

Lewisham Homes Board Meeting

Tuesday 25th January 2011

6.30pm – 8.30pm

Holbeach House, Catford, SE6 4TW

Members of the Lewisham Homes Board and Lewisham Homes officers are requested to attend this meeting

Lewisham Homes Board

Members

Julia Cotton (Chair)
David Gannicott (Vice-Chair)
Chief May Agbakoba
Danielle Heath
John Paschoud
Lawrence Britton
Marion Nisbet
Nick Joslyn
Paul Bell
Sarah Smith
Terry James
Tim Fallon

Lewisham Homes Officers

Andrew Potter – Chief Executive
Mark Agnew – Director of Property Services
Adam Barrett – Director of Resources
Hilary Barber – Head of Service Development
Qadeer Kiani – Director of Housing
Mike Sims – Head of Governance
Nicola Clarke – Governance Manager

London Borough of Lewisham

Janet Senior – Exec Director for Resources
Lesley Seary - Exec Director for Customer Services

Between 5.30pm-6.30pm Board members can meet the Chief Executive and Head of Governance to discuss reports in advance of the meeting. If you would like to attend, please contact Nicola Clarke.

For more information please contact:

Nicola Clarke
Governance Manager
Lewisham Homes
Holbeach House, 9 Holbeach Road, Catford, London, SE6 4TW
E:nicola.clarke@lewishamhomes.org.uk



LEWISHAM HOMES BOARD MEETING AGENDA

Tuesday 25th January 2011, starting at 6.30pm
Holbeach House, 9 Holbeach Road, SE6 4TW

Part A - Open items

	Item	Page	Report type	
1	Residents Business Plan	verbal	Information	
2	Welcome and introductions	verbal	Information	Chair
3	Questions from members of the public	verbal	Decision	Chair
4	Apologies for absence	verbal	Information	Chair
5	Declaration of interests	verbal	Information	Chair
6	Minutes of last meeting 7 th December 2010 and matters arising	4	Decision	Chair
7	Chairs Actions		Decision	Chair
8	Chief Executive Update	12	Information	Andrew Potter
9	Board Forward Plan	15	Decision	Mike Sims
10	Dates of Board and Committee Meetings from April 2011 to March 2012	16	Decision	Mike Sims
11	LHL Budget Strategy 2011-12	20	Decision	Adam Barrett
12	Capital Programme Monitoring	56	Decision	Mark Agnew
13	LHL Financial Monitoring Report	66	Monitoring	Adam Barrett
14	Business Plan 2010/11 and KPI Performance	89	Monitoring	Hilary Barber
Part B - Information Items				

1	Board Members Enquiries	113	Information	Mike Sims
Part B – Exempt Items				
1	Exempt Minutes of Meeting 7 th December 2010 and matters arising	117	Decision	Chair
2	Contract Awards: i) Major Works Programme – Delivery Consultants	120	Decision	Mark Agnew
3	Minutes of Remuneration Committee meeting 14 th October 2010	132	Information	David Gannicott
4	Minutes of Remuneration Committee meeting 17 th November 2010	135	Information	David Gannicott
5	Minutes of Performance Panel 24 th November 2010	138	Information	David Gannicott

LEWISHAM HOMES

Minutes of the Lewisham Homes Board meeting

held on Tuesday 7th December 2010, Holbeach House, Catford

Present

Board

Julia Cotton (Chair)
Chief May Agbakoba
Danielle Heath
David Gannicott (V. Chair)
John Paschoud
Lawrence Britton

Marion Nisbet
Nick Joslyn
Paul Bell

Sarah Smith

Apologies

Board

Terry James
Tim Fallon

No Apologies

Lewisham

Hilary Barber (Head of Service
Development)

Homes Officers

Nicola Clarke (Governance Manager)

LBL

Lesley Seary (Executive Director for
Customer Services)

Lewisham

Andrew Potter (Chief Executive)

Homes

Adam Barrett (Director of Resources and Company Secretary)

Officers

Mark Agnew (Director of Property Services)

Qadeer Kiani (Interim Director of Housing)

Mike Sims (Head of Governance)

Wendy Gajadhar (Board Development Manager)

LBL

Genevieve Macklin (Head of Strategic Housing)

*Lewisham Homes is a trading name of Lewisham Homes Limited
Registered Office Holbeach Housing Office, 9 Holbeach Road, Catford, London SE6 4TW
E: lewishamhomes@lewisham.gov.uk W: www.lewishamhomes.org.uk
Registered in London No: 05887410*

	PART A – BOARD MEETING	Action
1	Welcome and Introductions The Chair opened the meeting at 6.30pm and welcomed everyone to the meeting.	
2	Election of Chair and Vice Chair	
2.1		
3	Apologies for Absence The Chair gave apologies for Terry James, Tim Fallon (Board Directors), Hilary Barber and Nicola Clarke (Staff).	
4	Declarations of Interest	
4.1	None.	
4	Minutes of meeting 28th September 2010 and Matters Arising Accuracy None. Matters Arising Page 9, item 15.2 – HRA Budget Strategy Update. Board noted that the change to Lewisham Homes' Articles of Association would be agreed at the May 2011 Mayor and Cabinet meeting. Decision The minutes were recorded as an accurate record of the meeting.	
5	Chairs Actions and Questions from Members of the Public	
5.1	The Chair reported to Board the death of Margaret Renshaw. The Chair advised that the family had requested for donations to be made to Cancer Research UK and that no flowers are to be sent.	
5.2	Board noted that the next training session to be held at Homes for Islington, will be on Monday 13 th December. The Chair of the Audit Committee had requested that all Audit Committee members attend the session. Board requested that the presentations from the session are forwarded onto them.	Head of Governance
5.3	There were no questions received from the public.	
6	Chief Executive Update	
6.1	The Chief Executive introduced an update report for information.	
6.2	Board noted that at their Mayor and Cabinet meeting on 7 th December	

<p>6.3</p> <p>6.4</p> <p>6.5</p>	<p>2010, the London Borough of Lewisham (LBL) agreed that Lewisham Homes should, with LBL consider alternative sources of funding going forward to invest in the stock other than remain reliant on decent homes funds.</p> <p>Board agreed that in 2011 they needed further understanding on both the financial and governance options that would be made available to an independent Lewisham Homes. The Chief Executive assured Board that by late April clearer indications on options should be available.</p> <p>Board agreed that as well as legal and accountancy expertise, treasury management skills would also be beneficial.</p> <p>Board requested that information relating to the amount of money paid to Tribal Ltd on work carried out during 2009-10 be forwarded to them.</p> <p><u>Decision</u> The report was noted.</p>	<p>Director of Resources</p>
<p>7</p>	<p>Forward Plan</p> <p><u>Decision</u> Board agreed the forward plan</p>	
<p>8</p> <p>8.1</p> <p>8.2</p>	<p>Appointments of Board Members to Committees</p> <p>The Head of Governance introduced a report for decision asking Board to agree its Committee membership for the cycle of meetings until November 2011.</p> <p>Board noted that Tim Fallon and Paul Bell will join Audit Committee, and that all other Committee membership will remain the same.</p> <p><u>Decision</u> Board agreed its Committee membership for the cycle of meetings until November 2011.</p>	
<p>9</p> <p>9.1</p>	<p>Future of Lewisham Homes – Board Away Day outcomes</p> <p>The Chief executive introduced a report for decision bringing together the discussions from the Board Away Day and setting out a way forward and timetable in partnership with the LBL to determine future options for Lewisham Homes.</p> <p><u>Decision</u> Board agreed:</p> <ul style="list-style-type: none"> • That the Chair and Chief Executive approach the Council to form a joint team to develop a clear strategy for Lewisham Homes that delivers long term investment and delivers high quality services. • That the Chief Executive reports back to Board on progress in May 2011 or July 2011. 	<p>Chief Executive</p>

<p>10</p> <p>10.1</p> <p>10.2</p> <p>10.3</p> <p>10.4</p> <p>10.5</p> <p>10.6</p>	<p>Garage Project Report</p> <p>The Director of Housing introduced a report for decision reviewing the outcomes of the garage project and recommend to LBL that rents are increased to generate additional resources to invest in the stock and secure future rental income.</p> <p>Board noted that currently the proposal is to let garages to existing residents, but that Lewisham Homes could apply differential rents to non-resident customers going forward</p> <p>Board noted that the changes to the policy will permit storage as well as car parking in the future.</p> <p>Board noted that the revenue costing of £150k a year was robust enough, given the fact that an independent surveyor had conducted the evaluation of this cost.</p> <p>Board requested that any repairs to garages and future maintenance be completed by Lewisham Homes repairs service and not sub contracted.</p> <p>Board agreed to review the Garage Strategy in a years time, to ensure that strategy assumptions were accurate.</p> <p><u>Decision</u> Board agreed to recommend to LBL the following:</p> <ul style="list-style-type: none"> • The rent increases for 2011/12 is set at a flat rate of £9.70 per week. • The rental structure for new lets from April 2011/12 is as outlined in this report. • The one-off investment budget for 2011/12 is set at £200,000. • A planned maintenance budget of £150,000 per annum is set from 2012/13 and funded from the HRA. • The changes to the garage licence as outlined in the report. 	<p>Director of Property Services</p> <p>Head of Governance</p>
<p>11</p> <p>11.1</p> <p>11.2</p> <p>11.3</p>	<p>Procurement Strategy</p> <p>The Director of Property Services introduced a report for decision updating Board on the changes arising from a review of the strategy.</p> <p>Board requested that staff consider including issues relating to the London living wage, industrial relations and an ethical approach to procurement within the strategy.</p> <p>Board requested the strategy should refer to the fact that the procurement of the majority of goods and services other than repairs and refurbishment takes place through service level agreements (SLA's), with the Council, and hence the strong bias to the strategy referring mostly to technical procurement.</p> <p><u>Decision</u> Board agreed to approve the updated Procurement Strategy.</p>	<p>Director of Property Services</p> <p>Director of Property Services</p>

<p>12</p> <p>12.1</p>	<p>Risk Management Strategy</p> <p>The Head of Governance introduced a report for decision proposing the adoption of the Risk Management Strategy by the Board.</p> <p>Decision Board approved the Risk Management Strategy.</p>	
<p>13</p> <p>13.1</p> <p>13.2</p> <p>13.3</p> <p>13.4</p>	<p>Capital Programme Financial Monitoring</p> <p>The Director of Property Services introduced a report for decision updating Board on the Lewisham Homes capital programme for the 2010/2011 financial year to the end of September 2010 and seek approval for an accelerated programme of domestic boiler replacement.</p> <p>Board expressed ongoing concern at the back-loading of the programmed spend. Board noted staff comments that resources have been increased by LBL during, rather than at the beginning of the financial year, but concern remained about achieving maximum spend without overspend.</p> <p>Board suggested commissioning more schemes might be required to ensure spend.</p> <p>Board requested further information on the programmed works due to take place on Lanyard House and Argosy House be forwarded to them in time for their next meeting.</p> <p>Decision Board noted:</p> <ul style="list-style-type: none"> • The committed expenditure to the end of September 2010. • The resources and budgets for 2010-11. <p>Board agreed:</p> <ul style="list-style-type: none"> • To approve the introduction of a £1m pre emptive domestic boiler replacement programme and increases the current 2010/11 financial provision from £2.2 to £2.5m. 	<p>Director of Property Services</p>
<p>14</p> <p>14.1</p> <p>14.2</p>	<p>Business Plan 2010/11 and KPI Performance</p> <p>The Chief Executive introduced a report for monitoring setting out Lewisham Homes' key performance indicators (KPI's) and progress in completing tasks in the Business Plan with targets for completion by September 2010.</p> <p>Board commended the welfare benefits advisor on the excellent work which has taken place, and asked that this message be forwarded onto them.</p> <p>Decision Board noted the report.</p>	<p>Director of Housing</p>

<p>15</p> <p>15.1</p> <p>15.2</p> <p>15.3</p> <p>Decision</p>	<p>Financial Monitoring Report 2010/2011</p> <p>The Director of Resources introduced a monitoring report updating Board on financial monitoring forecasts for September 2010. Reporting on the Lewisham Homes company budgets, the Housing Revenue Account (HRA) managed budgets, the Repairs trading account and the HRA Capital Programme.</p> <p>Board discussed the issue of heating costs and specifically acknowledged the requirement to, going forward, review the issue of communal heating costs and the fact these homes were effectively being subsidised with non-market rate fuel costs.</p> <p>Board noted that the company budget is forecasting a deficit of £164k after accounting for investment project expenditure of £967k.</p> <p>Board noted the report.</p>	
<p>16</p> <p>16.1</p> <p>16.2</p> <p>16.3</p> <p>16.4</p> <p>Decision</p>	<p>Heathside and Lethbridge External Repairs Options</p> <p>The Director of Property Services introduced a report for monitoring advising the Board of the background leading up to the requirement to invest in properties at Lethbridge Close that are due for demolition.</p> <p>Board requested that by March 2011 LBL provides an update on Mosaic Family Housing's proposal in case Lewisham Homes needs to adjust its current repairs strategy.</p> <p>LBL clarified that any leaseholder buy-out options was only available with each phase of the project, not to all leaseholders potentially involved.</p> <p>Board requested that periodic updates be provided to them at its meeting.</p> <p>Board noted the report.</p>	<p>Director of Property Services</p> <p>Director of Property Services</p>

There being no other business to conclude, the Chair closed the meeting at 8.35pm.

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Chair: Julia Cotton

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Date

The next Lewisham Homes Board Meeting will take place on **Tuesday 25th January 2011**, starting at **6.30pm** at **Holbeach House, Catford**.

	PART A – BOARD MEETING MATTERS ARISING	DIRECTOR	RESPONSE
5	Chairs Actions and Questions from Members of the Public		
5.2	Board noted that the next training session to be held at Homes for Islington, will be on Monday 13 th December. The Chair of the Audit Committee had requested that all Audit Committee members attend the session. Board requested that the presentations from the session are forwarded onto them.	Mike Sims	This was forwarded to Board on 23 rd December 2010.
6	Chief Executive Update		
6.5	Board requested that information relating to the amount of money paid to Tribal Ltd on work carried out during 2009-10 be forwarded to them.	Adam Barrett	In 2009/10 £60k worth of work has been carried out by Tribal. No payments have been made to Tribal in the current financial year. Works to the value of £6230 have been carried out and are yet to be paid.
10	Garage Project Report		
10.6	Board agreed to review the Garage Strategy in a years time, to ensure that strategy assumptions were accurate.	Mike Sims	This has been included on the forward plan for 2011/12.
11	Procurement Strategy		
11.2	Board requested that staff consider including issues relating to the London living wage, industrial relations and an ethical approach to procurement within the strategy.	Mark Agnew	The final version will be amended to cover such matters as the London living wage and industrial relations insofar as these are compatible with EU procurement regulations and other legislation.
11.3	Board requested the strategy should refer to the fact that the procurement of the majority of goods and services other than repairs and refurbishment takes place through service level agreements	Mark Agnew	This will be included in the final version of the strategy.

	(SLAs) with the Council, and hence the strong bias to the strategy referring mostly to technical procurement.		
13	Capital Programme Financial Monitoring		
13.4	Board requested further information on the programmed works due to take place on Lanyard House and Argosy House be forwarded to them in time for their next meeting.	Mark Agnew	There are no further programmed works planned for Lanyard House and Argosy House.
14	Business Plan 2010/11 and KPI Performance		
14.2	Board commended the welfare benefits advisor on the excellent work which has taken place, and asked that this message be forwarded onto them.	Qadeer Kiani	This message of thanks has been passed on.
16	Heathside and Lethbridge External Repairs Options		
16.2	Board requested that by March 2011 LBL provides an update on Mosaic Family Housing's proposal in case Lewisham Homes needs to adjust its current repairs strategy.	Mark Agnew	Update to be included in March Board paper.
16.4	Board requested that periodic updates be provided to them at its meeting.	Mark Agnew	As above and then ongoing

Committee	Lewisham Homes Board	Item No.	8
Report Title	Chief Executive's Update		
Report Of	Chief Executive – Andrew Potter		
Class	Information	Date	25th January 2011

1. Purpose of the Report

Update Board Members.

2. Recommendation

Note the report.

3. Report

This report will be presented at each Board meeting to provide summary information to Board Members on current activities within the business.

Governance, Strategy and Finance

4. Management Fee 2010/13

Officers have now concluded negotiations with the Council on the management fee for 2011/12. A recommendation is contained within the budget report for the board to agree a management fee of £18.94m. This is a reduction of more than £1.5m on the current management fee. Although this has been achieved without any reduction in service levels it will be the last year that the organisation can make significant cuts in cost without service levels being effected.

Lewisham Homes will need to work with the Council over the coming months to set out a longer term 3 year strategy that sets out the financial plan for increasing investment and improving services in a sustainable manner.

5. Business Plan 2011 - 2014

The residents' business planning process has been completed and the finalised plan is being presented at the January Board meeting by residents who were involved in this. The plan will be integrated into the corporate Business Plan in a similar way to last year.

This year our Service Heads have been given more responsibility for developing their own service plans and were required to ensure their staff and managers were consulted as part of the process.

We are now in the process of finalising the plan and are consulting with LB Lewisham on the content of the delivery plan.

The business plan will be approved at March 2011 Board, the key tasks this year are:

- TSA requirements, including development of local offers – in progress

- Document Management Project – project approval stage
- TUPE Transfer to L&Q - completed
- Operatives pay – in progress
- Opti-time – completed
- New stores arrangements – in progress
- Decent Home procurement – moving into delivery stage
- Single status – deferred until 2011/12
- Review ICT arrangements with the Council – feasibility study stage

The efficiencies we need to make from 2011/12 onwards are likely to start to impact on services/performance and through the Business Plan process we will need to look at a range of options and what realistically what can be delivered and mitigate any impact where possible.

6. Decent Homes Funding Update

The government has now requested funding bids for Decent Homes resources and the deadline for submitting bids was the 11th of January.

Lewisham Homes staff and Council staff met with representatives from the Homes and Communities Agency to discuss the bid, further information is contained in the budget report.

Lewisham Homes submitted its bid on the 11th of January. An announcement is expected in early March on the level of funding that Lewisham will receive. It is however clear that whatever the eventual level awarded in the funding announcement it is almost certain to be insufficient to deliver the Decent Homes programme as it is currently planned.

Lewisham Homes will therefore continue working with the Council on alternative plans to deliver the required investment in the stock

7. Tenant Services Authority (TSA)

Although the government has announced that the TSA is being abolished, it is still our regulator until April 2012. In addition, it is expected that the Regulatory Framework developed by the TSA will be adopted by the HCA (our regulator from April 2012 onwards). Under this framework, all social housing providers are required to develop 'local offers'. In essence these are service standards which set out the local approach to the national minimum standards. We have been through a programme of consulting residents of these standards. The draft local offer will be presented to the next Area Panel and then to Board in March for approval.

8. Housing Revenue Account Reforms

The government has announced its intention to legislate for reform of the Housing Revenue Account in line with the principles of self financing which have already been consulted on. An announcement on indicative funding levels is expected in February. A final funding announcement will be made in early 2012 and the reforms will be implemented with effect from the 2012/13 financial year.

9. Audit Commission inspection report

We have now made our formal response to the inspection report, which will be posted on the Audit commission website. It sets out how we will be

addressing the recommendations made by the Audit Commission, and it thanks everyone involved for their support in achieving the two star rating.

Operational Updates

10. Operatives Pay & New Schedule of Rates

Proposals were presented to a Joint Consultative Committee meeting with the unions on the 6th of January. Two unions were ready to sign the agreement. One union was not and the agreement could not therefore be signed. The next steps are currently under consideration and a verbal update will be provided at the Board meeting.

11. Decent Homes

We are gearing up for the delivery stage of this project to start on site in April 2011. Discussions are currently taking place with contractors as to how best to manage the start of the programme given the current levels of uncertainty around funding.

12. Customer Services Excellence (CSE)

We achieved this accreditation in November 2009, and we are pleased that we have retained this following our re-assessment in December 2010 . once again we have achieved 'compliance plus' in six areas, and this time we have fewer 'partial compliances'.

If you require any further information on this report please contact Andrew Potter on 0208 613 7696 or andrew.potter@lewishamhomes.org.uk

**Lewisham Homes Board
Forward Plan 2010-11**

29th March 2011

Report Title	Presenter	Status
Meeting items		
Minutes of meeting 25 th January 2011 & matters arising	Chair	Decision
Questions from Members of Public	Chair	Decision
Chairs Actions	Chair	Decision
Chief Executive Update	Andrew Potter	Information
Board Forward Plan	Mike Sims	Decision
Business Plan 2011-2014	Hilary Barber	Decision
People Strategy	Adam Barrett	Decision
ICT Service Review	Adam Barrett	Decision
Local Offers	Hilary Barber	Decision
LHL Budget Strategy 2011-12	Adam Barrett	Decision
Governance Standing Orders	Mike Sims	Decision
Asset Management Strategy Review	Mark Agnew	Decision
Capital Programme Financial Monitoring	Mark Agnew	Decision
Void Service Review	Mark Agnew	Monitoring
LHL Financial Monitoring Report	Adam Barrett	Monitoring
Business Plan 2010/11 and KPI Performance	Hilary Barber	Monitoring
Human Resources Service Review	Adam Barrett	Monitoring
Staff Satisfaction Survey	Hilary Barber	Monitoring
Information Items		
Board Members Enquiries	Mike Sims	Information
Anti Social Behaviour Service Review and Strategy	Hilary Barber	Information
Exempt items		
Exempt Minutes 25 th January 2011	Chair	Decision
Contract Awards	Mark Agnew	Decision
Minutes of Performance Panel 18 th January 2011	David Gannicott	Information
Minutes of Audit Committee 18 th January 2011	Terry James	Information

Meeting	Lewisham Homes Board	Item No.	10
Report Title	Dates of Board and Committee Meetings from April 2011 to March 2012		
Report Of	Head of Governance – Mike Sims		
Class	Decision	Date	25th January 2011

1. Purpose of the Report

- 1.1 To ask Board to agree a calendar of meetings for 2011/12.

2. Recommendations

- 2.1 That Board approves the cycle of meetings of the Board and its Committees for 2011/12 at Appendix A and B.

3. Calendar of Meetings 2011/12

- 3.1 The cycle of proposed meetings for Board, Audit Committee, Remuneration Committee and the Performance Panel is attached at appendix A.
- 3.2 The proposed calendar has been cross referenced with the London Borough of Lewisham's calendar to avoid clashes with potential Councillor commitments. There are currently no clashes in the proposed calendar, however the full calendar will not be made available until March 2011. This may require changes to be considered to the Lewisham Homes calendar at that time.
- 3.3 Similarly the calendar avoids clashes of meetings with Area Housing Panels. The planner at appendix A shows these Panel meetings for information, but Board is not asked to agree Panel dates. This has already been done by the Area Panel Chairs.

4. Implications

- 4.1 Legal Implications
- 4.1.1 None specific to this report.
- 4.2 Financial Implications
- 4.2.1 None specific to this report.
- 4.3 Value for Money Implications
- 4.3.1 None specific to this report.

Implications approved	4 th January 2011	
Report approved by Director	4 th January 2011	
Report approved by CEO	13 th January 2011	

- 4.4 Equality and Diversity Implications
 - 4.4.1 Changes may be required once details of the London Borough of Lewisham calendar for 2011/12 have been obtained and clashes will be considered with religious holidays.
- 4.5 Consultation Implications
 - 4.5.1 Board will be asked to consider these dates at this meeting, before they are formalised for 2011/12.

**If you require further information on this report please contact Mike Sims
on 07958 691 532 mike.sims@lewishamhomes.org.uk**

Implications approved	4 th January 2011	
Report approved by Director	4 th January 2011	
Report approved by CEO	13 th January 2011	

CALENDER APR 2011-12

	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
1									BOARD			
2		B/H			PANELS					B/H		
3												
4					PANELS		COMBINED PANEL					
5	PANELS											
6						AUDIT			COMBINED PANEL		PANELS	
7	PANELS		COMBINED PANEL									
8											PANELS	
9					PANELS							
10												
11												
12	PANELS											
13						PERFORMANCE						AUDIT
14			AUDIT								PANELS	
15												
16												
17		PERFORMANCE								AUDIT		
18												
19				PERFORMANCE and REMUNERATION								
20						BOARD & AGM	REMUNERATION					PERFORMANCE
21	REMUNERATION						AWAY DAY					
22	B/H						AWAY DAY	PERFORMANCE				
23												AWAY DAY
24		BOARD								PERFORMANCE and REMUNERATION		AWAY DAY
25	B/H											
26				BOARD					B/H			
27									B/H			BOARD
28												
29	B/H				B/H							
30		B/H										
31										BOARD		

Key
WEEKEND
BANK HOLIDAY
BOARD
PANELS
COMBINED PANEL
AUDIT
REMUNERATION
PERFORMANCE
AWAY DAY
INSPECTION

Lewisham Homes Board

Tuesday 24th May 2011 (week later is half term)
Tuesday 26th July 2011
Tuesday 20th September 2011 (week later is Labour Party annual conference)
Tuesday 1st December 2011 (Council meeting is on 29th November 2011)
Thursday 31st January 2012
Tuesday 27th March 2012

Audit Committee

Tuesday 14th June 2011
Wednesday 6th September 2011
Tuesday 17th January 2012
Tuesday 13th March 2012

Performance Panel

Tuesday 17th May 2011
Tuesday 19th July 2011
Tuesday 13th September 2011
Tuesday 22nd November 2011
Tuesday 24th January 2012
Tuesday 20th March 2012

Remuneration Committee

Thursday 21st April 2011
Thursday 19th July 2011
Thursday 20th October 2011
Thursday 24th January 2012

Away Weekends

Friday 25th and Saturday 26th March 2011
Friday 21st and Saturday 22nd October 2011
Friday 23rd and Saturday 24th March 2012

Committee	Lewisham Homes Board	Item No	11
Report Title	Lewisham Homes Company Budget Strategy		
Contributor	Director for Resources - Adam Barrett		
Class	Decision	Date	25th January 2011

1. Purpose of the Report

- 1.1 This report sets out the proposed changes to company budgets that will enable the company to operate within the management fee proposed by the Council.

2. Recommendation

- 2.1 That Board approve the outline principles and budget proposals set out in sections 3 and 7 of the report.
- 2.2 That Board agree the management fee proposed by the Council for the financial year 2011/12 of £18.94m.

3. Budget Strategy

- 3.1 The Lewisham Homes Directors report for the year 2009/10 highlighted that revenue resources were broadly sufficient for the delivery of the services Lewisham Homes is required to provide under its management agreement with the Council but that there was a significant shortfall in the availability of capital resources to bring the housing stock up to a decent standard.
- 3.2 The transfer of 15% of the housing stock managed by Lewisham Homes to L&Q has resulted in a loss of economies of scale and put financial pressure on the HRA which has made the 2011/12 budget process the most challenging budget setting process in the last three years.
- 3.3 Reducing management costs to allow additional investment in the housing stock remains the core principle behind the budget strategy. The loss of economies of scale arising from the stock transfer has resulted in an increase in unit management costs. The budget strategy has focussed on ensuring that unit cost increases are kept to a minimum and the budget strategy for future years will include a greater emphasis on sharing and selling services to ensure unit costs are controlled and represent value for money.
- 3.4 The principle of ensuring full cost recovery for service charges and that leaseholders and tenants are charged on the same basis where service charges are levied for a service has also been continued in the strategy.
- 3.5 The passporting of maintenance allowances to Repairs budgets has been continued in the strategy and Lewisham Homes staff will be meeting with the Council to agree capital programme budgets with the Council in January based on a similar principle of passporting Major Repairs Allowances to the capital programme.

Implications approved	12 th January 2011	
Report approved by Director	12 th January 2011	
Report approved by CEO	13 th January 2011	Page 20 of 141

- 3.6 The 2011/12 budget process is likely to be the last year in which the current HRA subsidy system is in place. The government has announced its intention to replace the current system with a system of self financing from 2012/13 onwards. Announcements are expected in January that will give an indication of the financial implications for Lewisham although final confirmation of the settlement will not be available until early in 2012.
- 3.7 The key principles of the self financing system is that Local Authorities will be allowed to keep all rental income and there will be no further transfer payments in the form of housing subsidy between Council's and the government. Historic debt will be adjusted for each Council so that they are able to operate an affordable business plan and service their debt in line with government assumptions on expenditure and income requirements forecast over a 30 year business planning period. Lewisham Homes under this system will receive a payment from the government that will allow it to reduce its debt to the level the government considers to be affordable over the 30 year business plan.
- 3.8 In respect of capital resources where the key financial shortfall lies there has been as yet no announcement of the resources that will be available to Lewisham in 2011/12. Since the successful inspection result there has been substantial change in the process by which the government allocates Decent Homes resources. Lewisham had been made a provisional offer of a Decent Homes funding under the previous arrangements of £153m which was some £36m short of the cost of the full Decent Homes bid.
- 3.9 Following the change in government the requirement to have 2 stars to receive funding has been removed which opens up available funds to a greater number of bidders. There has also been a substantial reduction in the national level of funding available to support the Decent Homes programme. The national decent homes funding that is available is backloaded over the 4 year settlement period as follows.

2011/12	£260m
2012/13	£352m
2013/14	£389m
2014/15	£594m

- 3.10 It is therefore unlikely that Lewisham will receive sufficient funding in 2011/12 to proceed with the Decent Homes programme as originally envisaged.
- 3.11 Communities and Local Government has asked all authorities to submit bids for funding. Lewisham submitted its bid on the 11th of January. Lewisham Homes and Lewisham Council staff met with Homes and Communities Agency officials on the 7th of January to discuss the bid and the process to be followed.
- 3.12 Key factors that the CLG will consider are:
- The level of decent homes need in a Council
 - The value for money of the Council's bid
 - The readiness to deliver now and the track record in delivery

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3.13 The HCA also gave a clear expectation that as national funds are backloaded bids should be backloaded as well with more expenditure planned in later years than earlier ones

3.14 It is hoped that funding allocations will be announced by the end of February enabling Council's to commit expenditure from the beginning of April onwards

4. Housing Revenue Account (HRA)

4.1 The Council retains responsibility for preparing the HRA budget strategy and managing the HRA account.

4.2 Lewisham Homes along with tenants are consulted on the Council's HRA strategy.

4.3 The Housing subsidy settlement determines the level of resources available to fund the HRA. This sets out the principles around rent rises, determines the rules around supporting debt levels in the HRA and sets the level of management and maintenance allowances and major repairs allowances which are available to support expenditure and the level of guideline rent which is payable back to the government as part of the subsidy regime.

4.4 Since being created as an ALMO in January 2007 Lewisham Homes has worked towards ensuring that the financial management of the HRA is carried out to support the core principles of value for money, transparency and fairness.

4.5 In delivering value for money Lewisham Homes has sought to reduce management costs and realign resources to investing in maintaining the stock. Lewisham Homes has also set up various resident involvement groups including a Major Works Group, a Repairs forum, a Leasehold Improvement Group and a Housing Management Improvement Group. In addition Lewisham Homes has worked with residents as part of this years budget planning process on developing a resident led business plan. By involving residents in setting service priorities Lewisham Homes ensures that it is targeting its resources at the right priorities which is a key first step in securing value for money.

4.6 Lewisham Homes will continue to focus on delivering cost savings to free up additional resources to fund priority areas. To do this Lewisham Homes will set challenging savings targets for the areas it is responsible for within the Lewisham Homes company account. Lewisham Homes will also seek to identify those areas in the wider HRA which could be subject to review in order to deliver efficiency savings.

4.7 In ensuring transparency and fairness Lewisham Homes will ensure that it can explain how the costs it charges for services have been calculated and will ensure that services are charged for fairly so that leaseholders and tenants receiving the same service will pay the same charge. A major review of service charges was carried out as part of last years budget process to ensure that service charges for leaseholders and tenants were calculated on the same basis.

4.8 Lewisham Homes report on service charges and its fee and the Council's report on the rent levels and the HRA are attached as Appendices A and B to this report.

4.9 Key pressures have resulted in the HRA as a result of the following factors:

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- Loss of income due to the transfer of 2,400 tenanted units to L&Q
- Increased utility prices
- Actual service charge levels being lower than budget forecast

4.10 In order to ensure that a balanced HRA budget the Council has been working with Lewisham Homes on proposals to balance the HRA budget. Key elements of these proposals which are set out in the Council's and Lewisham Homes budget reports are:

- Adjustments to service charges to ensure full cost recovery
- Increases in utilities charges
- additional savings to Lewisham homes management fee
- savings in Council support costs

4.11 Residents were consulted on the proposals at the combined area panel meeting on the 8th of December 2010. The Consultation reports presented to the Combined Area Panel are attached at Appendices A and B. The Residents comments are attached at Appendix C.

5. HRA Capital Budgets –

5.1 Lewisham Homes staff will be meeting with the Council in January to agree indicative capital budgets for 2011/12 for the MRA element of the capital pot. As there will be no government announcement on the level of Decent Homes funding that will be available to the Council until late February or early March it will not be possible to set the overall capital programme budgets for 2011/12 until later in the year.

6. Lewisham Homes Company Account

6.1 The business plan approved by the board in March 2010 assumed that 4% efficiency savings would be made in 2011/2 and that the Council would allow reinvestment of 1% of those efficiency savings. The management fee would have reduced from £20.5m to £19.7m.

Business Plan 2010/11	£
Management Fee 2010/11	20,471,000
Inflation	407,000
Investment	205,000
Efficiency Savings	-1,322,000
Management Fee 2011/12	19,761,000

6.2 The Council has sought additional efficiency savings from Lewisham Homes in order to deliver a balanced HRA budget. The 1% reinvestment of efficiency savings has as a result not been agreed and an additional £0.5m of savings has been requested from the management fee. The proposed management fee for 2011/12 resulting from these proposals is £18.94m.

6.3 Lewisham Homes staff have identified efficiency savings that will allow these additional savings to be made without impacting on service performance.

6.4 It is proposed to adjust the management fee as set out in the table below.

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Management Fee 2011/12	£'000
Management Fee 10/11	20,471
Adjustments and savings assumed in 2010/11 budget	380
Adjusted Total	20,851
Actual savings	
operational	(351)
SLA	(287)
Full year employee Savings	(1,555)
Corporate provisions	(318)
Total Savings	(2,512)
Actual Growth	
Operational	71
SLA	75
Legal Fee – Outsourcing of Court work	150
Employee – Tenancy and project support	341
Employee – Decent Homes Delivery	272
Total Growth	909
Net Savings and Growth	(1,911)
Capitalisation of salaries and other income adjustments	(308)
Management fee 2011/12	18,940

- 6.5 As the 2010/11 budget had already assumed savings from the Chrysalis transfer these costs have been added back to identify the starting budget cost position prior to the transfer of staff to L&Q under TUPE arrangements.
- 6.6 In summary gross savings of £2.5m have been identified. This has allowed for £0.9m of investment to be funded. Of this £0.3m has been funded from the capitalisation of employee costs against the Decent Homes programme.
- 6.7 Details of saving and investment proposals are set out in Appendix D.
- 6.8 **Operational Savings** - The 2011/12 financial year will be the first year in which there has been no substantial change in the stock managed by Lewisham Homes. This factor and that there are now 2 full years of actual expenditure history in line with the existing budget structure has provided enough data and management experience to review operational budgets and to identify £0.351m of savings in operational budgets.

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- 6.9 **Consultancy** - The substantial number of service and policy reviews that were required prior to inspection resulted in consultants being used in many instances. The scale of activity is expected to reduce. In addition the move to more established and stable staff structures is expected to result in more policy and review work being carried out by permanent staff. A saving of £127,000 is proposed in consultancy budgets.
- 6.10 **Office Repairs** - A saving of £50,000 is proposed in the £100,000 planned maintenance budget for Lewisham Homes offices. No substantial planned works are planned for the immediate future. The Director of Property will be receiving the planned maintenance requirements for offices and recommending the setting aside an element of company reserves as a sinking fund for future works.
- 6.11 **Postage** - Savings in postage costs have been identified as a result of reviewing the frequency of information that is distributed and doubling up distribution of publicity material with other planned publications. A saving in postage budgets of £40,000 is proposed as a result.
- 6.12 **Mobile Phones** - Mobile phone contracts have been renegotiated resulting in a saving of £35,000.
- 6.13 **SLA Savings** - Proposed SLA budgets are set out in Appendix E Gross SLA savings of £0.287m have either been delivered or are being negotiated. As final agreement has not yet been reached with the Council on those SLA budgets highlighted as red in the Appendix there is an element of risk exposure should forecast savings not be achieved. The principle risk of this is in respect of the Property SLA where savings of £76,000 have been targeted.
- 6.14 **ICT** - The ICT SLA has been renegotiated following the Council's retendering of its ICT contracts. This has resulted in a saving of £77,000.
- 6.15 **Property** - A savings target of £76,000 has been set for the property services SLA. Negotiations are taking place with the Council but this saving has not yet been agreed.
- 6.16 **Oracle Financials** - The SLA for the provision of the financial General Ledger system has been renegotiated resulting in a saving of £30,000.
- 6.17 **Photocopying** - The photocopying SLA with the Council has been renegotiated resulting in a saving of £25,000.
- 6.18 **Employee Savings and investment** - The budget process for 2011/12 has resulted in £1m of employee savings being delivered through the TUPE transfer of staff to L&Q. Staff were transferred from across the organisation including Property, Resources and Housing with the largest proportion transferring from the Housing Directorate. This process has meant that no provisions have had to be set aside for redundancy costs or notice periods for those staff transferring.
- 6.19 Savings amounting to £0.5m have been identified through structure reviews of services carried out across the organisation. The headcount for the core company establishment has reduced from 349 to 324 staff.

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- 6.20 The TUPE transfer process resulted in the transfer of 29 staff from Lewisham Homes to L&Q. This took the overall headcount down from 349 to 320 staff.
- 6.21 Additional savings of £0.5m have been delivered over and above the TUPE transfer. These have been used in part to invest in strengthening the Tenancy team in the Housing Directorate and to allow for an additional post to provide support for the effective management of key company projects in line with the principles of Prince project management.
- 6.22 The Asset Management team has also been strengthened to provide additional resources to manage a larger capital programme. An additional communications officer has also been added to the structure to support the delivery of the Decent Homes programme. These posts will be funded through the capitalisation of salary costs against the Decent Homes schemes. Recruitment to these posts is subject to confirmation of the level of Decent Home funding to be made available to Lewisham Homes.
- 6.23 The Service Development restructure ensures that additional resources are allocated to Quality control and Equalities and Diversities Issues.
- 6.24 The net effect of these changes is to add 4 posts to the structure bringing the total establishment to 324 posts. Full details of changes to the staffing establishment are included in Appendix F.
- 6.25 **Savings in Corporate Provisions** - Savings of £0.5m are proposed in corporate provisions. As the company will have completed its downsizing due to stock transfer substantial reductions in headcount will not be required in future years. Whilst there may still be a need to restructure the organisation or teams within the organisation these restructures are likely to be less frequent and on a smaller scale. It is therefore proposed to remove the £200,000 provision for notice periods and to reduce provisions for employment tribunals, long term sickness backfilling and the working balance.

Other Investment

- 6.26 **Legal Fees £150,000** - Savings have been made in the staffing structure in respect of court officers in the income team. It is proposed to transfer work in respect of some of the case preparation and court attendance to one of Lewisham Homes legal contractors. The aim of the proposal is to ensure a higher quality of case preparation and presentation. This is intended to result in fewer adjournments thus speeding up recovery action resulting in a lower level of rent lost in arrears. The costs of providing the service in this manner are also forecast to be less than with the in-house team.
- 6.27 **Anti Fraud and Corruption SLA £75,000** – The current arrangements for purchasing Special Investigations support from the Council’s fraud team are that the service is paid for on a day rate of £250 per day. It has become clear during the year that there is sufficient workload investigating allegations of fraud for it to justify the funding of 1.5 posts within the team. Workload over and above the 1.5 post capacity will continue to be charged at £250 per day. This is a more cost effective way of procuring the service and allows the Council’s Anti Fraud team to plan its resources more effectively.
- 6.28 **Software interface development and support costs £50,000** – The

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implementation of additional Academy modules and other ICT solutions has resulted in additional ongoing licence and support costs for which there is no budget provision. The additional £50,000 ensures that these costs are budgeted for whilst allowing for a £15,000 development budget to allow for small interface and systems developments which are not significant enough to merit management through a more formal project approach.

7. Repairs Service Trading Account

7.1 Initial modelling of the income loss from the stock transfer indicates that it can be offset in part through increased management and maintenance allowances and through third party income from work carried out on hostels, the Council's Private Sector Leased Properties and Insurance work. There has also been an additional maintenance allowance increase of approximately £100,000 which has yet to be factored into the trading account model. A review of support costs charged to the trading account from the company is currently being carried out with a view to identifying additional efficiencies in the fixed cost base of the Repairs Service. Trading account budgets for 2011/12 will be reported to the Board meeting in March 2011.

8. Residents Business Plan

8.1 The 2011/12 financial year marks the second year in which Lewisham Homes has worked with its residents on a resident business plan. Resources amounting to £0.7m were identified which could be specifically earmarked to priorities arising out of the planning event. To the extent that priorities could be achieved with no additional cost or by reprioritising existing resources no limits were placed on residents proposals.

8.2 Five events have been held to date. An initial "Make a wish" event was held in August. It was attended by 49 residents many of whom had not been previously involved in any of the forums, focus groups and panels supported by Lewisham Homes. The residents identified key priorities for improvement that should form the focus of business planning.

8.3 The second event was a planning day involving a smaller group of residents who took the core priorities from the make a wish event and turned them into a brief which Lewisham Homes staff were asked to bring forward business proposals to address.

8.4 The third event was a dragons den where Lewisham Homes staff presented their proposals to residents about how the residents brief could be delivered. There were discussions and negotiations sessions to ensure that these proposals were addressing the priorities residents had identified.

8.5 The fourth event was called getting the money right and involved residents looking at all the proposals and their costs and deciding on which ones to prioritise and take forward in the Residents Business Plan

8.6 The fifth event was where residents met to design the plan and the key messages that would go with it.

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- 8.7 The residents will be presenting their plan at the Board meeting on the 25th of January.
- 8.8 Ensuring that the resources available to Lewisham Homes within the company and the HRA are allocated in support of residents priorities is a key first step in ensuring the delivery of Value For Money (VFM).
9. Implications
- 9.1 Financial Implications
- 9.1.1 Contained within the report.
- 9.2 Legal Implications
- 9.2.1 The Directors of the Company have a duty to ensure that Lewisham Homes trades as a going concern. This means that Directors must ensure that the financial forecasts for the company are reasonable and that they demonstrate that the company has the resources to meet its financial obligations to its creditors. Setting a balanced budget based on reasonable forecasts is a key element in a Director discharging this duty.
- 9.2.2 Directors of the company must also ensure that the resources available to the company are used to promote its objectives. The objectives of the company are set out in the memorandum and articles of association. These provide the company with broad powers to carry out activities in support of the provision of a housing service.
- 9.3 Value for Money Implications
- 9.3.1 The budget strategy ensures that the organisation remains financially viable through delivering efficiency savings, and through ensuring that resources are prioritised in line with resident service priorities. The strategy has been successful in reducing management costs, increasing investment in asset management and in identifying £700k of resources that are directly allocates by residents as part of the Resident Business Plan.
- 9.4 Equality and Diversity Implications
- 9.4.1 None specific to this report.
- 9.5 Consultation Implications
- 9.5.1 Budget proposals have been consulted on at the 8th December Combined Area Panel and via the Residents Business Planning process that has run from August to December.

If you require any further information on this report please contact Adam Barrett on 020 8314 3405 or adam.barrett@lewishamhomes.org.uk

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COMBINED AREA PANEL MEETING		
Report Title	Housing Revenue Account (HRA) – Rent Setting Consultation Lewisham Homes Area	
Key Decision	Yes	
Ward	All	
Contributors	Executive Director for Customer Services & Executive Director for Resources	
Class	Part 1	Date: December 2010

1 Purpose of the Report

To outline the forecast rent, service charge and Energy increases for Lewisham Council Dwellings in 2011/12, based on the Rent Restructuring formula issued by Central Government. Residents are invited to consider this report and provide feedback on the proposals contained.

2 Executive Summary

- 2.1 The current forecast on the HRA for 2011/12 is a deficit, after the proposed rent rise noted below, of £0.371m. However, the medium term forecast for the period 2011/12 to 2013/14 is for a deficit in the region of £1.45m
- 2.2 Savings are being sought for 2011/12 as outlined in section 5.
- 2.3 The forecast average increases in rent for 2011/12 equates to an average rise of £3.88pw or 4.99% over a 52 week period. This is based on the rent restructuring formula issued by Central Government. This would raise the full year average dwelling rent for the London Borough of Lewisham from £77.82 to £81.70pw.
- 2.4 Whilst the authority can raise rents at a higher level than indicated by the Governments formula calculation, there would be a loss of HRA Subsidy via reduced Housing Benefit payments. Effectively, this places the decision on average rent levels with Government rather than Local Authorities.
- 2.5 The potential average service charge rises are contained in the Lewisham Homes Report on Tenants and Leaseholders Service Charges, which is considered elsewhere on the agenda. This is based on full cost recovery in line with last year's proposals.
- 2.6 There are no proposals to increase the current levy for Tenants' Fund which will remain at 13p per week.

- 2.7 The average increase in Energy charges for 2011/12 is £0.60pw or 4.98%. This will move the average cost from £12.06pw to £12.66pw. This is based on revised stock data, to reflect stock transfers and updated average consumption levels.
- 2.8 There is a proposal to introduce a flat rate Garage rental amount of £9.70pw. The current average rental paid is £7.92pw which represents an average increase of 22.47% or 1.78pw. The additional income raised would be used for reinvestment in the Garage Stock.

3 Policy Context

- 3.1 The Council has a legal obligation to set a balanced budget for the HRA and includes setting rents in accordance with the rent restructuring formula issued by Central Government. The Council also has a legal obligation to inform tenants of the potential rent rise and consult with tenants before a final decision is taken.

4 Introduction

- 4.1 The Housing Revenue Account (HRA) is a statutory account which sets the Landlord costs and income for the housing stock. It is a ring-fenced account that cannot be run at a deficit.
- 4.2 The delivery of Lewisham's housing management service is currently undergoing a significant change. This is as a result of the stock options appraisal submitted in July 2005 which recommended a mixed approach to improving the stock to meet the Government's Decent Homes Strategy. The approach involves some stock transfers, refurbishment through Private Finance Initiatives (PFI) and the establishment of an Arms Length Management Organisation (ALMO).
- 4.3 These changes have placed considerable challenges to the HRA. Once the remaining stock transfers have taken place the HRA will have a smaller income both from rents and subsidy whilst the pressure to incur expenditure will still be considerable. The lower income base will reduce the ability to be flexible in incurring any additional expenditure. Furthermore, there is an increasing need to make sure the various providers of services are carrying out the service to the right level, such as Repairs & Maintenance.
- 4.4 The current forecast assumes no changes to the HRA subsidy regime. However, the Department for Communities & Local Government (DCLG) are currently undertaking a review of the Subsidy System, with any changes being made at the earliest in 2012/13. The impact of any changes to the subsidy system will be assessed when announced by the DCLG and the forecasts updated.
- 4.5 The current HRA budget model assumes that some savings will be achieved through reduced costs once stock has transferred out of the HRA. This will be in the form of reduced expenditure on items such as Energy Costs, Support Costs, Repairs Costs etc, for the area which has transferred.

4.6 The report presented to area panels for 2010/11 rent increases indicated a balanced budget for 2010/11 following the announcement of the final HRA subsidy determination and decisions made in 2009/10 regarding a two year savings programme.

5 Savings Proposals for 2011/12

5.1 The HRA strategy is continually updated and developed with the view to balancing the budget for 2011/12 and future years.

5.2 A two year package of savings totalling £5.96m was brought to the tenants panels as part of the 2009/10 rent setting exercise. This was agreed and put in place. The HRA was balanced in 2010/11 as a result of the savings programme and updated subsidy allowances. The HRA budget model was updated with the 2010/11 HRA subsidy allowances and forecast stock loss and a new medium term forecast was produced.

5.3 The current forecast for the HRA for the period 2011/12 to 2013/14 indicates a cumulative deficit of £1.45m. This is split £0.371m in 2011/12 and £1.08m in 2012/13.

5.4 Consequently, officers have begun work to identify potential savings for 2011/12 and future years. An indicative programme of savings can be seen in the table below. The suggestions on savings includes reductions in support costs, Income reviews and further reductions in Lewisham Homes management fee.

HRA Savings proposals 2011/12

Item	Area	Savings 2011/12	Future Savings 2012/13 and 2013/14
		£'000	£'000
1	Pest Control Block Treatments	190	
2	Leasehold Service charge Adjustment	-342	
3	Review of other income areas (Garages, Aerials, Heating, Commercial etc)	140	25
4	Lewisham Homes	500	
5	Housing Options/Hostels	104	
6	HRA Client Support Costs	107	-
7	Reduce Inflation estimates for 2011/12	67	407
	Total Savings Proposals	766	432
	Total Savings Requirements	371	1,450
	Variance (Surplus) / Deficit	(395)	252

- 5.5 As part of the 2011/12 budget setting process, other budget adjustments have been undertaken to reflect actual income levels in areas such as Garages, Leaseholders service charges, Heating charges and management costs.
- 5.6 As can be seen from the above table, there is a forecast surplus in 2011/12 if these savings are taken. This could be used to fund one-off schemes in 2011/12 or be used to contain any unforeseen pressures which may arise. There is a shortfall in the savings target for future years. Further work will need to be undertaken in 2011/12 to achieve a balanced budget in that year.
- 5.7 The savings proposals will be developed over the coming months and will be updated once agreements have been reached and the 2011/12 Subsidy allowances have been issued.
- 5.8 Lewisham Homes have prepared a separate paper on the increase in Tenants and Leaseholders service Charges, which is to be considered elsewhere on the agenda.
- 5.9 An update of the HRA Strategy, Savings Proposals, proposed rent & service charge increases and comments from consultation with tenant representatives will be reported to Mayor & Cabinet as part of the HRA Rents and budget strategy report. Mayor & Cabinet will make the final budget decisions in the new year.
- 5.10 Attached at appendix 1 to this report is a commentary on the savings listed in the table above.

6.0 Rents and Rent Restructuring

- 6.1 The 2011-12 financial year is the 10th year of what was originally a 10-year rent restructuring programme due to complete by 2011/12. However, as part of the HRA Subsidy determination for the 2010/11 financial year, DCLG moved the convergence date to 25th April 2012 i.e. over 3.07 years.
- 6.2 The draft HRA subsidy determination for 2011/12 proposes a further change to the convergence date by moving it to 2015/16 i.e. in 5 years time. Following the rent restructuring formula, with the proposed change in convergence date, will result in Guideline Rent increase (used for subsidy purposes) of £5.04 or 6.63%. This would affect the actual rent rise due to the change in convergence date.

2011/12 Rent Rise

- 6.3 The forecast increase in actual tenants rents, using the rent restructuring guidance of limiting actual increases to RPI @ September 2010 of 4.60% + 0.5% + £2 is 4.99%, which equates to an average rise of £3.88pw. This would raise the average 52 week dwelling rent for the London Borough of Lewisham from £77.82 to £81.70pw.

- 6.4 There have been no other changes in the methodology for calculating formula rents.
- 6.5 The introduction of the rent restructuring policy effectively places the control of rent rises with the Government rather than Local Authorities. This is due to the loss of subsidy an Authority would suffer if it were to raise rents at a higher level than indicated by the formula calculation.
- 6.6 Whilst control of rent rises has been effectively removed from Local Authorities by the Rent Restructuring policy, Authorities still retain the legal requirement to set a balanced HRA.

7 Service Charges & Garage Rents

- 7.1 The agreed policy on Service Charges are that charges should reflect full cost recovery for the type of service undertaken. Lewisham Homes have provided a separate consultation report to panels regarding the increase to be applied for 2011/12.

Garage Rents

- 7.2 In October 2009 Lewisham Homes commissioned QK Associates to undertake a review of the Garage stock and take on temporary management of the service to improve its performance, income levels and make proposals on options going forward. These proposals have now been received and form the basis of the consultation on the increases to Garage rents and licence agreement. The main proposals are to:
- Maximise the income potential.
 - Create a Provision for maintaining the garages.
 - Identify alternative use for garages
- 7.3 Lewisham Homes has a garage portfolio of 2147 garages located throughout the borough that generates significant annual rental income. However, over the past few years there has been a lack of maintenance and investment in the garage stock resulting in high void rates due to poor condition and outstanding repairs.
- 7.4 It has been recommended that a flat rate Garage rental amount of £9.70pw (excluding VAT) is introduced for existing garage licences. The current average rental amount is £7.92pw which represents an average increase of 22.47% or £1.78pw. The additional income raised would be used for reinvestment in the Garage Stock, and reduce current void levels. Lewisham Homes have estimated that initial investment requirements would be £200,000 and £150,000 per year in planned maintenance thereafter.
- 7.5 It has been further recommended that new lets from April 2011 should fall into 3 categories:

- Group A = £9.70 per week would be the standard letting price for garages where there is lower demand.
- Group B = £15.00 per week would be for those garages where there are low vacancies and higher demand.
- Group C = Any allocated and managed parking bays £5.00 per week.

7.6 There is also a need to maximise the letting potential of the garages and it is therefore proposed that a change to the licence agreement is made to allow the garages to be used as domestic storage, however, where there is a waiting list, priority will go to residents of Lewisham.

7.7 The new charging regime will still represent value for money as the rental charge will remain below current market levels, funds will be made available to improve the garage stock and there will be an associated benefit of reducing associated anti-social behaviour around vacant garages.

7.8 Residents are invited to consider these proposals and provide feedback which will form part of the overall budget report to Mayor & Cabinet in January 2011.

8 Tenants' Levy

8.1 As part of the budget and rent setting proposals for 2005/6 a sum of £0.13p per week was 'unpooled' from rent as a tenants service charge in respect of the Lewisham Tenants' Fund. There has been no increase in this levy since its introduction, following consultation with Housing Panels.

8.2 It is proposed that there be no increase concerning the amount of the 2011/12 Levy.

8.3 The tenants fund have provided the panels with a consultation report regarding the accounts of the fund and budget proposals for 2011/12.

9 Energy Costs

9.1 As part of last years rent setting process the Mayor agreed to continue with the current formula methodology for calculating increases in Energy charges to tenants and leaseholders. This formula was originally approved by Mayor & Cabinet in December 2004.

9.2 The current charging methodology allows a limited inflationary price increase plus a maximum of £2 per week per property increase on the previous years charge. Consumption levels are also updated and included in the formula calculation.

- 9.3 The proposal for 2011/12 is for an increase of £0.60pw or 4.98%. This has been worked out after taking account of updated stock levels due to stock transfers and updated consumption data.
- 9.4 It should be noted that a new corporate contract for the supply of Gas was re-tendered in 1st October 2010. This was initially for a short period of 6 months to 31 March 2011, when a new 12 month contract will start.
- 9.5 Although prices have fallen since the last gas contract was awarded in 2008, prices for April 2011 contract can not be firmly estimated at this time. Any increase in the contract price will be reflected in the proposed charge for 2011/12.

10 Consultation

Consultation under tenants' compact

- 10.1 Consultation will take place in line with the tenants' compact arrangements. Since these arrangements provide an opportunity to engage tenants in a discussion on rent rises, it is proposed to continue to involve tenant representatives through the Housing Panels in December and feedback any views to Mayor & Cabinet.

Public Accounts Committee

- 10.3 It is proposed that Public Account Committee will first consider the proposals that Mayor & Cabinet will consider, in January/February 2011.

11 Financial Implications

- 11.1 The Local Government and Housing Act 1989 requires local housing authorities to prepare budgets for their Housing Revenue Account that avoid a debit balance occurring. The estimated financial implications are contained in this report.

12 Legal Implications

- 12.1 Section 24 of the Housing Act 1985 provides that a local housing authority may make such reasonable charges as they determine for the tenancy or occupation of their houses. The Authority must review rents from time to time and make such changes as circumstances require. Within this discretion there is no one lawful option and any reasonable option may be looked at. The consequences of each option must be explained fully so that Members understand the implications of their decisions.
- 12.2 Section 76 of the Local Government and Housing Act 1989 provides that local housing authorities are under a duty to prevent a debit balance in the HRA. Rents must therefore be set to avoid such a debit.
- 12.3 Section 103 of the Housing Act 1985 sets out the terms under which secure tenancies may be varied. This requires –

- the Council to serve a Notice of Variation at least 4 weeks before the effective date;
- the provision of sufficient information to explain the variation;
- an opportunity for the tenant to serve a Notice to Quit terminating their tenancy.

12.4 The timetable for the consideration of the 2009/10 rent levels provides an adequate period to ensure that legislative requirements are met.

12.5 Part III of Schedule 4 of the Local Government and Housing Act 1989 provides that where benefits or amenities arising out of the exercise of a Housing Authority's functions, are provided for persons housed by the authority, but are shared by the community as a whole, the authority shall make such contribution to their HRA from their other revenue accounts to properly reflect the community's share of the benefits or amenities.

12.6 Where as an outcome of the rent setting process, there are to be significant changes in housing management practice or policy, further consultation may be required with the tenants affected in accordance with section 105 of the Housing Act 1985.

13 Crime and Disorder

There are no specific implications.

14 Environmental Implications

There are no specific implications.

15 Equality Implications

15.1 Council tenants include a higher than average proportion of elderly people and black and ethnic minorities. Many tenants are unemployed or on low income. The service has specific provision for more vulnerable groups within the community. A significant proportion of new allocations are made to families and women with young children.

15.2 In undertaking consultation and examining potential options, the equalities impact for different groups of people will be considered, particularly black and ethnic minorities, women, disabled people and young people.

16 Conclusion

16.1 It is currently forecasted that a rent rise of 4.99% (£3.88pw) will be applied to Council dwellings in 2011/12 under the rent restructuring formula.

16.3 The proposed timetable enables scrutiny of the budget and proposals by Public Accounts Select Committee in January/February 2011.

- 16.4 The consultation arrangements have been strengthened in the light of the Tenants Compact and Tenants Strategy Group are asked to consider the proposals accordingly.

Background Papers

Document	Held by
HRA budget 2011/12	Conrad Hall

If you require any more information about this report please contact Conrad Hall on 0208 314 8379 (e-mail conrad.hall@lewisham.gov.uk)

Appendix 1 – Proposed HRA Savings 2011/12

Item 1 Tenants' service charges

As set out more fully in the report on service charges, Lewisham Homes have put proposals forward to implement a service charge for the block treatments undertaken to various blocks as part of the pest control programme.

This will be a new charge and is not subject to unpooling from rents. However, it will not be introduced to all tenants, as the charge will be based on the annual pest control block treatment programme. This saving represents additional income to the HRA via the implementation of the service charge.

Item 2 Leasehold service charge adjustment (growth)

Current income on leasehold service charges are short by some £542k against the 2010/11 budgets. There are a number of reasons for this ranging from underestimating the impact of the loss of leasehold stock due to the stock transfer programme to an inability to pass on some charges to leaseholders as a result of audit inspections.

A £200k adjustment against the 2011/12 budget had already been anticipated, but a further 342k is required in order to remove the pressure to the HRA that this shortfall presents.

Item 3 Other income areas

A review of fees and charges applied to services provided (such as garages, ground rents, court costs, commercial rents etc) and of the income derived from them has shown that in some cases income received is in excess of the current budgeted amounts.

It has already been established that garage income will be some £80k in excess of current budgets due to improved void performance. An additional £30k in each of court costs and ground rents is also being achieved, making a total of £140k in 2011/12.

Item 4 Lewisham Homes management fee

The proposed saving of £550k is in addition to other efficiencies also being made to reflect the reduction in the stock. The net effect, if the saving is taken, will be a management fee of £18.929m in 2011/12, an increase of 5% in the fee per property compared to 2010/11.

Savings of £500k can be achieved through efficiencies with no impact on service provision.

Item 5 Hostel expenditure

The HRA has benefited from the review currently being undertaken on the reconfiguration of the Housing Options service as part of the general fund savings process. The total reduction in recharge to the HRA as a result is £104k.

Item 6 Other management costs

The Housing Strategy team are currently in the process of agreeing a revised structure to deal with its new role in relation to both housing policy/strategy and acting as the client for Lewisham Homes and Brockley PFI. The structure includes 4 Policy and Strategy posts, 1 RSL posts, a Strategic Housing Manager post and 4 Partnerships & Performance Posts. It is currently assumed that the 4 Policy and Strategy posts and the RSL posts are all 100% General Fund. 50% of the Strategic Housing Manager posts relates to General Fund activity. The 4 Policy and Strategy Posts are split 75% HRA & 25% General Fund. It is expected that this will reduce the total charge to the HRA by £25k

Further savings have been identified reflecting reduced stock numbers and other recharges into the HRA, which will not impact on service delivery

Item 7 Other costs

The current HRA budget model assumes the award of salary inflation of 1.5% for 2011/12 and 2.0% for 2012/13.

This equates to a value of £67k in 2011/12 and £407k for 2013/14.

Current estimates for pay inflation range between 0% (assuming a public sector pay freeze) and 1% which forms part of the General Fund budget assumptions.

There is the option of either reducing or not allocating inflation across the HRA budgets.

Meeting	Combined Area Panel Meeting		Item No.	7
Report Title	Leasehold and Tenant Service Charges 2011/12			
Report Of	Director of Resources – Adam Barrett			
Class	Recommendation	Date	December 2010	

1. Purpose of the Report

- 1.1 The report sets out proposals to change existing services charges for residents for 2011/12. The report also requests feedback from residents on the proposal to introduce a service charge for block pest control treatment.

2. Recommendations

That Area Panel:

- 2.1 Considers and comments on the proposal to introduce service charges for block pest control treatments.
- 2.2 Comments on the proposed service charges for 2011/12.
- 2.3 Notes the average increase in tenanted service charges of 48p (7.54%) i.e. from £6.11 to £6.57 per week and Leasehold Service Charges of 51p (3.97%) i.e. from £12.86 to £13.37 per week.
- 2.4 Notes that Lewisham Homes will be carrying out a review of the caretaking hours provided across all its properties. Residents will be consulted on the cost and level of caretaking service they receive as part of the review.
- 2.5 Notes that Lewisham's service charges remain below the average benchmarked charges for London Boroughs.

3. Background of the Report

- 3.1 The Council's Housing Revenue Account is a ring fenced revenue account. The account is required to contain only those charges directly related to the management of the Council's Housing stock. By implication leaseholders must be charged the true cost of maintaining their properties where the provision of their lease allows. This prevents the situation occurring where tenants are subsidising the cost of leaseholders who have purchased their properties.

Implications approved	29 th November 2010	
Report approved by Director	29 th November 2010	
Report approved by CEO	N/A	

4. Block Pest Control (Planned Programme)

- 4.1 It is proposed to introduce a service charge to cover a programme of planned block pest control treatments. It is proposed that the service charge for this service will only be charged to residents of the blocks receiving the planned treatments.
- 4.2 The charge is estimated to apply to 1,600 tenanted properties out of 13,293 managed by Lewisham Homes.
- 4.3 The pest control budget is currently insufficient to fund the block treatment programme required. By introducing a service charge for this service resources will be available to fund the level of treatments required.
- 4.4 In April 2008, LBL changed its policy on Pest Control and moved to chargeable service on treatments for mice, cockroaches, bed bugs and pharaoh ants (treatment for rats to individual households is free).
- 4.5 Block treatment of properties is organised on a rolling programme, hence properties identified for treatment change from year to year. We will notify tenants, who are to receive this service, in their annual rent notification letter in March 2011 of the charge to be levied.
- 4.6 The charge for this service is forecast to be an average of £1.81 per week. Lewisham Homes is currently finalising with Lewisham Council the charge for 2011/12.
- 4.7 Pest Control is frequently raised as an issue by residents at Area Panel and TRA meetings. By covering the cost of Block Pest Control by a service charge will give residents greater flexibility over the service provided.
- 4.8 Communal Block Pest Control charges are eligible for Housing Benefit.

5. Lewisham Homes Budget Proposals

- 5.1 Lewisham Homes service are paid for by a management fee which the Council pays to Lewisham Homes from the HRA. The management fee is funded from rents and service charges. The management fee in 2010/11 was £20.471m. The proposed management fee for 2011/12 is £18.960m. This is a reduction of £1.531m.
- 5.2 The reductions will be achieved through efficiency savings. There will be no cuts to service levels as part of these proposals.
- 5.3 Efficiency savings have been achieved through the following means:
 - Transfer of staff to L&Q as part of the Chrysalis transfer
 - Savings in support services such as the finance and HR teams
 - Efficiency savings in service level agreements with the Council
 - Efficiency reviews of operational budgets

Implications approved	29 th November 2010	
Report approved by Director	29 th November 2010	
Report approved by CEO	N/A	

6. Tenant and Leasehold service charges 2010/11

6.1 The table below sets out the proposed changes between the estimated charges for 2010/11 and 2011/12.

Existing Service	Tenant (T) / Leaseholders (LH)	Estimate (per week charge)		Change		
		2010/11	2011/12		£	Percentage
		£	£			
Caretaking	T & LH	4.99	5.43	Increase	0.44	8.82%
Ground Maintenance	T & LH	0.87	0.89	Increase	0.02	2.30%
Communal Lighting	T & LH	0.61	0.61	No change	0.00	0.00%
Anti Social Behaviour	LH	0.58	0.42	Reduction	-0.16	-27.59%
Customer Services	LH	0.08	0.10	Increase	0.02	25.00%
Resident Involvement	LH	0.39	0.42	Increase	0.03	7.69%
Repairs and Maintenance - Building	LH	1.51	1.51	No change	0.00	0.00%
Repairs and Maintenance Technical	LH	0.60	0.60	No change	0.00	0.00%
*Lifts	LH	0.74	3.01	No change	2.27	306.76%
Entry Phone	LH	0.38	0.38	No Change	0.00	0.00%
Block Pest Control	LH	1.97	1.81	Reduction	-0.16	-8.12%
Ground Rent	LH	0.19	0.19	No Change	0.00	0.00%
Sweeping	LH	0.68	0.62	Reduction	-0.06	-8.82%
Management	LH	2.34	2.47	Increase	0.13	5.56%
Window Cleaning	T & LH	0.06	0.02	Reduction	-0.04	-66.67%
Lumber Collection	T & LH	0.26	0.30	Increase	0.04	15.38%
Insurance	LH	0.77	0.77	No change	0.00	0.00%
Total		17.02	19.55		2.53	14.86%

* Incorrect basis used for 2010/11 estimates.

T & LH - Services Charges to both Tenant and Leaseholders

LH - Services Charges to Leaseholders only

Implications approved	29 th November 2010	
Report approved by Director	29 th November 2010	
Report approved by CEO	N/A	

7. Analysis of impact of changes in Service Charges for Tenants

- 7.1 There is an overall increase of 7.54% for the charges that tenants receive. This is mainly driven by a caretaking increase of 8.82%.
- 7.2 Caretaking charges have been adjusted following the transfer of 3,500 properties to L&Q. Revisions to property numbers as part of that process have identified that costs were being under recovered. The charge increases set out ensure that all caretaking costs will be funded by service charges. This ensures that rental income resources within the HRA are available to fund repairs and planned maintenance on the housing stock.
- 7.3 The table below sets out the impact of the changes for tenants. The average increase is 7.54% with 11,593 (98.65%) receiving an increase of less than £1.00 per week.

Change in charge per week	Number effected	Percentage of total charge	Average % increase
£0.00 to £0.20	1,884	15.98%	5.59%
£0.21 to £0.40	1,883	15.98%	7.03%
£0.41 to £0.60	4,837	41.04%	7.53%
£0.61 to £0.80	2,982	25.30%	7.89%
£0.81 to £1.00	194	1.65%	7.03%
£1.01 to 2.00 increase	7	0.06%	8.27%
Grand Total	11,787	100.00%	7.54%

- 7.4 Lewisham Homes will be carrying out a review of caretaking hours and service standards across the housing stock. The purpose of the review will be to ensure that the right level of service is being provided to blocks and that caretaking hours are allocated appropriately. Residents will be consulted as part of the review.
- 7.5 Options that will be considered as part of the review will be offering different service levels to different blocks. For example a small block with only 4 flats may need a much less frequent service. If this option is chosen by residents the saving in costs would be passed on to residents through a lower caretaking service charge.

8. Analysis of Impact of changes in Service Charges for Lease Holders

- 8.1 There is an overall increase of 3.97% in the proposed charges to leaseholders. The table below sets out the impact of the changes in service charges for leaseholders.

Implications approved	29 th November 2010	
Report approved by Director	29 th November 2010	
Report approved by CEO	N/A	

Change in	Number effected	Percentage of total charge	Average % increase
Reduction	1,803	36.34%	-1.24%
£0.00 to £0.20	1,465	29.52%	0.79%
£0.21 to £0.40	629	12.68%	1.75%
£0.41 to £0.60	76	1.53%	3.19%
£0.61 to £0.80	34	0.69%	2.61%
£0.81 to £1.00	41	0.83%	3.46%
£1.01 to 2.00 increase	327	6.59%	7.82%
£2.01 to £2.99 increase	423	8.52%	14.60%
£3.00 +	164	3.31%	22.35%
Grand Total	4,962	100.00%	3.97%

9. Tenant Service Charge Bench Marking

- 9.1 Lewisham has lower average and service charges than other London Boroughs. Bench marking data for 14 London borough shows that with the increased tenanted service charge for 2011/12 Lewisham Homes charges are below the sample average of £6.59, at £6.04 per week.

Average charges per week for tenanted Service Charges 2010/11

	£
Lambeth	16.60
Hackney	8.58
Haringey	8.39
Camden	8.22
Barking & Dagenham	7.59
*Lewisham 2011/12 proposed	6.04
Havering	6.00
Ealing	5.81
Brent	5.77
Newham	5.74
Wandsworth	5.17
Westminster	5.07
Enfield	3.64
Barnet	3.33
Croydon	2.86
Average	6.59

* Average for all properties with proposed increase for 2011/12.
Source - London Councils Survey of Tenanted Service Charges 2010/11

Implications approved	29 th November 2010	
Report approved by Director	29 th November 2010	
Report approved by CEO	N/A	

10. Implications

10.1 Financial Implications

10.1.1 Contained within the report.

10.2 Consultation Implications

10.2.1 Consultation will take place in line with the tenants' compact arrangements. Since these arrangements provide an opportunity to engage tenants in a discussion on rent rises, it is proposed to continue to involve tenant representatives through the Housing Panels in December and feedback any views to Mayor & Cabinet.

10.2.2 It is proposed that Public Account Committee will first consider the proposals that Mayor & Cabinet will consider, in January/February 2011.

If you require further information on this report please contact Adam Barrett on 020 8613 7697 or email adam.barrett@lewishamhomes.org.uk

Implications approved	29 th November 2010	
Report approved by Director	29 th November 2010	
Report approved by CEO	N/A	

**Combined Area Panel
7pm - 9pm, Tuesday 8th December 2010**

Area Panel Members Present:		
Forbes Brown	Jessie Brown	Francis Connell
Julia Donovan (Chair Deptford AP)	Josephine Edwards	Janet Farquharson
Irene Follins	Danielle Heath	David Holloway
Ron Lear	Margaret Martin	Trecia McCalla
Irene Mead	Raphael Mergui	Dawn Norris
Marion Richardson	Grace Sealey	Sue Slade
Stella Uzoije	Liza Wostmann	

Observers present:	
Simon Martin (Chair)	

Councillors present:	
Cllr Paul Bell	

Partners present:	
Gloria Biggs, Administrator (LTF)	Clare Ryan Strategy & Policy Officer (LBL)
Gary Cummins, Strategy & Policy Officer (LBL)	Tony Freeman Head of Partnerships & Investments (LBL) F
Mark Humphreys Group Finance Manager (LBL) Finance	Conrad Hall – Head of Business Management and Service Support (LBL)

Officers present:	
Adam Barrett - Director of Resources	David Tutt – Environmental Services Manager
Sue Asquith - Community Involvement Manager	Evert Robotham – ASB Manager
Sandra Canham – Leasehold Manager	Krysia Spzytma – Housing Service Manager
Saffrice Senior – Community Involvement Assistant	

Apologies:	
Cllr Jefferies	Ann Butcher
Cllr Millbank	Mick Pelling
Cllr Onegbu	Richard Katona
Cllr Nesbit	Pauline O'Neil
Cllr Muldoon	Vicky Yeardley
Cllr Adefiranye	Mavis Sayer
Cllr Wise	Maria Bell
Joan Coulson	Val Jarman
Glenda Nolan	Joan Clarke
Helena Russell	

<p><i>Agenda Item 1 : Welcome, Apologies and Introductions</i></p>	<ol style="list-style-type: none"> 1. Independent Chair Simon Martin opened the meeting with introductions. 2. Sue Asquith gave apologies. 3. Sue Asquith informed the panel of the sad news that Margaret Renshaw had passed away. Margaret had worked with Lewisham Council and Lewisham Homes for over 20 years as a community champion. Margaret's funeral will be held on the 20th December at Hither Green Crematorium. The family have requested that no flowers are sent, but donations to either a cancer or animal welfare charity would be appreciated. 4. Julia Donovan wanted it noted that Evelyn Ward Councillors were neither in attendance or gave apologies of lack of attendance.
<p><i>Agenda Item 2 and 3: Minutes from the last meetings and matters rising.</i></p>	<ol style="list-style-type: none"> 1. Simon Martin went through the minutes from the last Combined Area Panel dated October 8th 2010. 2. The panel agreed this was an accurate record of the previous meeting. <p>Matters Arising:</p> <ol style="list-style-type: none"> 3. Raphael wanted it noted that there was no follow up action from point 16, pg9 and there is still a lack of response. 4. Sue responded that his points were incorporated in the minutes and agreed to follow up the actions on his behalf. 5. Simon recommended that outside of the meeting the exact issues were noted and taken down. 6. ACTION: Sue to update Raphael on the issues raised at the October Area Panel. 7. Irene Mead asked for clarification on the charge made by a LH tenant for lumber collection. 8. Sue Asquith responded that the resident was not aware of the charge for lumber which is now included in the rent. A refund for the payment made to collect lumber has been made. 9. David Tutt wanted to clarify that there is now better communication between Envirocall and improved information on LH website so it is easier for residents to understand what LH does and what LBL does. Dave also mentioned that LH have provided details of "who does what" in our news letters and also on the Caretaking leaflet which has been sent to every resident. 10. Margaret Martin mentioned that she had not received a log book from ASB despite promises. 11. Action Point: Sue to follow up with the ASB Team and feedback to Margaret. 12. Update: Evert Robotham confirmed that Margaret has now been sent a log book and view the CCTV images. 13. Cllr Bell informed the members that the residents were successful in having a drug rehabilitation centre closed down. 14. Cllr Bell had raised the issue of sound proofing with the ward Councillors and wanted to know if Pauline O'Neil had received any confirmation of this, unfortunately she was not in attendance of the meeting.

	<p>15. Raphael Mergui noted that the point Adam Barrett made regarding availability of information has been the same issue for three years.</p> <p>16. Adam Barrett replied that this issues was in fact raised 12 months ago at a TRA meeting. LH are investigating how the ICT systems could be improved to provide this information to Leaseholders. This is now a task in the 2011/12 business plan and this will be done in the coming year.</p>
<p><i>Agenda Item 4 : Anti-Social Behaviour Update</i></p>	<ol style="list-style-type: none"> 1. Krysia Szpytma gave a verbal presentation on the Anti Social Behaviour (ASB) issues and Key Performance Indicators (KPI's) 2. See appendix 1 & 2 for reference 3. Julia Donovan asked whether 6 ASB officers and 1 manager is enough for the whole borough. 4. Krysia Szpytma responded by saying this is something that both the Senior Management Team (SMT) and ASB team have been thinking about. The London and Quadrant (L&Q) stock transfer has left gaps in staffing and LH are currently considering more staff resources into managing ASB. 5. Margaret Martin asked why there is only one CCTV operator. 6. Krysia Szpytma explained that Lewisham Homes (LH) are not specialists at managing CCTV and are in talks with the Council and are hopeful that a better solution will come about. 7. Danielle Heath wanted to know if more information on the Key Performance Indicators is available. 8. Krysia Szpytma explained that Appendix 2 was general information on the service but would be able to provide more details if required. 9. Sue Slade asked where the ASB team were based and if the Brighter Futures project was still in operation. 10. Evert Robotham responded that the ASB team were based at Pepys Housing office and confirmed the Brighter Futures project is still ongoing with 3 events plans for the next school holiday in Feb 2011. Residents will be consulted before these go ahead. 11. Irene Mead wanted to know if there were any mobile camera's for areas that are not necessarily considered high risk, so that observation could be made when issues in such areas like Forest Hill arise. 12. Evert Robotham replied that mobile cameras can be put in specific areas to target specific problems. 13. Julia Donovan wanted it noted that night vision was needed on camera's otherwise they are pointless as nothing can be seen when incidents happen at night. 14. Krysia Szpytma informed the members that this is something that is being discussed with the council, as well as surveys about the cost of upgrading, since the cameras were inherited and not all have the best resolution. 15. Marion Richardson, asked if it was possible to have a scheme of volunteers who are trained to watch the camera. 16. Krysia Szpytma replied that it is an idea for consideration,

	<p>however there are legal limitations as to who is allowed to look at CCTV footage, such as confidentiality and civil liberties.</p> <p>17. Kryisia Szpytma gave a verbal breakdown of the Key Performance Indicators for ASB.</p> <p>18. Action Sue Asquith, suggested that the key performance indicators be put into AP packs for AP reps to feedback on</p> <p>19. Update: The Key Performance Indicators and accompanying letter will be included in the Area Panel Packs for feedback.</p>
<p><i>Agenda Item 5: De Recognition of Paynell Court TRA</i></p>	<ol style="list-style-type: none"> 1. Simon Martin introduced the next agenda item. 2. Members agreed to de-recognise Paynell Court TRA as an AGM has not been successfully taken place and members have stepped down. There are plans to merge Paynell Court TRA with Prendergast and Lawn Terrance TRA.
<p><i>Agenda Item 6: Rent Setting Report – London Borough of Lewisham (LBL)</i></p>	<ol style="list-style-type: none"> 1. Simon Martin introduced the next agenda item. 2. Conrad Hall went through the proposed rent setting budget. (information in Dec 2010 Area Panel Minutes). 3. Cllr Bell asked whether there is any flexibility over the rent increase or is it rigid. 4. Conrad Hall responded by saying that councils are not legally obliged to set rent at the proposed level and if local authorities set it higher than the proposal level they will be penalised. There is a legal power for councils to set rents lower, however this will have financial implications in terms of the services that can be delivered through the Housing Revenue Account. (HRA) 5. Adam Barrett wanted to clarify that the council set the rent increase and has a duty to consult residents before doing so to get comments to feedback to the Major. 6. Margaret Martin commented that every year the rent increases, but felt the services do not get any better. 7. Adam Barrett replied by saying rent increases as the cost of providing services increases. Since LH has taken over, 40% more funding has been put into repairs and maintenance budgets which has been made possible by financial savings made in core services that we provide. Unfortunately rent has to increase with the rest of the financial economy and feedback from residents, especially from repairs service, show that improvements are being made. 8. Julia Donovan said that energy prices are going up again which will put the cost of heating up . This will impact heavily on blocks with cyclone heating where residents are paying twice, once to generate the heating and then again for the fan to distribute the heating. As the system is so poor why should residents have to pay for it? 9. Adam Barrett said the heating charges are increasing as a result of the cost of the heating we buy from the utilities companies. If the charges are not passed onto residents, this would mean that there is less money in the housing revenue account to provide core services. Heating systems cost a substantial amount of money to replace and some are not as efficient as others. Residents will be consulted on how much of decent homes funding is spent on kitchens

	<p>and bathrooms verses how much is put into affordable energy solutions.</p> <ol style="list-style-type: none"> 10. Cllr Bell asked if the Public Accounts Committee could produce a matrix of costs if the rent is either raised or reduced demonstrating the impact with either more or less funds in the HRA account. 11. Conrad Hall responded by saying it is very easy to provide that information, so will make sure that's done. 12. ACTION: Conrad to provide matrix of costs should the increase not be approved. 13. Simon Martin asked how is the dissatisfaction about the outcome of the Rent Setting fed back to the residents. 14. Conrad Hall replied that the report to Major and Cabinet will include the feedback from this meeting and any other changes will be reported to the council's Public Accounts Committee and the Scrutiny Committee. Representations will be made to the Major who using this feedback makes the final decision. 15. Cllr Bell informed the panel that they could lobby any of the councillors to feedback comments to the Public Accounts Committee and the Scrutiny Committee. 16. Adam Barrett confirmed that Julia's concerns about the heating charges will be feedback in the consultation process.
<p><i>Agenda Item 7: Leasehold and Tenant Service Charges</i></p>	<ol style="list-style-type: none"> 1. Adam Barrett set out the proposals to change the existing service charges for residents for 2011/12 and requested feedback and support of the proposal. 2. Irene Mead requested that there be an update and discussion point at every Combined Area Panel regarding caretaking services. 3. Trecia McCalla wanted it clarified that in previous years the block pest control was paid for by leaseholders and now Lewisham Homes would like the tenants to pay some of the charges? 4. Adam Barrett confirmed that is correct 5. Sandra Canham commented that leaseholders have paid the charge for the last two years. 6. Trecia McCalla responded that Eddystone Tower has frequent block pest control carried out and will be effected by this. The charge of £1.81 per week will raise serious issues with the residents especially as this is a big problem already and residents are very dissatisfied with the current programme of works. Tower blocks will not be able to opt out as there are continuous issues about pest control but the increase seems extreme. 7. Adam Barrett asked if the cost or the quality of the service was the main concern at Eddystone Tower. 8. Trecia McCalla replied by saying the quality of the service is not great and then to charge this amount on top will cause problems with the residents. 9. Adam Barrett said this will be taken back to both Environmental Services as well as the council. Market testing will be done to see if there can be a reduction in the charge. 10. Ron Lear wanted to raise the issue of caretaking services

	<p>for Roseview. The level of service is poor especially in regards to clearing the recent snow, which residents had to do. To increase caretaking by 48p per week is not satisfactory.</p> <ol style="list-style-type: none"> 11. Adam Barrett said that the actual increase will vary depending on the property. 12. Josephine Edwards commented that her neighbourhood is charged for a window cleaning service which does not take place. 13. David Tutt responded by saying that not every block is included in the LH contract and only communal windows are cleaned as part of the contract. If there are issues with blocks not having their communal windows cleaned please let the Caretaking Manager know. We are currently in talks with the contractor as we were not satisfied with some of the works. 14. Josephine Edwards commented that the letters sent to residents were rather confusing. 15. David Tutt responded by saying letters were sent to residents to clarify that cleaning was for communal windows only. and clarified that the letters stated the service was for “shared windows’. Windows to flats are not included” 16. David Tutt commented that the main washing down duties were suspended due to freezing conditions but that blocks were still spot cleaned. Mopping of spills, health and safety duties and bulk items removal continue to take place but normal cleaning in these weather conditions can create additional hazards. An order was placed for adequate salt supplies early on in the year, however we were informed that the government were restricting such orders. The expected date for the delivery of salt was the week of the heavy snow fall so where possible highway salt supplies were utilised. 17. Adam Barrett invited residents to report any instances where services are not delivered. He explained that this is part of LH quality control mechanism and helps us to improve services. Similarly, where the provider of the service is the Council, LH can raise these issues on behalf of our residents directly. 18. Raphael mentioned that there is a lack of response or success when reporting issues and no agreement is reached when it comes to resolving the issues that are being reported. In regards to the rents, for leaseholders the caretaking service charge has gone up more than 100% in the estimate, but the actually charge yearly is higher. 19. Adam Barrett explained that when the council managed the housing stock the cost for its caretaking service had not been fully recovered when LH took over the management. The increase in charges to caretaking are in part to recover this deficit.
<p><i>Agenda Item 8: Lewisham Tenants Fund</i></p>	<ol style="list-style-type: none"> 1. Gloria Biggs set out the recommendations for Lewisham Tenants Fund Budget 2. Julia Donovan proposed that the levy for LTF is increased

<p><i>(LTF) – Budget for Financial Year 2011/12</i></p>	<p>by 2p per week to 15p.</p> <ol style="list-style-type: none"> 3. Susan Asquith asked Julia to make it clear that she is also a board member and Chair of LTF and that only Area Panel members who are tenants could second this proposal. 4. Gloria Biggs explained that the majority of the directors at LTF decided that they could not ask for an increase on the 13p. 5. Susan Asquith asked Gloria Biggs whether there are restrictions on the amount LTF can have in reserve in their account. 6. Gloria Biggs replied that there is no limit as to the reserves held by LTF which currently stand at £50,000. 7. Simon Martin clarified that this is an agreement on passing a proposal for further discussion, not agreeing the increase, and that it will only influence 2012/13 decision not for 2011/12. 8. Trecia McCalla asked whether this Combined Area Panel had the governance to overrule the decision of the three separate Area Panels who voted on this issues in June 2010. 9. Gloria Biggs confirmed that this Combined Area Panel could in fact propose a vote to raise the tenant levy at the next meeting, 10. Members agreed to the proposal to vote to increase the tenant levy at the next Combined Area Panel in February.
<p><i>Agenda Item 9: Performance Management</i></p>	<p>Information</p>
<p><i>Agenda Item 10: Repairs Service Update</i></p>	<p>Information</p>
<p><i>Agenda Item 11: Lewisham Homes Update</i></p>	<p>Information</p>
<p><i>12: Matters Arising – Information Reports</i></p>	<ol style="list-style-type: none"> 1. Julia Donovan asked for clarity on an item in the Performance Report with regards to the percentage of service charge collected against total available excluding arrears. 2. Sandy Canham explained it was a misprint, the target should actually read 103% not 43%.
<p><i>13: Forward Plan</i></p>	<ol style="list-style-type: none"> 1. Susan Asquith informed members that the next Combined Area Panel meeting will be held on the 1st February 2011 at the Civic Suite where the Forward Plan will be set for the next year.
<p><i>14: Any Other Business</i></p>	<ol style="list-style-type: none"> 1. Susan Asquith will write to residents regarding training taking place in January.

Meeting Ends

Investment Items for 2011/12			
Budget Group	Investment item	Directorate	£
Employee costs	Major works - employee costs	various	272,074
Employee costs	Housing and Project Support - employee costs	various	341,037
Corporate provisions	Increased Legal fees	Resources	150,000
SLA	Anti fraud & corruption SLA	Resources	75,000
Operational	Software interface development and support costs	Resources	50,000
Operational	Office telephone enhancement	Resources	16,000
Operational	DSE Risk assessment equipment	Property	5,000
Total Growth			909,111
Analysis of Total Savings for 2011/12			
Budget Group	Savings Description	Directorate	£
Employee	TUPE to L&Q	Various	1,010,312
Employee	Non TUPE Employee Savings	Various	545,077
Corporate provisions	Corporate Provisions	Various	318,050
Operational	Consultancy fees (various)	Service Development	127,000
SLA	ICT SLA	Resources	77,000
* SLA	Property Services SLA	Property	76,000
Operational	Office repairs & maintenance	Property	50,000
Operational	Postage	Resources	40,000
Operational	Mobile phones	Resources	35,000
SLA	Oracle system SLA	Resources	30,000
SLA	Photocopying SLA	Resources	25,000
* SLA	Tenant Medical SLA	Housing	24,000
Operational	Stationery	Resources	20,000
* SLA	Lamp mediation SLA	Housing	16,400
* SLA	Cashiering SLA	Resources	15,000
SLA	Management trainee SLA	Resources	14,000
Operational	Reduced Printing Cost	Resources	10,000
Operational	Office facilities & supplies	Resources	10,000
Operational	Rates	Resources	10,000
Operational	Service Charges	Resources	10,000
Operational	Computer purchases	Resources	10,000
Operational	Residents catering cost	Resources	7,500
Operational	Residents venue hire	Resources	7,500
SLA	Employee relations SLA	Resources	5,000
SLA	Recruitment SLA	Resources	5,000
Operational	External Audit Fees	Resources	4,000
Operational	Subsistence	Resources	4,000
Operational	Bank Charges	Resources	2,500
Operational	Subscriptions	Resources	2,500
Operational	Books & Publications	Resources	1,250
Total Savings			2,512,089
Employee	Capitalisation of Salaries and other income adjustment	Various	308,000
Net Savings and Growth			1,910,978

* Not agreed yet.

SLA analysis and RAG status

Directorate	SLA Description	Budget 2010/11	Savings	growth	Budget 2011/12	RAG STATUS
		£	£	£	£	
Chief Executive	Legal Strategic Advice	50,000	0	0	50,000	
Housing	Lumber Collection	240,000	0	0	240,000	
Housing	Pest Control Planned	187,073	0	0	187,073	
Housing	Pest Control Reactive	112,927	0	0	112,927	
Housing	LAMP (Arbitration & Mediation)	42,500	-16,400	0	26,100	
Housing	Tenant Medicals	40,000	-24,000	0	16,000	
Housing	Lewisham Plus Credit Agency	20,000	0	0	20,000	
Housing	Right to Buy Plans & Valuations	15,000	0	0	15,000	
Housing	RTB (Right to Buy)	10,000	0	0	10,000	
Property	Commercial Property Management	130,000	-18,000	0	112,000	
Property	Commercial Property Management Debt Collection		18,000	0	18,000	
Property	Procurement	7,500	0	0	7,500	
Property	Property Advice	59,500	0	0	59,500	
Property	Sustainable Resources	19,700	0	0	19,700	
Property	Premises SLA	779,000	-76,000	0	703,000	
Resources	Employee Relations	5,000	-5,000	0	0	
Resources	HR Systems	27,000	0	0	27,000	
Resources	Management Trainees	14,000	-14,000	0	0	
Resources	Occupational Health	17,500	0	0	17,500	
Resources	Payroll & Pension	36,220	0	0	36,220	
Resources	Recruitment & Agency	5,000	-5,000	0	0	
Resources	Insurance & Risk Management	504,000	0	0	504,000	
Resources	Cash Team	40,000	0	0	40,000	
Resources	Internal Audit	50,000	0	0	50,000	
Resources	Systems & Oracle	90,000	-30,000	0	60,000	
Resources	Anti Fraud & Corruption	0	0	75,000	75,000	
Resources	Cashiering	63,000	-15,000	0	48,000	
Resources	Audit of Leaseholder Accounts	22,000	0	0	22,000	
Resources	Communications	9,500	0	0	9,500	
Resources	ICT Academy Development	100,000	0	0	100,000	
Resources	ICT SLA	785,000	-77,000	0	708,000	
Resources	Photocopying	90,000	-25,000	0	65,000	
		3,571,420	(287,400)	75,000	3,359,020	

Lewisham Homes Employee Budget Analysis 2010/11 to 2011/12

Appendix F

Directorate	Service Area	Budget 2010/11	Head Count	Adjustments and assumed savings 2011/12	Full year TUPE savngs	Adjusted Head count for TUPE	Adjusted 2010/11 budget	Efficiency savings	Major repairs growth	Other Growth	Head count 2011/12	Budget 2011/12
directorate	Service Area	£		£	£		£	£		£		£
Chief Executive	Chief Executive's Office	584,891	4	-56,000	0	4	528,891	0		0	4	528,891
Chief Executive	Board & Governance	86,173	1	0	0	1	86,173	0		0	1	86,173
Chief Executive	Service Development	637,678	13	-17,939	-42,504	12	577,235	-8,131		0	12	569,104
Chief Executive	Personal Assistants	194,113	5	-590	0	5	193,522	0		0	5	193,522
Housing	Anti-social Behaviour	357,678	9	-6,099	-38,529	8	313,049	-13,039		0	8	300,010
Housing	Estates Services	3,210,965	120	18,889	-183,679	113	3,046,176	-122,596		0	109	2,923,580
Housing	Housing Management	1,063,212	29	135,749	-134,253	26	1,064,708	0		298,533	38	1,363,241
Housing	Income & Revenue	1,223,620	37	145,651	-430,482	25	938,789	-99,618		0	23	839,171
Housing	Leaseholders	803,348	21	43,961	-37,681	20	809,629	0		0	20	809,629
Property	Asset Management	847,836	17	0	0	17	847,836	-117,948	227,315	0	19	957,203
Property	Gas	215,806	5	0	0	5	215,806	-17,903		0	5	197,903
Property	Health & Safety	192,495	5	24,697	-42,504	4	174,688	0		0	4	174,688
Property	Lifts	177,644	4	-5,939	0	4	171,705	0		0	4	171,705
Property	Mechanical & Engineering	411,175	9	0	0	9	411,175	0		0	9	411,175
Property	Monitoring	21,589	1	30,225	0	1	51,814	0		0	1	51,814
Property	Voids	321,550	10	40,102	-68,746	8	292,906	-69,228		0	6	223,678
Resources	Human Resources	420,958	11	24,655	0	11	445,613	-13,869		0	10	431,744
Resources	Business transformation	228,143	4	-3,565	0	4	224,578	0		42,504	5	267,082
Resources	Financial Management	896,791	20	3,400	0	20	900,191	-82,745		0	18	817,446
Resources	Community Involvement	238,541	6	753	-31,934	5	207,360	0		0	5	207,360
Resources	Communications	278,647	6	2,255	0	6	280,903	0	44,759	0	7	325,662
Resources	ICT Services	596,646	12	167	0	12	596,813	0		0	12	596,813
Total		13,009,499	349	380,371	-1,010,312	320	12,379,559	-545,077	272,074	341,037	324	12,447,593

Meeting	Lewisham Homes Board	Item No.	12
Report Title	Capital Programme Monitoring		
Report Of	Director of Property Services – Mark Agnew		
Class	Decision	Date	25th January 2011

1. Purpose of the Report

- 1.1 To provide an update to the Board on the Lewisham Homes (LH) capital programme for the 2010/2011 financial year as at the end of November 2010 and advise the Board of a redistribution of resources to accommodate capitalised repairs and the approved accelerated programme of domestic boiler replacement.

2. Recommendations

That Board:

- 2.1 Notes the committed expenditure outcome to the end of November 2010 as set out in Appendix 1 and described in paragraph 4.
- 2.2 Notes the resources and budgets for 2010-2011 as described in paragraph 5 and 6.
- 2.3 That the Board notes the reallocation £1.550m of budget shown at 4.1.
- 2.4 That the Board approves the approach to under spend discussed in Paragraph 4.5.

3. Context

- 3.1 The November 2010 monitoring shows the programme's financial position as at 30 November 2010, including the current forecast spend for the remainder of the 2010/11 year. Actual expenditure and forecasts are updated monthly, reflecting progress in each scheme.
- 3.2 Appendix 1 shows the status of each scheme. For the schemes shown as pre-contract, we are either awaiting tender returns, expiry of the statutory leaseholder consultation or the finalisation of surveys to establish the level of works before reviewing forecast expenditure.
- 3.3 With the exception of IRS Aerials (£75k) Fire safety works (£75k) and Heathside and Lethbridge (£150k) all contracts have now been let
- 3.4 The projected expenditure budget for this years programme is given in Appendix 4.
- 3.5 Any changes to individual schemes above £10k are explained in Appendix 3.

Implications approved 6th January 2011

Report approved by Director 6th January 2011

Report approved by CEO 13th January 2011

4. 2010/11 Capital Programme position as at 30 November 2010

4.1 At the September 2010 Board meeting it was agreed that the funding of the additional domestic boiler provision should be achieved by reallocation funds from other schemes. The following adjustments have therefore been made to the allocated funding

Project	Current Budget £'000s	Revised Budget £'000s	Variance £'000s	Comment
Planned Works	500	343	157	Schemes complex, design input delayed tender
Lethbridge Close	335	150	185	Proposals still under discussion with residents
Lanyard & Argosy	376	250	126	Kitchens and Bathrooms refused by tenants
External works North	998	550	448	Less capital works than condition survey
External Works Sth	998	947	51	Less capital works than condition survey
Electrical Mains	488	405	83	Tender prices lower than budget
IRS aerials	123	75	48	Tender documentation delayed
Lifts A,B and C	1,000	870	130	Tender prices lower than budget
Decent homes	2,000	1,900	100	5% retention rolled to next year
Fire safety (Pepys)	200	75	125	Alternative cheaper solution identified
Sub Total			1,453	
Previously unallocated*			97	
Total reallocation			1,550	

* In the September Board report, £97k was left unallocated, this has now been absorbed into the reallocation.

- 4.2 Appendix 1 shows the position as at 30 November 2010. Monitoring is against this revised budget profile. It includes all the increased provisions approved at the September 2010 Board meeting.
- 4.3 The programme spend to the end of November 2010 is approximately **£5.157m** out of a forecast total programme spend of **£15.56m** (including ring fenced grant and Chrysalis properties). This is slightly behind expectations due to the exceptionally bad weather however, some high value schemes are starting in January 2011, and it is anticipated that expenditure will increase substantially as these new schemes begin incurring costs.
- 4.4 The forecast outturn at 30 November is **£15.139m** which represents an under spend against budget of **£419k** for the year. Of this £419k, £254k relates to predicted under spend on ring fenced expenditure for Chrysalis properties that have now transferred.
- 4.5 The under spend **£167k** against the Lewisham Homes 2008 -11 budget has been held against possible emergency Health and Safety works. This is regularly reviewed and will be reassessed again in January. Subject to there being no known emergency it is proposed, given the continuing poor weather, that any projected under spend is released for installation of additional domestic boilers.

Implications approved 6th January 2011

Report approved by Director 6th January 2011

Report approved by CEO 13th January 2011

Overall the position is as follows

	Budget £'000s	Forecast £'000s	Variance £'000s
Pre 2008 schemes	63	65	3
Lewisham Homes 2010/11 schemes Allocated	14,665	14,498	(167)
Lewisham Homes 2010/11 schemes Unallocated	0	0	0
Total	14,728	14,563	(164)
Chrysalis Allocated	517	576	59
Chrysalis Unallocated	313		(313)
Total	830	576	(254)
Overall Total	15,558	15,139	(418)

- 4.6 It should be noted that expenditure forecasts for a number of the recently approved schemes have now been revised to reflect actual tender cost. With all but three contracts now secured, the additional funding released part way through the year has now all been allocated and works will start immediately in the new year on seven new contracts.

5. 2010/2011 Capital Programme Resources

- 5.1 The proposed revised budget in Appendix 4 reflects adjustments for an increase in resources, additional costing information and the allocation of unallocated funding.
- 5.2 Since the last Board meeting there has been no change to the resources available for this year's capital programme which remain as shown in Table 1 below.

Implications approved 6th January 2011

Report approved by Director 6th January 2011

Report approved by CEO 13th January 2011

Table 1 Summary Capital Programme Resources 2010/2011

	Total Resources Reported in September 2010	Additional Resources	Total Revised Resources 2010/2011
	£'000	£'000	£'000
Pre 2008/2009	63		63
Lewisham Homes	14,025	0	14,025
Total Lewisham Homes	14,088		14,088
Total Grants	640		640
Total Lewisham Homes and Grants	14,728		14,728
Chrysalis	830		830
Total Lewisham Homes, Chrysalis and Grants	15,558		15,558

5.3 A grant allocation of **£640,000** from SE London Housing Partnership to convert or extend eight properties into larger homes has been incorporated into the resources available . But the grant, which is tied to the extensions and de-conversions scheme can not be used for other schemes.

5.4 Resources for Chrysalis remain unchanged with a total ring-fenced budget of **£830,000**. Chrysalis homes transferred from the Council to London & Quadrant on 11 October 2010 and any unallocated funding returns to the Council. It is, however, currently included within the £418k forecast under spend. This is broken down as Lewisham Homes; **£164k based on forecast** and Chrysalis **£254k based on current forecasts**.

6. 2010/11 Capital Programme Budget

6.1 All of the £15.580m resources have been allocated to projects. Beyond any further unanticipated health and safety schemes we do not anticipate any additional projects this year.

Implications approved 6th January 2011

Report approved by Director 6th January 2011

Report approved by CEO 13th January 2011

7. New Schemes

7.1 There are no new schemes requiring approval.

8. Implications

8.1 Legal implications

8.1.1 None specific to this report.

8.2 Financial Implications

8.2.1 None specific to this report.

8.3 Value for money implications

8.3.1 None specific to this report.

8.4 Equality and Diversity issues

8.4.1 None specific to this report.

8.5 Consultation implications

8.5.1 None specific to this report.

**If you require further information on this report please contact Mark Agnew
on 0208 613 7329 or email mark.agnew@lewishamhomes.org.uk**

Implications approved 6th January 2011

Report approved by Director 6th January 2011

Report approved by CEO 13th January 2011

Scheme	Status	Time	Cost	Quality	Budget for year	Profiled Budget	Oracle Spend	Unpaid invoices / accruals	Total spend to date	Variance to profiled budget	Committed Expenditure	Forecast expenditure for remainder of year	Total forecast expenditure	Variance to budget for year
					A	B	C	D	E	F = B - E	G	H	I = H + E	J = A - I
					£	£	£	£	£	£	£	£	£	£
Pre 2008 Schemes					62,825		19,771	- 1	19,770		46,073	46,073	65,843	3,018
2008 - 2011 Programme														
Structural & Essential Works					3,351,197	1,476,681	1,021,598	186,654	1,208,252	268,429	1,272,843	1,968,661	3,176,913	-174,284
Long Term Voids	In contract	G	A		363,446	335,900	111,453	0	111,453	224,447	291,002	291,002	402,454	39,008
Disrepair Properties.	In contract	G	G		100,000	0	0	25,894	25,894	-25,894	74,106	74,106	100,000	0
Hughesfield Est. Security & Communal works	Practically cor	G	G	G	35,707	8,062	5,061	-0	5,061	3,001	30,758	30,758	35,819	112
Glastonbury Hse / Falmouth Cl. / Barnstaple Hse.	Closed	G	G	G	3,062	3,062	3,088	-26	3,062	0	0	0	3,062	0
Somerville (Doors, Windows & Porches)	Practically cor	G	G	G	5,254	5,254	0	0	0	5,254	5,254	5,254	5,254	0
Valentine & Pikethorne Struct. Repairs.	Practically cor	G	G	G	14,362	0	0	0	0	0	14,362	14,362	14,362	0
Merridale - Structural Repairs	Closed	G	G		14,600	14,600	14,600	0	14,600	0	0	0	14,600	0
Dartmouth Road - Renewal of Roof Covering	Practically cor	G	G		0	0	0	0	0	0	0	0	0	0
Longfield Crescent - Concrete Repairs	Practically cor	G	G		7,665	0	0	0	0	0	7,665	7,665	7,665	0
Magnolia House - Roof Renewal	Practically cor	G	G		0	0	0	0	0	0	0	0	0	0
Endwell Court. Window Replacement.	Practically cor	G	R		5,721	2,363	250	0	250	2,113	3,429	3,429	3,679	-2,042
Bircham Path remedial works	Closed	G	R		4,377	4,377	6,250	0	6,250	-1,873	0	0	6,250	1,873
Planned schemes	Pre-contract	G	G		350,000	24,628	48,727	13,473	62,200	-37,572	0	295,818	358,018	8,018
Trinity fees and concrete repairs	In contract	A	R		1,287,003	1,074,043	818,672	147,312	965,984	108,059	199,765	199,765	1,165,749	-121,254
Lethbridge Close	Pre-contract	G	G		150,000	0	0	0	0	0	0	150,000	150,000	0
Extensions/ Deconversions	In contract	A	R		100,000	0	9,570	-9,570	0	0	0	0	0	-100,000
Extensions/Deconversions - GRANT ALLOCATION	In contract	G	G		640,000	0	0	9,570	9,570	-9,570	630,430	630,430	640,000	0
Brockley Mews investigative work	In contract	G	G		20,000	4,391	3,928	1	3,928	463	16,072	16,072	20,000	0
Repairs of a capital nature	Budget Alloca	G	G		250,000	0	0	0	0	0	0	250,000	250,000	0
Decent Homes					4,291,981	1,912,876	948,916	242,588	1,191,504	721,372	1,365,720	3,240,458	4,431,962	139,981
Honor Oak (Phase 4) & (Phase5)	Practically cor	G	G	G	100,011	99,331	99,591	0	99,591	-260	0	0	99,591	-420
Mercator-Rawlinson House	Practically cor	G	R	R	55,297	53,456	51,305	48,000	99,304	-45,848	6,677	6,677	105,981	50,684
Hazel Grove	Practically cor	G	A	G	428,544	415,611	469,148	0	469,148	-53,537	1,815	1,815	470,963	42,419
ShelduckCrt,Guillemot Crt.	Practically cor	G	G	G	14,183	0	0	0	0	0	14,183	14,183	14,183	0
Sayes Court - Various	Practically cor	G	G		19,717	19,717	15,817	0	15,817	3,900	3,900	3,900	19,717	0
Sayes Court - Woodcote House	Practically cor	G	G		24,229	3,000	0	0	0	3,000	24,229	24,229	24,229	0
Lanyard/ Argosy	In contract	A	G	R	250,000	364,066	224,118	-0	224,118	139,948	24,319	24,319	248,437	-1,563
External works North	In contract	A	R		550,000	443,392	43,392	131,251	174,643	268,749	400,325	400,325	574,968	24,968
External works South	In contract	G	R		950,000	514,302	45,545	38,075	83,620	430,682	890,272	890,272	973,892	23,892
Major Internal Works 2010-11	Budget Alloca	G	G		1,900,000	0	0	25,262	25,262	-25,262	0	1,874,738	1,900,000	0
Mechanical & Electrical					6,436,573	1,762,348	2,265,859	120,464	2,386,324	-623,976	2,615,296	3,951,064	6,337,387	-99,186
Lifts Refurbishment - Contract One	Closed	G	G		10,044	10,044	10,044	0	10,044	0	0	0	10,044	0
Lifts Refurbishment - Contract Two	Practically cor	G	G		14,807	14,807	0	0	0	14,807	14,807	14,807	14,807	0
Replacement Domestic Boilers	In contract	G	R		2,500,000	1,439,682	1,601,884	-2	1,601,882	-162,200	1,273,230	1,273,230	2,875,113	375,113
New Door Entry Systems	Closed	G	A		4,510	6,015	4,841	0	4,841	1,174	0	0	4,841	331
Refurb door entry systems	Practically cor	G	G		19,576	10,589	10,409	1	10,410	179	9,148	9,148	19,558	-18
Cold water tank replacement	Closed	G	G		7,062	7,062	7,062	0	7,062	0	0	0	7,062	0
Hillcrest CCTV	Closed	G	G		1,629	1,629	1,629	-0	1,629	0	0	0	1,629	-1
Milton Crt. CCTV & Barriers (Woodpecker Rd)	Practically cor	G	R		34,163	31,520	9,191	0	9,191	22,329	2,643	2,643	11,834	-22,329
Electrical Distribution Boards Pepys Estate	Practically cor	G	G		887	0	0	0	0	0	887	887	887	0
Electrical Rising and Lateral Mains 2009-10	In contract	G	A		168,395	202,306	169,053	4,200	173,253	29,054	6,800	6,800	180,053	11,658
Ringfenced expenditure for Rewires in Voids	In contract	G	G		650,000	0	292,110	90,450	382,561	-382,561	267,439	267,439	650,000	0
Redfearn Road heating	In contract	G	R		135,000	0	68,264	0	68,264	-68,264	31,186	31,186	99,450	-35,550
Grafton House Lift replacement	In contract	G	G		88,500	0	52,680	14,980	67,660	-67,660	20,617	20,617	88,277	-223
Evelyn Estate Lifts	In contract	A	A		177,000	38,694	38,694	0	38,694	0	122,738	122,738	161,432	-15,568
Electrical Distribution Boards Baizdon Road	Pre-contract	A	G		210,000	0	0	0	0	0	0	199,791	199,791	-10,209
Electrical Rising and Lateral Mains 2010-11	Pre-contract	G	G		405,000	0	0	10,834	10,834	-10,834	0	394,173	405,007	7
Integrated Reception Installation 2010-2012	Pre-contract	A	R		75,000	0	0	0	0	0	0	41,917	41,917	-33,083
Lifts Contract A	In contract	G	G		265,000	0	0	0	0	0	264,198	264,198	264,198	-802
Lifts Contract B	In contract	G	G		285,000	0	0	0	0	0	287,427	287,427	287,427	2,427
Lifts Contract C	In contract	G	G		310,000	0	0	0	0	0	314,175	314,175	314,175	4,175
Pepys Estate Fire Safety Improvements	Budget Alloca	G	G		75,000	0	0	0	0	0	0	75,000	75,000	0
Supplementary boiler programme	Budget Alloca	G	R		1,000,000	0	0	0	0	0	0	624,887	624,887	-375,113
Lewisham Homes, General Schemes					584,936	12,943	3,628	-0	3,628	9,315	294,840	547,719	551,347	-33,589
ICT	In contract	G	G		0	0	0	0	0	0	0	0	0	0
Tenants Panel Package (Resident Led Programme)	Practically cor	G	R	G	9,023	9,030	3,628	-0	3,628	5,402	10,927	10,927	14,555	5,532
Salaries for all years	In contract	G	G		280,000	0	0	0	0	0	280,000	280,000	280,000	0
Fees for future schemes		G	G		0	0	0	0	0	0	0	0	0	0
Improvements to Caretakers environment	Practically cor	G	G		3,913	3,913	0	0	0	3,913	3,913	3,913	3,913	0
Residents' Business Plan Door Entry	Pre-contract	A	A		292,000	0	0	0	0	0	0	252,879	252,879	-39,121
Residents' Business Plan Projects	Pre-contract	G	G		0	0	0	0	0	0	0	0	0	0
Unallocated					0									-0
Lewisham Homes 2008-11 Programme					14,664,687	5,164,848	4,240,002	549,706	4,789,708	375,140	5,548,699	9,707,902	14,497,609	-167,078
Lewisham Homes Total & Grants & pre 2008					14,727,512	5,164,848	4,259,773	549,705	4,809,478	375,140	5,594,772	9,753,975	14,563,453	-164,059
Chrysalis/ XPI properties	Practically cor	G	A		516,713	361,060	252,322	94,712	347,034	14,025	228,535	228,535	575,569	58,856
Chrysalis - unallocated					313,287									-313,287
TOTAL including Chrysalis & Grants					15,557,512	5,525,908	4,512,095	644,417	5,156,512	389,166	5,823,307	9,982,510	15,139,022	-418,490

Appendix 2 - Risk Monitoring Guide to status on individual schemes.

	GREEN	AMBER	RED
TIME (Monitors delivery within the year)	On programme to spend within the year	Delayed to the extent that up to £50k is rolled into subsequent year	Delayed to the extent that over £50k is rolled into subsequent year
COST (Monitors expenditure against approved annual budget)	Within 5% of the latest approved budget	Forecast overspend more than £50k of latest approved budget.	Forecast overspend in excess of £100k of latest approved budget
QUALITY (Monitors resident satisfaction survey at the time of handover of internal works*)	95% of residents are either "satisfied" or above	90% of residents are "satisfied" or above	Below 90% of residents are satisfied

*Measuring quality at the point of handover for internal works rather than at practical completion of the whole contract was only introduced in the latter half of last year. Where contracts are for external works only, satisfaction continues to be measured at practical completion with a target satisfaction level of 70% to reflect the nature of the works.

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Appendix 3

Below are details of schemes currently shown as high risk (red) on Appendix 1 and where the variance exceeds £10k

- **Redfern Road Heating – Budget £135k revised forecast £99k**
The contract sum came in lower than anticipated and some of the contingencies originally included to cover access problems, etc. will not now be required, forecast expenditure has therefore been reduced.
- **Trinity Concrete Repairs – Budget £1,287k revised forecast £1,166k**
The budget for this project was increased by the Board based on the forecast from the Consultant. His forecast extrapolated experience on the first part of the site to the remaining two blocks. In the event, the extent of concrete repairs to the remaining blocks proved to be less than anticipated and the forecast has been reduced accordingly
- **Intergrated reception systems Budget £75k forecast £42k**
This project involves surveying all the outstanding properties requiring digital aerals. This has taken longer than anticipated to commission and procurement and implementation are behind programme
- **Domestic Boiler replacement – Budget £2,500k revised forecast £2,875k and Supplementary boiler replacement programme - Budget £1,000k Forecast £625k**
The Board approved the supplementary boiler programme in September 2010 and currently the two programmes are shown separately. They will be combined in future reports with the overspend in one offsetting the under spend in the other. The final outturn is anticipated to be in line with the budget provision
- **Resident led door entry programme Budget £292k Revised forecast £252k**
Forecast reduced as a result of favourable tender returns
- **Extensions and de conversions £100k forecast £0**
This was a provision to off set any works over and above the grant available for extension and conversion of existing properties, At the moment no additional items have been identified that cannot be covered by grant, the position needs to be kept under review as more properties are brought into the programme but the provision has been reduced Note: In addition to £100k there is grant funding of £640k – this will drawn down this financial year albeit the works may continue into 2011/11
- **Chrysalis Properties - Budget £830k current forecast £576k**
We entered the year with a residual budget of £830k from the original £1m reserved for Chrysalis properties. Of the £830k, £313k was unallocated and the remaining expenditure on Chrysalis properties restricted to essential works only. The properties have now transferred. We are awaiting final accounts on some of the works undertaken but anticipate that expenditure for the year will be £576k, thereby reducing the unallocated resources to £254k.

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- **2010/11 Internal decent homes programme**

At the September meeting the Board approved the appointment of Kier to deliver the internal decent homes project using funds previously ring fenced for the major works programme. Surveys are being undertaken and residents are selecting the kitchen units etc. and we anticipate achieving a start on site in January. Despite achieving a rapid procurement and mobilisation, expenditure of £1.9 million within the financial year remains a challenge, and it should be flagged up as a risk.

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Item 12 Appendix 4

2010/11 Capital Programme	Budget
Pre 2008 Resources	£ 62,825
Lewisham Homes HRA Resources	£ 14,024,687
Grant Resources	£ 640,000
Total Resources for Lewisham Homes (inc Pre 2008)	£ 14,727,512
Pre 2008 schemes	
Pre 2008 Schemes - Allocated	£ 62,825
Pre 2008 Schemes	£ 62,825
2008-2011 Programme	
Structural & Essential Works	£ 3,344,197
Long Term Voids	£ 363,446
Disrepair Properties.	£ 100,000
Hughesfield Est. Security & Communal works	£ 35,707
Glastonbury Hse / Falmouth Cl. / Barnstaple Hse.	£ 3,062
Somerville (Doors, Windows & Porches)	£ 5,254
Valentine & Pikethorne Struct. Repairs.	£ 14,362
Merridale - Structural Repairs	£ 14,600
Dartmouth Road - Renewal of Roof Covering	£ -
Longfield Crescent - Concrete Repairs	£ 7,665
Magnolia House - Roof Renewal	£ -
Endwell Court. Window Replacement.	£ 5,721
Bircham Path remedial works	£ 4,377
Planned schemes	£ 343,000
Trinity fees	£ 1,287,003
Lethbridge Close	£ 150,000
Extensions/ Deconversions	£ 100,000
Extensions/Deconversions - GRANT ALLOCATION	£ 640,000
Brockley Mews investigative work	£ 20,000
Capital Repairs	£ 250,000
Decent Homes	£ 4,288,981
Honor Oak (Phase 4)	£ 100,011
Mercator-Rawlinson House	£ 55,297
Hazel Grove	£ 428,544
Evelyn St, Laurel Hse, Abinger Gr, ShelduckCrt, Guillemot Crt.	£ 14,183
Sayes Court - Various	£ 19,717
Sayes Court - Woodcote House	£ 24,229
Lanyard/ Argosy	£ 250,000
External works North	£ 550,000
External works South	£ 947,000
Major Internal Works 2010-11	£ 1,900,000
Mechanical & Electrical	£ 6,446,573
Lifts Refurbishment - Contract One	£ 10,044
Lifts Refurbishment - Contract Two	£ 14,807
Replacement Domestic Boilers	£ 2,500,000
New Door Entry Systems	£ 4,510
Refurb door entry systems	£ 19,576
Cold water tank replacement	£ 7,062
Hillcrest CCTV	£ 1,629
Milton Crt. CCTV & Barriers (Woodpecker Rd)	£ 34,163
Electrical Distribution Boards Pepys Estate	£ 887
Electrical Rising and Lateral Mains 2009-10	£ 168,395
Ringfenced expenditure for Rewires in Voids	£ 650,000
Redfeam Road heating	£ 135,000
Grafton House Lift replacement	£ 88,500
Evelyn Estate Lifts	£ 177,000
Electrical Distribution Boards Baizdon Road	£ 210,000
Electrical Rising and Lateral Mains 2010-11	£ 405,000
Integrated Reception Installation 2010-2012	£ 75,000
Lifts A B C	£ 870,000
Pepys Estate Fire Safety Improvements	£ 75,000
Additional Boiler resources	£ 1,000,000
Lewisham Homes, General Schemes	£ 584,936
ICT	£ -
Tenants Panel Package (Resident Led Programme)	£ 9,023
Residents' Business Plan Community Projects	£ -
Residents' Business Plan Door Entry	£ 292,000
Fees for future schemes	£ -
Improvements to Caretakers environment	£ 3,913
Salaries for all years	£ 280,000
Pre 2008 - allocated	£ 62,825
Lewisham Homes Allocated	£ 14,664,687
TOTAL AGREED ALLOCATED - LH and Pre 2008 Schemes	£ 14,727,512

Meeting	Lewisham Homes Board	Item No.	13
Report Title	Financial Monitoring Report		
Report Of	Director of Resources – Adam Barrett		
Class	Monitoring	Date	25th January 2011

1. Purpose of the Report

- 1.1 This report updates the Board on the financial monitoring forecasts for November 2010. It will report on Lewisham Homes' company budgets, the Housing Revenue Account (HRA) managed budgets, the Repairs trading account and the HRA Capital Programme.

2. Recommendation

- 2.1 That Board notes the financial forecast for 2010/2011.

3. Background of the Report

- 3.1 The report covers the financial monitoring for the current financial year including forecasts for 2010/2011.
- 3.2 This report sets out in summary form the forecasts for 2010/2011.
- 3.3 The report covers the following areas:
- Lewisham Homes Company Account
 - Repairs Services Trading Account
 - HRA Managed Budgets
 - Lewisham Homes Capital Programme
- 3.4 Lewisham Homes' management agreement with the Council requires preparation of monitoring forecasts for HRA budgets managed by Lewisham Homes on behalf of the Council and for the Lewisham Homes Company Account. Overall responsibility for the HRA strategy and balancing the HRA remains with the Council.
- ## 4. Financial Monitoring – 2010/2011
- 4.1 The report is based on the November 2010 financial monitoring position of all the above budgets and represents income and expenditure incurred up to the end of November 2010. The report highlights clear material risks, variances and budget pressures.

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4.2 Financial monitoring forecasts in the last quarter of the year are more likely to show variations to budget to the extent that these variations cannot be addressed by management action.

4.3 The report uses the following colour coding:

- **Red** - High Risk - Significant Financial Impact
- **Amber** - Medium Risk - Moderate Financial Impact
- **Green** - Low Risk - Minor Financial Impact

4.4 **Table 1 – Summary Budgets and Forecasts for 2010/2011 (Lewisham Homes and Repair Services Trading Account)**

	Budgets 2010/2011	Revised Budgets 2010/2011	Forecast	Variance
	£'000	£'000	£'000	£'000
LHL Company Income	(22,122)	(22,003)	(22,078)	(75)
LHL Company Expenditure	22,122	22,003	21,547	(429)
Total LHL	0	0	(504)	(504)
Repair Services Income	(11,411)	(11,825)	(13,347)	(1,522)
Repair Services Expenditure	11,185	11,328	12,746	1,418
Total Repair Services	(226)	(497)	(601)	(104)
LH Company Combined Total	(226)	(497)	(1,105)	(608)

() = Under-spend/Surplus

4.5 The total summary forecast position for the Company as a whole for 2010/2011 financial year is a surplus of £1.1m. The new reported surplus position is further broken down between the Company and Repairs Service trading account as follow:

- LH Company - (504,000) (Appendix A)
- Repairs - (601,000) (Appendix C)

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5. The current company surplus of £1.105m represents an increase of £0.608m on the position reported to Board in November 2010 **Table 2** below compares the combined position reported to Board in September to the current reported position and identifies the key variations which are explained below.

5.1 Table 2 – Comparison of November Board forecast to January Board forecast and key variations.

	Budgets 2010/2011	Forecast Reported to Board - Jan. 2011	Forecast Reported to Board - Nov. 2010	Variance Between 2010/11 Budget and Forecast for Jan Board Report
	£'000	£'000	£'000	£'000
Lewisham Homes - Ordinary Activities				
Income	(22,003)	(22,078)	(22,084)	(75)
Employees	13,812	12,924	13,233	(888)
Operational Costs	4,620	4,167	4,356	(452)
SLAs	3,571	3,604	3,692	33
Total LH Ordinary Activities	0	(1,382)	(803)	(1,382)
Lewisham Homes – Projects				
Project Costs	0	878	967	878
Total LH - Combined	0	(504)	164	(504)
Repairs Service				
Total Income	(11,825)	(13,347)	(13,231)	(1,522)
Total Expenditure	11,328	12,746	12,569	1,418
Total Repairs Service	(497)	(601)	(662)	(104)
Combined Total - Ordinary Activities	(497)	(1,983)	(1,465)	(1,486)
Combined Total Including Projects	(497)	(1,105)	(498)	(608)

() = Under-spend/Surplus

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5.2 The key variations from the November board report are outlined below under the headings:

- Lewisham Homes Core Activities
- Lewisham Homes Projects
- Repairs Service

5.3 Lewisham Homes Core Activities

5.4 There has been an increase of £0.579m on the core company account surplus compared to the position reported to Board in September. The main reasons for this is summarised below:

5.5 Employee Costs – Increased Under-spend of £308,000

5.5.1 The principal variations from the November position are a reduction in the use of agency staff and consultants following the successful Audit Commission inspection in July. These posts were either supernumerary posts outside of the established structure supporting inspection work or were vacancies within the established structure which have now been recruited to. This has resulted in a reduction of £0.165m in forecast employee costs.

5.5.2 There has been a reduction in the forecast for corporate provisions for employment tribunal costs and long term sickness and maternity backfilling costs of £0.1m.

5.5.3 A full breakdown of budgets and variations by service is set out in Appendix B

5.6 Operational Costs – Increased net Under-spend of £189,000

5.6.1 The increased under-spend in operational budgets is due to the release of the corporate provision for single status costs of £0.25m. Single status will not now be implemented until 2011/12 following the restructuring of the HR service.

5.6.2 These costs are estimates and have been allowed for in the company budget for 2011/12.

5.7 SLAs – Increased Under-spend of £88,000

5.7.1 Demand for responsive pest control activity has reduced since the last board report and as such the forecast has been reduced accordingly by £31,000. This will be monitored closely in the coming months. A saving of £29,000 has now been recognised in respect of the transfer of the Kingswear House office to L&Q. The management fee has also been adjusted to reflect this saving.

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5.8 Lewisham Homes Projects

5.8.1 Project costs have been subject to increased scrutiny as part of the monitoring process. As a result of that process estimates of the revenue impact of expenditure in 2011/12 have been reduced by £88,000. Overall estimated expenditure on projects has however not been reduced and these costs are therefore forecast to be incurred in 2011/12. Details of project expenditure are contained in Appendix F.

5.8.2 In total ongoing costs for existing projects to be incurred from 2011/12 onwards amount to £1m. These costs will need to be funded from company reserve balances. The company is required under the management agreement to agree the use of company reserves with the Council.

5.9 Repairs Service

5.9.1 The Repairs Trading account is forecasting a reduced surplus of £601,000 in relation to the November reported position. This is due to variations in overhead charges from the company account to the trading account.

6. HRA Managed Budgets

6.1 Table 3 – Summary HRA Managed Budgets

Description	Budgets 2010/2011 £'000	Revised Budgets 2010/2011 £'000	Forecast £'000	Variance - Revised Budgets 2010/2011 £'000
HRA Managed - Repairs & Maintenance	20,142	20,492	20,504	12
HRA Managed - Capital Programme (Incl. Chrysalis)	14,314	15,558	15,139	(419)
HRA Managed - Income	(70,621)	(70,621)	(70,806)	(185)
HRA Managed - Utilities	1,761	1,761	2,401	640
Supplies and Services	659	659	659	0
Totals	(33,745)	(32,151)	(32,103)	48

() = Under-spend/Surplus

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- 6.2 The HRA managed budgets are analysed above under the main categories; Repairs & Maintenance (R&M); Capital Programme; Income; Utilities and Supplies and Services.
- 6.3 The R&M budget is forecasting a slight over-spend of £12,000. There are no material changes to the November reported position. A full analysis with commentary on any risks and pressures will be addressed in **Paragraph 11**.
- 6.4 The Capital Programme is currently forecasting a gross under-spend of £419,000. This is made up of £254,000 on Chrysalis projects and £164,000 on Lewisham Homes budgets.
- 6.5 HRA Income budgets are projected to generate additional income of £185,000. This is mainly from an increased level of receipts from leaseholders in respect of Major Works to be billed in the current financial year.
- 6.6 Energy costs are expected to over-spend by £640,000. The new Gas contract is to run until the end of the financial year. Although the new unit rates are better than the previous contract, it is too early to determine whether there will be a severe or mild winter. Hence projections have remained at the same level reported to board in September.
- 6.7 The Council is funding the increased costs from HRA reserves. The Council charges heating costs on the basis of a three year average of charges plus a damping factor which limits increases in the charge. As a result in periods of high energy price inflation income does not increase at the same rate as energy costs and a net charge is incurred in the HRA.
- 6.8 Expenditure on sundry supplies and services is forecast to budget.

7. Lewisham Homes Company Accounts - Green

- 7.1 The main Company account is forecasting an operational surplus of £1.382m for 2010/11. This is reduced to £504,000 after a charge of £878,000 in respect of investment projects for the company. Investment projects are funded from reserve balances.

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7.2 **Table 4 – Lewisham Homes Company Budgets (By Subjective)**

	Budgets 2010/2011	Revised Budgets 2010/2011	Forecast - September 2010 Board Report	Variance
	£'000	£'000	£'000	
Income	(22,122)	(22,003)	(22,078)	(75)
Employees	14,629	13,812	12,925	(887)
Operational Costs – Core Activities	4,241	4,620	4,167	(453)
SLAs	3,252	3,571	3,604	33
Gross Surplus	0	0	(1,382)	(1,382)
Project Costs	0	0	878	878
Total	0	0	(504)	(504)

() = Under-spend/Surplus

7.3 The summary Company financial position presented above is based on actual activity to the end of November 2010, with projections to the end of the 2010/2011 financial year. This is analysed by the main budget heads, with project expenditure identified separately.

7.4 Further detail is included in the Appendices:

- Appendix A – LH Company Analysis
- Appendix B – LH Employee Analysis

7.5 Lewisham Homes Company Accounts – Risk Areas

7.5.1 The main risk areas in the company budgets that were reported to Board in November are as listed below:

- Legal Expenditure
- Pest Control
- ICT and Other Projects

7.5.2 In addition to this the budget for the provision of security services has also been identified as an additional risk area. This is mainly in relation to charges for 24 hour security on Lethbridge Close whilst the closed circuit television system is being repaired. However it is also recognised that it is a short term one off risk and not likely to carry on into next financial year.

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7.6 Income - Green

7.6.1 **Appendix A** gives a breakdown of the projected income. The additional income of £75,000 is broken down as follows; £29,000 from leaseholders; £29,000 from the recovery of expenditure on the Work Placement scheme and a further £18,000 recovery of cost on the Capital Ambition Project.

7.7 Employee Costs - Green

7.7.1 The overall underspend on employee costs is attributable to the following key elements.

- The move to a permanent staffing structure and a reduced use of agency and consultancy support.
- Of the £1.2m of staff efficiencies required as part of the budget process £1m were delivered through the TUPE process and the corporate provision for notice periods was not required.
- Employment tribunal costs and long term absence backfilling costs were lower than forecast
- The provision for the pay award was not required as there is currently forecast to be no pay increase for 2010/11.

7.7.2 As the company is now coming towards the end of its third full year of operations and the substantial downsizing due to stock loss will have been completed by April 2011 the company is in a much more stable position going forward in terms of its staffing structure. Corporate provisions for notice periods and employment tribunal costs which had been made in recognition of the substantial restructuring that the company was undertaking on an annual basis have been taken in whole or in part as savings as part of the 2011/12 budget process

7.8 Operational Costs - Amber

The company operational budget position on core company activities is forecast to under-spend by £453,000. Contributing to this under-spend is a £250,000 corporate provisions for Single Status which will not be require in the 2010/11 financial year. In addition provisions for non-pay inflation and a working balance contribution will not be fully utilised in 2010/11. Savings have been made in corporate provisions as part of the 2011/12 budget process. In addition £150,000 has been set aside to cover legal cost pressures

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7.8.1 Key variations within operational budgets are set out in **Table 5** below with comments.

7.8.2 **Table 5 – Operational Budgets (Excluding Projects) Variance Analysis**

Operational Budget Description	Budget 2010/2011	Forecast 2010/2011	Variance 2010/2011	Comments
	£'000	£'000	£'000	
ICT Expenditure & Other Sundry Expenditure	659	671	12	Savings in new mobile phone and other software contracts
Security	32	109	77	Security charges at Lethbridge whilst the CCTV cameras are being repaired
Legal	503	849	346	Driven by mainly Rent Recovery and Tenancy Activity
Repairs and Maintenance	100	30	(70)	Deferral of Planned Maintenance on Office Blocks
Consultancy	368	222	(146)	Reduced use of consultants after Audit Inspection.
	1,662	1,882	220	

() = Surplus/Under-spend

7.9 SLAs – Amber

7.9.1 The aggregate SLAs budget is forecast to over-spend by £33,000. This is made up of a range of SLAs and analysed below in Table 6 with comments.

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7.9.2 Table 6 – SLAs Variance Analysis and Comments

SLA Budget Description	Budget 2010/2011	Forecast 2010/2011	Variance 2010/2011	Comments
	£'000	£'000	£'000	
Internal Audit	50	150	100	Increased Special Investigation Activity
Management Trainees	14	0	(14)	SLA no longer required, offered as savings in 2011/2012 budget strategy
Oracle Financial System	90	74	(16)	Savings achieved after 2010/2011 budget setting process
Property - Kingswear House	779	750	(29)	Transfer of Office to L&Q
Mediation & Arbitration	43	26	(16)	Reduced level of activity, part offered as savings in 2011/2012 budget strategy
Pest Control - Reactive	113	162	49	Reduced variance from earlier report. Remains a risk area and is being closely monitored
Tenants Medicals	40	16	(24)	Reduced level of activity, part offered as savings in 2011/2012 budget strategy
ICT Academy	100	55	(45)	Deferral of ICT refresh programme
Photocopying	90	118	28	SLA re-negotiated for 2011/2012, with savings agreed with LBL
Total	1,318	1,351	33	

() = Surplus/Under-spend

8. Project Expenditure - Green

8.1 A review of projects in December has resulted in an aggregate reduction of expenditure on projects from an initial level of £1.36m to a new level of £1.1m.

8.2 The revenue impact of this new forecast position is a reduction of £88,000 on the initial position of £966,000 to a new forecast position of £878,000

The forecast impact on company revenue budgets of £878,000, is analysed and compared to the earlier position in **Appendix F**

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Report approved by CEO	12 th January 2011	

8.3 The main areas of project expenditure is listed below.

- Decent Homes - £275,000
- Electronic Document Records Management - £192,000
- Data Cleansing - £42,000
- Migration of Academy from Unix to Windows - £60,000
- Stores Supplies Contract - £118,000

9. Repairs Service Trading Account

9.1 The Repairs Service trading account is forecast to return a surplus of £601,000. This is £61,000 less than the position reported to Board in November 2010. This is due to a revised overhead charge from the company to the trading account

9.2 **Appendix C** provides detailed information on the year to date position of the trading account to the end of November 2010 and forecast for the 2010/2011 financial year

Implications approved	12 th January 2011	
Report approved by Director	12 th January 2011	
Report approved by CEO	12 th January 2011	

9.3 **Table 7 – Repairs Service Trading Account – Amber**

	Original Budgets 2010/2011	Revised Budgets 2010/2011	Forecast	Variance - Budgets 2010/2011
	£'000	£'000	£'000	£'000
Income:				
Response Repairs	(6,950)	(6,733)	(6,731)	2
Response Emergency	(300)	(300)	(418)	(118)
Voids & Disrepair	(3,471)	(4,180)	(5,586)	(1,406)
Repairs Income:	(10,721)	(11,213)	(12,735)	(1,522)
Other Income:	(690)	(612)	(612)	0
Total Repairs Income	(11,411)	(11,825)	(13,347)	(1,522)
Expenditure:				
Internal Variable Costs	5,521	5,645	6,005	360
External Variable Costs	1,532	1,545	2,606	1,061
Fixed Costs	1,812	1,922	2,047	125
Direct Service Overheads	1,236	1,179	1,182	3
SLAs - LBL	575	548	548	0
Support Recharges	509	489	358	(131)
Total Expenditure:	11,185	11,328	12,746	1,418
(Surplus)/Deficit	(226)	(497)	(601)	(104)

() = Under-spend/Surplus

9.4 The November financial monitoring report highlighted the fact that the trading account had generated additional income of £1.5m and that the anticipated contribution rate of 40% had not been achieved resulting in reduced profitability.

9.5 The additional income has nearly been matched by costs. Key elements that have reduced profitability are:

- A high level of subcontracted work.
- Subcontractors invoicing at incorrect (higher) rates
- Operative pay at levels 5% higher than the previous year.

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9.5.1 The measures taken to date and results achieved are listed below:

- Subcontracting has been reduced and is only used to cover specialist work .
- New Health and Safety regulations on the treatment of asbestos however means that all asbestos surveys and works are being carried out by subcontractors.
- An analysis of subcontractor payments has just been concluded and identified that due to sub contractors invoicing at the incorrect schedule of rates an over payment totalling £42k has been made. The status of the overpayments is analysed below:
 - £11k - credit notes have been received
 - £17k - contractor that has gone in to liquidation for which Lewisham homes debt to them exceeds this amount.
 - £14k - relates to 4 contractors. Meeting are to be arranged to agree the basis of the refunds.

9.6 **Income - Green**

9.6.1 Repair Services are forecast to generate £1.5m extra revenue. The extra revenue has been generated from a combination of the HRA R&M budget - 650k, the General Fund - £300k and the Capital Programme - £550k.

9.7 **Internal Variable Costs - Red**

9.7.1 These consist of operative wages, material costs and fleet charges. These costs are forecast to over-spend by £470,000

9.7.2 Wages costs forms a major part of the projected over-spend on internal variable costs and is forecast at £274,000 with the balance of £125,000 attributed to expenditure on materials. The increased costs are due to an increase in income and therefore work and the impact of the fair pay scheme which has increased wage costs by 5%

9.7.3 The project team set up to review the new Fair Pay Scheme has identified measures to reduce wage costs not associated with productivity improvements. It is too early to determine what impact this will have on the 2010/11 wage bill.

9.7.4 Fleet charges are forecast to slightly under-spend.

9.8 **External Variable Cost - Red**

9.8.1 This is cost relating to the use of sub-contractors. The service is forecast to spend an extra £1.06m on subcontractors. Majority of the increased revenue generated has been from subcontracted work. Subcontracting levels in the early part of the year has been high, especially with work in empty properties. The main reason for this had been in preparation for the Audit Inspection in June 2010.

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9.8.2 An element of the additional cost is due to overpayments being made to sub-contractors due to incorrect rates being applied to invoices. The investigation into this matter has just been concluded as stated above. All the affected subcontractors have been informed and have agreed in principle to refund the over-payments.

9.9 Fixed Costs - Red

9.9.1 The inclusion of the TUPE transfer staff costs has contributed to an over-spend of £125,000 in staffing costs. The extension of contract for the interim Head of Service from November to the end of the financial year is the other contributory factor to the over-spend.

9.10 Direct Service Overheads, SLAs and Support Recharges - Green

9.10.1 These are service overheads, service level agreements and support recharges incurred in the day to day running of the service. These cost are forecast to under-spend by £131,000. Majority of this under-spend is in service overheads and support staff recharges.

10. HRA Capital Programme (Including Chrysalis) - Green

10.1 The HRA Capital Programme managed by Lewisham Homes is forecasting a full year expenditure of £15.14m against an aggregate budget which includes Chrysalis of £15.6m. These projections will result in a total forecast under-spend of £418,000. A breakdown of the forecast position is outlined in **Table 8** below:

10.2 The Table 8 below gives a breakdown of schemes by works status.

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Report approved by CEO	12 th January 2011	

10.3 Table 8 – HRA Capital Budget Monitoring – Summary by Status of Project

Scheme Status	Budget for 2010/2011	Total Forecast Spend 2010/2011	Variance
	£'000	£'000	£'000
Budget Allocated	3,225	2,850	(375)
Unallocated	0	0	0
Pre-contract	1,482	1,408	(74)
In contract	9,119	9,325	206
Practically complete	856	933	77
Closed	45	47	2
Total Lewisham Homes	14,727	14,563	(164)
Chrysalis Unallocated	313	-	(313)
Chrysalis Practically Complete	517	576	59
Total Chrysalis	830	576	(254)
Overall Total	15,557	15,139	(418)

() = Under-spend/Surplus

10.4 The forecast under-spend of £418,000 is made up of a projected under-spend on Lewisham Homes schemes of £164,000 and a net Chrysalis under-spend of £254,000. .

10.5 **Appendix E** gives a more detailed monitoring position on the Capital Programme, with a year to date actual position as at the end of November and forecast for the rest of the year, by scheme.

11. HRA Repairs & Maintenance (R&M) - Amber

11.1 **Appendix D** is a detailed analysis of the year to date November 2010 financial monitoring position of the Repairs & Maintenance budgets. The analysis is between Lewisham Homes and budgets allocated to Hostels across the various work streams.

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- 11.2 The full year forecast position on the HRA R&M budgets is £20.504m against a revised budget of £20.492m with a resultant forecast over-spend of £12,000
- 11.3 Unit costs on voids and activity volume on responsive repairs remain as key elements in determining the actual final position on the R&M budgets. There is a higher than average outstanding level of completed work that is due to be invoiced by the end of December. This will go a long way to inform future unit costs forecasts for the rest of the year.
- 11.4 The other key area of pressure in the R&M budgets is the expenditure on Asbestos surveys and works. The forecasts position has however taken into account the impact of the new Health and Safety requirements
- 11.5 **Table 9**, below gives a summary position of the R&M budgets and the forecast position on the different work streams.

11.6 Table 9 – HRA Repairs & Maintenance

Description	Budgets 2010/2011 £'000	Revised Budgets 2010/2011 £'000	Forecast £'000	Variance - Revised Budgets 2010/2011 £'000
Cyclical works & External Decorations	2,800	2,800	2,800	0
Voids	3,600	3,775	4,277	502
Planned Schemes	300	300	102	(198)
Planned Gas Works	1,100	1,100	1,034	(66)
Planned M&E Works	834	834	709	(125)
OAP Decorations	50	50	50	0
Responsive Repairs	6,925	7,100	6,843	(257)
Disrepair Works & Compensation	500	500	500	0
Gas and Boiler Repairs	2,116	2,116	2,122	6
Lift Repairs	260	260	260	0
Asbestos Works	180	180	340	160
Fire Assessments	250	250	160	(90)
Other Responsive M&E Repairs	855	855	935	80
Lewisham Homes Total	19,770	20,120	20,132	12
Hostels	372	372	372	0
R&M Budgets Total (Under-spend)/Overspend	20,142	20,492	20,504	12

() = Under-spend/Surplus

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- 11.7 The Hostels budget is forecast to budget.
- 11.8 The main risk areas within the R&M budgets are the Voids and Asbestos Works budgets and the impact of any recharges to revenue due to shortfalls in insurance claims.
- 11.8.1 The Voids and Asbestos budgets are forecast to over-spend by £662,000. The key reason for this overspend is changes in management of asbestos in void properties and increase in level of asbestos surveys carried out and therefore increase in asbestos works required. The reduced level of Planned Schemes and some savings on the Gas Contract and Responsive repairs has however mitigated this pressure.
- 11.8.2 There is currently a potential liability of £240,000 in respect of shortfalls in insurance claims on fire damaged properties in respect of the last three financial years that is being analysed. This additional potential liability has not been included in the forecasts.
- 11.8.3 Almost 60% - £139,000 of the total potential liability is in respect of one claim for 25-30 Lucas Court. This involved the complete renewal of the roof for the whole block.
- 11.8.4 Once the analysis is concluded a decision will be made on whether some of the works can be classified as capital and hence chargeable to the Capital Programme rather than to revenue.

12 Implications

- 12.1 Financial Implications
- 12.1.1 Contained within the Report
- 12.2 Legal Implications
- 12.2.1 None specific to this report
- 12.3 Value for Money Implications
- 12.3.1 Contained within the Report
- 12.4 Equality and Diversity Implications
- 12.4.1 None specific to this report

If you require further information on this report please contact Adam Barrett on 020 8613 7697 or email adam.barrett@lewishamhomes.org.uk

Implications approved	12 th January 2011	
Report approved by Director	12 th January 2011	
Report approved by CEO	12 th January 2011	

Lewisham Homes' Monthly Monitoring Statement 2010/11

Nov-10

	2010/11 Original Budget	2010/11 YTD Budget	2010/11 YTD Actual	2010/11 Forecast	Variance Forecast to Budget	Variance % Budget
Ordinary Activities					Increase / (Decrease)	
Income						
Other Income	0	0	(12,296)	(20,000)	20,000	0.0%
Management Fees Income	(20,471,000)	(13,647,333)	(13,652,576)	(20,441,750)	(29,250)	0.1%
Rechargeable income	(1,492,923)	(995,282)	0	(1,492,923)	0	0.0%
External Income	(39,170)	(26,113)	(100,624)	(123,266)	84,096	(214.7%)
Total Income (Ordinary Activities)	(22,003,093)	(14,668,729)	(13,765,496)	(22,077,940)	74,846	(214.6%)
Expenditure						
<i>Employee</i>						
Direct Payroll Cost	13,395,163	8,930,109	9,013,643	12,870,641	524,521	3.9%
Other Staff Costs	416,929	277,953	23,739	53,771	363,158	87.1%
Total Employee Cost (Ordinary Activities)	13,812,092	9,208,061	9,037,382	12,924,412	887,679	6.4%
<i>Operational</i>						
Corporation Tax	0	0	(10,429)	0	0	0.0%
Depreciation	318,484	212,323	0	318,484	0	0.0%
Other Staff Costs	364,500	243,000	161,298	276,909	87,591	24.0%
Premises	200,500	133,667	89,618	256,233	(55,733)	(27.8%)
Supplies and Services	3,556,498	2,370,999	1,930,884	3,139,283	417,215	11.7%
Transport	164,600	109,733	80,875	161,367	3,233	2.0%
Residents Training	15,000	10,000	10,896	15,000	0	0.0%
Total Operational Cost (Ordinary Activities)	4,619,582	3,079,721	2,263,142	4,167,276	452,306	9.9%
0 SLAs	3,571,420	2,380,947	2,084,890	3,603,951	(32,531)	(0.9%)
Total expenditure (Ordinary Activities)	22,003,094	14,668,729	13,385,415	20,695,639	1,307,454	5.9%
Net operating surplus / (deficit) for year before Projects	0	0	(380,081)	(1,382,300)	1,382,301	
Projects						
Expenditure						
<i>Employee</i>						
Direct Payroll Cost	0	0	144,662	201,970	(201,970)	0.0%
Total Employee Cost (Projects)	0	0	144,662	201,970	(201,970)	0
<i>Operational</i>						
Depreciation	0	0	0	53,090	(53,090)	0.0%
Supplies and Services	0	0	308,892	623,217	(623,217)	0.0%
Transport	0	0	35	35	(35)	0.0%
Total Operational Cost (Projects)	0	0	308,927	676,342	(676,342)	0.0%
Total expenditure (Projects)	0	0	453,578	878,301	(878,301)	0
Net operating surplus / (deficit) for year after Projects	0	0	73,497	(503,999)	503,999	

Summary Analysis of Employee Cost for the month ended 30th November 2010

APPENDIX - B

Cost Centre	Cost Centre Desc	Annual Budget	Profiled Budget	Total YTD	Variance YTD	Forecast for rest of year	Total Forecast	Variance for year
TAHO	Corporate Centre	(0)	(0)	3,509	(3,509)	(3,510)	(0)	0
TCEO	Chief Executive's Office	584,891	389,927	275,274	114,653	266,669	541,943	42,947
TCHR	Human Resources	420,957	280,638	307,205	(26,567)	116,996	424,201	(3,244)
THCH	Chrysalis - Dunlop Hayward	445,576	297,050	632,583	(335,533)	(73,069)	559,515	(113,939)
THDH	Director of Housing	0	0	8,130	(8,130)	80	8,210	(8,210)
THES	Estates Services	3,132,182	2,088,122	2,014,637	73,485	1,039,429	3,054,066	78,116
THTN	Housing Management	964,615	643,077	843,155	(200,078)	144,361	987,516	(22,901)
THTS	Income & Revenue	1,039,809	693,206	629,405	63,801	464,841	1,094,246	(54,437)
TPAM	Asset Management	847,836	565,224	466,341	98,883	264,110	730,451	117,385
TPGC	Gas	215,806	143,871	144,207	(336)	71,349	215,555	250
TPHS	Health & Safety	174,688	116,459	115,181	1,277	56,579	171,760	2,928
TPLF	Lifts	177,643	118,429	107,782	10,646	56,687	164,470	13,174
TPME	Mechanical & Engineering	411,176	274,117	307,819	(33,702)	174,488	482,307	(71,131)
TPMN	Monitoring	51,814	34,542	57,958	(23,416)	(6,263)	51,695	119
TPRR	Voids	292,906	195,271	206,346	(11,075)	97,746	304,092	(11,186)
TRBO	Board & Governance	86,173	57,449	96,867	(39,419)	4,391	101,259	(15,086)
TRBP	Building Services Project	228,144	152,096	112,375	39,720	57,210	169,585	58,558
TRDR	Personal Assistants	194,113	129,409	47,250	82,158	143,025	190,276	3,837
TRFM	Financial Management	896,791	597,861	595,100	2,761	317,338	912,438	(15,647)
TRLH	Leaseholders	809,629	539,752	490,728	49,024	231,220	721,948	87,681
TRRA	Rent Accounting	0	0	0	0	0	0	0
TSCI	Resident Participation	206,607	137,738	120,697	17,041	72,600	193,297	13,310
TSCM	Communications	278,647	185,765	166,323	19,442	62,466	228,789	49,858
TSIT	ICT Services	596,645	397,764	359,882	37,881	237,819	597,701	(1,056)
TSSD	Service Development	595,174	396,783	403,421	(6,638)	154,848	558,268	36,906
THAB	Anti-social Behaviour	357,678	238,452	234,715	3,737	135,156	369,871	(12,193)
TRPL	Placements	0	0	32,975	(32,975)	4,205	37,180	(37,180)
TRXX	Corporate Provisions	802,591	535,061	0	535,061	53,771	53,771	748,820
Grand Total		13,812,092	9,208,061	8,779,869	428,192	4,144,543	12,924,412	887,679

Repairs Service Trading Account Detailed Analysis - November 2010

67%

	Budget	Revised Budget	Revised Budget	Actual	Forecast	Variance - Actual to	Variance - Revised Budget to
	2010/2011	2010/2011	YTD - Nov. 2010/2011	YTD - Nov. 2010/2011	2010/2011	YTD Revised Budget	Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income:							
Response Repairs & Int. Decs.	(6,950)	(6,733)	(4,489)	(4,510)	(6,731)	(21)	2
Response - Emergency	(300)	(300)	(200)	(284)	(418)	(84)	(118)
Voids & Disrepair	(3,471)	(4,180)	(2,787)	(3,852)	(5,586)	(1,065)	(1,406)
Total Income:	(10,721)	(11,213)	(7,475)	(8,646)	(12,735)	(1,171)	(1,522)
Other Income	(690)	(612)	(408)	(408)	(612)	0	0
Total Other Income	(690)	(612)	(408)	(408)	(612)	0	0
Total Income (Including Other Income)	(11,411)	(11,825)	(7,883)	(9,054)	(13,347)	(1,171)	(1,522)
Expenditure:							
Wages	3,521	3,819	2,546	2,741	4,093	195	274
Materials	1,429	1,316	877	973	1,441	96	125
Sub-Contracting Costs	1,532	1,545	1,030	1,943	2,606	913	1,061
Fleet	571	510	340	320	471	(20)	(39)
Salaries	1,812	1,922	1,281	1,455	2,047	174	125
Direct Service Overheads	1,236	1,179	786	799	1,182	13	3
SLAs & Recharges	1,084	1,037	691	604	906	(87)	(131)
Total Expenditure	11,185	11,328	7,552	8,835	12,746	1,283	1,418
(Surplus)/Deficit	(226)	(497)	(331)	(219)	(601)	112	(104)

Repairs & Maintenance Monitoring

November 2010

APPENDIX - D

	Original Budget	Revised Budget	YTD spend actual	YTD budget	YTD underspend / (overspend)	Academy commitments	Forecast	Forecast Underspend / (overspend)
Lewisham Homes	19,769,990	20,119,990	9,131,122	13,976,963	4,845,841	2,921,365	20,132,448	(12,458)
Areas subject to stock transfer	0	0	0	0	0	0	0	0
Chrysalis	0	0	0	0	0	0	0	0
Hostels	371,636	371,636	119,857	247,757	127,900	76,253	371,636	0
	20,141,626	20,491,626	9,250,979	14,224,721	4,973,741	2,997,619	20,504,084	(12,458)

Budgets managed by Lewisham Homes

	Original Budget	Revised Budget	YTD spend actual	YTD budget	YTD underspend / (overspend)	Academy commitments	Forecast	Forecast Underspend / (overspend)
Planned Schemes								
Cyclical works & external decorations	2,800,000	2,800,000	431,093	1,866,667	1,435,574	0	2,800,000	0
Voids	3,600,000	3,775,000	1,490,569	2,720,290	1,229,722	1,630,198	4,277,459	(502,459)
Planned schemes	300,000	300,000	45,939	200,000	154,061	20,440	101,600	198,400
Planned gas works	1,100,000	1,100,000	690,920	733,333	42,413	18,911	1,034,400	65,600
Planned M&E works	834,200	834,200	259,049	556,133	297,084	100,903	708,890	125,310
OAP decorations	50,000	50,000	13,104	35,351	22,247	33,391	50,000	0
	8,684,200	8,859,200	2,930,674	6,111,775	3,181,101	1,803,843	8,972,349	(113,149)
Responsive								
Responsive repairs	6,925,000	7,100,000	4,034,369	5,071,149	1,036,780	525,840	6,913,309	186,691
Disrepair cases	500,000	500,000	223,901	353,513	129,612	144,242	500,000	0
Gas and boiler repairs	2,115,790	2,115,790	1,147,613	1,410,527	262,914	182,406	2,121,790	(6,000)
Lift repairs	260,000	260,000	109,118	173,333	64,215	41,105	260,000	0
Asbestos works	180,000	180,000	200,520	120,000	(80,520)	46,382	340,000	(160,000)
Fire assessments	250,000	250,000	84,600	166,667	82,067	14,503	160,000	90,000
Pest control	0	0	0	0	0	0	0	0
Other responsive M&E repairs	855,000	855,000	455,975	570,000	114,025	163,045	935,000	(80,000)
	11,085,790	11,260,790	6,256,095	7,865,188	1,609,093	1,117,523	11,230,099	30,691
Total Expenditure	19,769,990	20,119,990	9,186,769	13,976,963	4,790,194	2,921,365	20,202,448	(82,458)
less Recoveries	0	0	(55,648)	0	55,648	0	(70,000)	70,000
Net Expenditure	19,769,990	20,119,990	9,131,122	13,976,963	4,845,841	2,921,365	20,132,448	(12,458)

	Budget 2010/2011	Revised Budget 2010/2011	YTD Actual 2010/2011	Accruals 2010/2011	YTD Actual and Accruals 2010/2011	Forecast 2010/2011	Variance
2007/2008 Schemes	54,512	62,825	19,771	0	19,771	65,843	3,018
Total 2007/2008 Schemes	54,512	62,825	19,771	0	19,771	65,843	3,018
Lewisham Homes Programme - 2010/2011							
Structural & Essential Works	2,932,740	3,344,197	1,021,598	186,654	1,208,252	3,176,913	(167,284)
Decent Homes	3,051,019	4,288,981	948,916	242,588	1,191,504	4,431,962	142,981
Mechanical & Electrical	4,043,758	6,446,573	2,265,859	120,464	2,386,323	6,337,387	(109,186)
Tenants Panel Package	16,263	9,023	3,628	0	3,628	14,555	5,532
ICT	600,000	0	0	0	0	0	0
Resident's Business Plan Schemes	300,000	292,000	0	0	0	252,879	(39,121)
Fees for future schemes	100,500	0	0	0	0	0	0
Caretaking	3,913	3,913	0	0	0	3,913	0
Salaries	280,000	280,000	0	0	0	280,000	0
Total Lewisham Homes Allocated Budgets 2010/2011	11,328,193	14,664,687	4,240,001	549,706	4,789,707	14,497,609	(167,078)
Unallocated - Lewisham Homes	2,100,807	0	0	0	0	0	0
Total Lewisham Homes - 2010/2011	13,429,000	14,664,687	4,240,001	549,706	4,789,707	14,497,609	(167,078)
Total Lewisham Homes - 2010/2011 (Incl. Pre 2008	13,483,512	14,727,512	4,259,772	549,706	4,809,478	14,563,452	(164,060)
Ex Chrysalis Allocated	502,000	516,713	165,529	181,505	347,034	575,569	58,856
Unallocated - Ex Chrysalis	328,000	313,287	0	0	0	0	(313,287)
	830,000	830,000	165,529	181,505	347,034	575,569	(254,431)
Total Schemes - 2010/2011	14,313,512	15,557,512	4,425,301	731,211	5,156,512	15,139,021	(418,491)

INVESTMENT PROJECTS ANALYSIS

Project/Programme	Classification	Forecast Project Cost 2010/11 - Nov. 2010/2011	Forecast Project Cost 2010/11 - Sept. 2010/2011	Revenue Impact - Forecast Nov. 2010/2011	Revenue Impact - Forecast Sept. 2010/2011	Revenue Impact Variance Sept. and Nov. 2010/2011
EDRM	Capital	192,450	239,750	32,075	39,958	(7,883)
Migration of Academy from Unix to Windows Platform	Capital	60,000	100,000	10,000	16,667	(6,667)
Mobile Handhelds - Arrears	Capital	0	35,000	0	5,833	(5,833)
Mobile Handhelds (Repairs)	Capital	0	48,000	0	8,000	(8,000)
Online Services (Rents and Service Charges)	Capital	14,840	14,850	2,473	2,475	(2)
Repairs Diagnostics *	Capital	30,000	0	5,000	0	5,000
Service Charges	Capital	19,150	26,650	3,192	4,442	(1,250)
Service Desk	Capital	2,100	2,100	350	350	0
SMS Interactive Solution	Capital	0	7,000	0	1,167	(1,167)
Academy Upgrade & Reporting review	Revenue	26,750	26,750	26,750	26,750	0
Archive Back-Scanning	Revenue	0	42,404	0	42,404	(42,404)
Card Payments on Door step via PDA	Revenue	0	12,500	0	12,500	(12,500)
Carry out an efficiency review of Academy Housing	Revenue	15,000	15,000	15,000	15,000	0
CTI Intergration	Revenue	0	20,000	0	20,000	(20,000)
Data Cleansing	Revenue	42,400	118,800	42,400	118,800	(76,400)
Document Image & Scanning solution for sign-ups	Revenue	11,850	11,850	11,850	11,850	0
Legal Instructions Portal & Solicitors Interface	Revenue	34,450	25,000	34,450	25,000	9,450
Message Pad NCO	Revenue	5,950	5,950	5,950	5,950	0
Migrate all letters to ADE	Revenue	3,000	12,000	3,000	12,000	(9,000)
Mobile SMS payments for Residents	Revenue	12,500	12,500	12,500	12,500	0
New File Server for Academy Documents	Revenue	14,300	14,300	14,300	14,300	0
Various Miscellaneous Projects	Revenue	44,004	30,500	44,004	30,500	13,504
Open Contractor Interface to Oracle	Revenue	10,800	10,800	10,800	10,800	0
Repairs Call Centre Disaster Recovery & BCP	Revenue	39,584	39,584	39,584	39,584	(0)
Resident Profiling & Residents Involvement portal	Revenue	11,000	20,450	11,000	20,450	(9,450)
Residents Satisfaction Surveys & QPS scheme	Revenue	5,250	5,250	5,250	5,250	0
Service Charges	Revenue	6,250	0	6,250	0	6,250
Stores Supplies Contract & Interface Files	Revenue	118,484	94,450	118,484	94,450	24,034
Upgrade of OpenContractor to v10	Revenue	20,000	20,000	20,000	20,000	0
Decent Homes	Revenue	274,781	257,798	274,781	257,798	16,983
Income Project	Revenue	18,098	18,108	18,098	18,108	(10)
Customer Care	Revenue	61,073	52,063	61,073	52,063	9,010
Repair Service Projects	Revenue	27,060	20,147	27,060	20,147	6,913
Repair Service Apprentice Scheme	Revenue	22,618	0	22,618	0	22,618
Grand Total		1,143,741	1,359,554	878,291	965,096	(86,804)

Meeting	Lewisham Homes Board	Item No.	14
Report Title	Business Plan and KPI Performance		
Report Of	Head of Service Development – Hilary Barber		
Class	Monitoring	Date	25th January 2011

1 Purpose of the Report

- 1.1 This report sets out Lewisham Homes' Key Performance Indicators (KPIs) and progress in completing tasks in the Business Plan with targets for completion by November 2010.

2 Recommendations

- 2.1 That Board note the current performance of Lewisham Homes as measured by the KPIs and progress against agreed Business Plan Tasks

3 Background of the Report

- 3.1 The Board agreed the 2010-3 Business Plan at the February 2010 Board meeting. This included KPIs, performance targets and tasks, which the Board monitors.
- 3.2 Appendix A shows the KPI performance against the agreed targets from April to November 2010.
- 3.3 Appendix B shows progress in completing tasks in the 2010-13 Business Plan against target times from April to November 2010.

4 Context

- 4.1 The KPIs are shown in a dashboard format by service area, which is intended to make the data more accessible. Where relevant there are comments about contextual issues impacting on performance, or lack of data. The year to date figures show accumulated performance from 1 April 2010 to 30 November 2010.
- 4.2 Performance in relation to targets is highlighted by a traffic light system:
- **Green** – indicates performance was on or above target
 - **Red** – indicates performance did not meet the target.
- 4.3 The dashboard also includes the direction of travel (current year to date compared to the 2009/10 figure) and graphs with trend information.
- 4.4 Where performance has not met targets, reasons are set out below together with action being taken to improve performance. This is also examined in more detail through the Performance Panel. The Panel is currently

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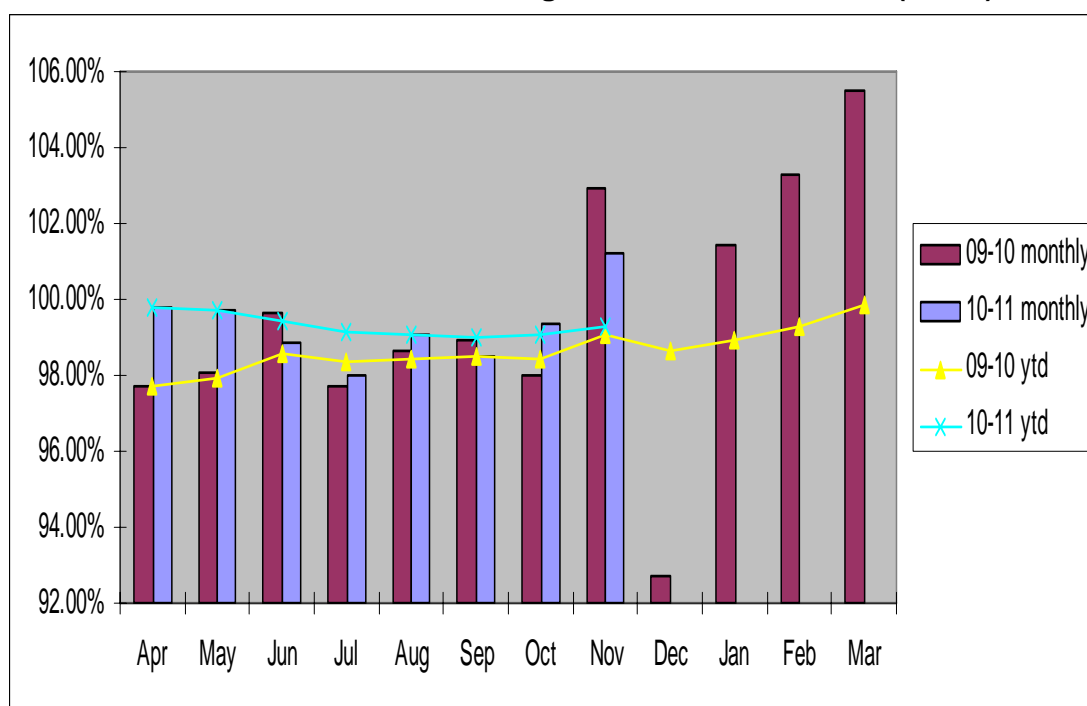
scrutinising complaints, rent collection, voids, sickness absence, disrepair and illegal occupation. The Panel is also monitoring the Equality and Diversity action plan every six months.

Performance Issues

5 Income collection

5.1 Rent collection (excluding arrears carried forward) performance is 99.31% for the period April to November 2010, which is higher than the year to date figure for the same period last year (99.07%). The table below shows performance both month by month and year to date for each month from April 2009 to November 2010.

Rent collected excluding arrears carried forward (LH 29)



5.2 The increase from the previous year's collection rate has declined since the last report to the Board. December is a critical month for rent collection and will be indicative of success in reaching the target of 100.4% for the full year.

5.3 In December 2010 the Christmas campaign was launched with a mixture of 'strong messages' about prioritising rent and 'softer messages' such as offering assistance with employment opportunities through 'Get Lewisham Working' for which 13 referrals had been made at December 2010.

5.4 The proportion of tenants who are in more than seven weeks arrears has improved from 10.2% of tenants at year-end 2009/10 to 8.5% at November 2010 – see table below.

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Percentage of rent accounts >7 weeks in arrears		
Year end 2008/09	Year end 2009/10	November 2010
10.4%	10.2%	8.5%

- 5.5 We are supporting tenants to pay their rent in the following ways:
Our Welfare Benefits Advisor secured £49, 960.51 of benefits since September 2010 and has successfully assisted 58 clients over the same period.
- 5.6 We have developed links with external organisations such as the 'Consumer Financial Education Body' (CFEB) who are providing financial advice to our tenants at no cost to Lewisham Homes.
- 5.7 Our continuing partnership with Lewisham Plus Credit Union (LPCU) has realised the following in the period April to November 2010 for Lewisham Homes residents:
- 21 loans approved specifically for tenancy sustainment purposes (this is the most significant indicator as cheques are issued that are made out to Lewisham Council so can only be used by paying into the rent account)
 - 788 residents joined LPCU and opened savings accounts
 - 635 Lewisham Homes residents have accessed LPCU loans
 - Loans to the approximate value of £139,450 have been made to Lewisham homes residents in the period
 - 188 total active current accounts have been opened by Lewisham Homes residents. (This figure remains unchanged, as although a number of current accounts have been opened recently the same number have been closed)
 - 70 residents have received budgeting advice from LCPU

6 Complaints

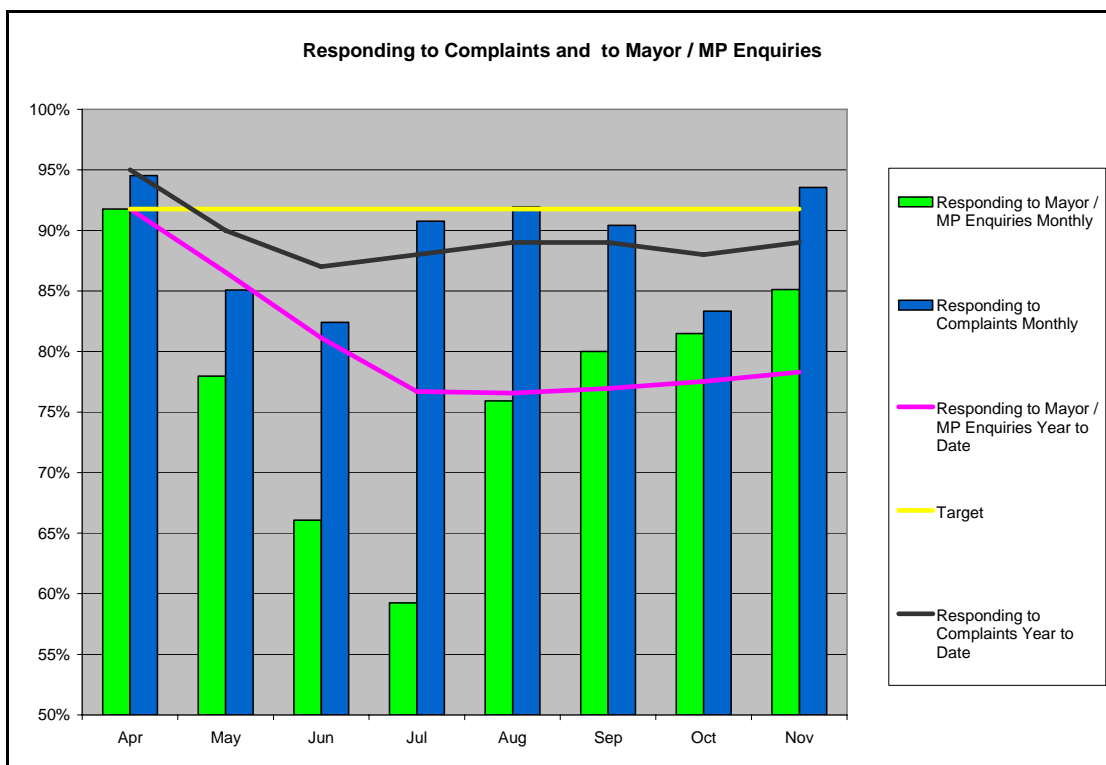
- 6.1 The percentage of complaints responded to within the target times has in November was 94% and exceeded the target of 92%. Year to date performance of 89% is still below the target but if November's performance is maintained, the target will be reached by year end.

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Status of Stage 1 - 3 complaints handling since October - 2010.

	October -10			November -10		
	Responded to (all stages)		Stage1 Ave time (days)	Responded to (all stages)		Stage 1 Ave time (days)
	On-time	Late		On-time	Late	
Housing - Management	16 80%	4 20%	9.5	13 87%	2 13%	12
Property - Services	19 86%%	3 14%		6.9	45 96%	
Grand Total	35 83%	7 17%	8.1		58 94%	4 10%

6.2 Performance in responding to enquires from the Mayor, Councillors and MPs has recovered since July - see graph below, which shows monthly performance. For year to date, 78.3% were responded to on time against a target of 92%. Performance in November continues to improve, but it is unlikely that the target of 92% will be reached by the year end. Close monitoring of response times and the quality of responses is taking place to ensure that improvement is maintained.



6.3 In addition to complaints we also record compliments. The table below gives a breakdown of the compliments recorded in October and November as well as those received year to date by service area.

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Team	Oct-10	Nov-10	YTD
Customer Services	1		3
Caretaking		1	3
Tenancy Enforcement			1
Income Team		1	4
Leasehold Services		1	1
Construction Delivery			2
Gas		1	1
Contact Centre			4
Responsive Repairs	2		17
Community Involvement			3
ICT			1
Customer Relations Team			2
Garage Team			2
Occupancy			1
Tenancy Team	1		5
TOTAL	4	4	50

7 Staff Sickness

- 7.1 The absence level in Lewisham Homes is being scrutinised by the Performance Panel. A detailed analysis of sickness absence was presented to the Panel in November. A review of the effectiveness of the Absence Management Strategy is currently being undertaken, including a Management Scrutiny Group to ensure that procedures are followed and all appropriate management action is taken.
- 7.2 For the 12 month period ending 30 November, 2010, the average number of days lost to sickness was 10.2 days per Full Time Equivalent. This is in the 2nd quartile compared to members of the London ALMO group. Current quartiles are:

Top quartile	< 8.23 days
Median	10.23 days
Bottom quartile	> 12.38 days

- 7.3 The trend for the last 12 months is shown in the table below.

	Dec - 09	Jan - 10	Feb - 10	Mar - 10	Apr - 10	May - 10	June - 10	July - 10	Aug- 10	Sep- 10	Oct- 10	Nov- 10
Average Days Absence per FTE (Rolling Year)	10.2	10.0	10.6	10.3	10.6	11.1	10.5	10.5	10.4	10.5	10.3	10.2

- 7.4 Generally leavers have more days absence through sickness than current employees. This is shown in the table below together with information on the impact of long-term sickness.

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Service Area	Days Lost	FTE Oct 10	Avg Days Lost	Total Days Long Term Absence	Avg Days Lost excl. Long Term Absence	Target
Lewisham Homes Total including Leavers	4487.0	437.9	10.2			9
Property	1763.5	168.64	10.5	1286	2.8	9
Housing Environmental	949	96	9.9	549	4.2	9
Housing	479	77.52	6.2	235	3.1	9
Resources	187.5	49.69	3.8	107	1.6	9
Service Development	17	10	1.7		1.7	9
Chief Executive	2	1	2.0		2.0	9
Lewisham Homes Total excluding leavers	3396.0	437.9	7.8	2177.0	2.8	
Leavers	1089					

8 Incoming Telephone Calls

8.1 From April 2010 the performance reported to Board covers all customer facing teams, following the introduction of a new call management system. Before April, performance was only reported for the Repairs Contact Centre.

8.2 Performance is improving but still below target. Year to date performance is –

- 82% of calls answered within 15 seconds against a target of 88%
- 7% calls lost against a target of 4%.
- the table below shows the performance for the last two months broken down by directorate:

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Indicator	Customer Facing Services - Departmental Grouping	October -10	November -10	YTD	Target
% Answered	Housing Management	95%	95%	91%	96%
	Property Services*	97%	98%	96%	96%
	Resources	99%	99%	99%	96%
	Service Development	98%	98%	97%	96%
	Overall	96%	95%	93%	96%
% Answered in 15 seconds	Housing Management	84%	87%	79%	88%
	Property Services*	88%	90%	86%	88%
	Resources	90%	92%	93%	88%
	Service Development	90%	93%	91%	88%
	Overall	80%	88%	82%	88%
Total Calls	Housing Management	9270	18041	127008	
	Property Services*	8772	9402	73920	
	Resources	258	394	4223	
	Service Development	277	471	3862	
	Overall	18577	28308	209013	

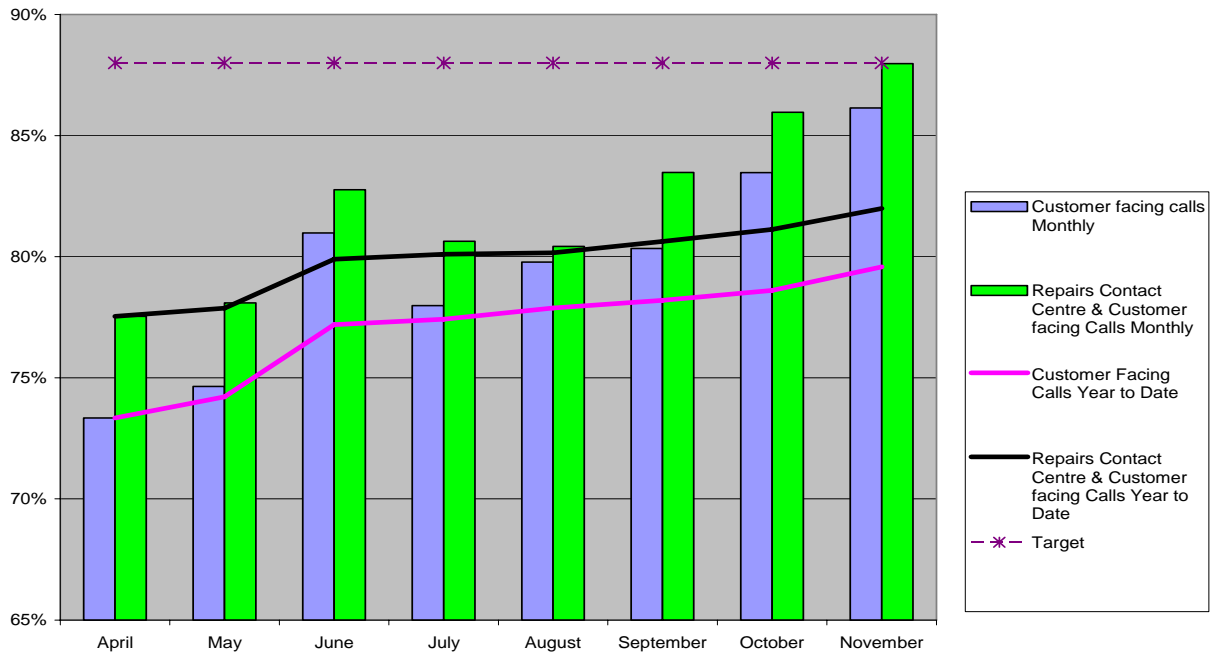
- Property Services Includes the Repairs Contact Centre.

8.3 Performance in answering calls in less than 15 seconds (82%) is lower than last year's performance of 87% which only related to the Repairs Contact Centre. However, performance of the Contact Centre has improved and has reached the target of 88%.

8.4 Non contact centre performance has improved over the last 4 months and is now 13% higher than April – see table below. We know from surveys that 80% of our residents contact us by telephone, so call response impacts on the quality of service and resident satisfaction. We have, therefore, initiated a telephone contact project which is focusing on improving speed and quality of telephone contact.

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Customer Facing Calls - Answering Within 15 Seconds



9 Percentage of repairs subcontracted

9.1 The target for sub-contracting repairs was set at 10% for 2010/11. Up to November 2010, 16.5% of the Repairs Service budget has been spent on sub-contractors. There has, however, been a significant reduction in expenditure, with a 3% reduction from the last Board Report when performance to September was reported. The quarterly average shows a declining trend, with an average spend of 9% compared to the previous quarter's average of 23.6%. The monthly spend on subcontracted works in October and November was at 8.3% and 7.2% respectively, which is within the target.

9.2 The reduction in sub-contracting spend is mainly attributed to voids works, where the average weekly spend fell from £11,245 (Aug-Sep) to £3,057 (Oct-Nov), representing a three-fold decrease. Weekly responsive repairs spend on sub contracted works has also fallen from £17,019 to £12,745 during the same period.

Improved performance

10 Gas servicing

10.1 The performance for carrying out gas safety checks, which are required by law for all landlords, has continued to be high at 99.96%. At the end of November five properties requiring a Landlords Gas Safety Record did not have one. This year no properties have been without a gas certificate for greater than six months.

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11 Void re-let times

- 11.1 At the end of November 2010, year to date performance was 20.4 days to re-let properties against a target of 24 days.
- 11.2 As can be seen in the tables below, the average re-let time has improved on 2009-10 performance and satisfaction with the service received is higher than last year.

Number of Re-lets			
	Lewisham Homes	L&Q Transfer	Overall
April	56	10	66
May	106	13	119
June	64	6	70
July	81	14	95
August	77	15	92
September	50	16	66
October	63	2	65
November	75	-	75
YTD	590	76	666
<i>2009-10</i>	845	330	1175

Average Relet Time (days)			
	Lewisham Homes	L&Q Transfer	Overall
April	17.7	24.8	18.8
May	20.1	24.5	20.6
June	24.9	4	23.4
July	24.3	14.8	22.9
August	21.8	27.1	22.6
September	22.2	19.5	21.5
October	17.4	1	16.9
November	15.6	-	15.6
YTD	20.5	19.7	20.4
<i>2009-10</i>	29.9	25.1	28.0

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Overall Satisfaction with Letting Process (All Properties)			
	Very or Fairly Satisfied	Neither	Very or Fairly Dissatisfied
April	71%	26%	3%
May	62%	19%	19%
June	91%	6%	3%
July	71%	15%	15%
August	74%	24%	3%
September	77%	14%	9%
October	74%	19%	7%
November	91%	9%	0
YTD	76%	16%	8%
2009-10	60%	23%	17%

12 Repairs service

12.1 The following indicators measuring responsiveness in carrying out repairs has improved since the end of last year, are above target and in the top quartile of London ALMOs.

Speed of repair	2009-10	2010-11 YTD (November 2010)	Target
% of emergency repairs completed on time	98.4%	99.5%	99%
% of urgent repairs completed on time	97.5%	99.8%	99%
% of routine repairs completed on time	98.4%	99.3%	99%

13 Business Plan tasks

13.1 The table in Appendix B shows progress on tasks in the Business Plan for 2010/11. Tasks have traffic lights to show:

- **Green** – completed
- **Red** – not completed

13.2 From April 2010 to November 2010, 216 tasks were due for completion, 59 of which have been deleted. Of the remaining 157 tasks, 61% of these have been completed. The table below shows the breakdown of tasks under these traffic light headings. Reasons for delay are captured in the 'comments' column of the table in Appendix B.

RAG	Housing Services	Property Services	Service Development	Resources	Overall	
					No.	%
RED	8	15	2	34	59	38%
GREEN	24	24	10	40	98	62%
Total	32	39	12	74	157	100%

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If you require further information on this report please contact Hilary Barber on
020 8314 6407 or email hilary.barber@lewishamhomes.org.uk

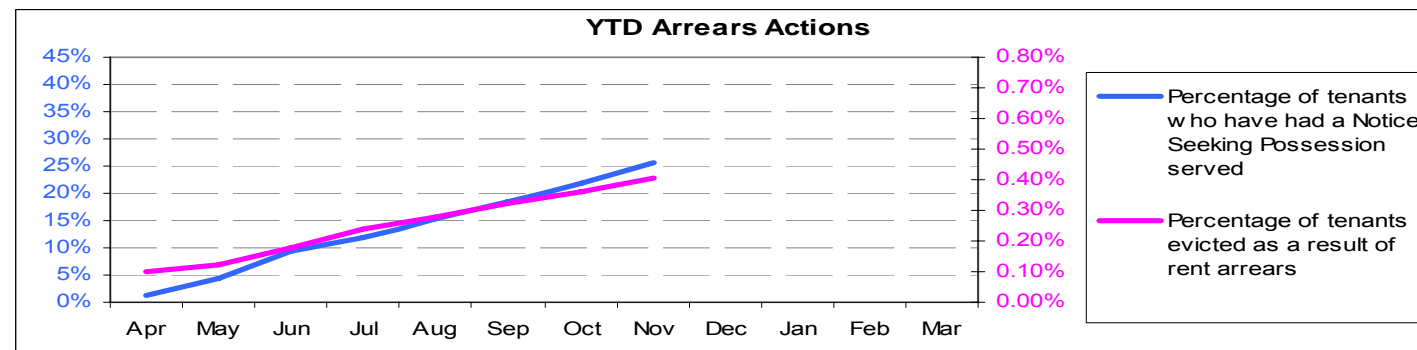
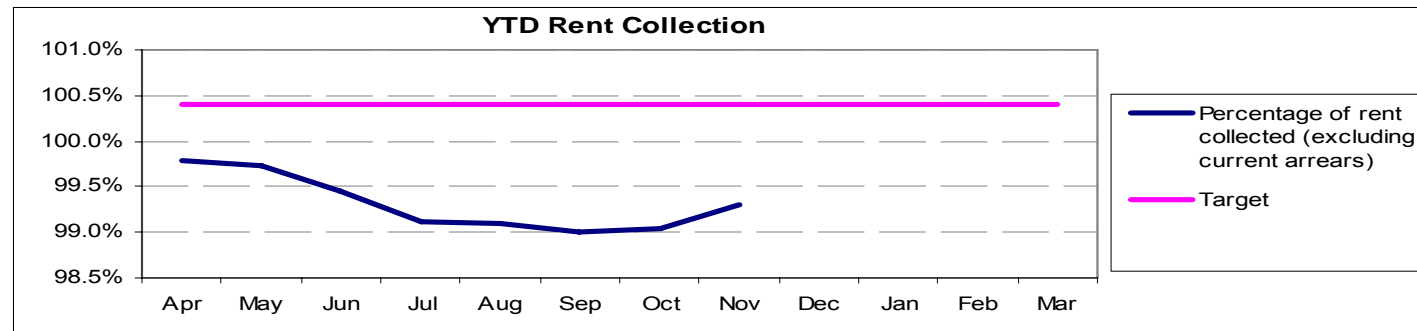
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Rent collection and arrears

indicator	2008 - 2009	2009- 2010	Current YTD	Target	Direction of travel	YTD vs Target	
Monthly Indicators							
LH 29	Percentage of rent collected excluding current arrears.	99.28%	99.89%	99.31%	100.40%	▼	▼
BV 66b	Percentage of rent accounts > 7 weeks in arrears	10.4%	10.2%	8.5%	8.0%	▲	▼
BV 66c	Percentage of tenants who have had a Notice Seeking Possession served	48%	42%	25%	45%	-	-
BV 66d	Percentage of tenants evicted as a result of rent arrears	0.61%	0.75%	0.41%	1.00%	-	-
LH 40	Rent written off as not collectable as a percentage of the total rent	0.94%	1.93%	0.09%	1.00%	▲	▲
FTA1	Former tenant arrears as a percentage of gross rent debit	-	-	4.19%	2.30%	-	▼
FTA2	Former tenant arrears collection as % of arrears	-	-	5.79%	8.00%	-	▼

Performance Commentary

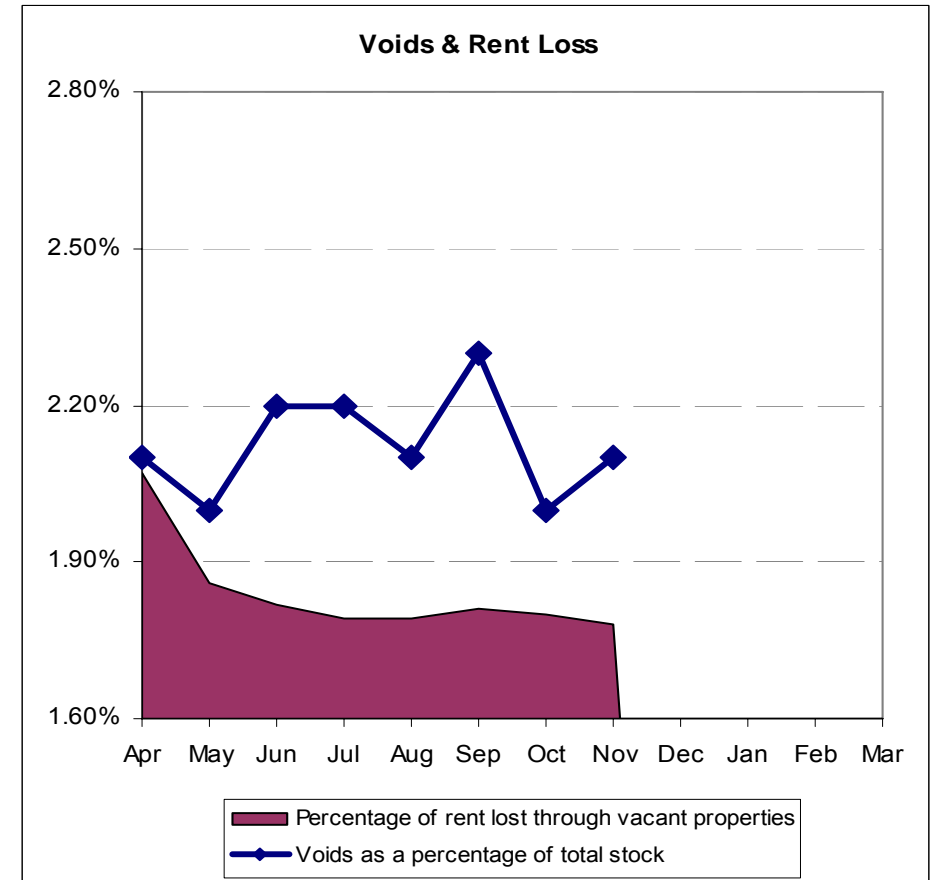
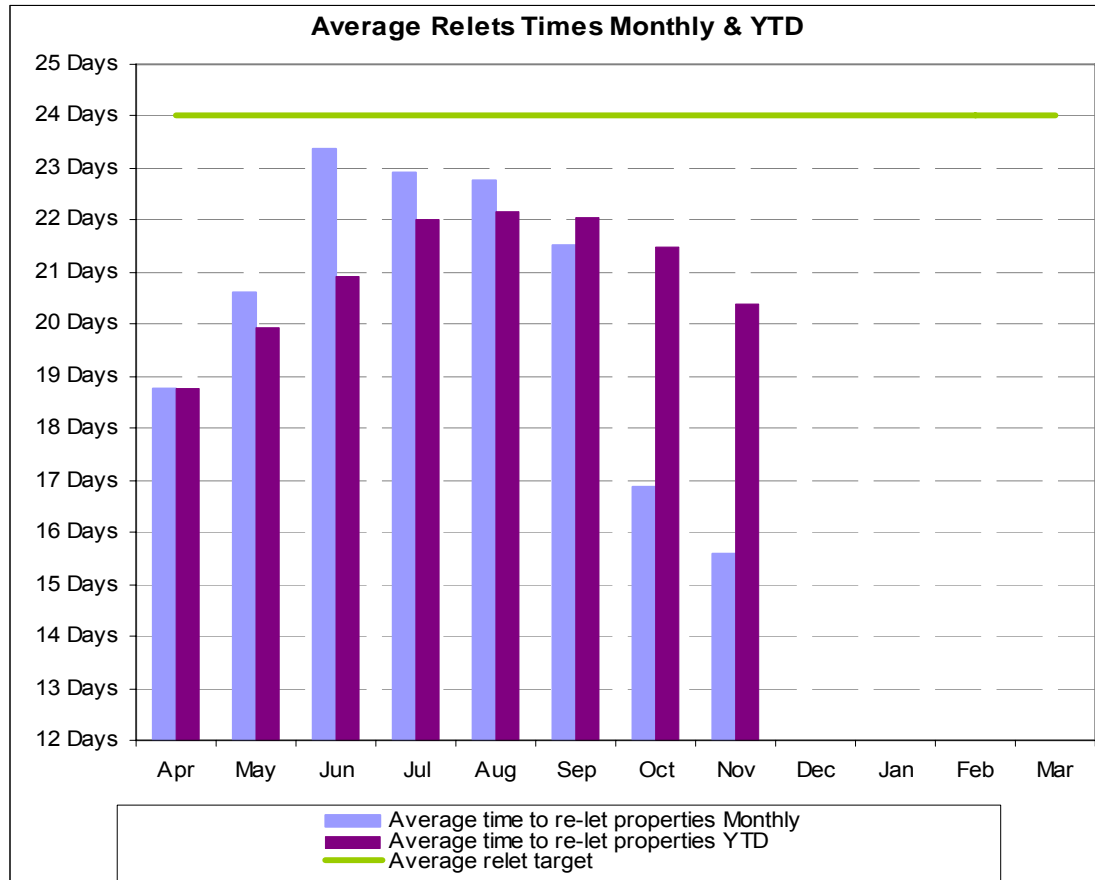
Although LH 29 rent collection excluding rent arrears is below target it is at a higher level than at the same time last year. Nationally there has been some confusion over the calculation of the indicator BV66b. The target was set based on a snapshot at the end of the year rather than the average over the year, this makes such a degree of change potentially over ambitious.



** Direction of travel compares the current ytd with the 2009/10 figure

indicator	2008 - 2009	2009-2010	Current YTD	Target	direction of travel	YTD vs Target
BV 212 Average time to relet properties	31.0	28.0	20.4	24 days	▲	▲
LH 30 Percentage of rent lost through vacant properties	2.26%	2.88%	1.78%	2.70%	▲	▲
LH 18 Voids as a percentage of total stock	3.55%	3.40%	2.10%	Contextual		

Performance Commentary
See main report for commentary.



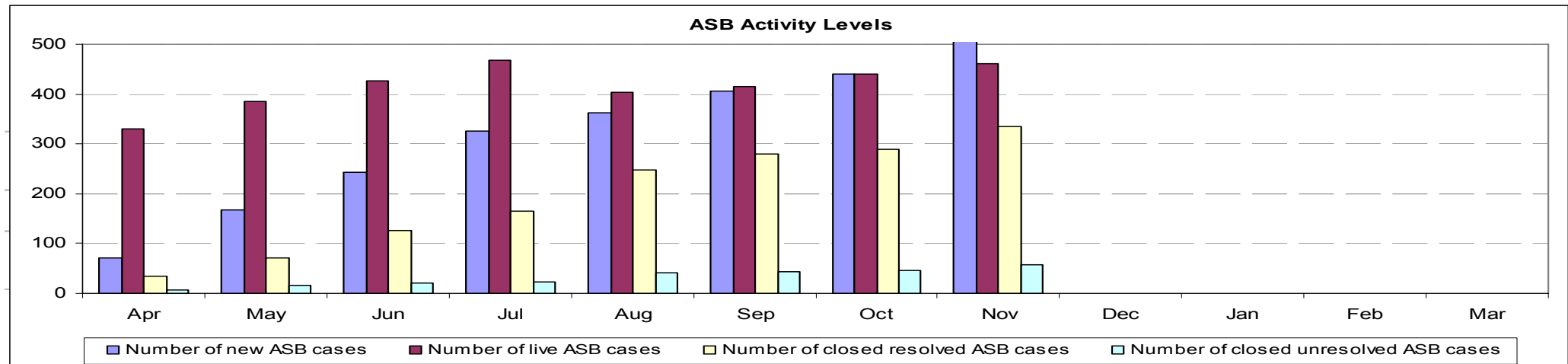
** Direction of travel compares the current ytd with the 2009/10 figure

Anti-Social Behaviour

indicator	2008 - 2009	2009- 2010	Current YTD	Target	Direction of travel	YTD vs Target
Monthly Indicators						
BV174	Number of racial incident cases reported	22	15	10	none	-
BV175	Number of racial incident cases reported that resulted in further action	22	11	9	none	-
RES A1	Number of new ASB cases	748	944	519	none	-
RES A2	Number of live ASB cases	-	330	461	none	-
RES A3	Number of closed resolved ASB cases	-	539	335	none	-
RES A4	Number of closed unresolved ASB cases	-	75	57	none	-

Performance Commentary

85% of closed cases were resolved.



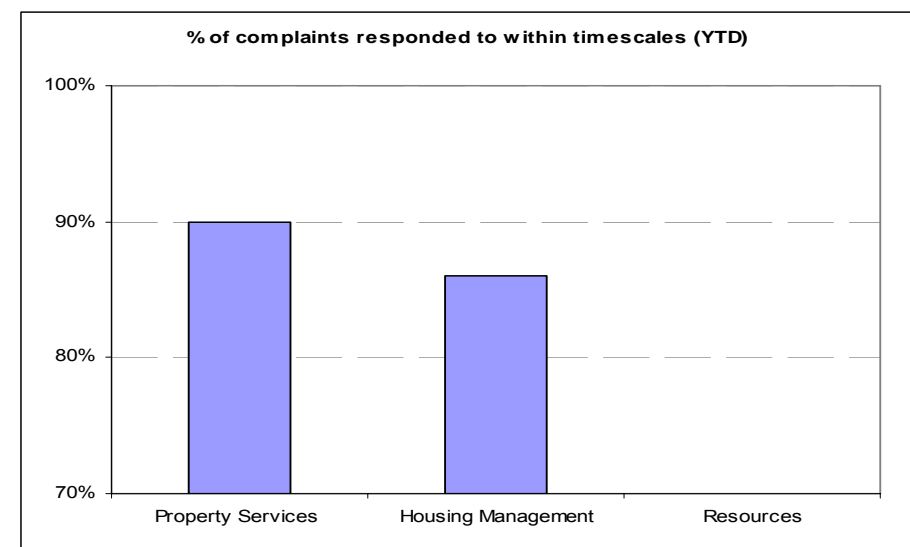
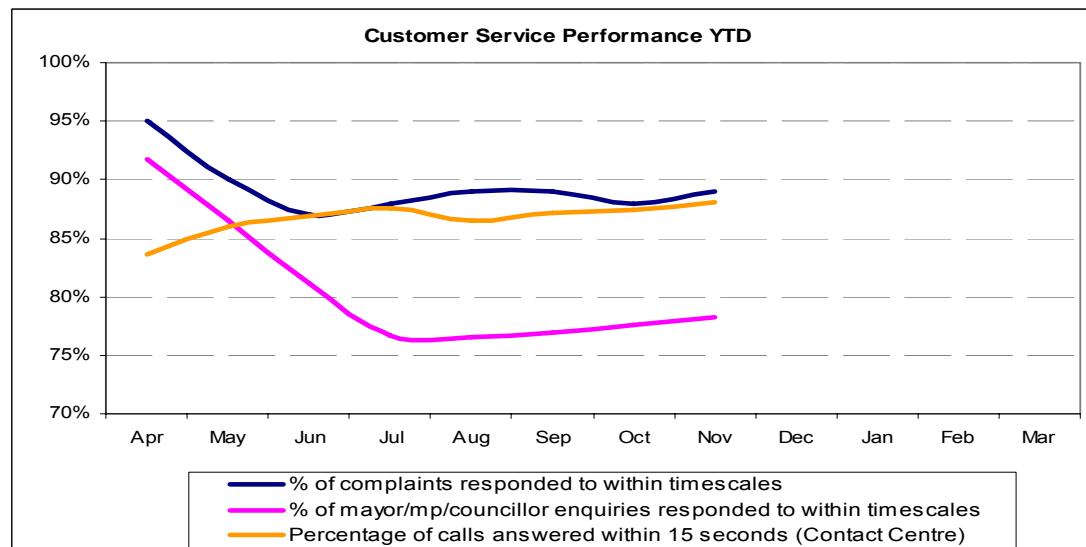
** Direction of travel compares the current ytd with the 2009/10 figure

indicator	2008 - 2009	2009- 2010	Current YTD	Target	direction of travel	YTD vs Target
Monthly Indicators						
LH 34 % of complaints responded to within timescales	69%	94%	89%	92%	▼	▼
LH 35 % of mayor/mp enquiries responded to within timescales	49%	80%	78%	92%	▼	▼
LH 50a No. of complaints received at stage 1	1106	960	447	none	—	—
LH 50b No. of complaints received at stage 2	122	184	110	none	—	—
LH 50c No. of complaints received at stage 3	15	40	24	none	—	—
LH 52 Percentage of calls answered within 15 seconds	76%	87%	82%	88%	▼	▼
LH 120 Percentage of calls lost	6%	3%	7%	4%	▼	▼
LH 123 Percentage of letters responded to within 10 days.	87%	89%	91%	92%	▲	▼

Annual Indicators						
LH 51a % of complaints resolved at stage 1	89%	81%	Annual	90%	—	—
LH 51b % of complaints resolved at stage 2	88%	79%	Annual	88%	—	—

Performance Commentary

LH 34 Although performance year to date is below target this follows particularly low levels of performance in May and June. Performance in responding to complaints was at its highest level in November at 94%. It should be noted that Lewisham Homes adopted a higher standard of performance for 2009- 10 in dealing with Stage 2 complaints by reducing the allowed time for responding from 20 working days to 15. Telephone Call answering for customer facing services has improved every month this year and was at the highest it has been this year in November at 86% of calls answered in 15 seconds. For the first time this year Customer Facing Services and the Repairs contact centre combined has reached the target of 88% of calls answered in 15 Seconds.



** Direction of travel compares the current ytd with the 2009/10 figure

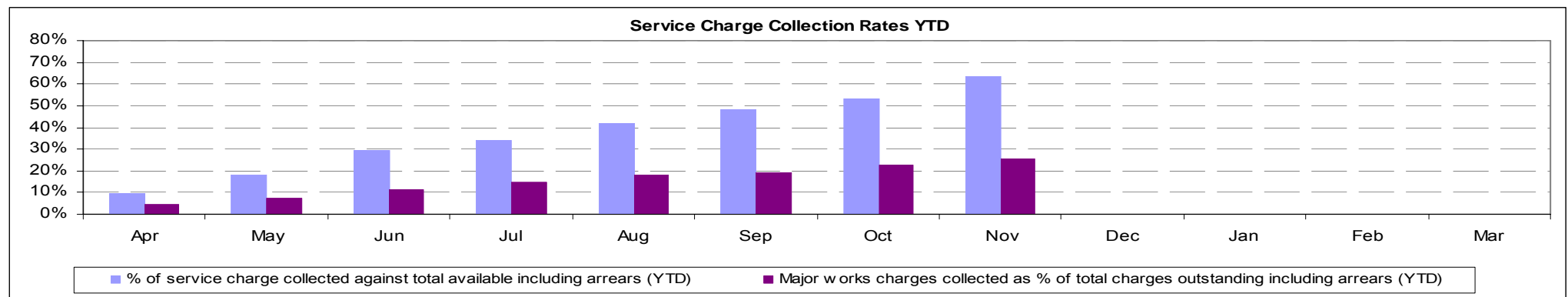
indicator	2008 - 2009	2009- 2010	Current YTD	YTD Target	Year end Target	Current YTD v YTD Target
LH 116a % of service charge collected against total available excluding arrears	92%	107%	88%	77%	103%	▲
LH 116b % of service charge collected against total available including arrears (YTD)	62%	70%	64%	53%	70%	▲
LH 117b Major works charges collected as a % of total charges outstanding including arrears	33%	39%	26%	30%	40%	▼

Performance Commentary
The revised payment methods and periods over which major works charges can be paid means that we will be modifying how the collection rate is profiled for 2010-11 in order to more accurately reflect whether payments are on target.

indicator	2008 - 2009	2009- 2010	Current YTD	Target	direction of travel	YTD vs Target
LH 24 Percentage of RTB2 forms served within statutory target of 4 weeks	94%	100%	100%	100%	▶	▲
LH 25 Percentage of S125 forms for freehold properties served within statutory target of 8 weeks	81%	100%	100%	100%	▶	▲
LH 26 Percentage of S125 forms for leasehold served within statutory target of 12 weeks	92%	100%	100%	100%	▶	▲
LH 206 Number of Leasehold Tribunal Cases	-	2	0	none	-	-

Annual Indicators

LH 113 Satisfaction of leaseholders with the performance of the home ownership service	-	33.0%	Annual	50%
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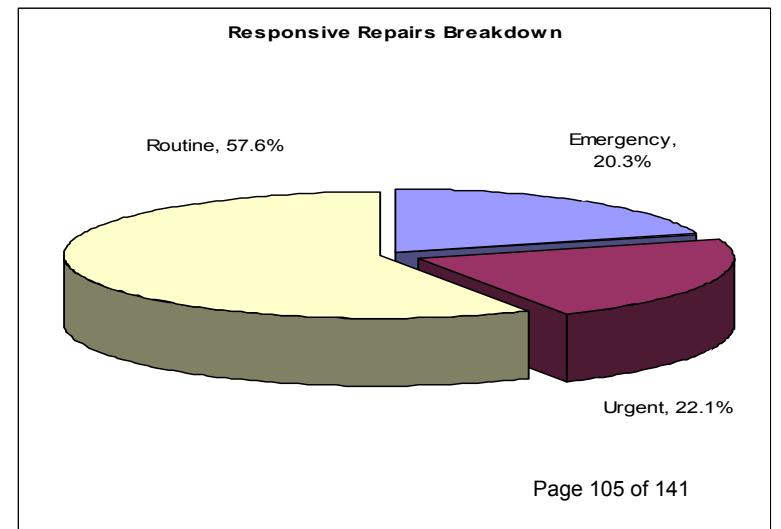
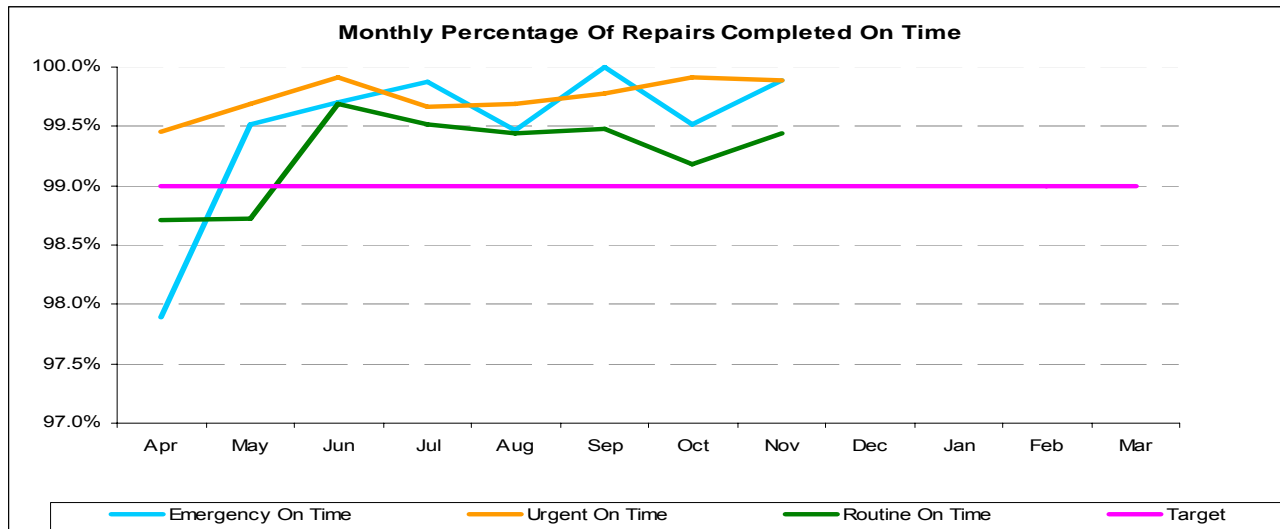


** Direction of travel compares the current ytd with the 2009/10 figure

Repairs and Maintenance

indicator	2008 - 2009	2009- 10	2010-11 YTD	Target	Direction of travel	YTD vs Target
CPA H5 Average time taken to complete non-urgent repairs	7.06	7.48	7.87	7.00	▼	▼
LH 204 Percentage of repairs subcontracted	-	17.3%	16.5%	10%	▲	▼
LH 107a % of emergency repairs completed on time	94%	98.4%	99.5%	99%	▲	▲
LH 107b % of urgent repairs completed on time	96%	97.5%	99.8%	99%	▲	▲
LH 107c % of routine repairs completed on time	97%	98.4%	99.3%	99%	▲	▲
LH 13 Percentage of repairs which were 'emergency' .	19%	18%	Annual	10%		
LH 12 Percentage of repairs which were 'urgent'.	29%	29%	Annual	20%		
LH 14 Percentage of repairs which were 'routine' .	53%	53%	Annual	70%		
LH 6 Percentage of non emergency repairs where appointments were made & kept	95%	97%	97.5%	98%	▲	▼
LH 7 Percentage of repairs completed on first visit	83%	93%	95%	90%	▲	▲
LH 32 Tenant satisfaction with the repairs service - % very or fairly satisfied	75%	87%	89%	84%	▲	▲
LH 32b Tenant satisfaction with the repairs service - % very or fairly dissatisfied	-	10%	6%	10%	▲	▲
LH 110 Gas servicing overdue >6months (% of properties)	1%	0%	0.00%	0%	▲	▲
LH 4 % of gas services completed within the 12 month target time (rolling 12 months)	99.00%	99.94%	99.96%	100%	▲	▼

Performance Commentary



** Direction of travel compares the current ytd with the 2009/10 figure

Indicator	2008/9	2009/10	2010/11		Direction YTD vs		Comments
			YTD	Target	of travel	Target	

Resources ~ HR

LH 106 a	Percentage attendance at staff training	92%	92%	94%	95%	▲	▼	
LH 114	Staff turnover as a percentage of total workforce.	13%	16%	14.9%	8%	▲	▼	
LH 129	Percentage of posts which are vacant	11%	9%	7.7%	7%	▲	▼	
LH 130	Percentage of posts which are filled by a temp	4%	9%	7.0%	5%	▲	▼	
LH 38	Number of working days lost due to sickness (rolling 12 month average)	11.4	10.4	10.2	9	▲	▼	See main report.
LH 105	Percentage of staff who agree that Lewisham homes is a good place to work.	48%	68%	Annual	65%	-	-	

Resources ~ VFM

LH 104a	Average cost to repair a void property	£3,590	£2,503	annual	-	-	-	
LH 104b	Average weekly cost per dwelling of repairs	£21.67	£25.71	annual	-	-	-	
LH46	Average weekly housing management costs	£45.08	£36.91	annual	-	-	-	

Housing Management

LH 200	Number of properties with unauthorised occupants or squatters.	154	137	22	none	-	-	LH 200 - The number of tenancies that are included as unauthorised occupants is calculated differently for 2010-11 to ensure only tenants who we are actively seeking to end their tenancy are included. Performance is not comparable with previous years.
LH 131	Number of occupancy check cases opened	1780	2095	974	2100	-	▼	
LH1014	% Resident profiling - Age			95%	98%	-	▼	
LH1015	% Resident profiling - Gender			99.7%	100%	-	▼	
LH1016	% Resident profiling - Sexuality			43%	40%	-	▲	
LH1017	% Resident profiling - Race/ethnicity			93%	95%	-	▼	
LH1018	% Resident profiling - Disability			80%	65%	-	▲	
LH1019	% Resident profiling - Religion			61%	55%	-	▲	
LH 201	Percentage of estates passing a caretaking quality inspection	87%	93%	94%	95%	▲	▼	
LH 100b	Percentage of racist/sexist/offensive graffiti removed from internal communal areas within 24 hours.	-	100%	100%	100%	▶	▲	

Health and Safety

LH 125	Percentage of risk assessments for display screen equipment completed.	79%	80%	Annual	100%			
LH 126	Percentage of risk assessments undertaken against the number or hazardous substances on the register	100%	100%	Annual	100%			
LH127	Percentage of middle managers attending safety training	100%	75%	Annual	100%			
LH128	Percentage of teams who have had a lone working risk assessment	60%	95%	Annual	100%			
LH 207	Number of accidents	-	0	Annual	none	-	-	

** Direction of travel compares the current ytd with the 2009/10 figure

Benchmarking Data

PI Tracking - Housemark 2009/10 Data - London ALMOs

LH Reference	Housemark Definition	Q1	Median	Q3	LH Current YTD	Quartile
Customer Care						
LH 120	HMPI 10 - % of inbound calls to organisation answered	93.0%	90.4%	86.1%	97.1%	Q1
Corporate						
LH1014	HMPI 60a - % of tenants on whom the landlord has diversity information : Age	96.2%	93.0%	84.0%	95.4%	Q2
LH1015	HMPI 60b - % of tenants on whom the landlord has diversity information : Gender	100.0%	100.0%	99.4%	99.7%	Q3
LH1017	HMPI 60c - % of tenants on whom the landlord has diversity information : Ethnicity	90.4%	85.8%	74.7%	93.3%	Q1
LH1018	HMPI 60d - % of tenants on whom the landlord has diversity information : Disability	77.0%	65.0%	42.6%	79.7%	Q1
LH1016	HMPI 60e - % of tenants on whom the landlord has diversity information : Sexuality	49.4%	30.9%	8.0%	42.6%	Q2
LH1019	HMPI 60f - % of tenants on whom the landlord has diversity information : Religion	61.1%	50.1%	33.2%	60.6%	Q2
Repairs						
LH107a GNPI 18	GNPI 18 - % emergency repairs completed on time	98.7%	97.6%	96.6%	99.5%	Q1
LH107b GNPI 19	GNPI 19 - % urgent repairs completed on time	99.0%	97.3%	93.9%	99.8%	Q1
CPA H5 BV73	BV73 - Average time taken to complete non-urgent repairs	6.0	6.6	8.3	7.9	Q3
LH107c GNPI 20	GNPI 20 - % routine repairs completed on time	97.8%	97.0%	94.0%	99.3%	Q1
LH6 BV185	BV185 - % of response repairs where an appointment was made and kept	98.5%	97.7%	96.8%	97.5%	Q3
LH7a	HMPI 100 - % of repairs completed right first time	93.0%	89.5%	80.6%	95.4%	Q1
ASB						
	HMPI 190 - % of closed ASB cases that have been resolved	85.0%	82.3%	77.4%	85.5%	Q1
Voids						
BV212 DH	BV212 - Average relet times (cal. days)	24.0	27.3	33.9	20.5	Q1
Income						
LH40	HMPI 320 - Rent written off as a % of rent roll	0.70%	0.85%	1.07%	0.09%	Q1
LH29	Proportion of rent collected (excluding current arrears brought forward)	100.3%	100.0%	98.9%	99.2%	Q3
LH30	BV69 - Percentage of rent loss through vacant dwellings	1.41%	1.75%	2.05%	1.64%	Q2

Appendix B - Business plan tasks - April to November 2010

Tasks shaded blue are residents' business plan tasks

Strategic Priority	Task number	Service	Task	Outcome	Target Date	Priority	Status	Director	Rag Status	Revised Completion Date	Updates for SMT/Board
VFM	378	Tenancy management	Establish a dedicated team to Tackle illegal occupation	Reduction of social housing fraud	Apr-10	Medium	Board	Housing	Green		
Decent Homes	380	Major works	In consultation with our residents, define an aspirational standard for LH, including affordable warmth and environmental works, and improvements to common areas	Clear standard for improvement work	Apr-10	High	Board	Property Services	Green		
Decent Homes	382	Major works	Prepare detailed decent homes delivery plan	Delivery of decent homes improvements within programmed timescales	Apr-10	High	Board	Property Services	Green		
VFM	044	Gas	Negotiate an extra 2 years to our current 5 year warranty for newly installed gas boilers for parts only.	Value for money - reduced maintenance costs for boilers	Apr-10	Medium	Board	Property Services	Green		
Customer satisfaction	218	Caretaking	Provide a free on demand or cheaper service for removing bulky items (to be negotiated with LBL) funded through proposed £0.29p per week service charge increase.	More reliable bulky refuse collection service and reduction in fly-tipping.	Apr-10	High	Board	Housing	Green		
Customer satisfaction	364	Income	Set up a Financial Inclusion multi agency group to drive forward the implementation of Lewisham Homes Financial Inclusion Strategy.	Improved financial inclusion for residents	May-10	Medium	Board	Housing	Green		
Customer satisfaction	018	Repairs	Provide residents with clear information on their repairs responsibilities and Lewisham Homes repairs responsibilities.	Tenants understand their repair responsibilities	May-10	High	Board	Property Services	green		
Decent Homes	033	H&S	Complete update of asbestos database, using information from type 2 asbestos surveys and ensure all appropriate staff and stakeholders have appropriate access.	Meet legal requirements for asbestos	May-10	High	DP	Property Services	Green	Oct-10	
VFM	079	Major works	Procure contractors to deliver the 2010/11 capital, cyclical and planned maintenance programmes.	ability to deliver 2010/11 planned works programme	May-10	High	Board	Property Services	Green		
VFM	153	HR	Review the People Strategy	Effective human resource planning and management	May-10	Medium	Board	Resources	Red	Nov-10	HFI is providing partnering support to take forward the development of the People Strategy. This is now being undertaken by HFI. This is planned to be reported to the board in March 2011.
Customer satisfaction	184	Finance	Develop anti-fraud and corruption strategy	Reduce likelihood of fraud.	May-10	Medium	Board	Resources	green		
Decent Homes	215	Repairs	Offer additional hours for repairs appointments.	Improved customer care	May-10	High	Board	Property Services	green		
VFM	224	ICT	Complete service review of ICT service	More responsive and better value ICT service	May-10	High	Board	Resources	green	Oct-10	
VFM	377	Business Transformation	Implement a pilot for the Electronic Document Management system with workflow processes in three areas of the business (Finance, Leasehold and Voids).	More efficient storage and retrieval of information.	Jun-10	High	Board	Property Services	Red	TBA	11th August Programme Board agreed to put EDM on hold until remaining repairs transformation projects are closed and a permanent project. Project now being recommenced and timelines planned.
Customer satisfaction	107	Caretaking	Review extended Caretaking Services to fit local demands.	Improved customer care	Jun-10	High	Board	Housing	green	Jul-10	
VFM	279	Finance	Review 30 year HRA Business Plan	Sound financial management	Jun-10	High	DP	Resources	green	Oct-10	
VFM	324	ICT	Implement the service charge module on Academy	Increased efficiency for service charge collection	Jun-10	High	Board	Resources	Green		
VFM	325	ICT	Implement an Open Contractor to Payroll System interface.	Effective process for operatives' pay	Jun-10	High	Board	Resources	Green	Oct-10	
Customer satisfaction	333	M&E	Develop policy for electrical testing for domestic properties	improved safety for residents	Jun-10	Medium	Board	Property Services	green		

Customer satisfaction	023	Repairs	Develop service standards for communal repairs.	Clear service standards for communal repairs	Jul-10	Medium	Board	Property Services	green		
VFM	150	HR	Provide coaching training for all managers	Effective, skilled managers	Jul-10	High	Board	Resources	Green	Nov-10	
Customer satisfaction	370	Governance	Complete annual performance development review process for Board Directors	Good governance	Aug-10	Medium	Board	Resources	Green	Oct-10	
Customer satisfaction	371	Governance	Review selection process and capacity building for prospective independent and resident Board directors - review to include consideration of equalities issues, and improving representativeness of the Board.	Good governance	Aug-10	Medium	Board	Resources	Green	Sep-10	
Customer satisfaction	061	M&E	Install the remote monitoring screen at Contact Centre for monitoring lifts, and provide training for Contact Centre staff	Safe lift equipment for residents	Aug-10	High	Board	Property Services	green		
Customer satisfaction	095	ASB	Transfer CCTV to Lewisham Council Control.	Co-ordinate management of CCTV facilities within the borough.	Aug-10	Medium	DP	Housing	red	Dec-10	The borough has engaged a consultant to carry out a feasibility study in relation to the transfer. We have met with the consultant to discuss options and costs. This consultant will provide a final report to the Head of Crime Reduction Service at the Council by the end of January. Following this there will be a final decision on the transfer.
VFM	175	ICT	Revise procedures and data interfaces to accommodate LBL moving to a new allocations system	Continuity of existing automated processes and data exchange	Aug-10	Medium	DP	Resources	red	Jan-11	LBL allocations system has been developed. We need to ensure that the interface between Academy and the LBL system will provide what we require. We are currently awaiting the specification from Capita for the interface, which is expected to be implemented by 31 March 11.
VFM	016	Income	Review the income service to achieve improved performance and value for money.	Top quartile for staffing efficiencies and value for money	Sep-10	High	Board	Housing	Red	Nov-10	The new structure of the Income Team will be implemented from 1 April 2011. Although no posts are being deleted, the new structure does require consultation with the Income Team, which is due to take place in January 2011.
Customer satisfaction	020	Repairs	Set up learning and training opportunities for residents within the community. Explore Apprenticeship schemes and set up work placements.	Training and development for residents	Sep-10	High	Board	Property Services	green	Sep-10	
Customer satisfaction	021	Repairs	Provide residents with DIY information on repairs that are their responsibility	Residents well informed about DIY	Sep-10	High	Board	Property Services	green	Oct-10	
Customer satisfaction	022	Repairs	Introduce a repairs Handypersons scheme for residents to pay for DIY repairs and to be provided by the DLO.	convenient service for tenants for repairs that are their responsibility	Sep-10	High	Board	Property Services	red	Apr-11	Currently seeking legal advice to establish whether Lewisham Homes can deal directly with residents and take payments under the contract with LBL with third party arrangements.
Customer satisfaction	122	Community Involvement	Hold a Residents Open Day	Increased awareness and access to our service.	Sep-10	Medium	Board	Resources	red	Mar-11	A Residents' Conference is now planned instead of the Lewisham Homes Open Day, as this is a more effective use of resources. This will take place by March 2011.
VFM	155	HR	Complete TUPE transfer of staff to Chrysalis	Compliance with stock transfer requirements	Sep-10	High	DP	Resources	Green		
Customer satisfaction	157	HR	Implement Management Development Programme - Institute of Leadership Level 3	Effective, skilled managers	Sep-10	Medium	Board	Resources	green	Dec-10	
VFM	167	ICT	Implement IT Disaster Recovery Plan appropriate to in-house ICT Service if this is separated from LBL provision post September 2010. Ensure BCP plans are amended as necessary to reflect changes	More effective disaster recovery	Sep-10	High	Board	Resources	Green		
Customer satisfaction	199	Service Development	Commission leaseholder survey.	Customer feedback from leaseholders	Sep-10	Medium	Board	Service Development	Red	Mar-11	Task delayed to participate in ALMO Leasehold Group joint survey. It has now been agreed to proceed alone, as the group is no longer carrying one out at this time. The future of all LH surveys has been referred for a decision in February 2011.

Customer satisfaction	201	Service Development	Review customer service standards, consulting with all stakeholders, ensuring these meet requirements of both the TSA National Standards and Customer Service Excellence.	Good customer care	Sep-10	High	DP	Service Development	Red	Mar-11	To ensure compliance with TSA standards the Customer Service Standards are being reviewed as part of the Residents' Business Plan process. Standards will be in place for reporting from April 2011.
Customer satisfaction	209	Service Development	Publish report to tenants, in compliance with the TSA Regulatory Framework	Regulatory compliance	Sep-10	High	DP	Service Development	Green		
Customer satisfaction	263	Major works	Amend procurement procedures to include the requirement for a satisfactory equality and diversity policy within the selection criteria when selecting contractors.	Meet good practice for equality and diversity	Sep-10	Medium	Board	Property Services	red	Feb-11	To be included in the Procurement Procedures to support the Financial Standing Orders that were approved by Board in September 2010.
Customer satisfaction	270	Governance	Consider different location for board meetings or provision of assistance for those with physical disabilities	Good governance	Sep-10	High	Board	Resources	red	Mar-11	This was last considered by the Board in March 2009, and a decision taken to continue to hold meetings in the Holbeach Board room. It is intended to include this in the governance report on changes to standing orders. This report has been deferred by the Board till March/April 2011.
VFM	307	Voids	Complete voids service review	More responsive and better value voids service	Sep-10	High	Board	Property Services	Red	Mar-11	This was delayed due to the Audit Commission inspection. The review is now in progress.
VFM	335	ICT	Implement Lewisham Homes Desktop support	Improved value for money and operational efficiency	Sep-10	High	Board	Resources	red	Apr-11	ICT Service Review has been carried out. Feasibility study to be concluded by the end of March 2011
Customer satisfaction	369	Governance	Complete selection process for rotational retirement of Board Directors	Good governance	Oct-10	High	Board	Resources	green		
Customer satisfaction	019	Repairs	Introduce a repairs scheme for leaseholders to pay for repairs.	A reliable low-cost chargeable repair service to Leaseholders.	Oct-10	High	Board	Property Services	red	Sep-11	This task is subject to the repairs service being allowed to trade with third parties. This would need to be agreed with the board and LBL. On the agenda of the Board meeting in March.
Customer satisfaction	211	Community Involvement	Competition run in the Lewisham Homes magazine to win one of five 'get to know your neighbour days' put on by the Madcap Coalition	Improved local community cohesion	Oct-10	High	Board	Resources	green		
Customer satisfaction	214	Community Involvement	Introduce a Skills Bank.	Enhanced community development and access to services	Oct-10	High	Board	Resources	Green		
Customer satisfaction	220	ASB	Carry out a pilot scheme, to reduce vandalism and anti social behaviour in communal areas.	Reduction in vandalism and ASB	Oct-10	High	Board	Housing	green		
Customer satisfaction	221	ASB	Involve young people in cleaning and taking care of their estates.	Improved local community cohesion and environment	Oct-10	High	Board	Housing	red	Feb-11	The programme originally scheduled for October half term was cancelled due to the unavailability of the Community Artist engaged to carry out the workshop. A programme has been scheduled for February 2011 half term to take place in the Pepys and Woodpecker housing areas.
VFM	227	Finance	Complete service review of finance service	More responsive service & VFM	Oct-10	Medium	Board	Resources	red	Mar-11	The service review is now in progress and due to complete by March 2011.
VFM	234	HR	Complete service review of human resources service	More responsive service & VFM	Oct-10	Medium	Board	Resources	red	Dec-10	Deferred due to re-prioritisation of resources to support the TUPE transfer of staff to L&Q. To complete in January.
VFM	280	Major works	Review service level agreement for procurement	Improved value for money	Oct-10	High	DP	Property services	green	Dec-10	
VFM	281	Communications	Review service level agreement for Communications	Improved value for money	Oct-10	High	DP	Resources	green		
VFM	282	Finance	Review service level agreement for Internal Audit	Improved value for money	Oct-10	High	DP	Resources	red	Nov-10	This SLA will be agreed as part of the internal Audit plan for 2011/12 due to go to audit committee in March 2010. It is also dependent upon the retendering of the service by LBL which has not yet been concluded.
VFM	283	Finance	Review service level agreement for insurance	Improved value for money	Oct-10	High	DP	Resources	red	Nov-10	This SLA cannot be concluded until the annual process of obtaining quotes is completed at the end of December.
VFM	284	Finance	Review service level agreement for Treasury Management	Improved value for money	Oct-10	High	DP	Resources	green	Nov-10	

VFM	285	Finance	Review service level agreement for Cash Team and Cashiering	Improved value for money	Oct-10	High	DP	Resources	red	Nov-10	The cash team price has been agreed and the cashiers' is subject to a review by LBL that intends to close this service in 2011/12. The impact of this is not yet known. A meeting has been arranged for January 2011
VFM	287	HR	Review service level agreement for HR systems	Improved value for money	Oct-10	High	DP	Resources	red	Nov-10	Adverse weather meant that meetings to finalise and discuss proposals have had to be rearranged - Meeting scheduled Jan 2011.
VFM	289	HR	Review service level agreement for Occupational Health	Improved value for money	Oct-10	High	DP	Resources	red	Nov-10	Adverse weather delayed review being carried out. A lower price has been negotiated with LBL. Meeting with alternative provider in January. Agreement should be finalised by early February.
VFM	290	HR	Review service level agreement for Payroll and Pensions	Improved value for money	Oct-10	High	DP	Resources	red	Nov-10	Due to adverse weather meetings were rescheduled. As a new payroll system is not yet in place, an interim SLA will be negotiated for part of the year for the existing system. Proposal has now been provided by payroll but not yet formally ratified.
VFM	291	ICT	Review service level agreement for ICT to include the Academy development	Improved value for money	Oct-10	High	DP	Resources	green		
VFM	292	Governance	Review service level agreement for Legal Services	Improved value for money	Oct-10	High	DP	Resources	red	Nov-10	A 2011/12 Legal Services SLA has not been concluded. LH are yet to accept the price being offered for these services by LBL - negotiations are ongoing.
VFM	294	Leasehold	Review service level agreement for RTB plans and valuations	Improved value for money	Oct-10	High	DP	Housing	green	Nov-10	
VFM	295	Leasehold	Review service level agreement for RTB legal services	Improved value for money	Oct-10	High	DP	Housing	red	Nov-10	A 2011/12 Legal Services SLA has not been concluded. LH are yet to accept the price being offered for these services by LBL - negotiations are ongoing.
VFM	296	ASB	Review service level agreement for LAMP mediation service	Improved value for money	Oct-10	High	Board	Housing	green		
VFM	297	Tenancy Management	Review service level agreement for Housing Reviews and Medical Assessments	Improved value for money	Oct-10	High	DP	Housing	Green		
VFM	298	Major works	Review service level agreement for Sustainable Resources	Improved value for money	Oct-10	High	DP	Property Services	green		
VFM	299	Major works	Review service level agreement for Property Advice	Improved value for money	Oct-10	High	DP	property Services	red	Dec-10	It is proposed to discontinue this SLA and final agreement is awaited from the Council.
VFM	300	Major works	Review service level agreement for commercial property management	Improved value for money	Oct-10	High	DP	property services	red	Dec-10	Negotiations have concluded and final agreement is awaited from the Council.
VFM	301	Major works	Review service level agreement for Facilities Management/Property Services	Improved value for money	Oct-10	High	DP	property Services	red	Dec-10	Negotiations are continuing - to be concluded by March 2011.
VFM	302	Finance	Review service level agreement for Oracle	Improved value for money	Oct-10	High	DP	Resources	green		
VFM	041	Gas	Obtain delegated authority from Lewisham Council to attend court instead of the LBL EHO.	Faster process for gas safety checks	Nov-10	Medium	DP	Property Services	red	TBA	This has been deferred to the 2011/12 Business Plan.
Customer satisfaction	210	Service Development	Complete Customer Service Excellence annual assessment	good customer care	Nov-10	Medium	Board	Service Development	green		The assessment was successful.

Part B

Information Items

Committee	Lewisham Homes Board		Item No.	1
Report Title	Directors Enquiry System			
Contributors	Head of Governance – Mike Sims			
Class	Information	Date	25 th January 2011	

1. Purpose of the Report

1.1 Summarises enquiries received from Board members.

2. Recommendations

2.1 The Board notes the report.

3. Enquiries Received

Date Received	Board Member	Enquiry	Date Responded	Response
21.04.10	Alan Barker	Resources	07.05.2010	<p>To date we have only adjusted caretaking charges in 3 instances.</p> <p>Where a resident brings an issue about the caretaking service provided and charges to our attention it is investigated and where appropriate changes are made to the service level records and as a result to the charge levied.</p> <p>We are currently looking into the caretaking schedules in order to pre-empt any further resident queries in this area. Any errors will be addressed and changes adjusted accordingly.</p>
21.04.10	Alan Barker	Chief Executive	04.05.2010	<p>A member of the Senior Management Team attended the South and Deptford Area Panels but due to annual leave and inspection preparation a director could not attend the North West panel . However there were the</p>

				following managers in attendance: Sue Asquith , Head of Community Involvement Colin Dawes , Asset Investment Manager Jack Knowles , ASB officer, attended before the meeting for ASB issues.
26.04.10	John Paschoud	Housing Services (Caretaking)	05.05.2010	An inspection was carried out on 4th May 2010. The standard of sweeping and cleanliness of all paths to the area were found to be satisfactory and met our service standards. The estate sweeping team visit this area daily, Mon - Fri, they sweep the paths and litter pick the grassed areas as required and standards are checked periodically by their manager. However, in view of the comments I have asked the Manager for the mobile sweeping team to monitor the area more closely.
05.05.10	Marion Nisbet	Housing Services	20.05.10	An inspection has been raised for an inspector to visit and detail all damp related problems. Appointment date 25.05.2010.
09.07.10	John Paschoud	Housing Services (Estate Services)	20.07.10	The foliage was cut back and repairs carried out to the faulty communal light.
14.07.10	John Paschoud	Property Services	28.07.10	This property is transferring to L&Q. The tenant was provided with the contact details for the Clienting officer dealing with all Lewisham Homes properties transferring to L&Q.
15.07.10	Marion Nisbet	Property Services	23.07.10	A structural survey was carried out on 28 th July at 1pm.
29.07.10	Paul Bell	Property Services	12.08.10	The tenant was informed that her property would be included in the external repairs and

				decoration programme for 2010/11.
02.08.10	Paul Bell	Property Services (External Decorations)	23.08.10	The tenant has asked solicitors to act on her behalf, and all contact will now be made through the legal teams.
03.08.10	John Paschoud	General Enquiry		This property is transferring to London & Quadrant. The tenant was provided with the contact details for the Clienting officer dealing with all Lewisham Homes properties transferring to L&Q.
25.08.10	Paul Bell	Property Services		The tenant has asked solicitors to act on his behalf, and all contact will now be made through the legal teams.
01.09.10	Danielle Heath	Anti Social Behaviour		
27.09.10	Ruth Oshikanlu	Property Services (Repairs)		The buzzer outside the communal block was fixed, and the automatic door closure system was replaced.

**If you require further information on this report please contact
Mike Sims on email mike.sims@lewishamhomes.org.uk**