

## **BUDGET SCRUTINY TASK GROUP HOUSING MAINTENANCE**

**8 September 2011**

**Task Group Members in attendance:** Cllr Kemp (Chair), Cllr Taylor, Cllr Stevens

**Interested Members in attendance:** Cllr Siddiqui, Cllr Williams, Cllr Plouviez

**Officers in attendance:** Jim Paterson (Head of Building Maintenance and Estate Environment); Bruce Devile (Head of Business Analysis & Complaints); Ian Marriott (Business Analysis & Complaints Officer); Matt Clack (Overview and Scrutiny Officer)

### **Main points noted at close of meeting**

- **Member appetite for consideration of varied service delivery options**
- **Need for a second informal meeting to discuss the review approach with the Hackney Homes Chief Executive**

### **1. Introduction**

- 1.1. Jim Paterson gave an overview of the service, key actions implemented, outcomes being achieved, approaches to improving the service, current costs, and management structures.
- 1.2. Jim also gave some historical perspective to the service, explaining changes over the past few decades to the way housing maintenance and Direct Labour Organisations (DLOs) have operated, and outlined how Hackney had arrived at its current service model.
- 1.3. The approach to the fast track service review was explained, and the need to analyse different radical service options. Pinching small pockets of budget from services was no longer viable.

### **2. Initial Questions**

- 2.1. Members inquired about the value of the current service, either sold wholesale to a contractor for a fixed term, negotiated through a management buy-out, or other hybrid approaches
- 2.2. Consideration was given to the opportunities for generating income from the current service
- 2.3. Members queried opportunities for better back-office collaboration

- 2.4. Questions arose about the role of estate managers and communal repairs managers, especially whether there was crossover in their responsibilities

## **BUDGET SCRUTINY TASK GROUP HOUSING MAINTENANCE**

**3 October 2011**

**Task Group Members in attendance:** Cllr Kemp (Chair), Cllr Taylor, Cllr Stevens

**Interested Members in attendance:** Cllr Plouviez

**Officers in attendance:** Charlotte Graves (Corporate Director of Housing/Chief Executive Hackney Homes), Jim Paterson (Head of Building Maintenance and Estate Environment); Bruce Devile (Head of Business Analysis & Complaints); Ian Marriott (Business Analysis & Complaints Officer); Matt Clack (Overview and Scrutiny Officer)

### **Main points noted at close of meeting**

- **Member desire for consideration of the two remaining service delivery options**

#### **1. Introduction**

- 1.1 Charlotte outlined the service review paper which was circulated before the meeting, explaining which parts of the service are legally or contractually required. She also spoke about the services which are specific to tenants or leaseholders, and those which are common to both groups.
- 1.2 In relation to the service delivery options, she explained that most local authorities provide all services in-house, or wholesale contract out to a single provider. She discussed the benefits and threats of these models, together with the more radical approaches.
- 1.3 There was wide discussion about the need for savings, the success of the service's value for money approaches, and the changes to the Housing Revenue Account.
- 1.4 There was discussion about where the DLO is currently based, and options to develop the service in other council-owned locations.

#### **2. Initial Questions**

- 2.1 Members sought clarification about the cost difference between completing the works through an in-house DLO and contracting out. Charlotte noted that it's not impossible to believe that the service could

be cheaper if fully contracted out, but that quality could not be accounted for and the current service costs compare favourably to other local authorities.

- 2.2 Members were keen to understand how the 5,000 properties in Tenant Management Organisations might be affected by changes to the council's DLO.
- 2.3 Questions arose about how issues relating to diversity, sustainability and local sourcing could be built into tender contracts. This included whether initiatives like the London Living Wage could continue to be offered to staff.
- 2.4 Income-generation approaches were considered again, and Charlotte outlined a few possibilities. She felt that it was important to focus on improving the service to the highest standard before expanding to other areas.