

## Tower Hamlets Homes

How the Council meets the needs  
of leaseholders and provides  
services at competitive charges

## The Context and our Improvement Plan

---

- This presentation sets out the context in which we are operating, the financial position, current levels of satisfaction, what we are doing and achieving through our leasehold improvement plan and how we obtain competitive charges.
- Through these actions we are seeking to ensure that leaseholder's receive excellent customer service at competitive rates.

## The Overriding Context

- **The crucial document that provides for the 'needs' of leaseholders and the services we provide is the lease.**
- The landlord is both obliged and restricted in what it can or cannot do for leaseholders via this contractual document.
- The lease outlines our obligation to maintain the communal areas of the block and estate.
- Within this context we have developed an improvement plan that seeks to ensure we meet leaseholder's needs, provide services at competitive rates and drive satisfaction.

---

## The Financial Context

---

- The HRA is ring fenced. It is therefore in the Council's interest to secure VFM across the entire HRA as it has to absorb the impact of the year on year 1% rent reduction.
- In 2017/18, the Council will spend some £60m managing and maintaining its properties and estates in total.
- Of this £13.6m will be recharged to leaseholders for their share of estate and block costs, plus at least a further 12.5m in major works charges.
- Financial pressures on the HRA will require the Council to make savings of £6m over the next five years, an element of those savings will feed through into reduced leaseholder service charges for some items.

### Average service charge actuals

We believe that our actual service charges are reasonable.  
The last 3 years average service charges have been:

2013/14    £1,164

2014/15    £1,197

2015/16    £1,267

Note that these exclude heating and hot water charges.

These compare to Camden: £1,435, Southwark: £1,215 and CityWest Homes: £1,354 (for 2015/16).

In the most recent (summer 2016) benchmarking exercise Tower Hamlets Homes scored highly against other providers:

London Borough of Redbridge	62%
Circle Housing	40%
Lewisham	35%
Islington Council	43%
LB Camden	42%
Kensington & Chelsea TMO	55%
CityWest Homes	69%
Watham Forest	45%
Tower Hamlets	65%

## Our Leasehold Improvement Plan

From early 2016 we have been developing an Improvement Plan/Review in which we have involved leaseholders. Successes to date include:

- Sending lessee's major works estimated bills on 1<sup>st</sup> April of each financial year.
- Lessees can now see all their in year liability in one place and it provides advanced notification of works.
- This will drive forward operational and cultural change, so that soon we will (for the first time) be a year in advance of our major works programme.
- We are seeking to publish a 5 year advanced programme in the next few months. This is a significant improvement in terms of far better programme management, information for RTB applicants and for open market purchasers.

- Voluntarily agreed pro rata deductions where there are Commercial properties in blocks that we make a pro rata deduction where these units are deemed to benefit, e.g. roof repairs. Although not obliged to do this, we believe this to be the right thing to do.
- We are seeking to embrace the digital age with repairs going online in the next few months. This will allow leaseholders real time examination of all communal repairs to their block and estate.
- Lessees will also be able to view their account on line.
- Lessees will be able to view the 5 year programme on line to see if their block is included or not.



We held a Leaseholder workshop last year and as a result we have:

- introduced an informal stage (prior to s20) where we can discuss our proposals with lessees
- on request send out survey reports and Fire Risk Assessment reports to lessees
- set out to be as open and transparent about why we believe works are necessary
- improved clarity around our communication and letters to lessees
- Also from April of 2016 we also introduced and continually promote the Council's very generous repayment options for major works.

---

# Our Leasehold Improvement Plan

---

## Caretaking and ASB

Leaseholder satisfaction for caretaking is already in the top quartile and currently stands at 78%. We constantly seek to improve our service in this area and recent initiatives have included:

- movement of ASB from Housing Management to the Environmental Services team to improve dealing with estate based ASB;
- provision of an evening and weekend cleaning service in ASB hot spots;
- carrying out improvement tasks such as the grey sealing of staircases to improve their look and make them easier to clean;
- providing smartphones to the caretaking team to improve the reporting of issues and communication within the team;
- trained a team of caretakers to carry out weed spraying duties on hard standing areas.

---

## Providing services at competitive charges

---

A vast range of services to lessees are competitively tendered. These include:

- Major works. A new tendering exercise will commence next month.
- Lift and door entry replacement.
- Communal heating system repairs and replacement.
- Electrical repairs (a current consultation is ongoing and we will appoint the contractor who offers the best value for money).
- Day to day repairs.
- We have also been successful in a number of Property Tribunal cases where our costs have been confirmed as reasonable by the Court.

THH is working deliver the leasehold improvement plan.

This will:

- Improve the Quality of our services;
- Increase the Value for Money of those services;
- Allow transparency about the services, especially by making available the use of on-line tools;
- Improve communication about major works;

So that overall leaseholder satisfaction will increase further in the future.