

London Borough of Islington

Housing Scrutiny Committee - 12 January 2021

Minutes of the virtual meeting of the Housing Scrutiny Committee held on 12 January 2021 at 7.00 pm.

Present: Councillors: O'Sullivan (Chair), Spall (Vice-Chair), Debono, Gallagher, Graham, Heather, Ozdemir and McDonald (Co-Optee)

Also Present: Councillor Ward

Councillor Michael O'Sullivan in the Chair

220 APOLOGIES FOR ABSENCE (Item 1)

Apologies were received from Councillor Hamitouche and Dean Donaghey

221 DECLARATION OF SUBSTITUTE MEMBERS (Item 2)

There were no declarations of substitute members

222 DECLARATIONS OF INTERESTS (Item 3)

There were no declarations of interest

223 MINUTES OF PREVIOUS MEETING (Item 4)

RESOLVED:

That the minutes of the meeting held on 23 November 2020 be confirmed as an accurate record of proceedings and the Chair be authorised to sign them.

224 CHAIR'S REPORT (Item 5)

The Chair stated that at the previous meeting in relation to the scrutiny review of PFI Properties it was stated that there were a number of work streams taking place and details of these should be notified to the Committee

In addition, the Chair referred to the litigation process that is currently taking place by some residents against Partner and that the Committee needed to receive details of these as they would become liable for litigation purposes when the transfer takes place

Reference was made to the proposed visit to Brewery Road and that this has still not taken place. The Chair stated that he would pursue this with Councillor Ward to ensure a Zoom visit is arranged and Members would be notified of the date

RESOLVED:

- (a) That the additional information referred to above with regard to Partner PFI properties be submitted to the Committee at a future date

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- (b) That the Chair be requested to discuss with Councillor Ward a date for the Brewery Road visit and inform Members accordingly

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

The Chair stated that the order of business would be as follows- Agenda item B2, Agenda Item B4, Agenda item B3, Agenda item B1, Agenda items B5 and B6

226 **PUBLIC QUESTIONS (Item 7)**

The Chair outlined the procedure for Public questions

227 **HRA BUSINESS PLAN - A PRESENTATION BY CORPORATE DIRECTOR OF HOUSING (Item B1)**

Maxine Holdsworth, Director of Corporate Housing was present for discussion of this item and outlined the presentation, copy interleaved

During discussion the following items were raised –

- HRA – All Council's with housing stock must maintain a separate account for the responsibilities as a landlord. This account is ringfenced and can only be used for income and expenditure on things related to being a landlord. All capital and revenue expenditure on landlord services is contained within the HRA. There is a 30 year business plan and it must balance over the 30 years. Gross Budget HRA 2020/21 £223m, Income £223m
- Business Plan – ensure as a landlord able to manage costs of both longer term investment and day to day management of stock, reviewed annually, on a yearly basis income and expenditure will not always match and reserves are built up to provide support in those years where higher investment needed. Budget agreed annually at Council
- Income derived from rents and service charges, leaseholder charges, PFI credits, Right to Buy receipts, Income from New Build
- Expenditure – Investment in existing homes and building new homes, day to day repairs and maintenance, management of tenancies, Service delivery overheads, PFI contract costs, maintaining estates and non-housing assets, interest on debt held
- HRA Business Planning – Key factors – majority of income comes from tenants rents and leaseholder service charges. Rents are regulated by Social Housing Regulator and Government. Leaseholders charges must accurately reflect amounts spent by Council on maintaining, managing homes and estates and service costs
- Spending drivers – investment need, day to day repairs and maintenance, homes management, tenancy management, ASB, housing related support
- In order to predict income and expenditure over 30 years assumptions are built into the plan – borrowing is not repaid during the life of the Business Plan, new build schemes need to be self-sustaining, income needs to be maximised, and assumptions are updated annually
- Key pressures on plan – UC has reduced ability to collect rent, return of PFI2 results in reduced income as PFI credits come to an end, investment in stock has to be accommodated by the business plan, expected changes to fire safety requirements, investment in energy efficiency
- Schemes have been affected by lockdown, however budget for improvements on existing estates is £38.7m
- Noted that Islington has the second highest proportion of Council housing in London
- Planned that all new build properties would be zero carbon

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- A Member expressed concern of a perception of two tiers of social housing developing in the borough, nice new build adjacent to older social housing often in poor condition, particularly in high rise blocks. It was stated that new build and older stock were facilitated by different budgets, and that consideration needed to be given in the cyclical programme to prioritisation of schemes on older blocks
- In response to a question it was stated that the new procurement strategy placed more emphasis on social value when awarding contracts, with at least 20% being awarded on social value

RESOLVED:

That the presentation be noted and a 6 month progress report be submitted to the Committee on the Business Plan

The Chair thanked Maxine Holdsworth for her presentation

228

THAMES WATER - BILLING ARRANGEMENTS FOR TENANTS (Item B2)

Michael Benke, Kevin Dix, and Andy Mitchell were present from Thames Water, together with Adam Jenner, Head of Income and Home Ownership L.B.Islington, and during discussion the following main points were made –

- Members noted that a letter had been circulated before Xmas to tenants and a further letter would be circulated in the near future, together with information on the Council's website. The view was expressed that this should include provision for those for whom English is not their first language
- Thames Water stated that there would be a number of benefits from Thames Water doing direct billing to tenants and they would ensure that residents were communicated with effectively, and they wished to have a more direct relationship with tenants
- It was noted that work had been taking place with the Council, in order to have direct billing to tenants, and that they had formed a good working relationship. Members were informed that Thames had been working with other London Boroughs over the past 4 years to transfer tenants to direct billing, and that this should ensure a smoother process with Islington tenants
- Thames stated that tenants would also benefit from a number of possible discounts that they could apply for such as a reduction in bills if tenants earned less than £19000 per year, and other measures to reduce bills. Thames stated that they would be writing to residents that week to inform them of the new arrangements
- It was noted that tenants transferring to Thames would have previous water charge arrears cleared, and Thames would only as a last resort employ debt companies. Thames would attempt to engage the tenant to ensure this did not happen
- A Member expressed the view that negotiations between Thames and Housing had been taking place for a considerable period of time, and yet Members had not known of these proposals until relatively recently. This had meant that tenants, especially vulnerable tenants, were concerned about the proposals and this was unacceptable. It was stated that Housing and partner organisations are doing some work with vulnerable tenants, and Thames had arrangements for dealing with vulnerable tenants
- In response to a question it was stated that bills would not increase for tenants as a result of the change, as there would be an equivalent reduction in their service charge on the rent account
- It was stated that tenants could request a water meter be installed to control bills, however this would be dependent on an assessment of the technical difficulties of installing a meter at a property, and each application would be dealt with on its merits. Thames had a specialist metering team that dealt with such applications

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- In response to a question as to the average bill and price schedule that is payable for Islington residents, it was stated that whilst this would vary from property to property dependent on size, however such information could be circulated to Members
- A Member referred to the fact that the reputation of Thames in the borough was not high following floods in the borough, and that he was concerned that many elderly tenants would not be able to set up direct debits and alternative payment arrangements needed to be put in place. It was also stated that tenants were concerned that bills would be increased in the future. Thames stated that they would circulate details of the options available for tenants to pay their water bills
- Discussion took place as to the reason Thames had decided on direct billing and it was stated that OFWAT had recommended that water companies should be in closer contact with their customers and knowledge of their circumstances
- Thames stated that a number of payment measures were in place and tenants should not be disadvantaged by not paying by direct debit or if they were not technologically aware
- In response to a question as to billing, it was stated that the rent account sent to residents would exclude water service charges and that direct billing to Thames would be made clear to tenants and that Thames would also be contacting tenants in March. Rent officers will also be briefed as to the new arrangements in order to assist tenants
- In response to a question as to whether Thames could apply an automatic discount to vulnerable tenants, it was stated that Thames did not have this level of information and it was noted that legally this information could not be passed to them by the Council. However, the Council are working with support organisations and partners to work with vulnerable residents to ensure discounts are applied wherever possible. It was stated that communications from Thames and the Council should highlight discounts that may be available for vulnerable Council tenants and partner organisations, including Partners for Islington
- Noted that there would be no change to Housing Benefit for tenants as a result of direct billing from Thames
- Members expressed concern that this proposal had been discussed with officers and Thames for some time and that Members were not aware until relatively recently of the proposals and this did not auger well

RESOLVED:

- (a) That Thames Water be requested to report back to the Committee in 6 months on progress of direct billing to tenants, and the Executive Member Housing be requested to liaise with officers to ensure that communication with residents on the proposals is effective and informative of the new arrangements
- (b) That Thames Water be requested to provide information to tenants on measures that can be taken to reduce bills by conserving water
- (c) That details of the average water bill and pricing schedule for Islington properties be provided to Members of the Committee
- (d) That details of the options available for payment be circulated to tenants

The Chair thanked Michael Benke, Kevin Dix, Andy Mitchell and Adam Jenner for attending.

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Hannah Bowman, Head of Strategy, Improvement and Partnership was in attendance, together with Miles Langham and Christine Croome of Octavia Housing Association who made a presentation to the Committee

During consideration of the report the following main points were made –

- Noted that Octavia experienced similar problems with dealing with street properties as many other organisations/Councils
- It was noted that Miles Langham had previously worked with Genesis Housing Association and issues such as lack of keys to obtain access, lack of communication with residents, sub-letting, lack of tenants organisations were similar to both organisations, and measures had been taken to try to address these
- Properties were often not suitable for disabled tenants as they were often not on ground floor or have disabled access
- Genesis had a 7/8 year cyclical programme as this was more cost effective than day to day repairs and had two main contactors to do the work, as Victorian properties were difficult to work on to carry out repairs
- Main problems encountered with street properties include – roofing works and cost of scaffolding, (scaffolding could substantially increase the cost of works), thermal efficiency, cold/dampness/condensation. Staff were trained how to respond to condensation problems and advice was also offered by the Green Energy Doctor service. Often structural issues due to many properties being built on London clay, and issues with external party walls. Noise is also a problem, and whilst Octavia had tried floating floors these had not been particularly effective
- In response to a question as to planned cyclical maintenance it was stated that this is an opportunity to provide external wall insulation, but in a conservation area there needed to be effective communication with Planning
- Reference was made to the cost of scaffolding as this is often difficult to erect on Victorian properties, especially if there is no side access, and there is also a need to retrofit homes, which could cost approx. £20/30k per flat. In addition there needed to be compliance with fire regulations, which meant that flats had to be accessible. Octavia were looking to install a front lobby system so that access could be obtained. Octavia stated that they would circulate details of the retrofitting information to Members
- Octavia stated that there were not any significant problems with heating in street properties, and they all had gas boilers. Communal boilers tended to be installed on newer schemes and supported housing blocks
- In response to a question it was stated that information would be provided on improvements to properties made by Partners during the contract, and the handback survey would provide more information

RESOLVED:

- (a) That details of the Octavia retrofitting service be circulated to the Committee
- (b) That the implications of the cost of scaffolding be considered as part of the scrutiny review

The Chair thanked Hannah Bowman, Miles Langham and Christine Croome for attending

230 MINI SCRUTINY REVIEW - TRIAGE SYSTEM - PRESENTATION AND SID (Item B4)

Jo Murphy, Director of Homes and Communities was present, and outlined the SID for Members

During discussion the following main points were made –

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- Noted that the service were receiving 1700 calls and that these related to ASB, concerns about neighbours, transactional enquiries etc. and that the aim is to resolve enquiries at the first point of contact. Staff could also refer callers to other statutory organisations, voluntary sector or advice organisations if appropriate

RESOLVED:

That the SID be approved.

The Chair thanked Jo Murphy for attending

231 MINI SCRUTINY REVIEW - COMMUNAL HEATING - SID (Item B5)

Simon Kwong, Director of Housing Property Services was present for discussion of this item

During discussion the following main points were made –

- Noted that there is a need to consider how communication with residents can be improved and the implications of moving to net Zero Carbon regarding issues such as insulation/thermal efficiency and retrofitting. In addition there needed to be consideration given to heating charges

RESOLVED:

That the above be noted and the SID be approved

The Chair thanked Simon Kwong for attending

232 WORK PROGRAMME 2020/21 (Item B6)

RESOLVED:

That the report be noted

233 ANY OTHER BUSINESS (Item)

A Member referred to the high COVID infection rates on a number of estates, especially in high rise blocks in Bunhill Ward, and expressed the view that there need to be a focus on a more rigorous cleaning regime, especially in relation to refuse chutes, lifts, communal areas etc.

Members were informed that work is taking place with Public Health to identify areas of high infection, however cleaning had been increased on estates, and work is taking place with TfL to identify how cleaning measures take place on London Transport to ascertain if this would be useful to implement on estates

RESOLVED:

- (a) That the Director of Housing investigate with Public Health areas of high infection and possible measures that could be taken on estates with respect to additional cleaning measures in order to assist in reducing such infections
- (b) That it be noted that an additional meeting of the Committee would be arranged for 23 March 2021 and confirmation of this would be notified to Members of the Committee

The meeting ended at 9.20 p.m.

CHAIR