

London Borough of Islington

Housing Scrutiny Committee - 19 April 2016

Minutes of the meeting of the Housing Scrutiny Committee held at Committee Room 1, Town Hall, Upper Street, N1 2UD on 19 April 2016 at 7.30 pm.

Present: **Councillors:** O'Sullivan (Chair), Poyser (Vice-Chair)(in part),
Andrews, Erdogan, O'Halloran and Williamson

Co-opted members: Rose-Marie McDonald and Jim Rooke

Councillor Michael O'Sullivan in the Chair

169 **APOLOGIES FOR ABSENCE (Item A1)**

Apologies for absence were received from Councillors Alex Diner and Mouna Hamitouche. Councillor Dave Poyser offered apologies for lateness.

170 **DECLARATION OF SUBSTITUTE MEMBERS (Item A2)**

None.

171 **DECLARATIONS OF INTERESTS (Item A3)**

None.

172 **MINUTES OF PREVIOUS MEETING (Item A4)**

RESOLVED:

That the minutes of the meeting held on 23 March 2016 be confirmed as a correct record and the Chair be authorised to sign them.

173 **CHAIR'S REPORT (Item A5)**

The Chair thanked members, officers and witnesses for their contribution to the Committee in 2015/16.

It was noted that the Committee would be selecting the topics for review in 2016/17 at its next meeting and members were asked to discuss any suggested topics with the Chair.

174 **ORDER OF BUSINESS (Item A6)**

No changes were proposed to the order of business.

175 **PUBLIC QUESTIONS (Item A7)**

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

176 **RSL SCRUTINY: ONE HOUSING GROUP (Item B8)**

Kevin Beirne, Group Director of Housing Care and Support, and John Gregory, Group Director of Housing Services, made a presentation to the Committee on the performance of One Housing Group.

The following main points were noted in the discussion:

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- One Housing Group was in its 50th year of providing affordable housing in London and the Home Counties. The organisation managed 16,000 homes and operated in 27 London boroughs. One Housing provided homes to around 11,500 older and vulnerable tenants and had built 1,500 new affordable homes since 2011.
- One Housing considered the delivery of new housing to be fundamental to the role of a housing association. The organisation also developed a small amount of private housing, the profits from which were reinvested to develop further affordable housing. Housing development had been a core element of the organisation's business plan since the coalition government significantly reduced the social housing grant in 2010.
- One Housing was a relatively small provider in Islington, however was the largest provider of young people's housing services in the borough.
- The organisation worked in partnership with the council and NHS to provide supported housing to people with mental health issues. One Housing operated the Crisis resource centre at Highbury Grove, which offered support to people experiencing mental health crisis as an alternative to hospital admission. It was noted that 80% of those supported at Crisis would otherwise have been admitted to A&E.
- One Housing considered the introduction of the Local Housing Allowance cap to be a significant risk. The cap was expected to result in a significant increase to the cost of providing supported housing for vulnerable people inside London.
- It was commented that One Housing had been looking to develop more social housing in Islington however land values were prohibitive and the organisation had been outbid by private organisations.
- The Committee noted the organisation's performance as monitored by the independent HouseMark service. Satisfaction and rent collection rates were in line with other London-based housing associations. One Housing had an average re-let time of 32.38 days in 2015/16, which was longer than comparable housing associations and work was underway to improve this.
- It was advised that 88% of tenants were satisfied with their most recent repair in 2015/16, which was a decrease of 8% in comparison to the previous year. One Housing had brought its repairs service in-house during 2015/16 and satisfaction data was previously collected by its repairs contractor; it was thought that the 2015/16 data provided a more accurate representation of tenant satisfaction. Providing repairs in-house was expected to achieve savings of around £30million over the next ten years.
- The Committee noted the organisation's average weekly rents. The average weekly rent was around 70% of market rent, lower than the government definition of "affordable" at 80% of market rent. It was commented that average rent would be lower than 70% of market rent in Islington due to the high private rental values.
- The organisation had a low number of re-lets in Islington at only 2.6%. If tenants moved to another property One Housing would honour the level of rent they were already paying.
- Housing benefit accounted for £40million of the organisation's £70million income. One Housing had held financial workshops for tenants affected by the benefit cap and no tenants had been evicted as a result of the changes; however eight tenants had refused to engage with the organisation and were now in significant rent arrears. It was commented that One Housing would welcome a closer information sharing agreement with the council to assist residents likely to be affected by welfare reform.
- The organisation had assisted tenants to find work and training opportunities.
- One Housing worked with the Police to address anti-social behaviour issues affecting its tenants. The organisation had identified 30 properties being fraudulently let since 2013 and had taken action against the tenants.

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- The organisation had sold very few of its central London homes. Although sale could generate substantial income, these properties were the most valuable for the organisation to retain. It was noted that around 100 central London properties had been re-let at market rent in order to finance new development and improvement works.
- The Committee queried how One Housing would respond to the 1% annual decrease in social housing rents for the following four years. In response, it was advised that this was a significant financial pressure which would reduce the organisation's finances by £30million by the end of the period. It was commented that the organisation would be making efficiencies and was not seeking to reduce wages or cut services, however there was a concern that more significant savings would be required if the annual rent decrease extended beyond the four years.
- A member queried the organisation's work in supporting vulnerable people, particularly in regards to welfare reform and drug and alcohol dependencies. It was noted that the organisation had supported tenants in looking for work and had commissioned drug and alcohol support services. It was also commented that the level of need for support services, including mental health services, was increasing, as was the level of street homelessness.
- It was advised that One Housing's anti-social behaviour team received a significant amount of contact about criminal activity. It was emphasised that tenants witnessing criminal activity should contact the Police in the first instance.
- It was queried if One Housing had strategies to deal with increasing levels of vulnerability as the population ages. It was noted that one third of One Housing general needs tenants were over retirement age. One Housing appreciated the growing need for elderly accommodation nationwide and was the second largest developer of supported accommodation for elderly people in the country; although the organisation did not provide such accommodation in Islington.
- It was suggested that the redistribution of housing from older to younger people could assist with solving the housing crisis. There was a growing number of elderly people in three and four bedroom houses and many young families had homes too small for their needs. One Housing had worked with local authorities in other boroughs to develop high quality sheltered accommodation for older people in order to increase the supply of family homes.
- A member of the public noted that he was formerly a board member of Patchwork Community Housing Association, which previously provided communal living options to people wanting to live in mixed-need communities, including the Islington Park Street community, the management of which had since been taken over by One Housing Group. The member of the public asked for One Housing to elaborate on proposals to decant Islington Park Street tenants to other properties and the background to how the organisation acquired Patchwork properties. In response, it was noted that only limited information could be provided as the organisation did not want to prejudice ongoing discussions between One Housing Group and the Islington Park Street community, however the organisation was working with the community and partner organisations to identify properties suitable for the tenants' needs. It was explained that One Housing was asked to acquire Patchwork properties at a time when Patchwork was at risk of liquidation and experiencing other problems in relation to rent arrears, maintenance and a high proportion of voids.
- A member of the public identified himself as the Chair of the Six Acres Estate Tenants' and Residents' Association and highlighted ongoing maintenance and repair issues on the estate. It was also noted that there was a lack of clarity in regards to service charges. Mr Gregory and Mr Beirne agreed to discuss the matter further outside of the meeting and indicated that a visit to the estate would be arranged.

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- Following a query from Dr Brian Potter of the Islington Leaseholders Association, it was clarified that tenants paying target rent downsizing from a three or four bedroom house to a one bedroom flat would continue their tenancy at target rent levels.

The Committee thanked Mr Gregory and Mr Beirne for their attendance.

177 **RESPONSIVE REPAIRS: WITNESS EVIDENCE (Item B9)**

The Committee received witness evidence as follows:

178 **REPRESENTATIVE OF AFFINITY SUTTON REPAIRS (Item B9A)**

Michelle Reynolds, Group Commercial Director at Affinity Sutton, and John Bell, Managing Director of CBS, made a presentation to the Committee on the Affinity Sutton repairs service.

- Affinity Sutton was a national housing association with 57,000 homes throughout England. The organisation offered an in-house responsive repairs service carried out by two wholly-owned service providers, CBS and ASR. The repair organisations carried out 140,000 repairs annually. CBS had provided repairs to dispersed stock nationwide since 2000; ASR was established in 2015 to provide repairs to Affinity Sutton properties in London and Kent.
- The Committee noted the challenge of providing an in-house repairs service on a national scale to dispersed housing stock. To achieve this Affinity Sutton had invested in mobile working and multiskilling operatives in order to ensure a high proportion of “first time fixes”. Since bringing the repairs services in-house the organisation had also adopted a flatter management structure and had empowered operatives to take personal responsibility for repairs.
- Before repairs in London and the Kent were brought in-house the organisation’s repair service would operate from local offices and depots. Since coming in-house, Affinity Sutton operatives worked from home, with details of repairs sent remotely to their PDAs and tablets. The service was organised on a regional basis, with sub-regional local teams each covering a specific area. Operative salary bands were competency-based in order to promote up-skilling.
- Affinity Sutton allowed residents to report repairs online; however the majority of repairs were reported via telephone.
- The importance of a “first time fix” was emphasised, as this led to improved efficiency, a positive customer experience, and improved financial performance. It was noted that 88% of Affinity Sutton customers were satisfied with their most recent repair; this very closely correlated to the organisation’s “first time fix” rate of 88%. The organisation considered a “first time fix” to be completing the repair on the first visit without having to leave the property.
- The average completion time for a repair was seven days. The organisation had worked to improve its reporting and diagnostic processes to ensure that all required information was collected at the first point of contact. In 90% of cases all of the required information was received at the first point of contact.
- Affinity Sutton communicated with customers via text message, sending a reminder the evening before a repair and when the operative was on route to the property.
- Affinity Sutton was keen to learn from specialist logistics operations in other sectors, such as Autoglass, AO.com and Ocado. It was noted that those receiving windscreen repairs through Autoglass usually did not pay as this cost was covered through their insurance; this was likened to a housing association repairs service, as tenants did not directly pay for repairs to their property. Affinity Sutton had worked with Autoglass to establish how customers valued a service without assigning a direct financial value to it.

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- Affinity Sutton had worked to improve the customer focus of operatives. Trade staff were personally responsible for the satisfaction associated with each individual repair.
- The Committee noted the organisation's ways of working, including customer focus, personal responsibility, and being collaborative, open and friendly. The organisation was keen to minimise "silo working" and retain key staff.
- Affinity Sutton commented on the challenge of managing tenant expectations. Some tenants demanded more from the service than others; the organisation carried out around 3 repairs per property, however one third of tenants never reported a repair.
- It was clarified that on average it took Affinity Sutton 11 days to complete the repair element of voids.
- Following a query on the use of new technologies, it was advised that all staff received formal training on the use of tablets. Operatives familiar with the technology had been selected as "tablet champions" to assist other operatives. This had reduced operative dependence on the ICT service.
- Very few complaints were received by Affinity Sutton's central complaints department as area and regional managers were required to take personal ownership when tenants were dissatisfied.
- Operatives had access to performance and benchmarking statistics and could evaluate their performance against others.
- The Committee queried how the proposed merger of Affinity Sutton and Circle Housing would impact on the repairs service, especially due to the reported backlog of Circle Housing repairs. It was advised that Affinity Sutton could not comment on the arrangements of other housing associations, however ensuring a high quality repairs service would be a key element of any merger.
- Following a query from a member of the public, it was advised that Affinity Sutton was able to track operatives from its central repairs office and this was essential to scheduling work and reducing travel to make the service as efficient as possible.
- Following a query from Dr Brian Potter of the Islington Leaseholders Association about centralising housing stock, it was advised that Affinity Sutton was not seeking to participate in housing stock swaps.
- Affinity Sutton's two in-house repairs companies carried out joint procurement exercises to realise efficiencies.
- It was noted that Affinity Sutton had two categories of repair: emergency and non-emergency. Emergency repairs were completed the same day and non-emergency repairs were carried out within seven days.

The Committee thanked Ms Reynolds and Mr Bell for their attendance.

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REPRESENTATIVE OF LB CAMDEN (Item B9B)

Kim Wells, Head of Repairs at LB Camden, made a presentation to the Committee on the organisation's repairs service.

- Camden had an in-house responsive repairs service. All capital works were carried out by an external contractor. One area of Camden had its responsive repairs carried out by an external contractor; this was to provide a comparison to the council's service.
- Camden's service received 60,000 repair orders each year. The service employed 130 trade staff and 14 apprentices. It was noted that the service usually employed 12 apprentices however received a high number of exceptional applications in the past year.
- Camden had brought its repairs service in house in 2012 in an effort to improve the service and remove duplication associated with the client/contractor delivery model.

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- Camden provided repairs to leaseholders and had previously provided these in accordance with the national schedule of rates. This was considered to cause unnecessary confusion and for this reason Camden had started to charge leaseholders the actual cost of each repair.
- Camden's repairs service was based on five separate local teams in order to promote specialist local knowledge.
- Operatives were assigned one job at a time. It was noted that repairs services would traditionally allocate several jobs to operatives to complete in one day.
- Camden's operatives carried a variety of stock in order for them to complete repairs. If specialist equipment was needed, operatives could either make use of the "ring and bring" service in which parts were couriered to the property while the operative waited; or the operative could collect the part from the depot; or the operative could make a follow-up appointment with the tenant before they left the property.
- Although emergency repairs were dealt with as soon as possible; all other repairs were carried out at a time to suit the customer. Tenants were able to report repairs and book an appointment online.
- Camden had delegated decision-making on repairs to front line staff; operatives decided how best to complete the repair and made the decision to either carry out the repair or renew the fixture or fitting. This had resulted in savings through decreased levels of supervision. Supervision staff focused on quality control as opposed to decision-making.
- The importance of quality ICT was emphasised. It was noted that Camden previously made the repairs service fit the limits of the ICT system, whereas the systems were now structured to support the service processes.
- Camden used Kwest to independently measure repairs satisfaction. The organisation surveyed 20% of completed repairs and would interview tenants six to eight weeks after a repair; this was to ensure that repairs were completed successfully.
- The Committee noted Camden's use of Clickview, software which allowed satisfaction and performance to be analysed on a team, trade and operative basis. Data was able to be analysed daily and was reported to operatives in meetings with their supervisor. The Committee considered this to be a useful system.
- Since Camden had brought its repairs service in-house, the service had experienced a 14% reduction in repair orders, 25,000 fewer telephone calls, an average reduction of four calendar days in repair time and a reduction in formal complaints and compensation payments. The average job cost had increased in year 2 but decreased in year 3.
- The Committee queried how Islington Council could improve its "first time fix" rate. In response, it was advised that Camden increased this rate by having multi-skilled operatives. Residents logged their repair in a single order, as opposed to separate plumbing and electrical repairs, for example, and the service arranged for an appropriately skilled operative to attend. It was noted that some repairs needed to be carried out in sequence, such as plastering and painting, however in general combining repair orders led to efficiencies.
- The Committee requested a copy of Camden's Kwest survey questions.
- The Committee noted the similarities between Islington and Camden and queried the possibility for shared learning and joint working on aspects of housing repairs.
- Matt West, Head of Housing Repairs for Islington Council, advised that Camden had offered advice in bringing the repairs service in house and had demonstrated the use of Clickview to officers. It was suggested that making performance data available to all staff would encourage operatives to take ownership of the service.
- Following a question on the satisfaction of vulnerable tenants, it was noted that Camden's service carried out home adaptations and received positive feedback on

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this aspect of its service. The service also used a dedicated team for sheltered accommodation to ensure that the operatives were familiar to the tenants.

The Committee thanked Mr Wells for his attendance.

180 **EXTRACT OF NEW ICT SYSTEM SPECIFICATION (Item B9C)**

The Committee noted the system specification however commented that this did not detail the structure of the database as requested by the Committee. In response, it was advised that the data structure was in the process of being developed. Officers emphasised that the new system would be tailored to Islington's service requirements.

It was advised that the new system would support text messaging and would fit within the service's existing digital landscape.

181 **DETAILS OF REPAIRS APPRENTICE SCHEME (Item B9D)**

Noted.

182 **KWEST RESIDENT SATISFACTION SURVEY: FURTHER INFORMATION FROM OFFICERS (Item B9E)**

Noted.

183 **HOUSING DIRECT KPIS (Item B9F)**

Noted.

The meeting ended at 10.00 pm

CHAIR