

LONDON BOROUGH OF TOWER HAMLETS
MINUTES OF THE HOUSING SCRUTINY SUB COMMITTEE
HELD AT 6.30 P.M. ON TUESDAY, 29 JANUARY 2019
MP702 - TOWN HALL MULBERRY PLACE

Members Present:

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| Councillor Dipa Das | Chair |
| Councillor Dan Tomlinson | Vice-chair |
| Councillor Shah Ameen | |
| Councillor Shad Chowdhury | |

Co-opted Members Present:

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| Anne Ambrose | Tenant Representative |
| Moshin Hamim | Leaseholder Representative |

Other Councillors Present:

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| Councillor Sirajul Islam | Cabinet Member for Housing |
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Others Present:

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| Ann Otesanya | Head of Neighbourhoods THH |
| Richard Hards | Head of Leasehold Services THH |

Officers Present:

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| Mark Baigent | Interim Divisional Director, Housing and Regeneration |
| Abidah Kamali | Strategy and Policy Manager, Place Directorate |
| Rushena Miah | Committee Services Officer |

1. WELCOME, INTRODUCTIONS & APOLOGIES

Apologies were received from Councillor Andrew Wood. There was an apology for lateness from Councillor Shah Suhel Ameen.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

There were no declarations of pecuniary interests made.

3. MINUTES OF THE LAST MEETING & MATTERS ARISING

The minutes were approved and signed by the Chair subject to the following amendments:

- Members recalled an action for Clarion to attend a scrutiny meeting to discuss its performance; however this was not included in the minutes. Sandra Fawcett, Chair of THHF, advised that she had notified Clarion about the request and they had agreed to meet the Committee. This action was noted for the Strategy and Policy Manager to follow up on.
- With regard to the action in agenda item 8 (Social Housing Performance Report Q2), Members clarified they requested for smaller RPs to attend the Housing Scrutiny Sub Committee (HSSC) meeting to discuss performance and any challenges they faced. The Chair asked Members to identify a few RPs they wanted to invite and draw up questions they would like to ask them. Members agreed Universal Credit should be a topic where additional RPs were invited to attend the HSSC meeting

Matters arising:

With regard to item 6 bullet point 3 of the minutes (Fire Safety and Building Regulations), a Member queried why Improvement Notices had not been issued if the council had the power to take action. Members requested a written update from Mark Baigent Interim Divisional Director of Housing regarding Improvement Notices.

ACTIONS:

- For Clarion to attend a Housing Scrutiny Committee to report on their performance.
- For RPs to be invited to the Housing Scrutiny Committee. Members are to contact Abidah Kamali, Strategy and Policy Manager with suggestions for which RPs to invite to discuss the Universal Credit item for the next meeting and put forward some questions that they would like to put to the invited RPs.
- For Mark Baigent, Interim Divisional Director, to provide an update on the issuing of Improvement Notices.

RESOLVED:

1. To approve the minutes of the meeting held on 20 November 2018, having made the above amendments.

4. BUDGET SCRUTINY

[The Chair decided to take agenda items in a different order than published. Item 6: Service Charges for Leaseholders was taken first followed by items 4 and 5. For convenience the minutes will follow the order published in the agenda].

The committee received a report from Mark Baigent, Interim Divisional Director Housing & Regeneration on the Housing Budget.

In response to Members, Officers provided the following:

- Officers explained that the annual repairs and maintenance figures listed in appendix 1 had gone up due to cost inflation.
- Officers explained that the issue with Universal Credit was that it was paid every six weeks and directly to the individual rather than the landlord. The payment schedule exacerbated the rent arrear issue. Officers said a financial service centre had been set up to support tenants with money management.
- Officers said they were not expecting additional costs associated with the Fit for Human Habitation Bill.
- A Member asked if the 42 block flat purchased on Burdett Road would be social rent and whether the social rent would be maintained. Officers said that the development in question was built via a s106 agreement with the intention of providing affordable housing so the Council would not charge beyond affordable rates. Officers explained that the council had purchased some temporary accommodation properties and there was greater flexibility in the tenure.
- Although Members did not take issue with the report, there was a consensus that the budget report had arrived late to the meeting. Members advised that it would have been useful to have an outline of the budget at the last meeting for in-depth discussion at the current meeting. Officers explained that budget reports to a scrutiny sub-committee was a new agenda item. Previously all budget reports had gone to the main Overview & Scrutiny Committee and Members were invited to participate at that meeting. Members were invited to submit any comments regarding the budget to Abidah Kamali, Strategy and Policy Manager, who passed on advice that Members could feedback comments before the Budget Council meeting in February.
- The GLA has made an arrangement with the government to hold unspent right to buy money for three years. Officers said this took the pressure off spending right to buy money within the set period.
- Right to buy sales have slowed down. There were between 50-100 sales this year.
- The Seahorse Company had made offers but had not purchased property as of yet. The Company intended to buy a block of flats to privately manage as investment. The money from the investment would not go into the Housing Revenue Account. The fund could pay a dividend to its shareholder the Council, invest, or give to charity.
- Some of the 2,000 new Council homes (to meet the Mayoral Pledge) are for use as temporary accommodation and were acquired through funds from the general fund but are still considered to be council housing.
- Officers clarified delivery of affordable homes was lower than the target ending quarter 2, (appendix 6 on page 38 of the agenda pack), the majority of these homes come from developments where there was commitment to providing affordable housing. However, the Council does not have control over when developments complete which are influenced by a number of factors. One pressing issue is Brexit, which may have delayed housing completions. It is expected that housing

delivery will pick up once there was further clarity around Brexit. Officers said the Council was committed to building its Council homes within planned timeframes.

RESOLVED:

1. To note the report.

5. TOWER HAMLETS HOMES OPTIONS APPRAISAL (STRATEGIC REVIEW)

The Committee received an update from Mark Baigent – Interim Divisional Director of Housing on the Tower Hamlets Homes Options Appraisal.

Members had expected ‘to review recommendations and take an informed view of the options presented and implications’. However, due to delayed progress of the review and stakeholder engagements, there was instead a presentation which highlighted the scope of the review, progress and next steps, including a statutory consultation of the options under the Housing Act S105.

The Committee was advised that due to issues of confidentiality, reporting was limited to the Steering Group, which provided Governance for the review. Officers said options would be presented to the Mayor for direction and a consultation would then follow.

The Committee raised concerns around the approach presented and made the following requests:

- To view the draft recommendations presented to the Steering Group and feed into development of final recommendations.
- For the Chair to write to the Chair of Overview & Scrutiny to inform him of the Committee’s concerns and ask for his support in being able to review the draft recommendations.
- For the Chair of Overview & Scrutiny to write to the Mayor on behalf of the Housing Scrutiny Committee, requesting for the sub-committee to view the draft report and recommendations.
- If the draft report and recommendations could not be shared, a written response from the Mayor on the following to be provided:
 - Why are the terms of reference of the review, information from consultants, advice and analysis by Steering Group members and notes from Steering Group meetings confidential?
 - Why can’t the Housing Scrutiny Committee review the draft report and recommendations and feed into the decision making process? Are there legal implications that prevent this?

It was noted that if the Committee were not given the opportunity to review the draft prior to a Cabinet decision, there would be a risk of calling in the decision via the Overview & Scrutiny Committee.

The Committee agreed the Mayor's response should be circulated to both Members of the Overview & Scrutiny Committee and Housing Scrutiny Committee, preferably before the next Housing Scrutiny Committee meeting on the 26th of February 2019.

RESOLVED:

1. To note the inaccuracy in the agenda summary. The information provided did not meet the expected outcome.
2. For the Chair to write to the Chair of Overview & Scrutiny regarding concerns around information sharing for the THH options appraisal.
3. For the Chair in consultation with the Chair of Overview & Scrutiny Committee to write to the Mayor requesting a written response to the questions raised at the meeting.

6. SERVICE CHARGES FOR LEASEHOLDERS

The Committee received a presentation from Richard Hards, Head of Leasehold Services THH, and Ann Otesanya, Head of Neighbourhoods THH, on services charges for leaseholders.

In response to questions from Members Officers provided the following:

- The service charge benefits had been advertised in THH newsletters. Officers pointed out a small number of leaseholders were likely to benefit from it because 60-70% of stock was leasehold and of that a small portion are on benefits.
- It was clarified that 108 leaseholders were referred to the for financial inclusion advice. 76 payment plans were agreed and whilst the number of applications were higher, 29 leaseholders were eligible for benefits after assessments were made.
- It was noted that the current debt position had decreased from £7 million to £2 Million. There was a system in place to automatically credit individuals if overpayments were made.
- Of the 217 complaints, the vast majority were from owner occupiers. Officers assured Members a complaints process was in place.
- Members asked who the small working group were mentioned on page 52 of the agenda pack and how they balloted. Officers said Strickland house set up their own leaseholder association and that became the representative body. They said there were four leaseholder groups in the borough, for stock managed by THH.
- Some Members challenged a 66% good or fair satisfaction response was positive. Officers acknowledged there was room for improvement. They explained that there were a number of areas within the improvement plan that were being looked at that would contribute towards driving up satisfaction. It was noted a 60% satisfaction rate was average in comparison to other social landlords.
- Chair thanked the officers for their presentation.

RESOLVED:

1. To note the presentation.

7. ANY OTHER BUSINESS

Members said they would like to invite smaller RPs to the meeting to discuss Universal Credit. Clarion, THCH and East End Homes were identified as RPs Members were interested in inviting.

Sandra Fawcett sought clarity on the discussion. She said the Committee were now discussing bringing in RPs to discuss Universal Credit however, earlier in the meeting Members wished to discuss performance issues. She wanted a steer on what she should communicate to her RP colleagues.

It was agreed that THCH would be invited to the next meeting to share best practice and provide an update on Universal Credit and Clarion would be invited to the April meeting to provide an update on their performance.

The Committee were reminded that the first meeting of the Scrutiny Review sessions would be held on the 19 February 2019.

RESOLVED:

1. To invite Clarion to the April 2019 meeting of the Committee.
2. To invite THCH to the next meeting to share best practice and provide an update on Universal Credit.

8. DATE OF NEXT MEETING

Tuesday 26 February 2019, 6.30pm, Town Hall, Mulberry Place.

The meeting ended at 8.15 p.m.

Chair, Councillor Dipa Das
Housing Scrutiny Sub Committee