

First Wave Housing Limited



2026/27 Business Plan

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1. Introduction

- 1.1. First Wave Housing Limited (FWH; the Company), is a local authority owned company of the London Borough of Brent (the Council) and is limited by guarantee.
- 1.2. FWH is a registered provider of social housing (RP). The Regulatory Framework for Social Housing in England governs registered social housing providers. The Framework includes a code of practice, guidelines for rent setting, accounting practices and disposals.
- 1.3. The Business Plan outlines how the Company plans to improve the quality of its stock, grow, and increase its contribution to the Council's ambition of creating a borough with 'Prosperity and Stability in Brent: Safe, Secure and Decent Housing'.
- 1.4. The Business Plan takes the following format:
 - 2.0 Purpose of the Company
 - 3.0 Progress against the Company's 2025-26 Business Plan
 - 4.0 Context for 2025-26 Business Plan
 - 5.0 Strategic Priorities for 2025-26
 - 6.0 Appendices
 - A1 Financial Implications of Proposals
 - A1a 30 Year Profit and Loss Account
 - A1b 30 Year Balance Sheet
 - A2 Risk Register
 - A3 Progress on 2025-26 Business Plan Priorities
 - A4 2026-27 Business Plan Priorities
 - A5 2026-27 Service Level Agreement

2. Purpose of the Company

2.1. Purpose of the Company

2.2. FWH's primary purpose is to provide good quality, affordable, secure, and well-managed homes to Brent residents as well as to contribute to Brent's Housing Strategy. It does this by managing, maintaining and improving its stock of 216 rental properties.

2.3. As a registered social landlord, FWH will aim to increase the size of its portfolio if this is appropriate to the Council's housing aspirations; for example, where this supports the Council's social housing strategy and expands the Council's affordable housing offer.

2.4. Stock Breakdown

2.5. FWH owns and manages 216 properties. Of these properties, 166 are settled homes, 45 are market rented and 5 are general needs. The annual projected rent figure for 2026/27 is £3,713.360.

2.6. General Needs – These tenancies are Assured Shorthold Tenancy Agreements with rents protected at social rent levels, which are below 50% of market rent. FWH has five new build social rented houses.

2.7. Settled Homes – These properties were purchased with grant funding providing the tenants with protected rights including the right to buy their home. Settled homes are a form of long-term temporary accommodation and are let on assured shorthold tenancies.

2.8. Market rents – When market rented properties become void, they are relet at the Local Housing Allowance (LHA) to households through a nomination agreement between the Council and FWH. This agreement supports the Council's homelessness reduction agenda. FWH has 45 one-bedroom market rent properties.

2.9. FWH also owns one commercial unit.

3. Summary of 2025- 26 Operational performance

- 3.1. This section provides a review of the operational performance for 2025/26. It outlines delivery against agreed objectives and Key Performance Indicators (KPIs), evaluates service effectiveness, and assesses compliance with strategic priorities and governance standards. The summary focuses on and identifies areas requiring continued focus to support organisational resilience and long-term objectives.
- 3.2. Table one provides a summary of operational performance at December 2025

Table one: Summary of performance.

Indicator	Target	Performance at January 2025 (YTD)	Performance at December 2025 (YTD)	Trend
Minor void re-let times	35 days	243 days	154 days	↑
Major void re-let times	72 days	246 days	171 days	↑
Rent collection	98.50%	92.9%	93.75%	↑
Emergency repairs completed within 24 hours	100%	100%	100%	↔
Urgent repairs completed within 7 days	95%	99%	99%	↔
Routine repairs completed within 28 days	95%	89%	90%	↑

- 3.3. FWH has not purchased any new properties during 2025-26; therefore, performance is based on housing management. During 2025/26, FWH sustained performance on, repairs responsiveness, and made plans to expand its service to include Supported Exempt Accommodation. However, void turnaround times and rent collection remain below target.

- 3.4 To address these challenges, the Board approved funding for a third Housing Companies Tenant Services Manager (HCTSM), reducing patch sizes from 380 to 250 properties. Recruitment was completed in summer 2025, but long-term sickness and staff turnover delayed full implementation. Smaller patches will enable proactive management of voids and arrears and strengthen tenant relationships.
- 3.5 FWH officers continue to chair weekly void meetings to monitor each property at the various stages of the void process. This method was implemented to ensure all teams are held accountable for any delays in the turnaround time, with clear expectations set out via the Service Level Agreement (SLA).
- 3.6 Year-to-date rent collection for FWH is 93.75% falls well below the target of 98.5%. To address this, an income collection improvement plan has been put together by the Housing Management Service, and work on its implementation will carry on into 2026/27.
- 3.7 FWH is working to improve tenant satisfaction and monitors this regularly. The latest TSM results show a significant decrease in overall satisfaction across the portfolio, which stands well below the 2024-25 London average. The Board has placed strong emphasis on improving customer experience, which will be central to the 2026–27 priorities.
- 3.8 In May 2025, the Council made a self-referral to the Regulator of Social Housing due to concerns regarding the management of actions following Fire Risk Assessments (FRAs). Specifically, it was identified actions were not being consistently closed or completed within the Council’s compliance management system, True Compliance. As a result of these issues, the Council received a C3 rating under the Safety and Quality Standard. Despite this, Health and safety compliance remains strong. The legal process to gain access to carry out works continues to be followed for each outstanding certificate; however, it is not possible to force entry to properties that refuse access, unlike the legal position with gas certificates.
- 3.9 The FWH Board has requested stronger budgetary controls. In response, officers, in collaboration with finance colleagues, have initiated a review of budget holders and cost centres ahead of the new financial year. These changes aim to enhance ownership and accountability in high-spend areas and ensure that budget holders remain aware of the impact their expenditure has on the overall viability of the Business Plan.

4. Context for 2026-27 Business Plan

- 4.1 This section outlines the various contextual factors that have influenced the FWH Business Plan and how they impact the Company. These include, but are not limited to:

- Current economic context.
- Government policies
- The housing market & current acquisition strategy.
- Current demand and housing need within Brent
- The regulatory environment.
- Energy efficiency; and
- The key risks the Company currently faces.

4.2 These factors have influenced the proposals outlined in Section 5.

4.3 ***Current Economic Context***

4.3.1 CPI was 3.8%¹ in Q4 of 2025, and according to the Office of Budget Responsibility's 2026-27 forecast, inflation is expected to ease gradually over the financial year. This will have implications for operating costs and tenants' disposable income. and is expected to remain steady in Q1 2026.

4.3.2 The recent government decision to abolish the two-child- benefit cap from April 2026¹ is expected to improve household finances for many tenants, increasing Universal Credit payments for larger families. However, despite easing inflation, the cost-of-living crisis persists, with energy and food prices remaining elevated. While benefit cap reform offers some relief, proactive tenant engagement and support will remain fundamental.

4.4 ***Government Policies***

4.4.1 Government policies continue to shape the operating environment for FWH, particularly in relation to rent regulation, building safety requirements, and welfare reform. Although FWH does not currently borrow or undertake new acquisitions, changes in national policy still influence the company's operating costs, compliance obligations, and long-term financial planning. The interest-rate cuts announced in December 2025 may help stabilise wider market conditions, but the most significant impacts for FWH will continue to come from regulatory changes affecting income, asset management, and service delivery. The company will monitor these developments closely and assess their implications for future strategy and risk management.

4.5 ***The Housing Market & Current Acquisition Strategy***

4.5.1 During 2025/26, property prices and demand within Brent remained high. It is anticipated that it could take until 2027 for house prices to recover to 2022 peak levels. The property market was reviewed regularly throughout 2025-26, for any opportunities for FWH and the company will continue to explore viable acquisition opportunities in 2026/27.

4.6 ***Current Demand and Housing Need within Brent***

¹ [Inflation in the UK: Economic indicators - House of Commons Library](#)

4.6.1 FWH continues to support the Council in housing homeless applicants amid severe demand pressures. Homeless approaches in the borough remain high, with over 8,800 recorded in 2025 and an estimated 3000 owed a housing duty. Temporary Accommodation (TA) remains a significant financial burden for the council with a significant overspend on Temporary Accommodation (TA) being driven by the lack of private-rented sector (PRS) properties available. The difficulty of finding TA has meant that local authorities are housing a growing number of their most vulnerable residents outside the capital, in some cases away from vital services and support networks.

4.7 ***The Regulatory Environment***

4.7.1 The regulatory environment in which FWH operates is set by the Regulator of Social Housing. Like all Registered Providers we are now working with new legislation such as the Building Safety Act and Consumer Standards.

4.7.2 Tenant Satisfaction Measures, introduced in April 2023, are now fully embedded, and the Specialist Accommodation Service Manager provides bi-annual reports to Board to monitor performance and drive improvements in tenant experience.

4.7.3 Awaab's Law², which came into effect in October 2025, has introduced strict timeframes for addressing damp and mould hazards, requiring investigation within 24 hours and remedial works to commence within 5 days. These requirements will expand further in late 2026 to cover additional hazards such as excess cold, electrical safety, and fire risks, with full implementation expected by 2027.

4.7.4 Recent changes under the Building Safety Act have strengthened requirements for resident engagement strategies, golden thread documentation, and competence standards for all social landlords. FWH will ensure property data remains accurate, accessible, and compliant with new reporting expectation

4.7.5 Looking ahead, the regulatory landscape will become even more specific with forthcoming changes to the Decent Homes Standard, enhanced electrical safety requirements, and phased implementation of the Renters' Rights Act, which is expected to extend to social housing by 2027.

4.8 ***Energy Efficiency***

4.8.1 In September 2025, the FWH Board approved a Decarbonisation Strategy, setting out the Company's approach to improving energy efficiency and reducing carbon emissions across its housing stock balancing financial viability with regulatory compliance. The forecast expenditure for FWH is significant at some £192,000, over four years.

4.8.2 FWH is in a relatively strong position regarding the condition of its housing stock, with a significant portion of the companies' portfolios already achieving an EPC rating of C or higher. However, some properties still require upgrades to meet both EPC and Decent Homes standards.

4.8.3 Granville New Homes, located in Kilburn, requires extensive remediation to meet current Building Safety standards. The scale and nature of the works represent a significant financial pressure for FWH. During 2026/27, FWH officers will work closely with the Council and finance colleagues to determine a robust funding strategy for the remediation programme, ensuring that the approach is financially sustainable and prioritised appropriately.

4.9 ***Risk Context***

4.9.1 The Company currently faces a number of risks. Key risks include:

- High void rent loss due to long void turnaround times
- Rental affordability and collection
- High Capital Programme costs, including future climate change expenditure, which risk undermining the viability of the business plan.
- Financial monitoring
- Cyber Security

4.9.2 Mitigating measures are in place to help to minimise the impact of all risks, with some risk scores being likely to reduce. A copy of the full Company risk register has been included in Appendix 2.

5.. Strategic Priorities for 2026-27

5.1 In 2026-27, FWH will seek to improve tenant satisfaction, address some long-standing management problems, and to increase its stock by finding new ways to exploit development opportunities in the borough. Priorities for the year are set out within the framework of the company's medium- to long-term objectives.

- Providing a consistently good housing service.
- Delivering safe and sustainable homes.
- Running a viable business; and
- Increasing the supply of affordable housing in the borough.

5.1.1 Looking ahead to 2026/27, i4B will implement a more rigorous approach to SLA management, including enhanced KPI scrutiny, monthly reporting, and targeted intervention where standards fall short. This strengthened framework will support the Board's expectation of improved operational performance and will ensure the company secures value for money from all contracted services

5.2 *Providing a Consistently Good Housing Service*

5.2.1 This objective relates to improving tenant satisfaction and ensuring tenants are able to afford their rent and sustain their tenancies and providing an effective and housing management service overall. FWH will continue to review responses to the Regulator's tenant satisfaction measures, seek to improve its engagement with tenants including oversight of complaints handling, and continue to actively support tenants with financial inclusion and affordability. The 2026-27 strategic priorities for this objective are:

5.2.2 Priority 1: Prioritise Tenant Voice

In 2026/27, FWH is committed to improving resident satisfaction by ensuring that tenants are at the centre of service delivery and have meaningful opportunities to influence how services are shaped. As an initial step, Housing Management will develop and distribute a quarterly newsletter to improve communication, share key updates, and encourage greater resident engagement. The company will also consider its use of artificial intelligence (AI) to provide prompt responses and keep residents engaged and up to date.

5.3 Priority 2: Improve income collection performance

5.3.1 FWH will take a more proactive role in driving improvements. This will include working with Housing Management to identify where current approaches are not delivering the expected outcomes and agreeing targeted changes to strengthen rent collection and arrears recovery performance.

5.3.2 The Tenant Services Managers will adopt a more intervention focussed approach for households with arrears. This will involve early engagement, tailored budgeting and income maximisation support, and the use of structured action plans to help residents stabilise their rent accounts.

5.4 ***Delivering Safe and Sustainable Homes***

5.4.1 This objective involves ensuring FWH's homes are of a good quality, safe, legally compliant, and environmentally sustainable. In 2026-27, the Company's focus will be on further embedding improved practices in the areas of compliance, disrepair, asset management and energy efficiency. This will include meeting all requirements of the Building Safety Act and carrying out additional work on modelling & planning for future property management and decarbonisation works. The 2026-27 strategic priorities that relate to this objective are:

5.4.2 Priority 3: Implement asset management & decarbonisation strategy

5.4.3 During 2026-27, FWH will begin implementing the strategy, ensuring works are scheduled and resourced effectively. This will include prioritising actions that maintain stock in good condition and deliver improvements to meet target Energy Performance Certificate (EPC) levels.

5.4.4 Priority 4: Maintain health and safety compliance

5.4.5 Key areas of health and safety compliance will continue to be reported to the Board through the monthly performance scorecard as well as full bi-annual reports, covering all compliance streams, from i4B Officers. Following the introduction of Awaab's Law,

i4B will ensure damp and mould issues are resolved within statutory timeframes and prepare for future phases covering additional hazards.

- 5.4.6 Brent Council's recent C3 rating, highlighted serious failings in meeting the outcomes of consumer standards. While none of the findings related directly to FWH stock, the judgement reinforces the importance of strong assurance and accurate data across the wider housing system. FWH will strengthen record-keeping, improve data reconciliation, and align with the Council's improvement plan to maintain full compliance across fire safety, asbestos, water safety, and other key areas.

5.5 *Running a Viable Business*

- 5.5.1 This objective relates to improving the operational and financial performance of FWH in order to remain financially viable and thus continue to bring benefits to the Council. The Company's focus for 2026-27 will be on reducing costs and strengthening financial performance, with a particular focus on voids performance and financial controls with a focus on benchmarking against the council and similar sized organisations with an aim of getting performance in line with the upper quartile. The 2026-27 strategic priorities that relate to this objective are:

5.5.2 Priority 5: Continue to drive improvements around voids performance

- 5.5.3 Voids remain a key operational priority for FWH. Over the next year, the company will focus on reducing turnaround times, beginning with a targeted focus on minor voids, where quicker improvements are anticipated due to level of works required. Performance will be subject to rigorous monitoring by officers and the Board, with additional actions introduced where delays or inconsistencies are identified across the portfolio.

- 5.5.4 FWH will implement process improvements and explore innovative approaches to minimise void periods, including enhanced contractor management. The aim is to embed sustainable practices that maintain low void times and maximise rental income.

5.5.6 Priority 6: Improve rent collection

- 5.5.7 Housing Management Services have implemented an action plan to address poor rent collection and work on this will continue into 2026-27. Immediate actions include targeted support for households with persistent arrears and referrals to employment and financial inclusion services where needed. The FWH board will assess progress and take further action if this is not satisfactory.

5.5.8 Priority 7: Explore financial contributions

- 5.5.9 FWH will review opportunities to leverage additional financial contributions to increase and accelerate housing supply. This will include exploring collaboration with other organisations and reviewing the current structures for the companies to ensure financial headroom is optimised while maintaining an acceptable risk profile.

5.6 Increasing the Supply of Affordable Housing in the Borough

- 5.6.1 As a registered provider (RP), FWH remains available for any opportunities that supports the Council's affordable housing targets. Given its status as an RP, FWH can act in ways the Council cannot, for example letting properties at market and affordable rates. The strategic priorities for this objective in 2026-27 are:
- 5.6.2 Priority 8: Identify and appraise potential acquisitions
- 5.6.3 FWH will continue identifying and appraising block acquisitions, new build purchases and engage the Council on the future of the company through the implementation of housing programmes such as GLA grant schemes. In particular, we will be working with council colleagues on the scope of bidding for funding from a government low interest loan scheme, announced in January 2026, which is only open to registered providers.
- 5.6.4 Priority 9: Pilot the provision of Supported Exempt Accommodation (SEA)
- 5.6.5 FWH have been presented with the opportunity to become a provider of SEA. This proposal aligns with the Council's priority to increase the supply of affordable housing in the Borough. SEA presents a diversification from the Companies current housing offer, moving beyond the client groups historically housed by FWH, while representing the first expansion of the housing portfolio since its inception. Subject to financial viability, a pilot will be commissioned in 2026/27.
- 5.6.6 Priority 10: Continue to seek the best strategy to ease Council pressures and deliver unique opportunities
- 5.6.7 Given current challenges with the usage and associated costs of Temporary Accommodation within the Council group, i4B and FWH have begun discussions with the Council as its Shareholder on what more the company can do to contribute to alleviating these pressures. Discussions will be progressed during 2026-27 in order to agree the best approach to meet the housing objectives of the wider Council group, taking a holistic approach with the aim of increasing housing supply at scale without compromising the future viability of the companies.
- 5.6.8 This will include the shared risk appetite of the Council and the company in line with the company strategy. The FWH Board is open to inventive solutions to meet the aims of the Council's housing strategy and concrete plans will be agreed during the year.

7.0 Looking Forward

As FWH works to deliver on its strategic priorities for 2026/27, the company will also explore opportunities for growth and innovation in future years. Areas for consideration include:

- Exploring joint ownership models between i4B and Brent.
- Assessing the viability of expanding into the Home Counties portfolio.
- Developing small-scale projects with local companies and builders.
- Understanding and unlocking opportunities from empty properties.

FWH will begin to assess how best to progress these areas of opportunity, including evaluating the financial and operational implications of expanding the company's remit, as well as determining the level of additional resources required to support delivery. This will ensure that any future development is evidence-based, financially sustainable, and aligned with FWH's long-term strategic objectives.