

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE HOUSING SCRUTINY SUB-COMMITTEE

HELD AT 6.35 P.M. ON MONDAY, 18 JULY 2016

**MP702, 7TH FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT,
LONDON E14 2BG.**

Members Present:

Councillor Amina Ali (Chair)
Councillor Andrew Cregan
Councillor Rabina Khan
Councillor Abdul Mukit MBE
Councillor Helal Uddin
Councillor Andrew Wood

Other Councillors Present:

Councillor Sirajul Islam –

Others Present:

Jane Ball – Tower Hamlets Housing Forum
Ann Lucas – Board Chair, Tower Hamlets Homes
Ann Otesanya – Director of Neighbourhoods Tower Hamlets
Homes
Richard Hardy – Tower Hamlets Homes
Susmita Sen – Chief Executive, Tower Hamlets Homes

Officers Present:

Mark Bursnell – Senior Strategy, Policy & Performance Officer
Afazul Hoque – Interim Service Manager, Strategy, Policy &
Performance
Jackie Odunoye – Service Head, Strategy, Regeneration &
Sustainability, Development and Renewal
Martin Ling – Housing Policy Manager
John Coker – Acting Divisional Housing Manager,
Development & Renewal

1. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

The Chair, Councillor Amina Ali welcomed everybody to the Housing Scrutiny Sub-Committee meeting.

Councillor Ali made a short statement outlining her vision for the sub-committee and why housing is such an important issue.

She stated the induction session held on the 27th June, helped to identify the priority issues facing Housing provision in Tower Hamlets and had assisted in formulating the draft work programme.

She informed Members about her meeting with the Chair of Camden's Housing Scrutiny Committee – Councillor Danny Beales and the successes they had achieved. Councillor Ali hoped the newly formed Housing Scrutiny Sub-Committee would also emulate and innovate in the same way and look to find solutions to the complex housing problems in the borough.

She referred members to the agenda and stated the meeting would cover; some administrative actions, agreeing a draft work programme, followed by a report on Leaseholder Management, outcomes of the Affordability Commission and the Implications of the New Housing and Planning Act 2016.

She requested everyone to introduce themselves and commenced the meeting.

There were no apologies for absence and no declarations of interest declared.

2. APPOINTMENT OF VICE-CHAIR

Councillor Amina Ali nominated Councillor Andrew Cregan and Councillor Helal Uddin seconded the nomination. Councillor Andrew Cregan was elected as Vice-Chair of the Housing Scrutiny Sub-Committee.

3. REPORTS FOR CONSIDERATION

3.1 Terms of reference - Housing Scrutiny Sub-Committee

The Chair referred members to pages 5-13 of the agenda pack and explained that the Committee is required to review and note the terms of reference of the Sub-Committee, as agreed by Full Council at its meeting of 18th May 2016. She asked if there were any points arising:

Councillor Andrew Cregan asked for clarification regarding page 9 of the agenda pack which referred to the 26th September as the next meeting date and page 13 which referred to the 10th October.

Afazul Hoque confirmed the date to be the **10th October 2016**.

Councillor Cregan also requested that the 28th November 2016 meeting be reviewed as this was on the same date as the Labour Group meeting.

The responsible officer agreed to seek a new date for this meeting.

The Sub-Committee **RESOLVED** to:

AGREE the terms of reference, Quorum, Membership, dates of future meetings for the Housing Scrutiny Sub-Committee, subject to the aforementioned meeting date amendments.

3.2 Draft Annual Work Programme

Afazul Hoque, Interim Service Manager, - Strategy, Policy and Performance introduced the report stating the induction session held on the 27th June, had assisted in formulating the draft work programme.

He drew attention to the October and February meetings and highlighted the Sub-Committee would receive quarterly performance data for these meetings; with challenge sessions whereby Members could further probe the Cabinet Member for Housing Management and Performance as well as the Member for Strategic Development.

Afazul informed the Sub-Committee it would receive an update on the recommendations relating to Section 106 applications but there was flexibility in the work programme for the Members to consider topics such as under-occupation and explore housing schemes which deliver best practice and positive outcomes for residents.

This was followed by questions from Members who made the following points:

- Cross-party working group relating to Private rented sector should be considered, which reports directly to the Housing Scrutiny Sub-Committee. Upon discussion agreed this may be useful to consider once the Sub-Committee has established itself especially as there would be resource implications.
- Challenge sessions with Portfolio Leads need to be inclusive –i.e. involve partners and should be communicated via social networks in order to encourage public participation. Members agreed the Tower Hamlets Housing Forum represented the views of Housing Associations who are invited to all the meetings of the Sub-Committee. This relationship needs to be built before the Sub-Committee can challenge procedures and practices.
- The Sub-Committee should have a strategic approach examining housing management, in view of some registered providers growing and merging into larger organisations. Relevant questions could include; are registered providers providing value for money, what is the basic level and quality of service leaseholders/tenants can expect and how can the Sub-Committee influence culture change in organisations to be more customer-focussed. Councillor Sirajul Islam, Cabinet Member for Housing Management and Performance agreed to share Performance indicators with the Sub-Committee, alluded to earlier as quarterly reports for the October and February meetings.

The Sub-Committee **RESOLVED** to;

Note the draft work programme for the Housing Scrutiny Sub-Committee.

3.3 Tower Hamlets Leaseholders Report

Councillor Sirajul Islam, Cabinet Member for Housing and Performance introduced this report and said work had been undertaken to examine the methodology used to calculate service charges as this was a problem identified by residents.

A number of independent studies had been conducted over the years and this report summed up the findings. He stated that the number of leaseholders in Tower Hamlets was currently 9000 residents and this figure was likely to increase. He welcomed the new Chief Executive of Tower Hamlets Homes (THH), Susmita Sen and said the organisation had now established a service improvement plan to deliver the recommendations identified.

Susmita Sen delivered her presentation to Members and made the following points:

- The Audit reports of Beever and Struthers (2010) and Mazars (2014) made several recommendations and both reports found the methodology used to calculate service charges was fair, transparent and provided value for money.
- To ensure recommendations from these reports were implemented correctly, Tower Hamlets Homes assigned the Housing Quality Network to independently test and make further comments. They concluded that good progress had been made.
- Moving forward, Susmita stated that she intended to work together with residents, partners and the Council to develop organisational excellence, provide excellent customer service and maintain homes and neighbourhoods to be proud of.
- THH was looking to co-locate its customer service teams / call handlers for repairs and maintenance with contractors in order to improve customer service and offer a swifter response.
- THH is developing a 5 year Asset Management Strategy to enable better management of its asset and plan for major works, so to improve notification to leaseholders of any increases in service charges.

This was followed by questions from the Members who made the following comments.

- Councillor Cregan asked how the Asset Management Plan would be financed. Jackie Odunoye responded that a report to July Cabinet set out in more detail projections in budget and predictions as to cost.
- Members asked how scheduled major works would be communicated to residents and how they intend to involve residents. Susmita Sen acknowledged communication with leaseholders was paramount and THH needed to develop more innovative methods of communication such as improved use of IT – Smarter apps and better online information. Councillor Rabina Khan cautioned THH to be mindful of elderly residents who may not have access to new technology. Susmita concurred and said these improvements would be in addition to improving customer service helpdesk arrangements.
- Members welcomed the co-location of customer service and contractor teams but emphasised the need to improve supervision of contactors and works in communal areas i.e. Door Entry systems and the signing off of completed works. Members enquired if financial penalties could be imposed on contractors not fulfilling their contract.

The Sub-Committee **RESOLVED** to:

Note the Leaseholder Management report by Mazar's and Tower Hamlets Homes response to the recommendations contained therein.

3.4 Affordability Commission

Jackie Odunoye, Service Head for Strategy, Regeneration and Sustainability introduced this report and asked her colleague Martin Ling to present the findings.

Martin Ling informed Members the Affordability Commission was set up at the behest of the Mayor to investigate the delivery of genuinely affordable housing in Tower Hamlets.

The Commission held three public meetings to assist in the development of housing policy and made 11 recommendations.

Martin Ling referred Members to pages 106 -108 in the agenda pack and highlighted the key themes emerging, namely:

- Social rented housing on Council owed sites
- Bespoke intermediate rented product on Council Owned sites; and

- Guidance for lower than current affordable rents for Registered providers.

In conclusion, the Affordability Commissions work has been a valuable piece of work to aid the development of Housing Strategy.

This was followed by questions from Members who made the following points:

- Was the Council still looking to develop affordable housing schemes with Borough Framework rents? Jackie Odunoye responded stating Borough Framework rents were calculated using a percentage of market rent but these rents were too high and with no grant funding available, it was open to discussion with registered providers and also a question of waiting to see what the Mayor for London was going to do.
- How will the Right to Buy scheme with registered providers affect the affordable rents of tenants? Martin Ling stated that this would be difficult to predict as the government proposal of '20% starter homes' was dependent on market forces.

The Sub-Committee **RESOLVED** to:

Note the report of the Affordability Commission.

3.5 Implications of the New Housing and Planning Act 2016

Martin Ling, Housing Strategy Manager presented this report which sets out the main reforms introduced by the Housing and Planning Act 2016 which received Royal assent on the 12th May 2016.

Martin referred Members to the various points in the report and made the following comments:

- **3.3 – Providing a statutory framework for the delivery of new starter homes** - It would be difficult to put this into the Local Plan, as the housing need would not be met and this is a concern.
- **3.6 – Rogue Landlords and letting agencies** - Stated that the Housing Team was conferring with colleagues in Environmental Services to identify and tackle rogue landlords.

- **3.12 – Social Housing** - Stated awaiting detail contained within the regulations, yet to be published.
- **3.16 – End of lifetime tenancies** - Stated awaiting detail contained within the regulations, yet to be published.
- **3.22 – High income social tenants** – Stated awaiting detail contained within the regulations, yet to be published.

In summary, the Housing Strategy Team is awaiting the outcome of the regulations before it can formulate policies and strategies to support the changes required.

This was followed by questions from Members who made the following points:

- Cllr Andrew Wood referred to point 3.5 and stated that a co-ordinated response would have been better in order to influence the wider agenda and to lobby the London Minister for Housing.
- Cllr Rabina Khan asked when the lifetime tenancies would cease to be and how registered providers would assess income of social tenants deemed to be on a high income threshold? Martin responded stating lifetime tenancies would end April 2017 and the assessment of income by Registered Providers was voluntary and early indication was medium to small Housing Associations were not keen to pursue this, while large providers may do so.

The Sub-Committee **RESOLVED** to:

Note the report and acknowledged the detail from the Housing and Planning Act 2016 were still emerging.

Members thanked Jackie Odunoye and Martin Ling for their reports.

4. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

There was no other business discussed.

The meeting ended at 8.43 p.m.

Chair, Councillor Amina Ali
Housing Scrutiny Sub-Committee