



Housing Select Committee

Report title: Brockley PFI – Annual Review Report 2022/23

Date: 12 September 2023

Key decision: No

Class: Part 1

Ward(s) affected: Brockley, Ladywell, Crofton Park

Contributors: Director of Housing Strategy, Director of Law and Corporate Governance, Director of Finance

Outline and recommendations

The purpose of this report is to provide Housing Select Committee with an overview of performance achieved by Regenter B3 against the Project Agreement and Output Specification in 2022/23.

1. Summary

- 1.1. The Brockley Private Finance Initiative (PFI) contract commenced on 4th June 2007 and includes 1,826 dwellings situated in the Brockley neighbourhood, of which 1,239 are tenanted and 587 are leasehold.
- 1.2. The PFI involves the refurbishment, management, and maintenance of properties over a 20-year period.
- 1.3. The purpose of this report is to give a brief overview of the background of the Brockley PFI and the key achievements and progress which has been made during 2022/23.

2. Recommendations

- 2.1. Housing Select Committee are asked to note the report.

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.
 - 3.1.2. Building an inclusive local economy.
 - 3.1.3. Making Lewisham greener.
 - 3.1.4. Building safer communities.

4. Background

- 4.1. The Brockley PFI contract commenced on 4th June 2007. There are 1,826 properties in the PFI area. The contract for refurbishing and maintaining the properties includes the provision for housing repair and maintenance, caretaking, cleaning, tenancy, and estate management service for a period of 20 years.
- 4.2. Regenter B3 (RB3) is a special purpose vehicle set up to deliver the Brockley PFI contract. Regenter B3 hold ultimate responsibility for delivering against the terms of the contract. The relevant parts of the Project Agreement and Output Specification flow down to Pinnacle and Equip ('Rydon') in the form of Management Agreements.
 - 4.2.1. Pinnacle are responsible for delivering the housing management services, including all elements of tenancy management and resident engagement.
 - 4.2.2. Rydon are the repair and maintenance subcontractor who deliver the day-to-day repairs service, planned maintenance, lifecycle, and other major works programmes.
 - 4.2.3. Higgins were the refurbishment contractor and carried out a programme of works to bring properties up to the Availability Standard between 2007 and 2010.
- 4.3. The Output Specification sets out the requirements (or outputs) in connection with the works and services throughout the contract period. It also covers the availability standards (output requirements for the works and ongoing availability of the properties) and the services.
- 4.4. It is the responsibility of Regenter B3 to ensure their sub-contractors deliver the services they are responsible for in accordance with the terms of the PFI contract. In return, the council pay Regenter B3 a monthly Unitary Charge, which they distribute to Pinnacle and Rydon in accordance with the terms of their respective sub-contracts.
- 4.5. The contract requires Regenter B3 to report performance against a range of key performance indicators and to ensure the properties are maintained at the Availability Standard. Regenter B3 report performance monthly and deductions can be taken from the Unitary Charge for performance below the standards expected in the contract.
- 4.6. The contract is monitored through:
 - 4.6.1. Monthly operations meetings which are attended by the Council, the Contractor, and the Sub-Contractors.
 - 4.6.2. Monthly contract meetings between the Council and the Contractor are held and are attended by senior management.
 - 4.6.3. Meetings with the Contractor and the Board, these meetings are usually held quarterly.
 - 4.6.4. Monthly performance reports are provided, and the information is thorough stating performance against the KPIs and change over time. There have been no significant performance deductions applied in the past 5 years by the Authority.
 - 4.6.5. Weekly site visits take place with a council officer, and representatives from RB3, Rydon and Pinnacle attending. These generally focus on the communal areas and check the standards of cleaning, grounds maintenance and progress of any works taking place.
- 4.7. The contract does not provide allowance for enhancements to property conditions to be provided, over and above the Availability Standard.
- 4.8. Arrangements are being made to prepare for the expiry of the contract in June 2027. RegenterB3 and Rydon have undertaken several stock condition surveys throughout the life of the contract. The works identified from these surveys are used to inform the

annual lifecycle and future planned maintenance programmes to ensure condition standards are being maintained.

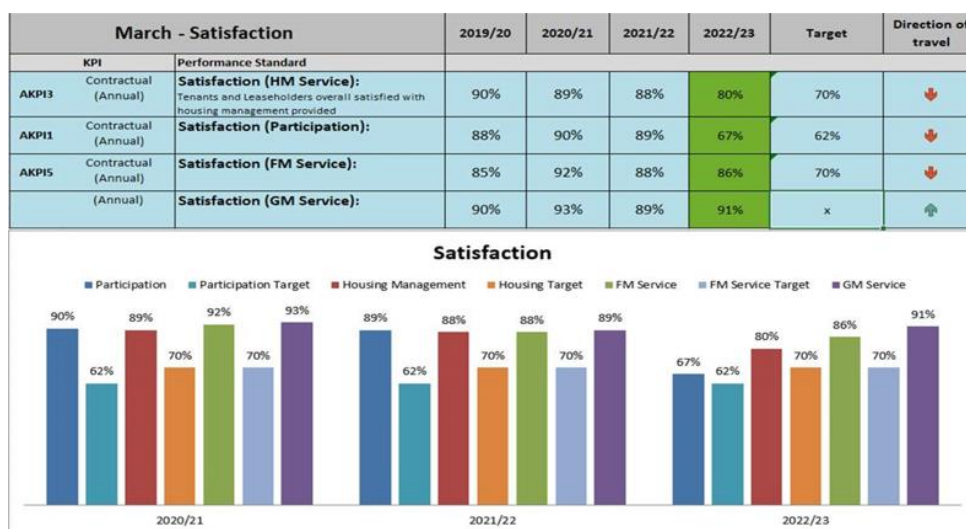
- 4.9. In preparation for contract expiry, the Council will commission its own surveys to confirm that the PFI properties will meet the required 'handback' standard. The Council will work closely with Regenter B3 to ensure that all relevant data pertaining to the condition, performance and where possible residual life of the assets is transferred to the Council. This data will enable the Council to forward plan in terms of future maintenance requirement for the PFI properties post expiry of the contract in June 2027. The Council is currently procuring consultancy support to advise and lead the Council on all aspects of the PFI expiry process including the stock condition surveys. The Council hope to commence these surveys in mid-2024 to ensure sufficient time allowed to gain access to the entire stock.

5. PFI Annual Report 2022/23

- 5.1. Each year, Regenter B3 produce an annual report which sets out their performance against the contract for the Key Performance Indicators (KPIs).
- 5.2. Altogether there are 26 contractual KPIs, of which 19 are provided monthly and 7 on an annual basis. The list of the KPIs and the current performance against those KPIs up until March 2023 is provided in Appendix 1.
- 5.3. A summary of performance is provided within this report.

6. Customer Satisfaction and Customer Service

- 6.1. The annual KPIs require reporting of the following with regards to satisfaction:
- 6.1.1. AKPI 1 - Percentage of tenants and leaseholders satisfied with the opportunities for participation in management and decision making
- 6.1.2. AKPI 3 - Percentage of tenants and leaseholders satisfied with the overall housing management service
- 6.1.3. AKPI 5 - Percentage of residents satisfied with the standard of caretaking and cleaning
- 6.2. A total of 525 surveys were carried out through a combination of face-to-face, telephone, web link and postal surveys. 80% of residents were satisfied with the overall service. 67% of residents were satisfied with opportunities to participate and 86% and 91% of residents respectively were satisfied with cleaning and grounds maintenance.



- 6.3. Additionally, in 2022/23 Pinnacle asked residents for their feedback on satisfaction with

Rydon in respect of repairs, 97% of residents were satisfied with their performance.

- 6.4. Although the results exceeded targets, there is a clear reduction in the percentage of tenants and leaseholders satisfied with the opportunities for participation in management and decision making. As a response to this feedback, RB3 and LBL held meetings with groups of residents earlier this year to discuss alternative ways of engaging with residents on management and decision making.
- 6.5. Following these sessions, a new approach has been developed. There are now four quarterly sessions taking place for tenants and another four separate quarterly sessions for leaseholders. These meetings are currently being held face to face in the RB3 offices, but we are planning on also holding a few in community venues to increase accessibility. The sessions are advertised and residents book slots to meet with representatives from RB3, Pinnacle, LBL. Rydon are due to start attending these sessions as well. These sessions have been very useful for both officers and residents as the smaller groups have enabled officers to hear directly from different individuals about issues and what improvements residents would like.
- 6.6. All registered providers are required to collect and publish Tenant Satisfaction Measures (TSM) data in line with the TSM Standard that was introduced on 1 April 2023 by the Regulator of Social Housing. Pinnacle are currently conducting the new surveys. These are being conducted via an online survey form that is sent to a number of residents on a weekly basis and is expected to reach all residents by the end of December. This will also be published as a QR code in the quarterly magazine as well as by means of phone calls and home visits by the Housing Team.
- 6.7. The results are being collated weekly and any residents who report dissatisfaction are contacted to enquire about the service failure so Pinnacle or Rydon can take swift action to resolve the concerns raised by the residents.
- 6.8. To date, 554 surveys have been sent to tenants and 292 to the leaseholders; 64 responses have so far been collected. From the responses received, 94% of residents have responded as being 'Very Satisfied' or 'Satisfied'. 2 residents were 'Very Dissatisfied' due to historic issues which took place 5 years ago and has since been rectified. The remaining residents responded as 'Neither Satisfied nor Dissatisfied'.
- 6.9. Pinnacle will continue the surveys until the end of December 2023 and the results will be submitted to the Regulator of Social Housing by March 2024.
- 6.10. A new resident engagement strategy is being developed in line with new legislation. It is likely to have greater impact and will attract more practical resident engagement.
- 6.11. In terms of customer service, Regenter B3 responded to matters raised in correspondence, acknowledging 723 pieces of correspondence within ten working days and acknowledged all complaints within two working days and responded within ten business days as required by the contract. The below figures are cumulative of Pinnacle and Rydon:
 - 6.11.1. There were 53 Stage 1 complaints, 14 Stage 2 complaints and 5 Stage 3 complaints in 2022/23. 58 complaints were not upheld, 7 complaints were partially upheld, and 6 complaints were upheld, and lessons learnt for future cases.
- 6.12. While performance in 2022/23 was much improved, all parties recognise complaints are a valuable source of information that can help identify recurring or underlying problems and potential improvements. Periodic analysis of the trends in both the number and nature of the complaints identify shared and recurring causes of complaints. The results are viewed in conjunction with the customer satisfaction surveys to build up an accurate picture of performance and opportunities for service improvement. Please see below year-on-year comparison:

Year	2021/22	2022/23
Stage 1	37	53
Stage 2	6	14
Correspondence	771	723

6.13. Recent complaint monitoring exercises carried out by LBL flagged up some issues around complaints handling by RB3 and the performance data being presented by them. The issues were primarily around the actual closing of responded to cases on the i-casework system. Until recently RB3 have only had direct responsibility for the management of their own correspondence and their Stage 1 complaints. All other complaints including Cllr and MP enquiries were managed and answered by LBL's corporate complaints team. This dual approach to complaint handling has in the past led to some inconsistencies in performance data provided by LBL and RB3. This process has now changed and going forward RB3 will follow the same process as that followed by Lewisham Homes with RB3 taking full responsibility for the administration and handing of all their correspondence and complaints, which should rectify the discrepancies that have previously arisen.

7. Fire and Building Safety

7.1. Building Safety

The Building Safety Act 2022 sets out safety requirements for landlords and was brought in to address issues brought to light by the Grenfell disaster. It allocates responsibility to deal with remedial works to make buildings safe. It also widens the duties on landlords of residential buildings considered higher risk to remediate building defects and to ensure that the safety standards required by the Act are met. Higher-risk buildings are those which are at least 18m or 7 storeys high, with 2 or more residential units.

- 7.1.1. There are three buildings meeting the higher-risk definition (above 18m) within LBL's housing stock which are managed by RB3.
- 7.1.2. RB3 have been appointed as agents acting on behalf of the council, to complete the required information and register the high-risk buildings with the Building Safety Regulator.
- 7.1.3. The three properties are in the process of being registered and they will be registered by the deadline. These are: Poplar House, Conifer House, and Holly Tree House.

7.2. Fire safety

- 7.2.1. RB3 commissioned Fire Comply to review PFI blocks in the Brockley area which not only fall into the High-Risk category – Building Safety Act (7 floors or at least 18m), but also include those blocks over 11m and 5 floors which must meet the legislative requirements of the Fire Safety Act 2022. Fire Comply are not only commissioned to undertake the FRAs (Fire Risk Assessments) across the PFI stock but are also undertaking the programme of resident and communal fire door safety checks. The table below is the complete list of PFI blocks which are over 11m.

Building	Height	Storeys
Poplar House	17m	7
Myatt Court	14m	6
Conifer House	16.2m	7
Holly Tree House	16.2m	7
105-151 Foxborough House	13.5m	6
153-199 Foxborough House	13.5m	6
1-12 Alder House	14m	6
13-24 Alder House	14m	6
Syringa House	14.5m	6
Pear Tree House	11m	5
Veronica House	11.3m	5
Jasmin House	11.3m	5

7.2.2. Works are on-going to ensure all 'actions' identified from the FRA's are completed.

7.2.2.1.1. The fire door replacement programme began in October 2021 and work is on-going on the tenant door renewal programme. Further discussions and plans are taking place with regards replacement of non-compliant leaseholder doors.

7.2.2.1.2. Other FRA actions included the installation of new landlord electric communal meters to provide communal smoke and heat detection equipment in converted street properties. The installation of new fusible links on some bin chambers which closes off the chute if fire breaks out. Identified fire stopping works and the provision of new signage have also been completed.

7.2.2.1.3. RB3 operate a 'clear walkway' policy and take a zero-tolerance approach to removal of all items that could cause an obstruction and hamper fire rescue efforts, this includes the removal of security gates on residents front entrance doors.

8. Housing Management provided by Pinnacle

8.1. Income Collection

8.1.1. For the year 2022/23 Pinnacle's met their monthly rent collection target, which is to be 0.49% higher than Lewisham Homes. The overall arrears at the end of March were £342,000, an increase of £95,000 from the end of year 2021/22.

8.1.2. The arrears of Universal Credit are up over £10k on the end of last month. There are approximately 377 live claims (payments made direct to landlord), this represents 54% of the total arrears.

8.1.3. A lot of time has been spent completing SRS¹ verifications, in duplicate and triplicates as the DWP were thrown off by the late rent increases for 23/24. The recent delayed rent increase letters sent out by the authority has resulted in residents not updating their journals thus resulting in a large amount of SRS forms being received from Universal Credit. This is being processed as quickly as possible however, the difference in the rent amount will not be received until the end of 2023. There are several Universal Credit claimants who have not received payments which is reflected in the Universal Credit arrears.

8.1.4. Pinnacle continue to focus on increasing rent collection and are increasing engagement with tenants through regular rent and welfare surgeries, letters, phone

¹ Social Rented Sector Rent Change verifications

calls, texts, and home/office visits.

- 8.1.5. Monthly welfare surgeries invite tenants to meet the welfare and income officers to discuss finances, signpost for support and make repayment arrangements to help sustain their tenancies.

8.2. **Void Management**

- 8.2.1. There were two voids during the first quarter in 2023/24 with an average re-let time of 21 days. There were 26 void properties during 2022/23 with an average of 24.76 days re-let time and a further 15 major works voids.
- 8.2.2. All void properties are brought up to the contractual ready to let standard by Rydon. Pinnacle and Rydon work together collaboratively to ensure void targets are met.

8.3. **Tenancy audits**

- 8.3.1. Pinnacle carry out robust auditing of tenanted properties to ensure that properties are occupied by households on the tenancy agreement. Pinnacle is required to audit 20% of tenanted properties in Brockley every year and exceeded the target in 2022/23 by auditing 269 properties (21.20%). So far Pinnacle have audited 86 tenancies in the first quarter of 2023/24.
- 8.3.2. Pinnacle also complete introductory tenancy checks within three weeks of each tenancy start date. These checks confirm the legitimate tenants are in occupation. They also give an opportunity to understand how new tenants are settling in their new homes and help to better understand the needs of residents.
- 8.3.3. Pinnacle work closely with the housing investigations team to monitor and act against any potential fraud cases. In the past year, whilst conducting tenancy audit, one tenant was found to have illegally sublet the property. Working closely with the housing investigations team, the tenant was prosecuted and found guilty of subletting the property illegally and was sentenced to a term in prison. As this was a serious breach of the tenancy terms and conditions, Pinnacle commenced possession proceedings and were successful in obtaining an eviction order.

8.4. **Leasehold Services**

- 8.4.1. A busy year of building and fire safety works together with a full programme of lifecycle works has resulted in an increase in Section 20 notices and final account invoices being issued for major works.
- 8.4.2. RB3 officers continue to work closely with leaseholders to ensure they are kept fully updated and informed in relation to major works and to provide help and support regarding payment for major works and offer advice on the various payment options available to leaseholders.
 - 8.4.2.1. Service charge collection rate for 2022/23 was 98% and for 2023/24, the rate currently stands at 39.75%.
 - 8.4.2.2. No new First Tier Tribunal cases and no breach of lease situations occurred during the 2022/23 financial year.

8.5. **Resident Engagement and Community Development**

- 8.5.1. In line with resident feedback, engagement mechanisms in place in Brockley now extend to text and satisfaction surveys, rent and service charge meetings, housing surgeries, estate inspection notifications, the residents' panel, and the leasehold forum. This uplift in mechanisms has seen a corresponding growth in engagements, which have more than doubled in the last two years. Resident panel officers are in place and are being supported in scrutinising and improving their chosen priorities for the year: the Pinnacle Brockley website, cleaning, and grounds maintenance.
- 8.5.2. Pinnacle's Financial Inclusion Team have hosted quarterly support surgeries

throughout 2022-23 and a collation of cost-of-living support information is included in estate newsletters. Pinnacle are currently in the process of reviewing the provision of their current welfare and financial inclusion services to PFI residents. This action is with a view to improve engagement and expand services by finding ways of supporting back to work and access to training initiatives, in addition to maximising income, assistance with benefits and grant applications etc. The need for support has only grown as the cost-of-living crisis and energy poverty continue to impact tenants, particularly the most vulnerable in society.

- 8.5.3. Pinnacle continue to hold monthly rent and welfare surgeries attended by the welfare officer, however this has reverted to a drop-in service which better meets the needs of residents. The service is advertised on the local website.
- 8.5.4. Community activities during the last year have included street parties, Easter egg hunts and a residents' Christmas party.
- 8.5.5. Support is in place for Tenant and Resident Associations ('TRAs') including Ermine Road, who have successfully applied for funding to develop a community garden within the green space next to their block and Pinnacle are giving their full support to allow this to happen.

8.6. **Anti-social Behaviour ('ASB')**

- 8.6.1. Pinnacle's housing management team is fully trained to deal with ASB cases and does this by utilising powers provided via the Crime and Disorder Act 1998. They recognise the importance of keeping residents up to date during the investigation and early intervention is key to achieving resident satisfaction.
- 8.6.2. They take a multi-agency approach to resolving ASB, taking more serious cases to multi agency risk assessment conference (MARAC). They work closely with the local Safer Neighbourhood Teams carried out four evening walkabouts with the Safer Neighbourhood Team in ASB hot spot areas. During these patrols the housing managers door knocked residents and asked for feedback on any issues of ASB they were experiencing. The feedback from residents was very positive and they felt very assured that their housing team was working closely with the Safer Neighbourhood team to combat ASB. Pinnacle Housing Officers have already attended four walkabouts in the first quarter of 2023/24 and were welcomed by the residents.
- 8.6.3. Pinnacle received 25 reports of ASB in 2022/23. These can be broken down into the following categories:

Issues	Number
Communal Drug/Youths	4
Harassment/Assaults	4
Hate crime	1
Noise nuisance	12
Racial abuse	1
Neighbour dispute	2
Pets	1

- 8.6.4. Upon receipt of the ASB complaint being received, Pinnacle Housing Officers contact the victim and arrange a home or office visit to establish further facts which enables them to conduct further investigations. This includes speaking to other residents in the block/street to obtain more information regarding the incident. They also work with partner agencies, and this includes speaking to partner agencies such as local authority, police, mental health teams. The officers assess the support

needs of the victim and make appropriate referrals with the victim’s consent. Once the officers have obtained the supporting evidence, the alleged perpetrator is called to the office where the allegation is discussed and dependent upon the evidence received, appropriate action is taken. Non-legal remedies such as mediation, acceptable behaviour contracts, warning letters, parenting contracts and good neighbour agreements are relied on heavily. In the most severe cases, the officers consider serving notices of seeking possession or an injunction order.

8.6.5. In the past year, the team has worked with local safer neighbourhood teams and successfully applied for 2 premises closure orders where the properties were being used by drug dealers for use and supply of drugs. The properties were closed for 3 months and after successful monitoring of the areas, the tenants were permitted to return to their homes. The team is currently working towards seeking possession of a property where the tenant was sentenced to prison for supplying controlled drugs and illegally subletting their property through estate agents.

9. Asset Management provided by Rydon

9.1. Repairs and Maintenance

9.1.1. The repairs team have experienced a significant increase in workload over the last 12 months, a portion of this is due to a huge increase in the number of requests to attend to mould and dampness in properties. 99% of repair appointments were kept. We have seen the numbers return to normal for the day-to-day repairs following Covid. We have also seen an increase in the cost of materials.

9.1.2. The below table summarises the number of repairs each month by priority category in 2022/23.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Repairs completed within category	401	405	346	333	403	439	495	566	564	611	535	550
Repairs completed out of priority	0	0	0	0	1	0	1	2	4	0	0	0
Emergency repair	4	3	1	2	5	1	2	3	1	1	2	2
9 - 12 hour repair	45	38	20	13	21	51	61	83	97	74	51	36
One day repair	67	56	53	58	71	54	63	70	68	89	64	74
Three day repair	56	51	42	53	53	61	77	79	75	72	60	76
7 day repair	3	4	5	6	1	2	4	3	4	4	0	2
10 day repair	18	31	39	24	35	35	37	48	31	46	35	47
21 day repair	208	222	186	177	218	235	252	282	292	325	323	313

9.1.3. Rydon have invested in a 3-part treatment system for the removal of mould which carries a 5-year guarantee. Despite the new treatment, the workload has increased requiring an increase to the labour force to ensure that all issues can be attended to within the required target times. Stage 1 deal with the visible signs of the mould whereby the “mould heads” are removed. Stage 2 deals with the roots of the mould, killing them. Stage 3 is applying a non-organic paint finish to the treated area preventing the mould to return as there is no organic material for the mould to grab hold off and feed on.

9.1.4. Rydon delivers free of charge works to vulnerable, frail, disabled and elderly residents. These works include replacing light bulbs, replacing locks where residents have locked themselves out of their properties, unblocking sinks and or

changing leaking taps, amongst other discretionary repairs.

- 9.1.5. The repairs team are also responsible for the refurbishment of voids to ensure they meet the Local Authority's re-lettable standards, working collaboratively with Pinnacle to facilitate void targets to be met, as set out at 8.2 above.

9.2. Lifecycle and planned work

- 9.2.1. In 2016 Rydon commissioned an external consultancy to undertake both internal and external surveys to identify areas where lifecycle works were required. This new lifecycle programme of works started in 2017.
- 9.2.2. As of end of July 2023, Rydon have completed 77% of the planned external works to Houses and Converted Houses for the reported contractual year.
- 9.2.3. Moving forward Rydon anticipate a marked increase in lifecycle works, both planned and reactive in preparation for handback. Rydon will be consistently reviewing elements throughout the remainder of the contract to ensure delivery of the lifecycle work.

9.3. Internal Work:

- 9.3.1. The programme of internal surveys has now been completed. All 1,239 tenanted dwellings on the PFI site have been assessed.
- 9.3.2. Rydon have also reviewed the remaining kitchens for the coming years and have re-programmed circa 69 kitchen replacements and 15 bathrooms to be replaced on age and condition for 2023/24, 20 of which have been completed as of end July 2023.
- 9.3.3. During contract year Rydon has undertaken the following items of lifecycle works on a reactive basis:
- 23 Kitchen replacements
 - 10 Bathroom replacements
 - Electrical rewires – 1 Whole Property and 12 Kitchen rewires
 - 159 Boiler replacements
- 9.3.4. Further planned works for 2023/24 include:
- Ad-hoc electrical re-wires
 - 173 Boiler replacements
 - 72 Kitchen replacements
 - 13 Bathroom replacements

9.4. External Work:

- 9.4.1. Rydon completed a programme of external surveys to 1830 properties in 534 buildings (blocks and houses) within the PFI site. This information has allowed lifecycle works to be prioritised. Rydon has reviewed these surveys to rationalise, allocate and programme the works identified over the next few years. These works have been divided into 2 work streams: high level works requiring scaffolds to be erected, and low-level works which are more communal by nature.
- 9.4.2. The works generally consist of external timber, brickwork, concrete repairs, including full decorations. Additional roof inspections including gutters and downpipes will be carried out once scaffold has been erected.

9.5. Compliance

- 9.5.1. Planned maintenance certificates are electronically filed and retained.
- 9.5.2. The frequency of the inspections is set out in Appendix 2. Each works order is tracked to ensure the required follow-on works are carried out.

9.6. CP12 – Gas Safety Inspections

- 9.6.1. There is 100% compliance across the contract for gas safety inspections. Rydon begin the access process 9 weeks before the deadline date allowing plenty of time for the tenant to make a suitable appointment.
- 9.6.2. Regenter B3 have identified a number of benefits from using this process, such as planning for winter to allow more resource to attend any boiler breakdowns during the busier winter months and utilising resources more effectively.
- 9.6.3. Regenter B3 follow a strict no access process. After the contractual failed 3 attempts Rydon will continue to work with Pinnacle and the tenant to gain access as soon as possible. This includes time specific appointments, weekend appointments and cold calls.
- 9.6.4. A weekly meeting is held by the Gas Operations Manager with his team to look at specific access issues and discuss solutions or escalate where necessary. All certificates are audited for quality and compliance by the Gas Team Supervisor.

9.7. Retrofit and EPCs

- 9.7.1. Regenter B3 presented at the Housing Select Committee's meeting on 5th January 2023 about the work they have done on their housing stock to make it more energy efficient.
- 9.7.2. The Committee acknowledged that retrofitting work did not form part of the contract that RB3 had with the Council. However, under the existing contract, there is a requirement that dwellings, with some exemptions for properties which sit within the conservation areas, have to meet a SAP 70 rating, which is equivalent to an EPC rating 'C'.
- 9.7.3. The refurbishment works concluded in 2010 and the SAP requirement was achieved at this point. We do not believe that the SAP rating for the properties would have dropped since then as only additional improvement and upgrade works have been carried out to the properties as part of the ongoing planned maintenance and lifecycle annual programme of works. These works ensure the stock is maintained at the standard required.
- 9.7.4. RegenterB3 are undertaking EPC checks to all void properties and will continue with a programme of checks across the stock to demonstrate compliance with the standards required for hand back of the properties in 2027.
- 9.7.5. The Council is currently going through a procurement exercise to engage the services of consultancy partners who will be assisting and advising the Council in all matters pertaining to the expiry of the Brockley PFI contract. It is hoped that these partners will be in place by October and will start working to identify and pull together a full schedule and programme of works needed to ensure an effective and robust handover at expiry, in line with contract requirements. A project team will be set up who will work closely with RB3 on the expiry process. RB3 are currently working on their own expiry plans and processes and are fully committed to working with the Council to ensure the required handback standard is achieved and all information is provided to the Council in a timely and effective manner.
- 9.7.6. Part of the expiry preparation work will involve the Council working with RB3 to

commission a full suite of surveys to both the exterior and interior of the properties. Although the Contract states that these surveys should commence 18 months prior to expiry, both the Council and RB3 plan to commission these surveys much earlier to allow adequate time to gain access to all properties ensuring any remedial works identified can be programmed and completed prior to expiry in June 2027.

- 9.7.7. The Council and RB3 are in the very early stages of contract expiry preparations, and as such if HSC members request, officers would be happy to present a more detailed report on progress with the Preparations for the PFI Contract Expiration at a future Committee meeting. The report could specifically address and cover all aspects of the PFI expiry process and could provide a progress update on works and measures being undertaken by the Council and RB3 in preparation for expiry, including details of the planned condition surveys and their findings.

10. Future work

- 10.1. Regenter B3 will continue to expand engagement mechanisms to include mystery shoppers, task and finish groups and invite residents to get involved in community planting events across the estate.
- 10.2. Benchmarking will take place against leading housing providers to ensure activities are at least equivalent to those of other leading organisations. They will work with residents' groups to further improve the service and organise staff training as required.
- 10.3. A thorough audit of the Pinnacle Brockley website will take place to ensure the content is engaging, up to date and accessible to all residents. This will take place quarterly and whenever a legislative or regulatory change is required.
- 10.4. Regenter B3 will continue to analyse the demographics of involved residents to understand the groups they are not currently engaging and develop a plan to better engage with the diverse community. They will also develop monthly resident engagement briefings, ensuring every resident is aware of every engagement initiative that's relevant to them.
- 10.5. Pinnacle's Group Service Improvement Plan is set out in Appendix 3.

11. Financial implications

- 11.1. There are no specific financial implications arising from the report.

12. Legal implications

- 12.1. There are no specific legal implications arising from the report.

13. Equalities implications

- 13.1. There are no direct equalities implications arising from this report.

14. Climate change and environmental implications

- 14.1. The Brockley PFI contract is due to expire in June 2027. The contract will continue to do major works to the properties until the expiry of contract.

15. Crime and disorder implications

- 15.1. There are no direct crime and disorder implications arising from this report.

16. Health and wellbeing implications

- 16.1. There are no direct health and wellbeing implications arising from this report.

17. Appendices

- 17.1. Appendix 1 – Monthly and annual KPIs for 2021/22 and 2023/23
- 17.2. Appendix 2 – Frequency of inspections re compliance
- 17.3. Appendix 3 – Pinnacle Group Service Improvement Plan

18. Report author and contact

- 18.1. Fenella Beckman, Director of Housing Strategy, London Borough of Lewisham
Fenella.Beckman@lewisham.gov.uk
- 18.2. On behalf of Exec Director Finance: Nick Penny, London Borough of Lewisham
Nick.Penny@Lewisham.gov.uk
- 18.3. On behalf of the Director of Law and Corporate Governance: Melanie Dawson, London Borough of Lewisham
Melanie.Dawson@Lewisham.gov.uk