LEATHERMARKET JMB

CEO Report Quarter 2 2024/25	
To:	JMB Board
For:	Information & noting
Date of Meeting	25th September 2024
Link to Business/Annual Plan	
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1. Summary

This report provides the Board with items of interest and some updates on key issues.

2. National, Political and Regulation

The summer has seen a little activity from the new Government on housing policy. The chancellor is expected to announce a 10-year rent settlement for social housing rents of CPI + 1% in the October budget. The 'renters rights bill' is being trailed and is likely to become law in this session of parliament the aim of the bill is to remove no-fault evictions and is focussed on the private rented sector. The government have also dropped the 'British homes for British workers' policy which was trailed but never implemented by the previous government citing allocations challenges. They also plan to introduce personal evacuation plans for disabled people living in social housing.

A cross-party coalition of more than 100 local councils has called on the Government to usher in solutions, to support England's "broken" council housing system, including a multimillion-pound cash injection and reforms to Right to Buy. All councils are facing budget deficits in part due to the cost of temporary accommodation, so they are unable to fund the necessary investment. It remains unlikely, due to the budget 'black hole', that the new government will make significant direct funding available for investment in existing homes. We suspect a move to a PFI like system to raise money for investment in existing homes and expanding opportunities for regeneration to deliver mixed tenure estates will be more likely.

The publication of the report into the tragic Grenfell fire was on the 4th September. As predicted it highlighted systematic failures across Government, the emergency services, the Local Authority, the managing agent (a TMO), consultants, contractors and suppliers. We also recently saw a serious fire at a private rented block in Dagenham where thankfully no one was injured. Interestingly the block has a number of fire safety issues 'known to the fire brigade'. I suspect there will be a further review of the current 'stay put' policy in the event of a fire in a tall block and additional legislation clarifying what are high risk buildings.

The new consumer regulation of housing providers has commenced, and Councils and Housing Associations now have to provide the new Tenant Satisfaction Metrics (TSMs) to the Regulator of Social Housing (RSH). LMJMB as part of our regular reporting to Southwark Council have started collecting and reporting our performance against the TSMs however we have had some challenges in how we collect the data. This is currently being worked through by the team.

Locally Southwark Council have had their Housing Service inspected by the RSH. As we are 'one step removed' we were not directly involved in the inspection. Southwark did ask for names of residents for the inspector to meet with, however we understand that the inspector only met with Southwark Council residents and over 'teams'. We were also originally asked to prepare information for the inspection but to date that information has not been called for, other than the dates of Board and Committee meetings and community events. We would not expect the Regulator to publish the report until November but if there is any update Board will be kept informed.

As previously noted as the owner of the LMJMB homes, Southwark Council are responsible for completing the Building Safety Case reports for all high-risk buildings and submitting these to the Building Safety Regulator. We have now been allocated a building safety inspector from Southwark Council and he has visited our two tower blocks, and the meetings have been successful, and the building safety cases are now progressing.

Finally, we have been advised that the Council's Cleaner, Greener, Safer (CGS) and Neighbourhood Funds are now open until mid-October. We will be engaging with our TRAs to see if we can access any funding.

3. Operational matters

We reported to the Board at the last meeting that we have been managing a higher than usual volume of complaints, some of these were via Southwark Council, and some are quite old and that we had not previously seen. The team have done well to work through the backlog of old complaints, and good progress has been made to get us . We are also working with Southwark to gain functional access to the Council's complaints system which would allow us to directly monitor complaints progress in real time and in addition we have implemented a review of all complaints responses by a member of SMT prior to responding to ensure consistency of response.

Our rent collection statistics remain strong, better than the 98% collection rate target and the team have had some success reducing arrears. However, some recent changes involving the switch of a number of our residents from Housing Benefit, which is directly paid to us, to Universal Credit which is paid to the resident will potentially be more challenging to collect. Clearly protection of our revenue streams is a key issue and focus for the JMB.

There has been some improvement in our void turnaround times which has reduced our void property loss.

We do have two long term voids, one at Meakin, which was held by Southwark Council since the 15th July and was allocated to an individual who is the last tenant to be decanted from 'Marie Curie' a block with serious fire safety issues. This offer has now been withdrawn by Southwark and reallocated.

The second is at Elim which is subject to major repairs and is now complete. We have renewed focus on internal reviews of voids and the new voids standard currently in draft form will assist in the delivery of a more effective process.

At the last meeting the Board were informed that the JMB had received a serious maladministration from the Housing Ombudsman for our lack of action, lack of records, lack of contact with and the poor handling of a complaint from the tenant of 5 Archdale House.

Since receipt of the determination notice there have been several meetings at the tenants' home to establish the extent of the works required, and she has been engaged and informed of all the actions we are taking.

The CEO also met the tenant at her home, apologised for the situation and discussed with her the actions we intended to take. A copy of the letter sent to the tenant on 6th August is attached as appendix 1. To summarise the position, we were instructed by the Ombudsman to;

- pay the awarded compensation by 9th August.
- ensuring the leak to the shower is effectively completed to the tenant's satisfaction and undertaking an independent inspection of the level access shower floor,
- arranging for a suitably qualified professional to assess the low water pressure and the slow toilet flush,
- write to you the tenant again, to explain the outcome of the inspections and assessments and any additional works we may need to complete and when they will be completed,
- replace the front door

The compensation awarded by the ombudsman was paid to the tenant on 8th August and then she was then away on holiday until 19th August. The tenant had some personal appointments week commencing 19th August which we worked around. The Ombudsman was made aware of this.

Before the ombudsman's determination was received an additional shower had been installed in the bathroom operating on mains pressure. This shower works effectively, the tenant is happy with it. The old shower operated on the domestic hot water system and the pressure was not sufficient for it to operate properly.

There is no wider problem with the water pressure.

Our specialist consultant attended on the 27th of August to look at the WC and the bathroom in general. We now have the written report which recommends additional work, over and above those identified by the ombudsman, is needed. This includes replacing the level access shower floor.

The issue with the WC slow flushing has been identified as the waste from the WC being too close to the bend in the waste system.

When the floor is taken up, we will raise the WC which should remedy the slow flush. We will relay and seal the floor, tidy up the pipework and redecorate. These works have commenced.

In respect of the front door. A new door has been ordered. As an interim measure we have carried out some repairs to the existing doo to ensure it operates effectively.

Southwark Council have engaged with us as the landlord and have asked to deliver an improvement plan to ensure there is no recurrence. This is the first serious maladministration the LMJMB have received, and we will work hard to ensure there are no others.

Board will be verbally updated on progress.

4. Review of responsive maintenance

The appointment of the interim responsive maintenance manager allows us to take stock of the maintenance functions and particularly the allocation of jobs between the DLO and Contractors. This work should be complete by mid-October, and we expect to adopt an improvement plan to ensure the maintenance service is efficient and effective.

5. Model Management Agreement

Board members will be aware that the management agreement (MMA) between Southwark Council and the LMJMB has been outstanding for some time. The focus of the review will be to ensure the MMA is complaint with current law. E.g. References the parties' responsibilities in terms of the Consumer Regulation, the Building Safety Act, Fire Safety and 'Awaabs Law' on damp, mould and condensation.

We would also want the new MMA to include enforcement of service charges via the Council, the ability to make service charge loans via the Council and to review the debt repayment arrangements.

We have had now had some engagement on the MMA from the Council, they have given us a draft proposal for service charge loan administration and service charge enforcement. In a recent conversation the Council are suggesting we agree an extension of the existing MMA with a number of updates rather than a full rewrite, this is probably due to the new Government and the Council choosing to delay conversations on the MMA until its clear if there is going to be any new legislation which could impact on the MMA. We are likely to have the first meetings in October subject to Council cabinet decisions The Board have indicated that they want to constitute a small subgroup of Board to oversee the MMA review.

6. Board away day.

The JMB Board held an away day on the 21st August. All JMB Board members attended together with the CEO and the external facilitator Alistair McIntosh. It was a successful day allowing Board to discuss topics in much more detail than at a Board meeting. The notes from the meeting are attached at appendix 2 to this report. Elsewhere on this agenda Board members are invited to review the first draft of a three-year strategy for the JMB. Board is requested to **NOTE** the notes for the away day.

7. **IT upgrade project**.

The JMB commissioned Southeast Consortium (SEC) to procure a qualified IT systems provider to deliver our IT upgrade project. The detailed specification of requirements and the tender documents were shared with interested parties on the 9th August. The tender period closed on 6th September. Tender evaluation progressed over the two weeks of 9th and 16th September with a proposed award early October.

8. Stock condition surveys

As noted previously the JMB do not have up to date stock condition information, which leaves us exposed with the Regulator and less able to make informed, longer term, stock investment decisions Being a member of SEC allows the JMB to 'call off' from previously tendered services (up to a prescribed value). This allows us to demonstrate value for money, quality standards and remain compliant with procurement legislation. We used SEC's list of consultants able to deliver stock condition surveys and engaged with a consultancy to undertake the surveys. Disappointingly, the consultancy then advised they were unable to

resource the survey work. Our current plan is that we will engage stock condition surveyors on a fixed term, from a specialist technical agency, and we will deliver the surveys directly.

9. CBS

CBS had a Board meeting on the 10th September and their away day on 17th September. The appeal regarding the planning appeal at Elim has not gone to judicial review as yet. At the away day the CBS Board were addressed by the local Labour MP, Neil Coyle who updated the Board on current challenges for the government but their commitment to social housing.

The planning application for demolishing the JMB offices and replacing with 26 dwellings was due to be heard by Southwark Council's planning g committee in July. This has been delayed due to some concerns with the application and it is now not likely to go to the planning committee until 2025. In addition, the funding to allow the scheme to progress is currently not in place therefore we would expect it to be several years before the scheme is able to start.

10. CEO Speaking engagements

From time to time the CEO undertakes speaking engagements and represents the JMB. For Board members information the CEO spoke at a seminar on Building Safety with Dame Judith Hackett on 19th September. Dame Hackett was author of the independent review into building safety following the Grenfell tragedy.

The CEO is also speaking at a 'prevention of fraud' risk conference in Birmingham on the 17th October.