London Borough of Islington

Housing Scrutiny Committee - 11 December 2017

Minutes of the meeting of the Housing Scrutiny Committee held at Committee Room 4, Town Hall, Upper Street, N1 2UD on 11 December 2017 at 7.30 pm.

Present:	**Councillors:**	O'Sullivan (Chair), Diner, Gallagher, Gantly, and Hamitouche.
	Resident Observers:	Dean Donaghey and Rose Marie McDonald
	Also present:	Cllrs Russell and D Ward.

Councillor Michael O'Sullivan in the Chair

322 APOLOGIES FOR ABSENCE (Item A1)

Apologies for absence were received from Councillors Spall and Doolan. Apologies for lateness were received from Councillor Gantly.

323 DECLARATION OF SUBSTITUTE MEMBERS (Item A2)

None.

324 DECLARATIONS OF INTERESTS (Item A3)

None.

325 MINUTES OF PREVIOUS MEETING (Item A4)

RESOLVED:
That the minutes of the meeting of the Committee held on 16 November 2017 be confirmed as a correct record and the Chair be authorised to sign them.

326 CHAIR'S REPORT (Item A5)

The Chair commented that, although the Committee's review of Fire Safety was concluding, the Committee would continue to consider fire safety matters and relevant issues arising from the Grenfell Tower inquiries as they arose.

The Chair confirmed the Committee's intention to continue to review the work of Housing Associations operating in the borough. It was noted that housing association mergers, such as the proposed merger between Genesis Housing and Notting Hill Housing, may have an impact on the services received by housing association tenants. The Chair also commented on the importance of maximising the amount of genuinely affordable social housing in new

developments, and ensuring that those properties were designed and built to high standards.

327 ORDER OF BUSINESS (Item A6)

No changes were proposed to the order of business.

328 PUBLIC QUESTIONS (Item A7)

None.

329 FIRE SAFETY SCRUTINY REVIEW: DRAFT RECOMMENDATIONS (Item B1)

The Chair introduced the draft recommendations of the Fire Safety scrutiny review. The Chair circulated a sprinkler head unit to those in attendance and emphasised the benefits of sprinkler systems.

It was agreed to amend recommendation 2, to encompass the 'Following Grenfell' review commenced by the Equality and Human Rights Commission.

The Committee agreed an additional recommendation that the Director of Housing Needs and Strategy, following her return from secondment to the Royal Borough of Kensington and Chelsea, should author a report to the Committee on her experiences and any learning points from her work for the Royal Borough of Kensington and Chelsea and the Grenfell Tower Response Team.

Councillor Russell noted that the London Fire Brigade was recommending that landlords should retrofit sprinklers in all high rise housing blocks over 18 metres in height, and queried the Committee's definition of 'high rise housing blocks' in recommendation 10. In response, it was advised that recommendation 10 related to housing blocks over six storeys in height, which was approximately 18 metres. It was commented that this would be explained in the scrutiny report.

Councillor Russell noted recommendation 14 related to new build projects, and queried if the council's design and build standards were sufficient. In response, it was advised that the Independent Review of Building Regulations and Fire Safety was expected to make recommendations on building standards, and the Committee was to carry out a separate review of the council's new build programme.

Councillor Russell commented that recommendation 3, which supported the London Fire Brigade's 'Stay Put' policy, was only effective if compartmentation was successful. It was queried if the council was actively checking the compartmentation of its housing stock. In response, the Executive Member for Housing and Development advised that compartmentation checks were underway and any faults identified would be duly rectified.

RESOLVED:

That the draft recommendations be approved, subject to the following amendments:

(i) That recommendation 2 be amended to read: 'Following the conclusions of the Grenfell Tower inquiry, *the review of the Equality and Human Rights Commission,* and the Independent Review of Building Regulations and Fire Safety, a report

should be submitted to the Housing Scrutiny Committee detailing what actions the council will be taking in response to the recommendations.'

(ii) An additional recommendation to read: *'The Director of Housing Needs and Strategy should author a report to the Housing Scrutiny Committee detailing her experiences and any learning points from her secondments to the Grenfell Response Team and the Royal Borough of Kensington and Chelsea.'*

330 THE COUNCIL'S NEW BUILD PROGRAMME MINI-REVIEW: SID AND WITNESS EVIDENCE (Item 2)

(i) Draft Scrutiny Initiation Document (SID)

The Committee considered the draft SID set out in the agenda pack.

It was requested that the eighth objective of the review be amended to compare the council's approach to housing associations, as well as other local authorities.

It was requested that the scope of the review be amended to include:

- Design standards in regards to entrance and exit routes in both high rise and low rise properties
- Environmental standards in regards to the toxicity of paint
- The checks and balances related to decision-making on design and build choices, including decisions on the use of materials such as cladding
- The average building costs of new housing schemes
- How housing revenue account surplus is spent, and if any funds are allocated to new build projects.

RESOLVED:

That the scrutiny initiation document be agreed, subject to the following amendments:

(a) the eighth objective be amended to read 'The compare the council's approach to new build to another London borough *and housing associations'*.

(b) the following points be added to the scope of the review:

- Design standards in regards to entrance and exit routes in both high rise and low rise properties
- Environmental standards in regards to the toxicity of paint
- The checks and balances related to decision-making on design and build choices, including decisions on the use of materials such as cladding
- The average building costs of new housing schemes
- How housing revenue account surplus is spent, and if any funds are allocated to new build projects.

(ii) Witness Evidence

Stephen Nash, New Homes and Development Programme Manager, presented to the Committee on the council's new build programme.

The following main points were noted in the discussion:

- There were two New Homes and Development Programme Managers. These were not technical building management roles, but the officers were responsible for the overall development of the council's new build schemes.

- The objective of the New Build service was to maximise the amount of social rented housing in the borough. The council's new build schemes also contained private housing, the sale of which helped to fund the development of social rented housing.
- The council's new build programme did not create any 'profit'. Occasionally a new build scheme would achieve a surplus if rising property values resulted in private units achieving a higher than expected sale price. Any surplus was reinvested in developing new social rented housing.
- The type of units developed by the council was informed by the needs of residents on the housing waiting list. As a result, the council was developing a high proportion of two-bed, four-person units as a means of reducing overcrowding. The council was also developing a number of three and four bed units.
- The new build team was also developing a small amount of supported housing for vulnerable people, as well as community infrastructure such as community centres. The team was involved in the development of the new Cat and Mouse Library.
- There were five project managers working underneath the programme managers. These officers were responsible for identifying sites, carrying out consultation and engagement, and seeing through individual projects from commencement to the defect stage. These officers worked closely with colleagues in Legal, Planning, and Housing Needs.
- The New Build team considered various factors when identifying sites for development, including if the site currently attracted anti-social behaviour. Developing new housing at a site known for anti-social behaviour often achieved positive results for local residents. Officers regularly reviewed available sites and suggestions were also received from officers in other departments, as well as councillors.
- The New Build team had considered innovative approaches to maximising the amount of social rented housing. This included build-overs of existing blocks. The team also considered the purchase of sites on the open market, however this was challenging as the council could be outbid by private developers. It was commented that some private developers were prepared to pay over market value for sites, with the intention of maximising their profit by reducing the affordable housing offer.
- The New Build team had made approaches to develop land held by other public bodies, such as the Police, Fire Brigade, and GLA. In response to a question, it was advised that an unsuccessful bid had been made for a Ministry of Defence site, and approaches had previously been made to the NHS.
- The council had a framework contract with local architects, including the council's own in-house architects, to design new build schemes.
- All of the council's new build schemes required planning permission. It was commented that achieving planning permission could be a challenging process and the council's applications were not treated differently to any other developer. The design of all new build schemes was scrutinised by the council's Design Review Panel.
- The New Build team was keen to involve residents in the design process and carried out consultations as schemes were developed.
- The build process was carried out by contractors appointed on a 60% quality, 40% cost basis. Officers emphasised that there was no benefit to building poor quality social rented housing.
- The New Build team made use of a robust set of Employers Requirements. This ensured that properties met, and often exceeded, the standards set out in the London Design Guide.
- The New Build team had its own clerk of works and all works were signed off by Islington Council Building Control. It was commented that Building Control would comment on fire safety matters as they arose.

- The majority of the council's new build schemes were low rise properties, however one building over eight storeys was in development. Some new build schemes redeveloped existing buildings, such as garages.
- The Committee considered the resident consultation carried out by the New Build team. The level of consultation was dependent on the type of development. Major developments required a significant amount of public consultation, whereas more limited consultation was carried out for small two or three unit schemes.
- Consultation methods included door knocking, drop-in sessions and exhibitions. It was commented that one to one engagement tended to result in more measured and useful comments. Public meetings were occasionally held, however these could be fractious.
- Consultation was carried out with TRAs, however it was noted that these groups may not represent all residents.
- It was intended to carry out more consultation with young people.
- Officers acknowledged that further improvements could be made to the public engagement process. It was felt that some engagement had been rushed in the past, however the service now took more time to work through local concerns. It was accepted that there would always be a level of opposition to new development, however the need to take into account significant local opposition was understood.
- Consultation was carried out with specific groups when appropriate. For example, the Housing Disability Panel would be consulted when new developments include adapted properties.
- The council's requirement was that 10% of units should be wheelchair accessible. If a new build property was let to a tenant with specific accessibility needs, the New Build team engaged with the tenant as soon as possible to ensure that the property met the tenant's requirements.
- In response to a question, it was advised that residents were able to influence the design of new build properties, however there may be planning or architectural constraints that prohibit resident suggestions being accepted.
- The New Build team often carried out environmental improvements alongside the development of new properties. Officers advised that the general consensus was that new build developments improved estates.
- New build properties were let in line with the council's local lettings policy. Additional priority was given to those on the estates where the new units were being developed, those on the transfer list, and also on a local ward basis.
- Although private units were sold on the open market, priority was given to those who live or work in Islington. The council did not sell new build units to foreign investors, and did not want to sell to buy-to-let landlords.
- Officers commented on the challenges of achieving the corporate objective of delivering 500 new council homes between 2014/15 and 2019/20. There had been delays to the completion of new build schemes, which included delays to Network Rail completing works affecting development sites, delays to utility companies connecting new build properties to their networks, the discovery of asbestos and bones requiring investigation and removal, and delays associated with pressures in the Planning and Legal departments.
- Officers commented that, although Islington was a small borough, it was not as dense as some other London boroughs and there were opportunities for development.
- Officers noted the financial challenges facing the new build programme. The government's 1% cut in social rents had an adverse impact on the new build programme. The development of some schemes had been paused and others had stopped altogether.
- There was a level of uncertainty in the new build sector associated with Brexit, the implications of the Housing and Planning Act, and other political factors.

- Following the government's recent budget announcement that the HRA borrowing cap could be lifted for local authorities in high need, the council had already applied to the Treasury requesting that its borrowing cap be lifted. It was commented that borrowing limits had constrained the new build programme in the past. It was known that other local authorities had also applied to the Treasury and it was not known when a response would be received.
- Although the government had previously pledged that Right to Buy properties would be replaced on a 'one for one' basis, it was noted that for each unit lost the council only received approximately 30% of the construction cost of a single unit.
- The Chair commented on the difficulties of the London housing market, noting that an economist had recently described it as a 'collusive oligopoly'.
- The Committee requested further information on how decisions on new build properties are made and scrutinised.
- The Committee requested a breakdown of costs for an average new build property.
- Following a question, it was advised that the council did not routinely fit sprinkler systems in new build properties.
- The New Build team was actively looking at building modular housing. Other London boroughs, including Enfield, had developed such housing. It was commented that developing modular housing was attractive as it could be completed within three months.
- Solar panels were fitted to new build properties where appropriate. The new build service was acutely aware of fuel poverty and ensured new build properties were well insulated.
- In response to a question about the council developing mixed tenure housing blocks, it was advised that the council did not fit 'poor doors', however did develop separate private and social housing blocks. It was explained that private housing was built to a higher specification as the intention was to maximise the sale value to ensure a greater subsidy for social rented housing. Officers commented that it was more difficult to develop and manage mixed blocks of private and social housing.
- Following a question from a member of the public, it was advised that the council could not extinguish the Right to Buy for tenants in new build properties.
- The council had explored developing more shared ownership housing, however as London property prices were so high, there were concerns that shared ownership housing was not affordable to the majority of residents.

The Committee thanked Stephen Nash for his attendance.

331 RESPONSIVE REPAIRS SCRUTINY 2015/16 - 12 MONTH REPORT BACK (Item B3)

Matt West, Head of Repairs and Maintenance, introduced the report which provided an update on the Committee's review of responsive repairs.

The following main points were noted in the discussion:

- The Committee welcomed progress on the multi-skilling of operatives. It was reported that agreements had been made with trade unions and some staff were very keen to broaden their skills. It was also noted that the multi-skill training was being rolled out to other services.
- The new repairs ICT system had been launched with minimal disruption to the service.

- Changes to the service's working culture were progressing well. Operatives were being empowered to make decisions to achieve a first time fix, rather than leave a repair incomplete and requiring follow-up works.
- It was noted that opportunities for joint working with the London Borough of Camden were limited, however officers were continuing to review if joint purchasing would achieve financial savings.
- Officers were continuing to network with housing colleagues across London to share best practice. It was commented that other London local authorities were keen to learn from Islington's experience of in-sourcing the repairs service.
- It was commented that residents and private sector organisations may be interested in accessing the council's multi-skill training, and it was suggested that this could be offered as an income generation opportunity. In response, it was advised that the council was limited by the small size of its training facility, however this would be explored.
- It was suggested that the Repairs service could generate income by offering services to leaseholders and private tenants. Although this was a long-term ambition of the service, it was commented that further work was required before the service traded commercially. It was not feasible to offer a commercial service if it would have a detrimental impact on the core service provided to council tenants. Any commercial service would need ICT development, a pilot, and market testing before being rolled out.
- Following a question from Dr Brian Potter of the Islington Leaseholders Association, it was advised that the repairs service used the National Housing Federation Schedule of Rates for most works. It was advised that the schedule was not publicly available, however a licence could be purchased from M3 Housing Ltd.

The Committee thanked Matt West for his attendance.

RESOLVED:

That the progress made against the recommendations be noted.

332 QUARTERLY REVIEW OF HOUSING PERFORMANCE (Q2 2017/18) (Item B4)

Councillor Diarmaid Ward, Executive Member for Housing and Development, introduced the quarterly performance report.

The following main points were noted in the discussion:

- The number of affordable new council and housing association homes built was below target, however it was expected that delays to completing new build schemes would be overcome shortly.
- The number of under-occupied households downsizing was below target. It was thought that the government's proposed changes to fixed term tenancies had discouraged tenants from downsizing. It was emphasised that the council's policy was that tenants should not be penalised for downsizing.
- Whilst Partners' day to day repairs satisfaction was on target, members of the Committee expressed their scepticism about Partners' performance on more complex repairs. The Committee also commented on Partners' resident scrutiny arrangements and rent arrears. It was intended to scrutinise Partners' performance at a forthcoming meeting.
- The Committee requested a copy of Partners' asset management plan.

- The Committee welcomed that the council was achieving its objective to reduce homelessness. The borough's homeless acceptance rate was at its lowest since September 1998. Further work was underway to address the causes of homelessness, which included domestic violence, and the ending of private sector tenancies.

RESOLVED:

That the progress to the end of quarter 2 against key performance indicators be noted.

333 REVIEW OF WORK PLAN (Item B5)

Noted.

The meeting ended at 9.35 pm

CHAIR