

London Borough of Islington

**Housing Scrutiny Committee - 15 July 2019**

Minutes of the meeting of the Housing Scrutiny Committee held at Council Chamber, Town Hall, Upper Street, N1 2UD - Islington Town Hall on 15 July 2019 at 7.30 pm.

**Present:**      **Councillors:**      O'Sullivan (Chair), Lukes (Vice-Chair), Hamitouche, Heather, Mackmurdie, Spall and Donaghey (Co-Optee)

**Councillor Michael O'Sullivan in the Chair**

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

Apologies were received from Councillor Gallagher and co-optee Rose McDonald.

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

There were no declarations of substitute members.

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

There were no declarations of interest.

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

**RESOLVED:**

That the minutes of the meeting held on 10 June 2019 be confirmed as an accurate record of proceedings and the Chair be authorised to sign them.

**106      CHAIR'S REPORT (Item 5)**

The Chair informed the meeting that the two previous reviews carried out in the last municipal year will be finalised and signed off by email to members in the next two weeks.

Councillor O'Sullivan informed the meeting that he recently joined the London Housing Consortium Board, attended a few meetings and that they have a wealth of information on contract and procurement which will be of immense value to interested members of the Committee especially as it is about to review the council's major works programme.

The Chair enquired why the Council despite being one of the founding members was not taking advantage of its membership.

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

The order of business would be B2 and B1.

**108      PUBLIC QUESTIONS (Item 7)**

None

109

**MAIN REVIEW- DRAFT SCRUTINY INITIATION DOCUMENT ( MAJOR WORKS ) (Item B1)**

Simon Kwong, the Director of Property Services introduced the Draft Scrutiny Initiation Document (SID) into Major Works carried out in Council Housing. The following points were noted:

- Members were advised that the review will examine who determines what major works are required, the robustness of construction contracts and schedules of rates; options available to deliver major work projects and the relationship between major and small contractors.
- The Director advised that the review would provide members an opportunity to consider the benefits and disadvantages of the different major works delivery models; how the construction industry operates and the supervision of major contractors.
- Members will receive a presentation about the Council's major works programme, oral evidence from possibly two other London boroughs and from a construction expert.
- A suggestion to include as additional objective, that the review will focus on achieving quality and value for money was noted.
- In response to concerns about inviting local contractors and housing associations to participate in the review, Members were reminded that for the Committee to produce a balanced report, views of the various stakeholders should be taken on board. Members noted that as housing associations tend to attend committee to present their performances and work programme, it will be an opportunity for members to enquire about how their major works programme is managed.
- The Chair outlined a number of key principles which should be incorporated into the scrutiny of the Council's major works. These include, that the primary focus should be on desired outputs and results; the need to balance quality and cost; transactions to be carried out in an efficient manner; all options in determining the most appropriate solution to be considered; the use of competition to obtain best value; that the procurement processes follow the organisation's policies and priorities; essential to comply with legislation and regulatory requirements and the need for decisions to be transparent and accountable.
- The Chair reminded the Director of Property Services that he was still awaiting documentary evidence such as a sample of the contracts and the department's organisational chart from his officers as it is essential for the review exercise.
- With regards promoting an inclusive economy, it was suggested that the committee should consider the Preston model as a local authority which has

been cited as ensuring that money is kept within its local economy. The meeting was informed of a similar experience possibly in Sheffield and hoped that lessons could be shared. Members agreed that the issue of apprentices should be taken on board while carrying out the review.

- The meeting was advised that Council officers should endeavour to monitor works carried out prior to works being completed and handed over by the contractor as issues or problems can be easily rectified before the contractor leaves the site. Members agreed that although the council do carry out due diligence on most of the major works carried out by contractors, it is essential that robust monitoring should be in place and continuous throughout all the stages of the major works and possible penalties to be introduced.
- The Chair requested that the document titled ' Procurement and Project Management be circulated to members and officers for information purposes.
- In response, the Director of Property advised that in terms of inviting other organisations different from Islington he was not aware at present of any insourcing organisations, however officers would look into this option.
- On the issue of cost and pricing of contracts, meeting was advised that members will have an opportunity to learn more as a quantity surveyor, an expert will be invited to a meeting of the committee.

110

**MINI REVIEW - DRAFT SCRUTINY INITIATION DOCUMENT( PRIVATE RENTED SECTOR) (Item B2)**

Jan Hart, Service Director Public Protection introduced the Draft Scrutiny Initiation Document (SID) about the Private Rented Sector. The following points were noted:

- The Chair informed Members although the draft SID is being considered at this meeting and that the scrutiny into the private rented sector would not be commencing till possibly later in the year or early in 2020, any suggestion or ideas from members regarding is still welcome and can be emailed to him.
- The review into the private rented sector would involve Housing and Environment & Regeneration departments. Members would be able to consider how housing especially in the private sector has evolved over the years; the relevant Housing Act; the regulation and powers available for local authorities and also identify areas for improvement.
- In addition, members would consider the role of the private sector in meeting housing needs and how the council supports tenants living in private rented sector.
- A request for objective 5 in the SID to be amended was noted, that it should read - Examine the impact of the right to rent on access to the Private Rented Sector, the discrimination it causes, the council's role and ability to

combat that discrimination in line with the public sector equality duty.

- Members agreed that in terms of witnesses, the SID should explicitly state that this is not an exhaustive list so as to avoid any form of ambiguity on witnesses that will be invited.
- In response to a suggestion about inviting private renters as witnesses, the meeting was advised that there is a reluctance to give evidence for fear of retribution from landlords. The Chair reminded the meeting that at a previous review, officers had been able to set up a mechanism which ensured that evidence obtained from private renters was anonymised.
- On the issue of placing tenants with rogue landlords, the meeting was advised that the council had over the years been successful in prosecuting landlords and that a register exists which is shared by all London boroughs to prevent tenants being placed in properties owned by landlords which had been found to have fallen short in terms of the quality of accommodation provided.
- On the question of leaseholders subletting their flats in Council housing estates and its legality, the meeting was advised that this is possible as it depends on the type of mortgage. In response to a question on if the Council had a list of registered leaseholders on council estates and how many were being rented out, members were advised that this will be made available as background information in the scrutiny exercise.

**RESOLVED**

1. That the Scrutiny Initiation Document be agreed.
2. That the scrutiny review into the private rented sector will commence later in the municipal year.

**111     WORK PROGRAMME 2019/2020 (Item B3)**  
**RESOLVED:**

That the work programme be noted

The meeting ended at 8.30 pm

**CHAIR**