

Mayor and Cabinet		
Title	Lewisham Homes Business and Delivery Plan 2018-2020	
Wards	All wards (Except Brockley, Whitefoot and Downham)	
Contributor	Executive Director for Customer Services	Item
Class	Part 1 (open)	20 September 2018

1 Purpose

- 1.1 The purpose of this report is to allow Mayor and Cabinet to review how Lewisham Homes performed in 2017/18 and to approve the Business and Delivery Plan for 2018-2020.

2 Recommendations

- 2.1 It is recommended that Mayor and Cabinet note the performance of Lewisham Homes against its targets, as set out in the report and appendices
- 2.2 Reviews and approves the Business and Delivery Plan for 2018-20 in Appendix 1.

3 Policy context

- 3.1 Lewisham Homes (LH) is a company wholly owned by the Council to manage the housing stock. It was set up 11 years ago to:
- deliver great housing services for thriving neighbourhoods;
 - provide great housing services to residents;
 - secure decent homes funding; and
 - improve the housing stock.
- 3.2 Addressing issues relating to the quality and quantity of housing stock in the Borough related directly to the Council's Sustainable Communities Strategy and helps the Council meet the objectives of the Lewisham Housing Strategy in which the Council commits to:
- helping residents at times of severe and urgent housing need and
 - building the homes our residents need.

The work undertaken by Lewisham Homes as outlined in the business plan is also in line with the Council policy priorities:

- Decent homes for all: investment in social and affordable housing to achieve the decent homes standard and tackle homelessness
- Strengthening the local economy: gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
- Clean, green and liveable: improving environmental management, the cleanliness and care for roads and pavements and promoting a sustainable environment.

Lewisham Homes as the Council's main housing provider can assist the Council in meetings these challenges.

- 3.3 Lewisham Homes:
- Manages day to day housing services
 - Ensures effective engagement with residents

- Carries out day to day repairs and planned maintenance programmes to the housing stock
- Manages the capital investment programme on the Council's behalf
- Manages the new build program on the council's behalf.

3.4 Lewisham Homes' overall direction is set out in its business plan. The Management Agreement between the Council and LH requires the Council to approve the Lewisham Homes Business and Delivery Plan.

4 Background

4.1 The Management Agreement requires Lewisham Homes to produce a Business Plan in consultation with Lewisham Council. The Business Plan is approved by Mayor and Cabinet and is reviewed by Housing Select Committee on a regular basis.

4.2 Lewisham Homes 2018 - 2020 business plan is 2 year plan that was prepared prior to the Local elections. It is a largely a continuation of the plans and ambitions set out in the 3 year 2017-2020 plan, the first year outcomes of which are set out in this paper.

4.3 Lewisham Homes has now commenced a major review of its business plan for next year. This will include reviewing its vision and mission statements. Lewisham Homes will engage with all stakeholders including residents, the Council, staff and key partners. This represents an opportunity to ensure that its plan for 2019 - 2022 aligns with the Council's key commitments and supports any new plans and ambitions that the Council sets itself. As the Council's housing company, Lewisham Homes is committed to building a strong partnership with the Council and supporting the Council in delivering on its key commitments. This process will start with Lewisham Homes Board Weekend on 21 September which the Cabinet Lead on Housing plans to attend.

4.3.1 Attached appendices are:

- Appendix 1 - The 2018-21 Business Plan (also available to view online)
- Appendix 2 – The 2018–21 financial forecasts
- Appendix 3 – The 2018–21 targets and KPIs in the Business Plan
- Appendix 4 – Strategic Performance Indicators and Action Plan 2018 - 21
- Appendix 5 – The targets and outturn performance KPIs for 2017-18
- Appendix 6 – The KPIs and targets for 18-19 in graphical form.

5 Review of performance in 2017/18

5.1 Lewisham Homes business set out to deliver “great housing services for thriving neighbourhoods”: To achieve this the Business Plan has four corporate objectives

To deliver **Excellent Services** – Improve access to our services, invest in improving our grounds maintenance service and raise resident satisfaction.

To create **Thriving Neighbourhoods** – Increase housing supply, complete our Decent Homes programme and support our communities through a range of financial and digital inclusion, employment and health and wellbeing initiatives.

To achieve a **Sustainable Future** – Be efficient and effective, enabling us to deliver affordable services and below inflation service charge increases and invest in a safe and secure environment for our residents.

To be an **Employer of Choice** – To attract great staff through our Share the Ambition brand, to invest in and develop our staff, provide local apprenticeship opportunities and pay the London Living Wage.

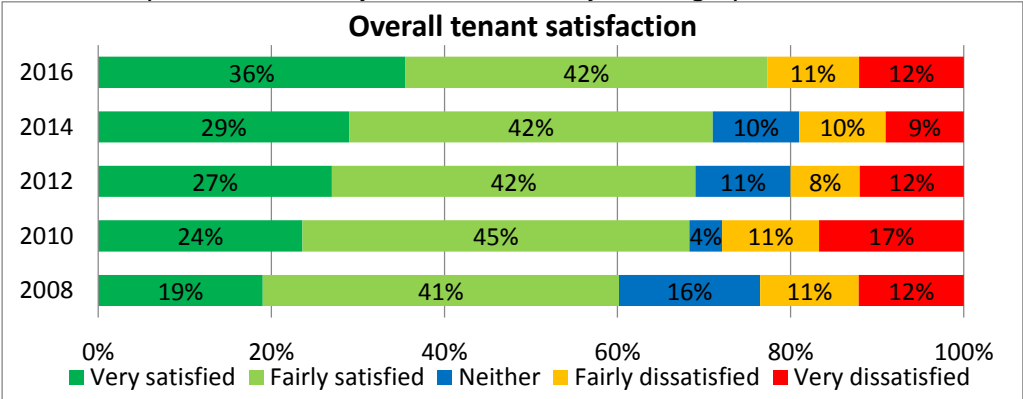
5.2 This report will be supported by a presentation by the Chief Executive of Lewisham Homes outlining plans and priorities for the future.

6 Excellent Services

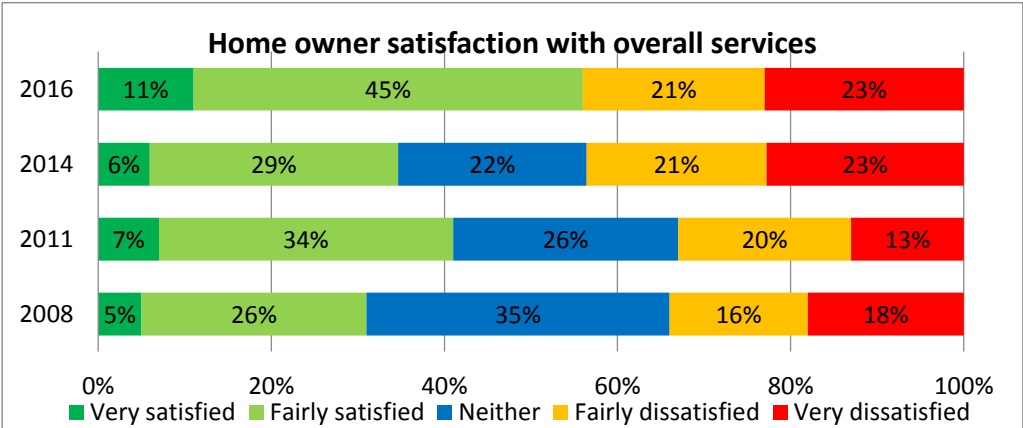
6.1 Business Plan achievements in 2017/18 include:

- Increasing online access to service by residents with households registered on the portal up 60% to 25% of all residents
- Improving the telephone response with calls answered up from 80% to 95%
- Installing sprinklers in every new home and in all 18 sheltered housing schemes
- Investing £180k in service improvement and planting programmes to improve the estate environment

6.2 Resident satisfaction is one of the most important indicators Lewisham Homes uses. Lewisham Homes regularly asks residents for feedback with a range of surveys, and an annual ‘Big Conversation’ where all managers door-knock and find out what residents want to see improved. The key indicator comes from a survey every two years with the next due this summer. Satisfaction has consistently improved over the years as shown by these graphs.



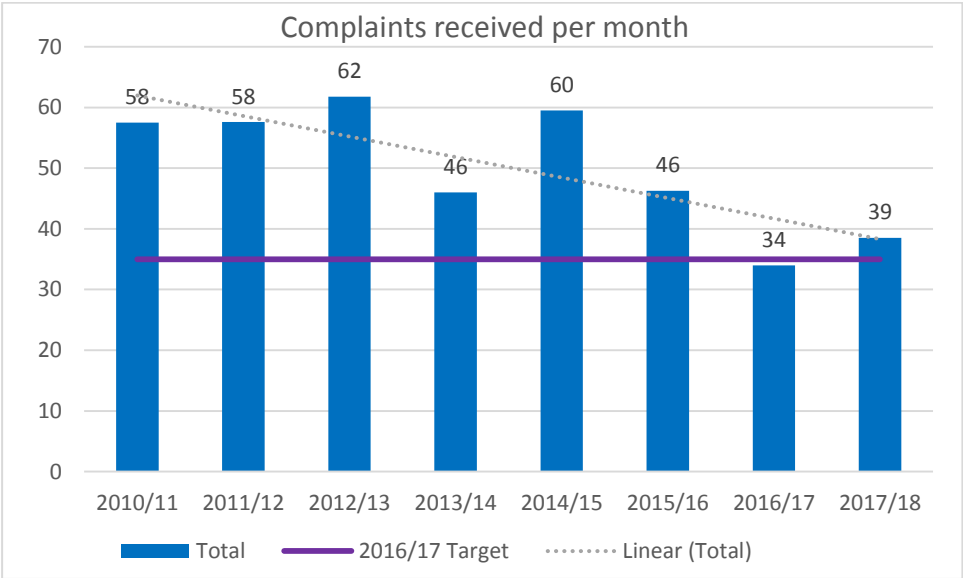
6.3 Rates of satisfaction amongst leaseholders are generally lower than amongst tenants throughout the sector. However from a low start, satisfaction has risen slightly faster.¹



¹ In 2016 a new satisfaction measure excluded ‘neither satisfied nor dissatisfied’

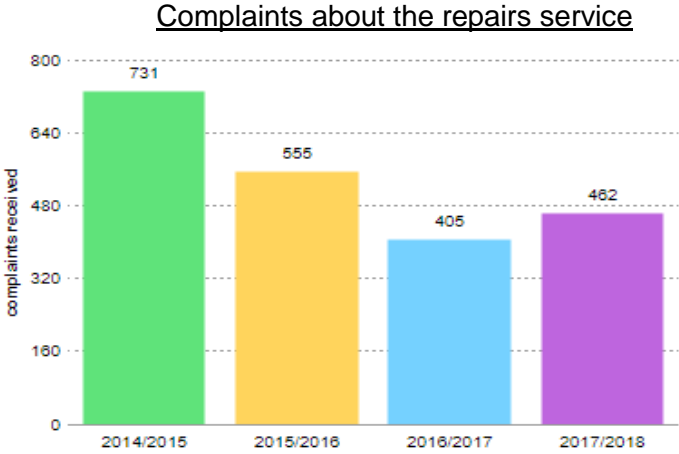
6.4 Complaints management

6.4.1 Lewisham Homes has maintained a reduction in complaints over the last seven years, with a small increase in 2017/18 compared to the previous year. LH met the target of responding to 90% of complaints on time.

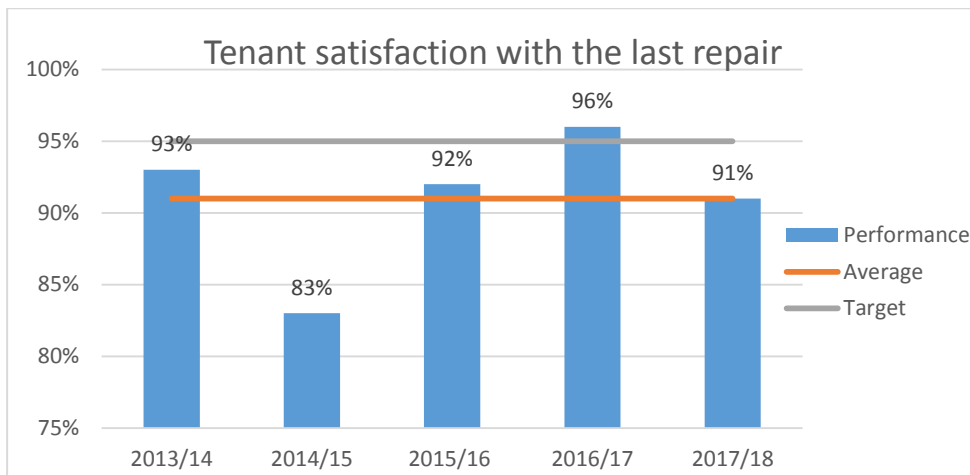


6.5 Repairs & Maintenance

6.5.1 Complaints about the repair service have reduced by over a third since 2014/15.

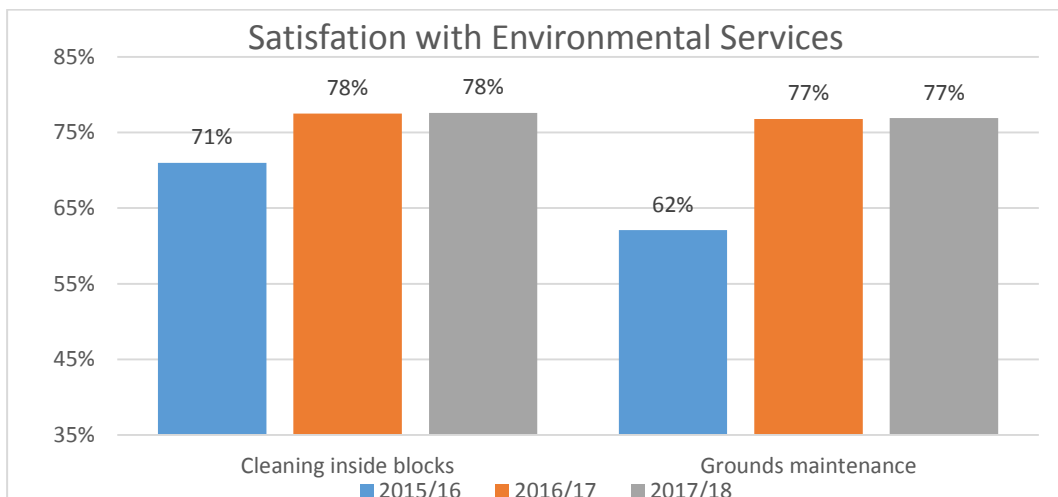


6.5.2 Satisfaction with the last repair fell during the year and is average compared to the previous 4 years. Lewisham Homes is changing how operatives carry out their work. Under the new system operatives are not able to move onto their next job until they have completed the job in hand which will address the biggest source of dissatisfaction, which is failing to complete repairs. The old system pushed more appointments into less time which led to late appointments, which is the second biggest cause of dissatisfaction. The new system, which is being rolled out gradually, will help resolve this.



6.6 Environmental Service

6.6.1 Lewisham Homes has improved satisfaction with environmental services since 2015/16 when it took over the grounds maintenance.



6.7 Sheltered Housing – Independent Living Service

6.7.1 In May 2017, Lewisham Homes carried out a Service Review and Action Plan to achieve a nationally recognised older person's accreditation for excellence with the Centre for Housing Support. This involved establishing and improving external partnerships and working with a number of agencies. Progress includes:

- introducing an assessment tool for direct referrals with Adult social care;
- training officers in falls awareness; and
- implementing a service level agreement with Link line in April 2018.

6.7.2 From June 2018 the Lewisham and Greenwich NHS Falls prevention team will be holding a weekly class (for 25 weeks) for frequent fallers at Roseview sheltered scheme. This will include Lewisham Homes residents and members of the public over the age of 65.

7 **Thriving Neighbourhoods**

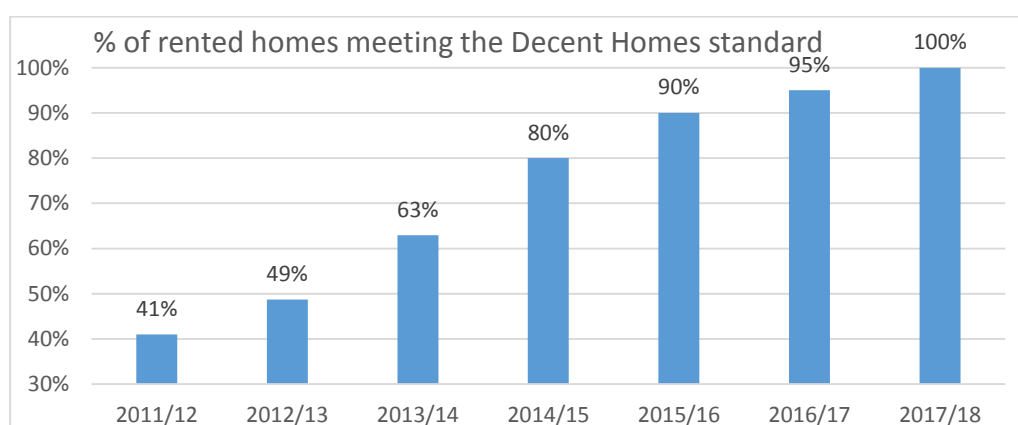
7.1 Lewisham Homes' Business plan sets out to work with Lewisham Council to increase housing supply in the borough, to ensure that all its homes meet the

Decent Homes programme and to ensure that its investment in Lewisham maximises the opportunities for residents. The successes against those aims in 2017/18 include:

- Building more homes, by the end of March Lewisham Homes had;
 - Built 29 new build properties in the year, 8 for sale and 21 for rent;
 - 50 more homes under construction;
 - 70 more with planning permission; and
 - 182 waiting for planning permission.
- Bringing all homes up to the Decent Homes Standard.
- Investing in apprenticeships and graduate employment opportunities.

7.2 Major Works Investment Programme

7.2.1 Lewisham Homes has spent £170m since 2011 delivering stock improvements and the Decent Homes programme. Despite no grant from the GLA this year, Lewisham Homes increased the Decency level from 95% to 100%.



7.2.2 Work on kitchens, bathrooms and electrical rewire are now managed by the Lewisham Homes Repairs Service. They installed kitchens or bathrooms into over 300 homes in 2017/18.

7.3 Community Focus

7.3.1 Lewisham Homes has community investment programmes aimed at making a real difference to residents by helping them to get online, to access financial and budgeting advice, by helping with employment and training opportunities, and by promoting healthy lifestyles and wellbeing.

7.3.2 Residents are encouraged to be involved in many ways. This includes formal approaches:

- 7 residents on the Lewisham Homes Board;
- the Residents Scrutiny Committee; and
- the Resident Engagement Panel.

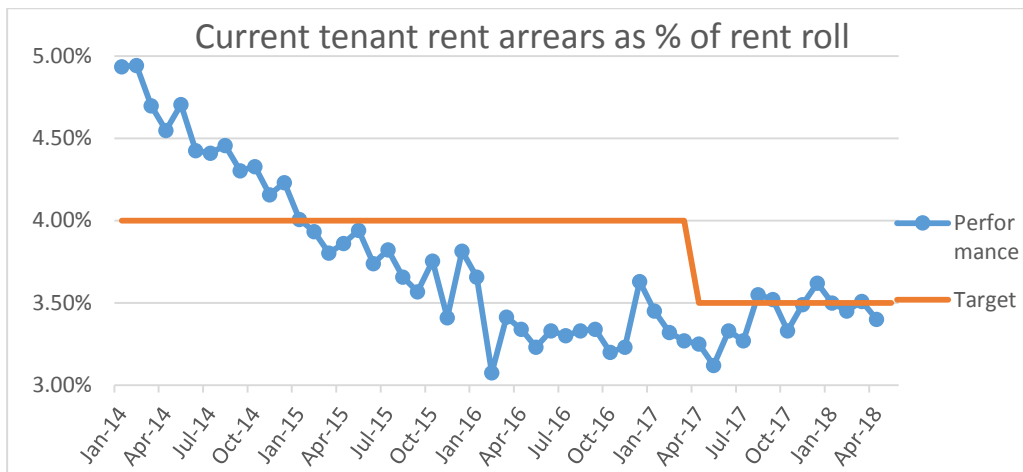
7.3.3 Lewisham Homes is developing resident skills to improve involvement and to help residents' employment and careers, as well as supporting the development of future Board Members. Lewisham Homes continued to work in partnership with London Metropolitan University to run three further successful 'improving housing services' courses. Lewisham Homes has now set up a one day course for residents to offer a bite size version of the 3 day course to residents.

- 35 residents completed the course in 2017/18;
- 11 achieved the accreditation
- There are 16 residents currently on the 3 day course

- 11 residents have taken part in the one day bitesize course.
- 7.3.4 Lewisham Homes is helping residents to access online services to save themselves time and money and ensure the services LH provides are efficient and affordable.
- The borough-wide 'Go On Lewisham' initiative helps residents learn how to do things online.
 - LH together with the council and Phoenix Housing association have received over £20K funding to run a trial digital skills screening and support service for unemployed residents starting in September.
- 7.3.5 Lewisham Homes works with tenants to improve financial inclusion and help them resolve their debt problems. It has invested in staff who in 2017/18 secured £561,000 in backdated and other benefit gains for tenants. They are increasingly involved in helping with Universal Credit. Lewisham Homes also helps residents' finances by supporting the Lewisham Credit Union that has 1,330 Lewisham Homes residents with active accounts and £498,000 in total savings.
- 7.3.6 The partnership with the Albany continues and has delivered
- 275 unique participants in Love2Dance, a free weekly street dance programme for 8-18 year olds. It increases aspirations, self-esteem and confidence and allows parents to form strong local connections. It is hosted over three different sites – Deptford, Sydenham & Honor Oak.
 - 151 participants benefiting from 'Meet Me at Lewisham Homes', an arts, social and lunch club run in six sheltered schemes, to help recognise the creative potential of the over- 60s and offering a way to combat loneliness and isolation. There were 96 sessions during the last financial year.
 - 370 participants benefitting from gardening activities including a range of different gardening clubs for all ages. They have linked with Meet Me at and run a session at a sheltered scheme, alongside working with other community groups.
 - The pilot for 5-7 year olds 'The New Generation' (TNG) centre in Sydenham is proving successful

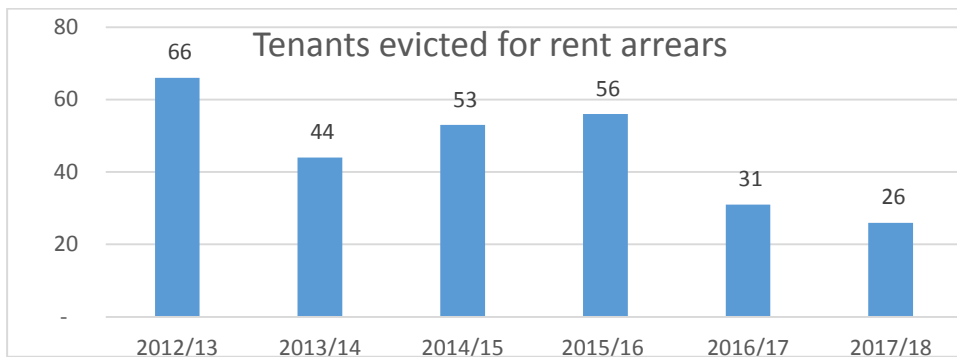
8 Sustainable Future

- 8.1 Lewisham Homes is committed to ensuring its services represent value for money and are affordable. It has a good track record of reducing management costs since 2007 and in using efficiencies delivered to invest in service improvements and to keep service charge increases below inflation. In 2017/18 Lewisham Homes
- Exceeded the target of £1.15m in savings, achieving £1.38m.
 - Purchased 43 homes bringing the total up to 118 at the end of March 2018. These homes help those in housing need and save the Council £5,000 a year each in temporary accommodation costs;
- 8.2 Efficiency and Effectiveness - Rent collection and welfare benefits
- 8.2.1 Current tenant rent arrears are on target and have reduced significantly over the last 4 years.



8.2.2 Rent income collection was just below target at 99.1%

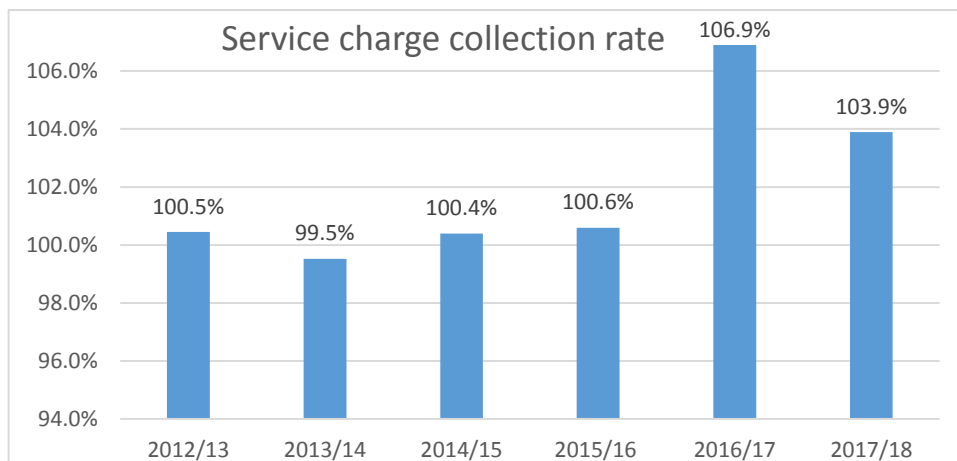
8.2.3 Keeping arrears low helps sustain tenancies; the 26 tenants evicted represents the lowest level for many years.



8.3 Affordable Services -Home Ownership and service charges

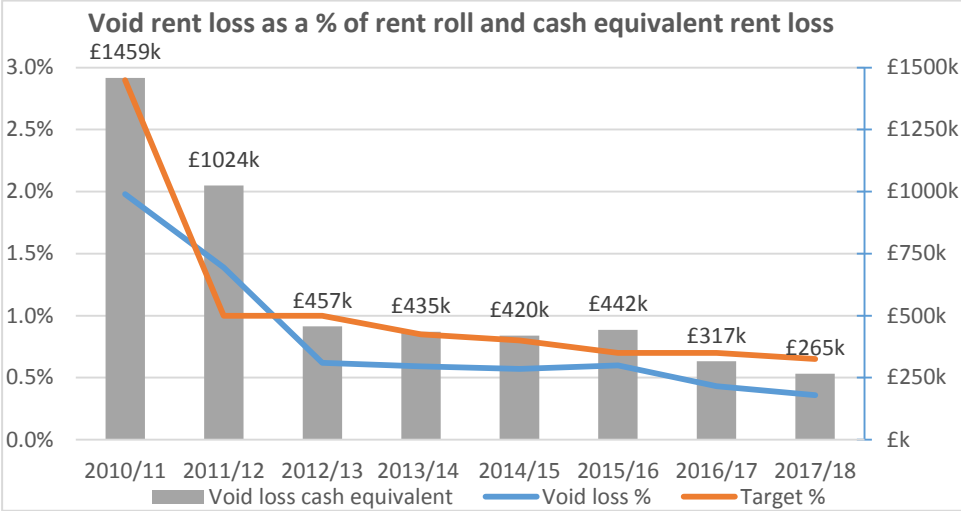
8.3.1 Service charge collection rate has been above 100% for five out of the last six years and particularly good for the past two years.

8.3.2 Lewisham Homes achieved savings of £350,000 in service costs in 2017/18 enabling it to reduce charges to leaseholders by 8%



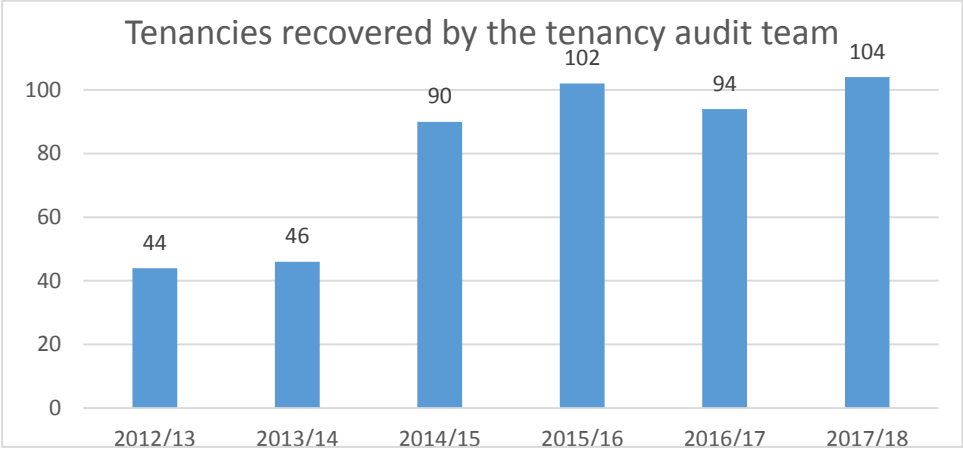
8.4 Efficiency and Effectiveness - Void management

8.4.1 Void performance continues to be strong with void loss reaching a record 0.36% against a target of 0.65%. Each 0.1% reduction saves £75k.



8.5 Efficiency and Effectiveness - Tenancy Fraud

8.5.1 In 2017/18 Lewisham Homes recovered 104 properties to help the Council address the housing shortage. The graph below shows an improved level of recovery over recent years.



8.6 Efficiency and Effectiveness - economies of scale on new services

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

8.6.2 Lewisham Homes management fee for 2017/18 was £21.9m, including £3.4m for the new services transferred from the Council in the past two years. The core management fee, excluding new services, was £18.5m, the same as the previous year.

8.7 Safe and secure - Health and safety

8.8 Health and Safety is at the heart of how Lewisham Homes delivers its services. Responding to the tragic events at Grenfell has been one of the key areas of focus since June 2017.

8.9 Lewisham Homes immediate response to Grenfell was communicating and reassuring residents across the high rise estates, with staff going to estates with high rise blocks to speak to residents personally. Plans were immediately put in place and Lewisham Homes identified three blocks with ACM cladding; removal of the cladding started in the first week in October and finished within three months.

LH is now planning the procurement of replacement cladding and reviewing additional safety measures that could be implemented as part of this re-instatement work.

8.10 Managing health and safety (H&S) is well established, and plans include adopting an internally recognised standard, with an assessment by the British Safety Council this year. This will provide an independent challenge which will help strengthen the approach to keep both residents and staff safe. A key improvement in the last year has been improving the quality of systems and data recording H&S activities to support compliance.

8.11 The H&S team was strengthened in response to the demands following the Grenfell fire, with more resources for fire safety management. Lewisham Homes continues to strengthen its partnership with the London Fire Brigade, and has been commended by them for installing sprinklers in new build properties and schemes

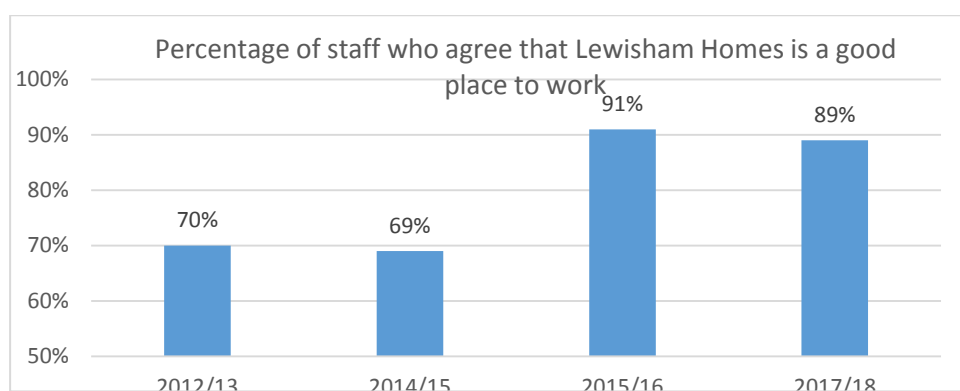
for older people.

9 Employer of choice

9.1 Lewisham Homes recognises its staff as the driver for improving performance and the quality and efficiency of services. In line with the Business plan, in 2017/18 Lewisham Homes has:

- Invested in training programmes from personal professional development to core training modules.
- Consolidated the approach to equality and diversity with a focus on engaging communications, training, celebratory events and representation at all management levels.
- Continued with the talent and succession plan.
- Implemented the London Living Wage across all services.

9.2 In April 2016 Lewisham Homes was awarded the prestigious gold award as an Investor in People only 7% of organisations have gained this status. Since then the percentage of staff who agreed that Lewisham Homes is a good place to work continues to be high.



New measure from 2015/16 excluded the neutral option used by 23% in 2014/15

9.3 Lewisham Homes commitment to developing staff includes a bespoke training course for aspiring managers and a mentoring scheme. These activities have been well received by staff benefitting from them and by investing in staff LH has been able to recruit internal candidates for 43% of jobs.

9.4 Lewisham Homes supports the Council's apprenticeship programme and promotes training and job opportunities. In 2017/18 LH employed 6 trainee graduates and 10 apprentices.

9.5 Sickness remains relative low at 6.3 days per staff member per year for non-manual staff and 8.1 days for all staff.

10 Temporary Housing

10.1 Lewisham Homes took over the temporary housing service from the Council in September 2016. These are complex services to run and have taken time to bed in. The tenancies have a higher turnover and homeless households can have more challenges. There are four types of service;

- 720 properties leased by the Council from the private sector with a variety of arrangements: Lewisham Homes signs up and sometimes manages the households the Council sends them to house.
- 350 hostel tenancies for homeless households.
- Around 600 nightly paid units, which are the equivalent of bed and breakfast.

- 118 'acquired' homes that LH has purchased with a Council loan.

- 10.2 Empty properties (voids) are taking longer to let than the Council's target. This has a cost for the Council in rent loss while the properties are empty. The cost of repairs work on voids is also too high. The Council wants LH to do this work at lower cost than when the Council managed it in-house, which is one of the reasons it transferred the service to LH. This has not yet been delivered and Lewisham Homes are putting a new team in place with a more commercial focus to improve void turnaround times and reduce void costs.
- 10.3 Rent arrears are also a challenge with only the PSLs on target as shown in the table below.

The proportion of rent due collected in 2017/18

	Target	Performance	Difference
PSL	99%	99.2%	£13,000
Hostel	96.9%	96.1%	-£23,000
Nightly paid	98.7%	96.5%	-£199,000

- 10.4 Nightly Paid collection has been significantly affected by Universal Credit (UC) with 75% of all UC cases in this area. The impact equates to the equivalent of 1.70% in cash collection.
- 10.5 Since April 2018, the income team have had a permanent establishment for the first time which should reduce staff turnover which will help. However they have two less staff member in the team making it more difficult to maintain strong performance. A consultant's report has made recommendation on how performance can be improved.
- 10.6 These properties are temporary and Lewisham Homes needs to move the households on to alternative accommodation to free up the homes for new households. The homeless households are easier to deal with as the Council procures private rented accommodation for them and so discharges its duty. Households who have been housed to prevent them becoming homeless are more difficult to rehouse and this includes all acquired homes. Lewisham Homes staff meet regularly with the Council's housing needs team to resolve these cases.
- 10.7 Ensuring that all the properties have a valid gas certificate is a challenge. Lewisham Homes has responsibility for hostels where performance is 100% and some of the PSLs where responsibilities in some cases are less clear as it involves liaising with landlords. Performance on this is not what the Council wants and discussions continue on how to improve this.

11 Legal Implications

- 11.1 There are no specific Legal Implications arising from this report.

12 Financial Implications

- 12.1 There are no specific Financial Implications arising from this report.

13 Crime & Disorder Implications

- 13.1 There are no specific crime and disorder implications.

14 Equalities Implications

- 14.1 Lewisham Homes' approach incorporates equality and diversity in its key

strategies and policies, aiming to ensure good practice in employment, service delivery and community engagement. It is a member of Stonewall.

- 14.2 Diversity is celebrated at all levels; A third of LH managers are from a BAME background and the Gender Pay Audit shows that pay between men and women is broadly comparable with women earning on average 2.5% more than men.
- 14.3 Measures have been put in place to protect the most vulnerable tenants. Lewisham Homes collects profiling information to plan and improve services, and to flag up where tenants require support.
- 14.4 Lewisham Homes' Equality and Diversity Strategy was approved by the Lewisham Homes Board in May 2013. The Board receives regular monitoring reports to assess progress against the strategy.
- 14.5 Lewisham Homes continues to support the Lewisham Safeguarding Agreement, which helps protect vulnerable adults and children. A training programme in safeguarding awareness has been delivered.

15 Environmental Implications

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

16 Background papers and report originator

- 16.1 There are no background documents to this report.

For queries please contact Rachel Dunn, Housing Policy and Partnership Manager at rachel.dunn@lewisham.gov.uk