our 'Property and Estate MOTs' programme to ensure our properties are in good condition and improve the management of communal repairs.

Continuing the actions from the Damp and Disrepair action plan, we'll see the launch of the new surveying and performance functions in Property Services to proactively identify and tackle cases of property disrepair.

With a clear focus on ownership and productivity, we will deliver the improvements identified from the full end-to-end review of our repair service to streamline processes, improve the resident journey and prevent service failures.

Over £47 million will be invested in our existing stock, subject to agreement with London Borough of Lewisham. This investment will bring and maintain our properties to the decent homes standards and allow us to deliver essential fire safety work where required.

Twelve million will be invested in sustainability initiatives, which will make homes more energy efficient, save residents money while reducing our carbon footprint and helping to deliver 'London Borough of Lewisham's Climate Emergency Action Plan'.



Prioritising Health and Safety

Lewisham Homes has been awarded the highest level in the British Safety Council's Five Star Occupational Health and Safety Audit which provides a high-level best practice specification over and above current standard Health and Safety requirements. In 2022-23, our commitment to achieving excellence in health and safety standards will continue as we will prepare to undergo the Five Star Audit once again aiming to retain our five star accolade.

We will also develop our occupational health and safety management system, undertaking a full review of policies, procedures and guidance to ensure our system meets international-level standards. We will proactively develop Health and Wellbeing support to improve the health and resilience of our workforce and reduce sickness absence.





Keeping our residents safe

As the regulatory requirements are updated and new Building Safety and Fire Safety legislation comes into effect, we have more work to do in 22-23 in order to remain compliant and keep our residents and buildings safe.

During the pandemic, our asset compliance continued to remain high, with completion of fire risk assessments, asbestos surveys and gas certification never dropping below 99% compliancy. However, the challenges of gaining access into people's homes during a pandemic has meant that communication with residents has become even more of a priority.

The Building Safety Act will be passed in late 2022. We aim to be working to the requirements in advance of the legislation. This will mean working closely with others across Lewisham Homes and specialist contractors

to make sure we have resident engagement strategies, digital platforms, building data, surveys and certifications in place to design Building Safety Cases for all 53 buildings over 18m that we manage.

All flat front doors in all blocks, not just tower blocks, will have to have a fire rated door set. So we will work with all our properties and leaseholders to ensure their doors are compliant. We will also be implementing a regime of checking all fire doors once a year as an absolute minimum.

Great progress in fire safety and the management of fire safety within our blocks has already been made, and this was recognised formally in March 2021 with the accreditation of British Safety Standard. In London, Lewisham Homes was only the second landlord to achieve this and the first local authority organisation.

**RAISING
OUR
GAME**

Lewisham
Homes

Engaging with our local communities

We have seen a large increase in the number of residents struggling to pay their rent, with many residents going into arrears for the first time. Our Welfare Benefits Team will support our residents to maximise their income through budgeting advice, benefit assessments and assisting them to access any Government support available. To address the increasing issue of fuel poverty our in-house team will work with a range of partners to ensure that our residents are on the best energy tariffs available.

Our community shops allow resident to access good quality food cheaply while supporting each other and are empowering alternative to foodbanks and we plan to set up a third community shop in 22-23, building on the success of the previous two.

We play a crucial role organising and supporting initiatives to support our residents and local communities.

In 22-23, the team will focus on engaging with residents who have communication barriers (ESOL - English to Speakers of Other Languages, disabilities), supporting activities that form part of the Borough of Culture celebrations, youth engagement and meeting the TPAS standards.



**RAISING
OUR
GAME**



Listening to our residents

Building on our Community Engagement Strategy 2019–23, we will provide effective ways for residents to influence service quality and strategic direction. We will strive to listen to a wider group of residents that is more representative of our overall resident demographic.

We will use the resident feedback from the Reset, Reskill and Rebuild 2022 survey to determine their priorities making sure our communities have an active role in helping to improve and shape the services we offer.

Resident and community engagement is also a focus for our development team. Making sure residents are involved in shaping projects from the start allows us to make better decisions that reflect local needs and enhance neighbourhoods.



Putting people first

A bespoke customer services development programme has been developed with Mary Gobar International as part of our People and Culture strategy. It will equip all employees with the tools, language and mind-set to deliver customer excellence to our residents and customers.

We began rolling out the programme in June 2021 and to date over 417 employees have completed the training. By mid-2022, we will have completed the rollout for all employees and will move onto the next phase of embedding the language and tools into our day to day work. The training will allow our employees to be able to take greater ownership and accountability for their day-to-day interactions with customers and residents through providing an empathic and caring 'positive first response'.

Championing Equality and Diversity

On a daily basis our employees make a difference to the lives of our residents in the services they provide. One of our strengths is that our staff represent the communities we serve. We use this insight to develop and deliver our Equality Diversity & Inclusion strategy, design services and tailor interventions to be responsive to needs.

We encourage and facilitate the involvement of customers in shaping the design and delivery of our services, and we work to recruit, develop and retain a diverse, talented and motivated workforce that reflects the communities we serve. We recognise that people from different backgrounds and with different experiences can bring valuable insights to the workplace and enhance the way we work and deliver services to our residents.



Recruiting and retaining great people

We are committed to being a diverse and inclusive employer of choice, engaging and empowering our employees in making this a great place to work. The working environment is changing at a fast pace where employees' expectations of how they work are changing with a focus on a

healthy working environment and flexibility. To attract and retain talent with the desired skills, knowledge and behaviours, we need to adapt to these external challenges. The impact of the national Great Resignation following the pandemic is likely to continue to present challenges

coupled with a buoyant candidate driven market creating skills shortages.

Our priority is to foster the right culture, working environment and support, with a focus on nurturing our talent and wellbeing support as we start to emerge from the pandemic. We need staff who are

committed to our vision, who are engaged and able to anticipate and respond to customer needs to achieve genuine excellence in service delivery. To enable this we will implement programmes of activity that will develop the skills, attitudes and behaviours required for the future.



OBJECTIVES

LANDLORD

Title	Task	Target Date
Service Charge Process	Restart of the Service Charge project, including a new design of service charge process and implementation of changes (subject to the completion of the Housing Management System project).	March 2023
True Compliance	Continued roll out across the different compliance work-streams. Main focus on Fire, Electrical and Asbestos in 2022/23.	March 2023
Building Safety	Fully staffed and qualified team in place, deliver resident engagement strategy and put in place programme to develop safety cases and fire strategies for all in scope buildings.	March 2023
Repair End-to-End Review	End to end review completed and reported. Action plan agreed with ELT and Board.	October 2023
Learning from Complaints	Proactively working with residents to better meet their needs and improve our services, leveraging complaints as a source of potential learnings and improvements across the business.	March 2023

PLACEMAKER

Title	Task	Target Date
Housing Development	The submission of planning applications, site start and completions for the development programme which contribute to the Council's Direct Delivery ambitions.	March 2023
Shared Ownership	Design and implementation of Shared Ownership service design and processes, ready for when residents start to take ownership.	Sept 2022

OBJECTIVES

EMPLOYER

Title	Task	Target Date
EDI Programme	Diagnostic exercise to identify root causes and issues for EDI and Ethnicity Pay-Gap, followed by definition and delivery of EDI programme to deliver improved outcomes. Areas of focus: recruitment and retention, staff development, ethnicity pay-gap, celebrating diversity and inclusivity.	March 2023
Inclusive Work Culture	Strengthening our inclusive culture through the launch of the Management Development programme, further establishing staff network groups, employee voice opportunities, and enhancing our wellbeing offering to support ongoing resilience of our staff.	March 2023
Digital 5S	Set principles for holding data & files, creating high-level design for filing structures and solutions for data types.	March 2023
People IT Systems	The full functionality of the LBL Oracle People Systems is available to Lewisham Homes.	March 2023
People First	To continue to roll out People First Training and embedding with all staff.	Nov 2022

OBJECTIVES

PARTNER

Title	Task	Target Date
Resident Voice	To develop an annual engagement workplan. To embed resident engagement across the business.	March 2023
Customer Data and Segmentation	To create a project plan for collecting customer data and agreeing the data to be collected.	Dec 2022
Tenancy Sustainment including Fuel Poverty	To provide support to tenants to retain and manage their tenancies. To engage, signpost and support residents suffering from fuel poverty.	March 2023

ENTERPRISE

Title	Task	Target Date
HMS/CRM	Implement and go-live with a minimum viable product of Microsoft Dynamics as an HMS and CRM system for Lewisham Homes.	March 2023
Integra to Oracle	Deliver finance system migration to Oracle from Integra.	March 2023
Data Standards and Maturity	To establish the strategic direction and vision for data in Lewisham Homes. The project will deliver data standards, a framework for data ownership and governance.	April 2022
Property and Data Controls	Phase 2 focuses on strategy for: component level data, enabling effective business processes such as service charges & building safety.	March 2023

KPIs

Q1	QUARTILE RANK 1
M	MEDIAN
Q3	QUARTILE RANK 3
N/A	NOT APPLICABLE
TBC	TO BE CONFIRMED

Key Measures	Targets	Housemark Quartile Ranking (2019-20)	YTD performance (as of 11/03/22)
--------------	---------	--------------------------------------	----------------------------------

CORPORATE

Tenant satisfaction with the overall service	65%	Q1 - 80.55%, M - 72.5%, Q3 - 68.46%	60%
Leasehold satisfaction with the overall service	50%	N/A	43%
Tenant satisfaction that their landlord listens to their views and takes notice of them	60%	Q1 - 78.55%, M - 65.8%, Q3 - 59.6%	67.55%

COMPLAINTS

Resident satisfaction with the outcome of complaints	35%	Q1 - 54.82%, M - 39.2%, Q3 - 34% (including those with less than 10k properties)	24%
% / number of (Stg 1 & 2) complaints responded to within target time	90%	Q1 - 90%, M - 80.22%, Q3 - 71.28%	61%
Average time to respond to all complaints (in days)	13 days	Q1 - 14.42, M - 19.5, Q3 - 24.05	13.1
% / number of FOIs responded to on time	100%	N/A	61%
% / number of councilor and MP enquiries responded to on time	90%	N/A	65%

KPIs

Key Measures	Targets	Housemark Quartile Ranking (2019-20)	YTD performance (as of 11/03/22)
CUSTOMER SERVICE			
% / number of residents satisfied that Lewisham Homes staff are friendly and approachable.	80%	N/A	77%
PROPERTY SERVICES			
% / number of repair appointments kept	95%	Q1 - 97.64%, M - 94.94%, Q3 - 92.46%	93%
% / number of repairs completed on first visit	90%	N/A	88%
Average number of days to complete a repair	12 days	Q1 - 8.34, M - 9.41, Q3 - 12.72	27.5
Tenant satisfaction with the last completed repair	87%	TBC	80%
Tenant satisfaction with landlord's repairs and maintenance service	67%	Q1 - 79%, M - 70%, Q3 - 63.6%	60.29%
HUMAN RESOURCES			
Staff sickness (days annual equivalent) - all staff	11.00	Q1 - 7.95, M - 10.95, Q3 - 11.62	14.7
Staff sickness (days annual equivalent) - office based	8.00	N/A	7.7
Staff sickness (days annual equivalent) - field based staff	16.00	N/A	26.6
% of staff turnover (rolling 12 months)	20%	Q1 - 7.9%, M - 10.1%, Q3 - 10.2%	20.9%

KPIs

Key Measures	Targets	Housemark Quartile Ranking (2019-20)	YTD performance (as of 11/03/22)
PROPERTY/TENANCY SERVICES			
Average time taken to re-let local authority housing (calendar days) (including time spent in major works)	40	Q1- 19.47, M - 36.42, Q3 - 42.96	46
Average days to turnaround major voids (calendar days)	40	Q1- 48.98, M - 62.85, Q3 - 76.51	46
Average days to turnaround minor voids (calendar days)	30	Q1- 33.8, M - 36.28, Q3 - 57.9	33
Void rent loss as a % of annual rent roll	0.60%	Q1- 0.72%, M - 1.12%, Q3 - 1.91%	0.53%
DEVELOPMENT			
Number of site starts for new build	49	N/A	TBC
Number of new build homes completed	193	N/A	TBC
TENANCY SERVICES			
Lewisham Homes rent collected	99%	N/A	99.72%
Lewisham Homes & TMOs service charge collected	102%	N/A	94.8%
LH acquisitions rent collected	95%	N/A	95.54%

PROPERTY SAFETY COMPLIANCE MEASURES

No.	Indicator	Target 2022-23
FIRE RISK ASSESSMENTS AND ACTIONS		
1	Fire Risk Assessments	100%
2	Overdue P1X Actions	0
3	Overdue P1X Actions (not in programme)	0
4	Overdue P1 Actions	0
5	Overdue P1 Actions (not in programme)	0
6	Overdue P2 Actions (landlord responsibility)	0
GAS SAFETY		
7	Gas safety checks (domestic assets)	100%
8	Gas safety checks (communal assets)	100%
9	Gas safety checks (PSL properties)	100%
10	Ducts inspected	100%
FIRE EQUIPMENT SERVICING		
11	Fire Alarms	100%
12	Automatic Opening Vents	100%
13	Emergency Lighting	100%

No.	Indicator	Target 2022-23
WATER HYGIENE		
14	Dry Risers	100%
15	Wet Risers	100%
16	Sprinklers	100%
17	Water Tank Risk Assessments	100%
18	Water Tank Overdue Risk Actions	100%
ASBESTOS		
19	Asbestos Surveys Completed	100%
20	Asbestos Actions Completed	100%
LIFTS		
21	Passenger Lift Safety Inspections Completed	100%
22	Passenger Lift Services Completed	100%
LIGHTNING CONDUCTORS		
23	Services Completed	100%
PLAYGROUND INSPECTIONS		
24	Number of RoSPA Completed	100%

Monitoring of Smoke and Carbon Monoxide Detectors will be recorded throughout the year and will become performance indicators in future years

ANNUAL BUSINESS PLAN 2022 – 2023

**RAISING
OUR
GAME**



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Housing Select Committee

Report title: Select Committee work programme report

Date: 6 June 2022

Key decision: No.

Class: Part 1

Ward(s) affected: All

Contributors: Assistant Chief Executive (Scrutiny Manager)

Outline and recommendations

To ask members to discuss the committee's priorities for the 2022/23 municipal year and to agree an annual work programme.

The Committee is asked to:

- Consider the potential items set out in the draft work programme at **appendix E**.
- Consider the policy context: the corporate strategy and *Future Lewisham*
- Discuss the committee's priorities and agree a work programme for 2022/23.
- Note opportunities for public engagement, site visits and expert witnesses.
- Appoint a climate change champion for the committee.

Timeline of engagement and decision-making

The meeting dates below are due to be agreed at the Council AGM on 25 May 2022:

- Monday 6 June 2022
- Tuesday 13 September 2022
- Thursday 17 November 2022
- Wednesday 11 January 2023
- Thursday 9 March 2023

1. Summary

- 1.1. This report asks members to discuss and agree priorities for the committee's work programme for the year ahead and describes the process for approval by the business panel and ongoing monitoring by the committee.

2. Recommendations

- 2.1. The Committee is asked to:
 - Consider the potential items set out in the draft work programme at **appendix E**.
 - Consider the policy context: the corporate strategy and *Future Lewisham*.
 - Discuss the committee's priorities and agree a work programme for 2022-23.
 - Note opportunities for public engagement, site visits and expert witnesses.
 - Appoint a climate change champion for the committee.

3. The role of the select committee

- 3.1. The role of the Housing Select Committee is to monitor the provision of the council's housing functions. This includes scrutinising Lewisham Homes and Regenter B3, which manage the council's stock of council properties, establishing links with other social housing providers in the borough, and examining other key housing-related matters.
- 3.2. The Committee has a key role in scrutinising the performance and supporting the development of the council's housing-related strategies and policies. It also has a role in engaging and reflecting the views of residents in relation to housing-related matters. This includes, for example, support and accommodation for those who are homeless or threatened with homelessness; measures to increase the supply of new, affordable housing; improving conditions in the private rented sector; and improving standards in social housing.
- 3.3. The Committee's full terms of reference are set out in **appendix A**.

4. Different types of scrutiny

- 4.1. It's important to think early on about the most effective way to scrutinise each item on the work programme. Some issues may only require an initial briefing, circulated by email, for information, some may require site visits and public engagement, and others may require detailed questioning at a formal committee meeting and input from stakeholders.
- 4.2. The *Effective Scrutiny Guidelines* at **appendix C** sets out 5 key principles to take into account when carrying out scrutiny: *Prioritise; Be independent; Work Collectively; Engage; make SMART recommendations*. This will help the committee decide on the most appropriate approach for the issue at hand.
- 4.3. Members should also note the comments in the [Local Democracy Review](#) about how scrutiny can be even more effective, participative and open. Suggestions included:
 - Focusing on fewer issues more closely linked to council priorities
 - More engagement with the public outside of formal meetings
 - Individual scrutiny members leading on defined topic areas
 - Contributing to new policy proposals at an early stage
- 4.4. Some of the most common scrutiny methods are described below, but members are

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encouraged to try new ways of gathering evidence and engaging the public.

“Standard items”

- 4.5. The majority of work programme items tend to be “standard items”, where scrutiny is carried out as part of a single meeting with members:
- agreeing in advance the information and analysis needed
 - receiving an officer report presenting the relevant information
 - gathering additional evidence from activity outside of meetings
 - asking questions of the presenting officers or expert guests
 - agreeing recommendations to Mayor and Cabinet and partners.

Policy development

- 4.6. When the council is due to renew a policy the committee may be asked to consider the options available and officer recommendations before a decision by Mayor and Cabinet. Select committees should be engaged at an early enough stage to be able to influence and contribute to the new policy.

Performance monitoring

- 4.7. Scrutiny can request a wide range of performance information to examine the effectiveness of council services. This includes monitoring data on key performance indicators and outcomes and assessing the delivery of particular programme or projects against set targets or timescales.

Task and Finish Groups

- 4.8. For issues that require more extensive evidence gathering, members may put forward a proposal for a Task and Finish Group (TFG). The Overview & Scrutiny Committee will agree which TFGs should be established, their membership, terms of reference and duration. TFGs are independent of select committees and make recommendations directly to Mayor & Cabinet.

Information items

- 4.9. Some low-priority items may only require a briefing report to be circulated to committee members by email, with questions put to the report author for written response. There is no provision for discussion of information items at committee meetings.

5. Agreeing the committee’s work programme

- 5.1. A draft work programme is attached at appendix E. It currently includes:
- suggestions made by the Committee at the last meeting of 2021-22
 - issues arising as a result of previous scrutiny
 - suggestions from Council officers (further detail is set out in sections below).
- 5.2. It is for the committee, however, to set its own work programme and agree the priority issues it would like to include – the committee does not have to look into everything officers, the public or other members suggest.
- 5.3. When deciding on issues to include in the work programme, the committee should consider the key services and programmes within the committee’s remit, the criteria for selecting and prioritising topics (see flowchart below), upcoming Mayor & Cabinet decisions (appendix D) and avoid duplicating the work of any agreed task and finish groups (TFGs).
- 5.4. The Corporate Strategy 2018-22 sets out how the Council will deliver for its residents up to 2022. The Corporate Strategy provides an overarching framework and focus for all council business; and items within the Committee’s work programme should be linked to

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the priorities in the strategy (appendix B). A new Corporate Strategy is currently in development, which will include a refreshed set of priorities and describe how the Council will address the social, economic and environmental challenges facing the borough up to 2026. Once this is in place, the Committee may wish to review its work programme in light of the new strategy.

- 5.5. The committee should also note and take into account the four strategic themes of the borough's Covid-19 recovery plan, Future Lewisham, which support what we want for every single resident and that we know are what we need to focus on locally: *An economically sound future; A healthy and well future; A greener future; and a future we all have a part in.*
- 5.6. The committee is recommended to schedule **two substantive items per meeting** to allow enough time for detailed discussions and the involvement of any invited witnesses or guests and to leave space for any Mayor & Cabinet responses that may arise throughout the year. The committee should be responsive and if urgent business arises throughout the year the work programme can be amended with urgent business added and lower priority business removed.
- 5.7. Provision is made for meetings to last for up to 2.5 hours, but the committee should aim to **manage its business within 2 hours**. In exceptional cases the committee may decide to suspend standing orders and extend the meeting for a further 30 minutes to conclude any urgent business.
- 5.8. The committee should specify the information it would like for each item to ensure that officer reports and other evidence meets its needs. This should be done under the work programme item at every meeting.
- 5.9. There is no provision at committee for the discussion of information items (reports to note). If required, they will be circulated to members by email with questions put to the report author for a written response.
- 5.10. Some of the regular reports that fall under the committee's remit, which are presented as reports to note and are circulated to members by email in the first instance, include the following. They are only taken as substantive items if wider engagement and scrutiny would add value, in line with the prioritisation process below.
 - Lewisham Homes annual report and business plan
 - Regenter B3 annual report and business plan
 - Rent and service charge increases
 - New homes programme updates
- 5.11. The following suggestions for the work programme have been put forward by members or officers, or have arisen as a result of previous scrutiny. They have been added to the provisional work programme attached at Appendix E, but it is up to the committee to decide whether or not these items should be included in the final work programme.
- 5.12. Suggestions made by the committee at the last meeting of 2022-23
 - Lewisham Homes performance
 - Lewisham Homes and solar PV provision
 - Climate change considerations
- 5.13. Suggestions from officers in view of forthcoming developments
 - Article 4 direction for HMOs
 - Lewisham Homes business plan
 - HRA business plan
 - Service charge policy

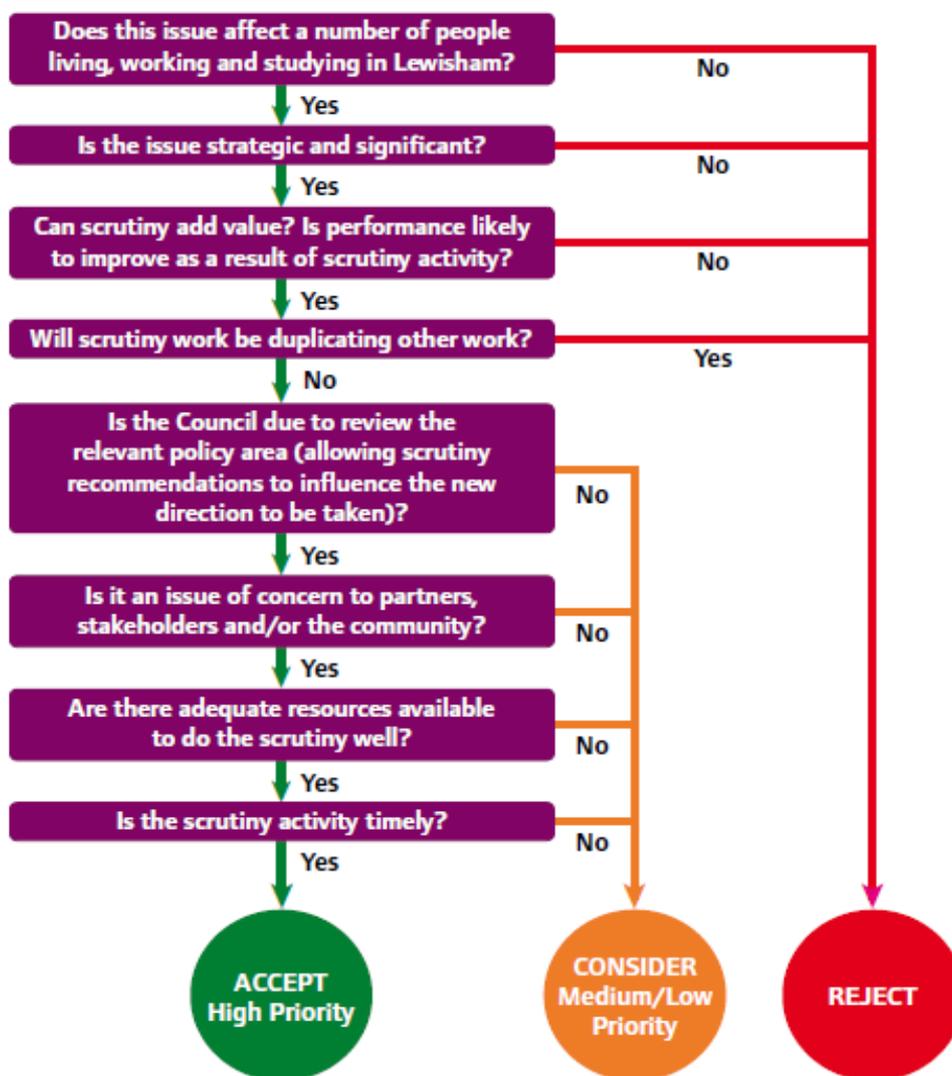
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- Selective licensing
- 5.14. Issues arising as a result of previous scrutiny
- Lewisham Homes repairs
 - Resident engagement in housing development (update)
 - Housing and homelessness strategies refresh
 - Housing retrofit (LH, RB3 and social housing partners)
- 5.15. It is the Chair's responsibility to keep abreast of developments within the committee's remit, liaise regularly with the relevant cabinet member(s) and escalate any issues that require action by the committee to the work programme as appropriate.

Scrutiny work programme – prioritisation process



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6. Approval and ongoing monitoring of the work programme

- 6.1. Each select committee is required to submit its work programme to the Overview and Scrutiny Business Panel for approval. This is to ensure a coordinated overview and scrutiny work programme across select committees that avoids duplication of effort and supports effective scrutiny. The Business Panel will meet on 19 July 2022.
- 6.2. The committee's work programme can be reviewed at each meeting to allow urgent items to be added and lower priority issues to be removed. Any potential items should be considered against the priority criteria outlined earlier in this report. If a high-priority item is included, a lower-priority item should be removed. The committee's work programme must be achievable in the time available.

7. Financial implications

- 7.1. There are no direct financial implications arising from the implementation of the recommendations in this report. Items on the Committee's work programme will have financial implications and these will need to be considered as part of the reports on those items

8. Legal implications

- 8.1. In accordance with the Council's Constitution, all scrutiny select committees must devise and submit a work programme to the Business Panel at the start of each municipal year.

9. Equalities implications

- 9.1. Equality Act 2010 brought together all previous equality legislation in England, Scotland and Wales. The Act included a new public sector equality duty, replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. It 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.
- 9.2. 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.
- 9.3. There may be equalities implications arising from items on the work programme and all activities undertaken by the Select Committee will need to give due consideration to this.

10. Climate change and environmental implications

- 10.1. There are no direct climate change or environmental implications arising from the implementation of the recommendations in this report. Items on the Committee's work programme may have climate change implications and these will need to be considered as part of the reports on those items.

11. Crime and disorder implications

- 11.1. There are no direct crime and disorder implications arising from the implementation of the recommendations in this report. Items on the Committee's work programme may

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have crime and disorder implications and these will need to be considered as part of the reports on those items.

12. Health and wellbeing implications

- 12.1. There are no direct health and wellbeing implications arising from the implementation of the recommendations in this report. Items on the Committee's work programme may have health and wellbeing implications and these will need to be considered as part of the reports on those items.

13. Report author and contact

- 13.1. If you have any questions about this report please contact:
John Bardens, 020 8314 9976, john.bardens@lewisham.gov.uk.

14. Appendices

Appendix A – [Committee terms of reference](#) (see below)

Appendix B – [Council corporate priorities](#) (see below)

Appendix C – Effective scrutiny principles (see attached)

Appendix D – Notice of forthcoming executive decisions (see attached)

Appendix E – Draft work programme (see attached)

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Appendix A

The following roles are common to all select committees:

(a) General functions

- To review and scrutinise decisions made and actions taken in relation to executive and non-executive functions
- To make reports and recommendations to the Council or the executive, arising out of such review and scrutiny in relation to any executive or non-executive function
- To make reports or recommendations to the Council and/or Executive in relation to matters affecting the area or its residents
- The right to require the attendance of members and officers to answer questions includes a right to require a member to attend to answer questions on up and coming decisions

(b) Policy development

- To assist the executive in matters of policy development by in depth analysis of strategic policy issues facing the Council for report and/or recommendation to the Executive or Council or committee as appropriate
- To conduct research, community and/or other consultation in the analysis of policy options available to the Council
- To liaise with other public organisations operating in the borough – both national, regional and local, to ensure that the interests of local people are enhanced by collaborative working in policy development wherever possible

(c) Scrutiny

- To scrutinise the decisions made by and the performance of the Executive and other committees and Council officers both in relation to individual decisions made and over time
- To scrutinise previous performance of the Council in relation to its policy objectives/performance targets and/or particular service areas
- To question members of the Executive or appropriate committees and executive directors personally about decisions
- To question members of the Executive or appropriate committees and executive directors in relation to previous performance whether generally in comparison with service plans and targets over time or in relation to particular initiatives which have been implemented
- To scrutinise the performance of other public bodies in the borough and to invite them to make reports to and/or address the select committee/Business Panel and local people about their activities and performance
- To question and gather evidence from any person outside the Council (with their consent)
- To make recommendations to the Executive or appropriate committee and/or Council arising from the outcome of the scrutiny process

(d) Community representation

- To promote and put into effect closer links between overview and scrutiny members and the local community
- To encourage and stimulate an enhanced community representative role for overview and scrutiny members including enhanced methods of consultation with local people
- To liaise with the Council's ward assemblies so that the local community might participate in the democratic process and where it considers it appropriate to seek the views of the ward assemblies on matters that affect or are likely to affect the local areas, including accepting items for the agenda of the appropriate select committee from ward assemblies.
- To keep the Council's local ward assemblies under review and to make recommendations to the Executive and/or Council as to how participation in the democratic process by local

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people can be enhanced

- To receive petitions, depositions and representations from local people and other stakeholders about areas of concern within their overview and scrutiny remit, to refer them to the Executive, appropriate committee or officer for action, with a recommendation or report if the committee considers that necessary
- To consider any referral within their remit referred to it by a member under the Councillor Call for Action, and if they consider it appropriate to scrutinise decisions and/or actions taken in relation to that matter, and/or make recommendations/report to the Executive (for executive matters) or the Council (non-executive matters).

(e) Finance

- To exercise overall responsibility for finances made available to it for use in the performance of its overview and scrutiny function.

(f) Work programme

- As far as possible to draw up a draft annual work programme in each municipal year for consideration by the overview and scrutiny Business Panel. Once approved by the Business Panel, the relevant select committee will implement the programme during that municipal year. Nothing in this arrangement inhibits the right of every member of a select committee (or the Business Panel) to place an item on the agenda of that select committee (or Business Panel respectively) for discussion.
- The Council and the Executive will also be able to request that the overview and scrutiny select committee research and/or report on matters of concern and the select committee will consider whether the work can be carried out as requested. If it can be accommodated, the select committee will perform it. If the committee has reservations about performing the requested work, it will refer the matter to the Business Panel for decision.

The Housing Select Committee has specific responsibilities for the following:

- a) To fulfil all overview and scrutiny functions in relation to the discharge by the authority of its housing functions. This shall include the power to:
- b) review and scrutinise decisions made or other action taken in connection with the discharge of the Council of its housing function
- c) make reports or recommendations to the authority and/or Mayor and Cabinet with respect to the discharge of these functions
- d) make recommendations to the authority and/or Mayor and Cabinet proposals for housing policy
- e) to review initiatives put in place by the Council with a view to improving, increasing and enhancing housing in the borough, making recommendations and/or report thereon to the Council and/or Mayor and Cabinet
- f) To establish links with housing providers in the borough which are concerned with the provision of social housing

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Appendix B

Council corporate priorities 2018-2022

Items within the work programme should be linked to the priorities of the Council's Corporate Strategy for 2018-2022 (set out below):

Open Lewisham - Lewisham is a welcoming place of safety for all, where we celebrate the diversity that strengthens us.

Tackling the housing crisis - Everyone has a decent home that is secure and affordable.

Giving children and young people the best start in life - Every child has access to an outstanding and inspiring education, and is given the support they need to keep them safe, well and able to achieve their full potential.

Building an inclusive local economy - Everyone can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy.

Delivering and defending: health, social care and support - Ensuring everyone receives the health, mental health, social care and support services they need.

Making Lewisham greener - Everyone enjoys our green spaces, and benefits from a healthy environment as we work to protect and improve our local environment.

Building safer communities - Every resident feels safe and secure living here as we work together towards a borough free from the fear of crime.

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Effective Scrutiny Guidelines

1. Prioritise

It is more effective to look at one or two key issues per meeting in an in-depth way, than skim the surface of everything falling within the committee's remit. Try to focus on issues of concern to the community and/or matters that are linked to corporate priorities. Only add items to the work programme if you are certain your consideration of the matter will make a real and tangible difference.

2. Be independent

Scrutiny is led by Scrutiny Members. You are in charge of the work programme and, for every item, you should specify what evidence you require and what information you would like to see in any officer reports that are prepared. You should not be whipped by your political party or unduly influenced by the Cabinet or senior officers.

3. Work collectively

If you collectively agree in advance what you want to achieve in relation to each item under consideration, including what the key lines of enquiry should be, you can work as a team to question witnesses and ensure that all the required evidence is gathered. Scrutiny is impartial and the scrutiny process should be free from political point scoring and not used to further party political objectives.

4. Engage

Involving residents helps scrutiny access a wider range of ideas and knowledge, listen to a broader range of voices and better understand the opinions of residents and service users. Engagement helps ensure that recommendations result in residents' wants and needs being more effectively met.

5. Make SMART evidence-based recommendations

Scrutiny has the most impact when its recommendations are based on solid, triangulated evidence – where a variety of sources of evidence point to a change in practice that will positively alter outcomes. Recommendations are more powerful if they are:

- Specific (simple, sensible, significant).
- Measurable (meaningful, motivating).
- Achievable (agreed, attainable).
- Relevant (reasonable, realistic and resourced, results-based).
- Time bound (time-based, time limited, time/cost limited, timely, time-sensitive).

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FORWARD PLAN OF KEY DECISIONS

Forward Plan June 2022 - September 2022

This Forward Plan sets out the key decisions the Council expects to take during the next four months.

Anyone wishing to make representations on a decision should submit them in writing as soon as possible to the relevant contact officer (shown as number (7) in the key overleaf). Any representations made less than 3 days before the meeting should be sent to Kevin Flaherty 0208 3149327, the Local Democracy Officer, at the Council Offices or kevin.flaherty@lewisham.gov.uk. However the deadline will be 4pm on the working day prior to the meeting.

A "key decision"* means an executive decision which is likely to:

- (a) result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates;
- (b) be significant in terms of its effects on communities living or working in an area comprising two or more wards.

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
January 2022	Extra Care Housing Support Contract for Cinnamon Court, Deptford and Cedar Court Grove Park.	15/06/22 Mayor and Cabinet	Heather Hughes, Joint Commissioner, Learning Disabilities and Councillor Chris Best		
February 2022	Building for Lewisham Budget requirements	15/06/22 Mayor and Cabinet	James Ringwood, Housing Delivery Manager and Councillor Paul Bell, Cabinet Member		
February 2022	Leisure Contract Extension	15/06/22 Mayor and Cabinet	James Lee, Director of Communities, Partnerships and Leisure and Councillor Andre Bourne, Cabinet member for Culture		
November 2021	A205 Realignment	15/06/22 Mayor and Cabinet	Patrick Dubeck, Director of Inclusive Regeneration and Patrick Codd, Assistant to the Executive		
January 2022	Permission to Procure Extra Care Housing at Hazelhurst Court	15/06/22 Mayor and Cabinet	Heather Hughes, Joint Commissioner, Learning Disabilities and Councillor Chris Best		
November 2021	Blackheath Joint Events Policy 2022-2027	15/06/22 Mayor and Cabinet	Nick Pond, Parks and Open Space Contracts and Service Development Manager and Patrick Codd, Assistant to the Executive		
January 2022	Request to extend the Extra	15/06/22	Heather Hughes, Joint		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
	Care Housing Support Contract for Conrad Court, Marine Wharf, Deptford.	Mayor and Cabinet	Commissioner, Learning Disabilities and Councillor Chris Best		
February 2022	BfL Programme - Approval to enter into contract	15/06/22 Mayor and Cabinet	James Ringwood, Housing Delivery Manager and Councillor Paul Bell, Cabinet Member		
November 2021	Housing Revenue Account Business Plan	15/06/22 Mayor and Cabinet	Dawn Eckersley, Head of Housing Partnerships and Service Improvement and Councillor Paul Bell, Cabinet Member		
January 2022	Location Priority Procurement Strategy	15/06/22 Mayor and Cabinet	Ella McCarthy, Housing Partnership and Insight Manager and Councillor Paul Bell, Cabinet Member		
February 2022	Out of Hours Switchboard	15/06/22 Mayor and Cabinet	Mark Ferris and Councillor Amanda De Ryk, Cabinet Member for Finance and Resources		
May 2022	Permission to Procure (Stop Smoking Contract)	15/06/22 Mayor and Cabinet	and Councillor Paul Bell, Cabinet Member		
May 2022	Authority to procure a new contract for 0-19 Public Health Nursing (Health Visiting and School Health Service)	15/06/22 Mayor and Cabinet	Emily Newell, Joint Commissioner 0-19 Health and Maternity and Councillor Paul Bell, Cabinet Member		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
May 2022	Levelling Up Fund bid	15/06/22 Mayor and Cabinet	John Bennett, Head of Economy, Jobs and Partnerships and Councillor Kim Powell, Cabinet member for Business and Community Wealth Building		
May 2022	Building for Lewisham - Ladywell Update Part 1 & 2	15/06/22 Mayor and Cabinet	James Ringwood, Housing Delivery Manager and Councillor Brenda Dacres, Deputy Mayor		
May 2022	Energy Grants, Covid Additional relief Fund (CARF) scheme and Household Support Fund updates	15/06/22 Mayor and Cabinet	Mick Lear, Service Manager, Benefits and Councillor Brenda Dacres, Deputy Mayor		
May 2022	Compute & Storage Infrastructure Replacement	15/06/22 Mayor and Cabinet	and Councillor Amanda De Ryk, Cabinet Member for Finance and Resources		
May 2022	Permission to tender (Mental Health Supported Housing)	15/06/22 Mayor and Cabinet	and Councillor Paul Bell, Cabinet Member		
November 2021	Award of Corporate Estate Maintenance Programme Phases 1 & 2 works contract	28/06/22 Executive Director for Housing, Regeneration & Environment	Akweley Badger, Project Support Officer and Councillor Amanda De Ryk, Cabinet Member for Finance and Resources		
January 2022	Contract for Statutory Funeral Provision	28/06/22 Executive Director for Community	Corinne Moocarme, Joint Commissioning Lead, Community Support and		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
		Services	Care, Community Services, LBL and Councillor Paul Bell, Cabinet Member		
May 2022	Catford Library Winslade Way works - Contract Award	28/06/22 Executive Director for Corporate Services	Kplom Lotsu, SGM Capital Programmes and Councillor Andre Bourne, Cabinet member for Culture		
May 2022	Procurement of Learning and Development Services Provider	28/06/22 Executive Director for Corporate Services	and Councillor Amanda De Ryk, Cabinet Member for Finance and Resources		
May 2022	Digital Infrastructure - Fibre Wayleave	28/06/22 Executive Director for Corporate Services	and Councillor Amanda De Ryk, Cabinet Member for Finance and Resources		
May 2022	Expert Assessors services for Concessionary Award Schemes	28/06/22 Executive Director for Corporate Services	and Councillor Chris Barnham, Cabinet Member for Children's Services and School Performance		
May 2022	Procurement of a replacement Housing Management System and implementation of a Customer Relationship Management System.	18/06/22 Executive Director for Corporate Services	and Councillor Amanda De Ryk, Cabinet Member for Finance and Resources		
February 2022	Building for Lewisham Appropriation for Planning	06/07/22 Mayor and Cabinet	James Ringwood, Housing Delivery Manager and Councillor		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
			Paul Bell, Cabinet Member		
November 2021	Lewisham Air Quality Action Plan 2022-2027	06/07/22 Mayor and Cabinet	Eliane Foteu, Environmental Protection Manager and Patrick Codd, Assistant to the Executive		
October 2021	Approval of Flood Risk Management Strategy 2022-27	06/07/22 Mayor and Cabinet	Martin O'Brien, Climate Resilience Manager and Patrick Codd, Assistant to the Executive		
November 2021	New Cross Road Acquisition	06/07/22 Mayor and Cabinet	James Ringwood, Housing Delivery Manager and Councillor Paul Bell, Cabinet Member		
May 2022	Watergate Special School Expansion budget approval and approval to procure	06/07/22 Mayor and Cabinet	Iqbal Iffat, Project Manager Capital Programme Delivery and Councillor Chris Barnham, Cabinet Member for Children's Services and School Performance		
May 2022	5th Annual Besson Street Business Plan	06/07/22 Mayor and Cabinet	Angela Bryan, Strategic Development Officer and Councillor Brenda Dacres, Deputy Mayor		
May 2022	Approval for the Local Development Scheme (LDS)	06/07/22 Mayor and Cabinet	David Syme, Head of Strategic Planning and		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
			Councillor Brenda Dacres, Deputy Mayor		
May 2022	Approval of the Lewisham Local Plan - Regulation 19 Proposed Submission document for public consultation	06/07/22 Mayor and Cabinet	David Syme, Head of Strategic Planning and Councillor Brenda Dacres, Deputy Mayor		
May 2022	Approval for the making of an Article 4 Direction E to class C3	06/07/22 Mayor and Cabinet	David Syme, Head of Strategic Planning and Councillor Brenda Dacres, Deputy Mayor		
May 2022	Approval for the making of an Article 4 Direction C3 to Class C4	06/07/22 Mayor and Cabinet	David Syme, Head of Strategic Planning and Councillor Brenda Dacres, Deputy Mayor		
May 2022	Adding a SEN Resource Base to Edmund Waller Primary School	06/07/22 Mayor and Cabinet	Matthew Henaughan, Head of Business, Infrastructure, Compliance and Education and Councillor Chris Barnham, Cabinet Member for Children's Services and School Performance		
May 2022	Adding a SEN Resource Base to Forster Park Primary School	06/07/22 Mayor and Cabinet	Matthew Henaughan, Head of Business, Infrastructure, Compliance and Education and Councillor Chris Barnham, Cabinet Member for Children's		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
			Services and School Performance		
May 2022	Expansion of Drumbeat School	06/07/22 Mayor and Cabinet	Matthew Henaughan, Head of Business, Infrastructure, Compliance and Education and Councillor Chris Barnham, Cabinet Member for Children's Services and School Performance		
May 2022	Change of Age Range at Fairlawn Primary School	06/07/22 Mayor and Cabinet	Matthew Henaughan, Head of Business, Infrastructure, Compliance and Education and Councillor Chris Barnham, Cabinet Member for Children's Services and School Performance		
May 2022	Permission to Procure New Hope Housing Project	06/07/22 Mayor and Cabinet	Polly Pascoe, Integrated Commissioning Manager and Councillor Paul Bell, Cabinet Member		
May 2022	Permission to Procure Lewisham Wellbeing Service	06/07/22 Mayor and Cabinet	Polly Pascoe, Integrated Commissioning Manager and Councillor Paul Bell, Cabinet Member		
May 2022	Permission to Procure Lewisham Dementia Hub	06/07/22 Mayor and Cabinet	Polly Pascoe, Integrated Commissioning Manager and Councillor Paul Bell,		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
			Cabinet Member		
May 2022	Permission to Procure new registered provider for supported accommodation and building management (Northover and Amersham).	06/07/22 Mayor and Cabinet	and Councillor Chris Barnham, Cabinet Member for Children's Services and School Performance		
May 2022	Meliot Centre Relocation Contract Award	19/07/22 Executive Director for Housing, Regeneration & Environment	and Councillor Paul Bell, Cabinet Member		
May 2022	On Street Advertising Contract Variation and Extension	14/09/22 Mayor and Cabinet	and Councillor Amanda De Ryk, Cabinet Member for Finance and Resources		
January 2022	Lewisham Autism Strategy	14/09/22 Mayor and Cabinet	Polly Pascoe, Integrated Commissioning Manager and Councillor Chris Best		
May 2022	Approval for s106 monies to go to Deptford Challenge Trust	14/09/22 Mayor and Cabinet	and Councillor Kim Powell, Cabinet member for Business and Community Wealth Building		
May 2022	Lewisham Play Strategy 2022 - 2027	14/09/22 Mayor and Cabinet	and Councillor Chris Barnham, Cabinet Member for Children's Services and School Performance		
May 2022	Approval to appoint operator	05/10/22	and Councillor Andre		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
	for concessions contract at Beckenham Place Park lake	Mayor and Cabinet	Bourne, Cabinet member for Culture		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials

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Housing Select Committee work programme 2022/23 - draft

Item	Type	Priority	Delivery	06-Jun	13-Sep	17-Nov	11-Jan	09-Mar
Election of Chair and Vice Chair	Constitutional req	CP2	June					
Work programme 2022-23	Constitutional req	CP2	June					
Article 4 direction for HMOs	Standard item	CP2	June					
Housing Revenue Account business plan	Standard item	CP2	June					
Future of Housing Managed by Lewisham Homes: Options	Standard item	CP2	June					
Lewisham Homes business plan	Standard item	CP2	June					
Temporary Accommodation procurement strategy	Standard item	CP2	Sept					
Service charge policy	In-depth review	CP2	Sept					
Budget cuts proposals	Standard item	CP2	Nov					
Lewisham Homes repairs update	Standard item	CP2	Nov					
Housing retrofit - housing partners	Standard item	CP2	Jan					
Resident engagement in housing development (update)	Standard item	CP2	Jan					
TBC			March					
TBC			March					

Information reports, briefings and visits	Type	Priority	Delivery					
Lewisham Homes annual report	Performance monitoring	CP2	tbc					
Regenter B3 annual report and business plan	Performance monitoring	CP2	tbc					
Rent and service charge increases	Performance monitoring	CP2	tbc					
Development update	Performance monitoring	CP2	tbc					

	Item completed
	Item on-going
	Proposed timeframe

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