



AGENDA FOR THE HOUSING SCRUTINY COMMITTEE

Members of the Housing Scrutiny Committee are summoned to Committee Room 1, Town Hall, Upper Street, N1 2UD on, **16 April 2015 at 7.30 pm.**

John Lynch
Head of Democratic Services

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Despatched : 8 April 2015

Membership 2014/15

Councillor Michael O'Sullivan (Chair)
Councillor Jenny Kay (Vice-Chair)
Councillor Raphael Andrews
Councillor Alex Diner
Councillor Aysegul Erdogan
Councillor Kat Fletcher
Councillor Una O'Halloran
Councillor Flora Williamson
Rose Marie MacDonald (PFI Managed Tenants)
Jim Rooke (Directly Managed Tenants)

Substitute Members

Councillor Jilani Chowdhury
Councillor Mouna Hamitouche MBE
Councillor Gary Heather
Councillor Michelline Safi Ngongo
Councillor Olly Parker
Councillor Alice Perry

Quorum: is 4 Councillors



A. Formal Matters

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1. Apologies for Absence
2. Declaration of Substitute Members
3. Declarations of Interests

If you have a **Disclosable Pecuniary Interest*** in an item of business:

- if it is not yet on the council's register, you **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent;
- you may **choose** to declare a Disclosable Pecuniary Interest that is already in the register in the interests of openness and transparency.

In both the above cases, you **must** leave the room without participating in discussion of the item.

If you have a **personal** interest in an item of business **and** you intend to speak or vote on the item you **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent but you **may** participate in the discussion and vote on the item.

***(a) Employment, etc** - Any employment, office, trade, profession or vocation carried on for profit or gain.

(b) Sponsorship - Any payment or other financial benefit in respect of your expenses in carrying out duties as a member, or of your election; including from a trade union.

(c) Contracts - Any current contract for goods, services or works, between you or your partner (or a body in which one of you has a beneficial interest) and the council.

(d) Land - Any beneficial interest in land which is within the council's area.

(e) Licences- Any licence to occupy land in the council's area for a month or longer.

(f) Corporate tenancies - Any tenancy between the council and a body in which you or your partner have a beneficial interest.

(g) Securities - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

This applies to **all** members present at the meeting.

4. Minutes of Previous meeting
5. Chair's Report
6. Order of Business
7. Public Questions

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B.	Scrutiny Items	Page
8.	Estate Services Management: Witness Evidence	
9.	Scaffolding and Work Platforms: Witness Evidence and Evaluation of Costs	7 - 8

C. Urgent Non Exempt Matters

Any non- exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

D. Exclusion of Public and Press

To consider whether, in view of the nature of the remaining items on the agenda, any of them are likely to involve the disclosure of exempt or confidential information within the terms of the Access to Information Procedure rules in the Constitution and if so, whether to exclude the Public and Press during discussion thereof.

10. Exempt Reports (if any)

The next meeting of the Housing Scrutiny Committee will be on 8 June 2015

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London Borough of Islington

Housing Scrutiny Committee - 5 March 2015

Minutes of the meeting of the Housing Scrutiny Committee held at on 5 March 2015 at 7.30 pm.

Present: Councillors: O'Sullivan (Chair), Kay (Vice-Chair), Andrews, Fletcher, Williamson, Diner and O'Halloran.

Co-opted members: Jim Rooke

Also Present: Councillors: Doolan

Councillor Michael O'Sullivan in the Chair

58 **APOLOGIES FOR ABSENCE (Item 1)**

Apologies for absence were received from Councillor Aysegul Erdogan and Rose Marie Macdonald. Apologies were also received from Richard Smith of Half Moon Crescent Tenants Co-operative, who was scheduled to provide witness evidence under item B10, Scaffolding Scrutiny Review.

59 **DECLARATION OF SUBSTITUTE MEMBERS (Item 2)**

Councillor Jilani Chowdhry for Councillor Aysegul Erdogan.

60 **DECLARATIONS OF INTERESTS (Item 3)**

As an employee of Circle Housing, Councillor Chowdhury declared a pecuniary interest in Item B8, Registered Social Providers – Circle Anglia Presentation, and did not participate in this item.

As a Circle Housing tenant, Councillor Andrews declared a personal interest in Item B8, Registered Social Providers – Circle Anglia Presentation.

61 **MINUTES OF PREVIOUS MEETING (Item 4)**

RESOLVED:

That the minutes of the meeting on 26 January 2015 be confirmed as a correct record and the Chair be authorised to sign them.

62 **CHAIR'S REPORT (Item 5)**

The Chair referred to the Committee's recent site visit undertaken as part of the scrutiny review of scaffolding and work platforms. It was commented that the visit was valuable and gratitude was expressed to the Council's contractors for their participation.

63 **ORDER OF BUSINESS (Item 6)**

The Chair stated that the order of business would be as per the agenda.

64 **PUBLIC QUESTIONS (Item 7)**

The Chair outlined the procedure for public questions and the filming and recording of meetings.

65

REGISTERED SOCIAL PROVIDERS - CIRCLE ANGLIA PRESENTATION (Item 8)

Mark Rogers, Group Chief Executive, and Chris Eddison, Regional Director, were present on behalf of Circle Housing and made a presentation to the Committee, copy interleaved, during which the following main points were made –

- Mr Rogers offered an unreserved apology for the unacceptable housing maintenance and repairs service provided to Circle's tenants in the Borough by Kier Services. Mr Rogers emphasised Circle's commitment to Islington and working in partnership with the Council.
- It was noted that Circle provided 3,488 homes in Islington and employed 250 people in the Borough.
- Information was provided about Circle's customers in the Borough and the services provided to them. It was commented that 52% of Circle tenants in Islington were aged between 40 and 60 and in single households, which was a different profile to Circle customers in other areas.
- The advantages of supporting the financial resilience of customers were explained; helping tenants with debt and income advice helps to reduce arrears. Only 2.6% of the organisation's tenants in the Borough were currently in arrears.
- It was stated that Circle had a positive voids position, with fewer than 1% of its properties in the Borough void at any one time. The current voids position was given as 0.67%.
- The background of Circle's repairs and maintenance contract with Kier was explained. The contract was intended to improve performance and deliver value for money. Tenants throughout the group were consulted throughout the tender process and helped to select the contractor.
- Circle had sought to mitigate the contractual problems with Kier by allocating additional resources to its customer service, complaints and surveyors sections. However, Circle considered that insufficient progress had been made by the contractor and as a result Kier was to cease providing the organisation's responsive repairs service by the end of April 2015, and emergency repairs service by the end of March 2015.
- Mr Rogers stressed the importance of partnership work and in particular drew attention to Circle's work with the Council on tenancy fraud, and the work with MAGPI teams on anti-social behaviour.
- The resident engagement and "social dividend" work of Circle was noted. Circle sought to promote home mobility, with 400 Islington residents registered for its house exchange programme, and 10,000 customers registered across London.
- Following a question from a member, it was stated that the new repairs and maintenance contractor could not be named at the time for reasons of commercial sensitivity.
- It was queried at what stage Circle acknowledged the problems with its repairs and maintenance contractor. It was explained that the contract started in November 2013, and initial performance issues were considered to be teething problems, or related to the relatively high workload following the winter storms of that year. Following further poor performance, the problem was acknowledged in Spring 2014, at which stage Circle sought to address the issues with the contractor.
- It was commented that there were performance issues with the repairs and maintenance service before November 2013, and this was why a new contract was initially sought.
- Members shared their experiences of Circle customer services. It was suggested that the service was poor and cultural change may be required in the organisation. In response, Mr Rogers offered to investigate these matters further and advised that, although Circle had an accredited customer complaints procedure, further work may

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be required to ensure that both the process and resolution of complaints are of the highest standard.

- It was queried how Circle prioritises repairs, given that environmental health notices were served on Circle properties in the Borough and not acted upon. It was agreed that the organisation required a better system of prioritisation, and it was suggested that too many repairs may be logged as an “emergency” which makes it difficult to prioritise those which need urgent action. A greater understanding of customer circumstances could also improve performance. It was advised that these factors would be taken into consideration when implementing a new customer management system.
- Members commented on the organisation’s financial position, in particular Circle’s £45.1m surplus and £6.8m underspend on repairs in 2013/14. In response, it was advised that the repairs underspend was due to the timing of the new contract, however assurance could not be given that the same budget would not be underspent in 2014/15. It was advised that a surplus is required to further invest in housing stock; however members questioned the level of investment made in Islington. The Committee expressed concern that the rental income from Islington tenants was significantly higher than the organisation’s expenditure on repairs and investment in housing in the Borough, as it appeared that this income was used to develop housing outside of the Borough.
- Circle commented that its surplus was not as significant as other social housing providers.
- In response to a query on Circle’s affordable rent policy, it was confirmed that a calculation is made to set rental values and, in Islington, the average rental value of a one bedroom flat was 46% of market rate, and the average rental value of a three bedroom house was 44% of market rate. As a rule Circle did not charge more than 60% of market rate in London, and this was generally lower in Islington as this level was not considered affordable.
- The Committee was dissatisfied that Circle did not appear to be compliant with the Council’s affordable rent policy; however Circle commented that the majority of its tenants in Islington paid social rent.
- Circle had not been accredited as a Living Wage employer, however it was stated that the majority of the organisation’s staff and contractors were paid the Living Wage. It was advised that the organisation’s future contracts would seek to pay the Living Wage.
- Circle had not recently sold any properties in Islington and had no immediate plans to do so; however this position was kept under constant review.
- Circle charged market rent for approximately 700-800 properties across the Group and was anticipating adding another 250 to this number over the next five years. Mr Rogers suggested that the disposal of some properties, shared ownership, and affordable rent was the future of the social housing sector, however members did not agree that this position was wholly positive.
- It was confirmed that the Kier contract was expected to save £100m over ten years and these savings would now not be realised.
- The Committee suggested that Circle could make greater use of the local workforce to alleviate the relatively high level of unemployment in the Borough.
- Many Circle properties in Islington required investment in central heating systems and windows to improve energy efficiency. It was commented that this is particularly difficult given the age of the properties; many are Victorian and some are listed buildings, which exacerbates these problems.
- A debate was had on fixed term tenancies. Circle had cautiously introduced five year fixed term tenancies for vulnerable tenants as a way of encouraging engagement with the organisation. The Committee was concerned that such tenancies can increase stress on vulnerable people and disrupt communities.

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- A discussion was had on the implementation of universal credit. It was recognised that there was a risk that rent arrears could increase when the scheme was implemented.
- In response to a question concerning maintenance at Hanley Gardens Sheltered Accommodation, it was stated that Circle did have a cyclical maintenance programme but this would be reviewed in view of the problems experienced with such programme.

The Chair thanked Circle for their attendance and hoped that the organisation would make further investment in the Borough.

66

ESTATE SERVICES MANAGEMENT - WITNESS EVIDENCE (Item 9)

Gary Harris of the GMB Union was present and made a presentation to the Committee, copy interleaved, during which the following main points were made –

- It was suggested that there were several instances of duplication of responsibility in the Estate Management service; in particular between Estate Service Coordinators and Quality Assurance Officers. Further duplication was identified in the analytical roles of the Support Manager and the Housing Environmental Coordinating Team.
- It was recommended that the Committee should consider job descriptions for different posts in the service to investigate any duplication of responsibility.
- Mr Harris suggested that there was confusion among caretakers in regards to who was responsible for management, and proposed an alternative service structure.
- It was explained that each caretaking task was measured to ensure consistency and manage workloads; however measurements did not incorporate walking distances or replacement of water, and for this reason were considered inaccurate.
- The GMB favoured SLAs for estates, as these enable tenants and leaseholders to be aware of the service levels they can expect to receive.
- Attention was drawn to the lodge facilities available to caretakers. The view of the GMB was that these are of a poor standard and required investment from either the health and safety or corporate budget.
- The GMB considered the management structure to be inefficient and suggested that the cost of management should be met from central officer budgets.

David Salenius, Principal Housing Manager (Estate Services), was present and presented a report to the Committee, copy interleaved, during which the following main points were made –

- The current service structure was recommended following a best value review and had led to an increase in service satisfaction levels.
- The service management structure had been revised twice in recent years, saving £500k per annum.
- The alternative service structure proposed by the GMB, which divides responsibility for repairs and caretaking, was not supported as residents preferred a single point of contact.
- The Council was investing £100k into caretaker lodges in 2014/15 and invested £40k in 2013/14.

A debate was had, in which the following points were made –

- Members agreed that there appears to be some overlap in responsibilities between Estate Service Coordinators and Quality Assurance Officers.

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- Although only eight of the 190 caretakers were agency staff, it was suggested that some of these had been working for the Council for over a year and should be considered for permanent positions.

The Chair thanked officers and the GMB Union for attending.

RESOLVED:

That job descriptions for the service be circulated to the Committee in advance of the next meeting.

67

SCAFFOLDING SCRUTINY REVIEW - NOTES OF SITE VISIT AND WITNESS EVIDENCE (Item 10)

The Committee received evidence from Brian Potter, Chairman of Islington Leaseholder's Association (ILA). The following main points were made –

- It was suggested that the Council should have greater engagement with the ILA.
- The ILA considered that scaffolding was too expensive, and although scaffolding was a fixed cost, prices were unnecessarily “front loaded” and represented poor value for money for both the Council and leaseholders.
- Greater oversight of scaffold works was required. The ILA provided examples of scaffolding being erected, dismantled, and then erected again for separate works within a short time period. It was also suggested that scaffold works had damaged properties.
- The ILA preferred for the Council to have an in-house scaffolding service which could also provide scaffolding services to neighbouring boroughs.
- It was alleged that several scaffolds on the public highway had been erected without a licence.
- A debate was had regarding the health and safety and storage requirements of an in-house scaffolding service.

The Chair thanked the ILA for their attendance.

RESOLVED:

- (a) That the summary of the site visit circulated with the agenda be noted;
- (b) That the impact of scaffolding works on residents be considered further as part of a future scrutiny review into housing repairs, including whether a review of management procedures could result in more effective scheduling of scaffolding works.

68

PRIVATE RENTED SECTOR SCRUTINY REVIEW - 12 MONTH REPORT BACK (Item 11)

Irna Van Der Palen, Head of Private Housing Partnerships, was present and presented a report to the Committee, copy interleaved, during which the following main points were made –

- It was noted that the private rented sector represented 26% of the available housing in the Borough and was often inaccessible for those on middle and low incomes.
- Although Islington had some very high quality private rented properties, there was some evidence of poor quality properties, including illegal conversions.
- The Committee was advised of progress made against the scrutiny recommendations, as set out at Appendix A to the report submitted.

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- It was advised that the Council's Social Lettings Agency had been established and would launch in April 2015. A publicity campaign had been launched and the Council was incentivising private landlords to subscribe to the scheme by guaranteeing six months' rent up front.
- Further to recommendation 3.1, it was advised that 146 of the Borough's 150 lettings agents had subscribed to a redress scheme.
- Further to recommendation 3.2, it was advised that 73 of the 150 lettings agents had been visited.
- It was noted that the Council had established a telephone number for residents seeking private sector housing advice. Residents could also complain to the Council about private housing via the Council's website. The Committee requested details of how many calls had been made to the telephone number.
- Following a query, it was confirmed that eight private landlords had expressed an interest in working with the social lettings agency. It was also clarified that the social lettings agency was intended to be cost-neutral.
- A member queried which residents would receive priority for housing through the social lettings agency and suggested that those from the social housing list should receive priority. It was confirmed that a referral system had been established to identify those in need of a property who would benefit most from the scheme. Between 20 and 30 households were on the agency's waiting list.

RESOLVED:

- (a) That the progress on the recommendations be noted;
- (b) That details of how many calls the private sector housing advice telephone number has received be circulated to the Committee.

The meeting ended at 10.30 pm

CHAIR

HOUSING SCRUTINY COMMITTEE

16 APRIL 2015

BRIEFING NOTE ON IN-HOUSE SCAFFOLDING SERVICES

Officers have been asked to investigate the feasibility of providing an in-house scaffolding service. The Housing Property Services section has undertaken initial research and indicative costs are set out below.

It is estimated that an in-house scaffolding service would cost £1.6 million to set up and run in the first year £1.1 million thereafter. This cost is based on four gangs working on approximately four scaffolds a day each. The current cost to the Council of providing the same number of scaffolds would be £414,000.

An in-house service was previously provided by the London Borough of Camden; however this has now been outsourced. It is understood that Camden made this decision for the following reasons:

1. **Difficulty in recruiting** – The team was relatively small so vacancies had an impact on the service being provided. There were difficulties in recruitment which affected the efficiency of the team, so work was already being subcontracted.
2. **Space** – The scaffold equipment was stored at a location that was being considered for regeneration. Re-locating the scaffold bay was therefore likely and alternatives were limited.
3. **Equipment** – Investment was required to renew equipment (tubing, fittings, boards, etc.) and the vehicles were also near the end of their useful life. It was arguable whether there was a good business case to support the investment required.

These issues combined with a the considerable health and safety assurances required by such a service resulted in a decision to outsource the service.

At present officers do not know of any other local authorities that provide an in-house scaffolding service.

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