

London Borough of Hackney
Living in Hackney Scrutiny Commission
Municipal Year 2016/17
Monday, 8th April, 2019

Minutes of the proceedings of
the Living in Hackney Scrutiny
Commission held at
Hackney Town Hall, Mare
Street, London E8 1EA

Chair:	Councillor Sharon Patrick
Councillors in Attendance:	Cllr Sade Etti (Vice-Chair), Cllr Michelle Gregory, Cllr Anthony McMahon and Cllr M Can Ozsen
Apologies:	Cllr Ian Rathbone and Cllr Penny Wrout
Officers In Attendance:	Sinead Burke (Head of Property & Asset Management, Neighbourhoods and Housing), Donna Bryce (Head of Resident Safety, Housing Services), Steve Platt (Head of Building Maintenance and Estate Environment), Gilbert Stowe (Divisional Head of Tenancy and Leasehold Services) and Kim Wright (Group Director Neighbourhoods and Housing)
Other People in Attendance:	Councillor Clayeon McKenzie (Cabinet Member for Housing Services)
Members of the Public:	
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Councillor Sharon Patrick in the Chair

1 Apologies for Absence

1.1 Apologies had been received from Cllrs Wrout and Rathbone.

2 Urgent Items / Order of Business

2.1 There were no urgent items and the order of business was as laid out.

3 Declarations of Interest

3.1 Interests were declared as below. These were in relation to agenda items 4 – 6:

- Cllr McMahon declared he was a Board Member of Lordship South TMO
- Cllr Gregory declared she was a Board Member of Wenlock Barn TMO
- Cllr Patrick declared she was a Board Member of Clapton Park TMO

- Cllrs McMahon, Patrick and Gregory declared they were Council leaseholders

4 Update from Housing Services - progress on implementation of recommendations of Fire Risk Assessments

4.1 Guests in attendance for this item were:

- Cllr Clayeon McKenzie, Cabinet Member for Housing Services
- Kim Wright, Group Director, Neighbourhoods and Housing
- Donna Bryce, Head of Resident Safety, Neighbourhoods and Housing
- Sinead Burke, Head of Property & Asset Management

4.2 Welcoming guests, the Chair noted the Commission had received regular updates on the Council's response to the Grenfell Tower tragedy. This update followed the last one in November 2018.

4.3 While a paper had not been provided for this item, the Chair noted that a link to the minutes from the last discussion was available in the agenda packs. She said that discussions tonight might focus on the areas covered in detail at that meeting. These were the front doors replacement programme, and the requiring of proof of gas safety in leaseholder properties.

4.4 Inviting guests to make any opening comments, the Cabinet Member for Housing Services said the following:

- The safety and wellbeing of all residents was the number one priority.
- Much had been achieved but there was not complacency. Work with tenants, leaseholders and all key stakeholders would continue.
- The cost of fire safety works was not yet full known. The programme was still being worked through. However, by embedding fire safety within the newly revised Asset Management Plan, the service would best ensure that works were delivered in the most efficient way, with least possible inconvenience for residents.
- The Council would continue to keep abreast of any changes in legislation including those emerging from Judith Hackitt's Review of Building Regulations and Fire Safety, and the Grenfell Tower Inquiry. It needed to be noted that these could bring additional financial pressures on resources.

4.5 The Cabinet Member for Housing Services handed over to the Head of Resident Safety, who made the following substantive points:

- In terms of the actions arising from the Fire Risk Assessments performed in 2017/18 (Phase 1), excellent progress was being made. 80% of all actions, and over 50% of medium priority actions, had been completed.
- All other outstanding actions from the Phase 1 programme had been built into active programmes (such as the Fire Doors Replacement Programme) and or the Asset Management Strategy.

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- All actions arising from the 2017/18 assessments would be expected to be complete by March 2020 or otherwise built into active programmes or the future asset management programme. This said, for any high priority actions outstanding, mitigation measures had been taken including through ensuring that communal areas were clear of combustibles, that self-closures had been fitted to fire doors, that communal doors were compliant with legislation, and that there was regular inspection by Officers.
 - Phase 2 of the programme was now in progress. This included Type 3 inspections, where 10% of homes in blocks were inspected. 319 of FRAs within phase 2 had been completed this year, with all actions appropriately allocated. All critical actions arising were being closed down immediately. The mitigation measures for high priority recommendations were being taken pending full closure.
 - Fire Risk Assessments would continue on a cyclical basis. Any change to a block or building would result in a new assessment being carried out. This approach was supported by the London Fire Brigade and legislation.
 - There were a range of other projects related to fire safety. Examples included work to ensure that Fire Information Boxes (FIBs) containing accurate and up to date information were available in all blocks, and that Fire Action Notices were displayed with Get Out and Stay Put advice as appropriate. Residents were being written to to flag where new information was displayed. Signage generally was being improved. Vulnerable and hoarding residents were being identified and supported to help ensure that homes were safe.
 - The 2018/19 assessments would be published shortly, repeating the measure already taken for the 2017/18 assessments. The service was hoping to launch a live reporting model for assessments so that residents could receive up to date information as any actions arising from them were worked through.
 - The Property & Asset Management service was delivering a range of relevant work. This included the removal of external wall insulation from Lincoln Court, Hugh Gaitskell House, and the Nye Bevan Estate as per Fire Brigade recommendations, with completion in summer 2019. Sprinkler installation at 355 Queensbridge Road had been completed, with the works identified as a model of best practice by the London Fire Brigade.
- 4.6 The Chair thanked the guests. She noted that the last update covered the Front Door Programme, with the Commission having heard that this would be delivered according to risk. She asked where the programme was currently.
- 4.7 The Head of Property & Asset Management said that the first element of the programme would see new front doors for the units requiring them, in blocks with 10 storeys or more. This would cover over 60 blocks, and approximately 3,500 homes. The service had worked with procurement and legal to ensure that arrangements could be put in place for the procurement of this work using an existing major works contract.
- 4.8 This major contract had included work for the replacement of doors with new doors of composite material. These were now not felt to be suitable. Using a mini tendering process the service had been able to invite bids from contractors

for the installation of timber doors which would meet requirements (with 30 minutes fire resistance).

- 4.9 The tendering process had now closed and officers were working through the prices and documentation returned. Following that, decisions would be ratified in May before delivery started in the summer.
- 4.10 A Member asked if the Direct Labour Organisation (the Council's in house repairs and maintenance function) could install the new doors. He asked if this would make the process less costly.
- 4.11 The Head of Property & Asset Management said that the very large scale of the programme and the commitment to delivering it quickly, meant that external resources were required. Time had been taken to ensure the specifications were thorough and that the doors which would be procured were fully compliant. Now this exercise had been worked through, there was a desire to move forward at pace. The DLO had the expertise and capacity to replace doors within its general repairs and maintenance work. However, the overall programme announced in October was for the delivery of around 17,000 doors.
- 4.12 The Member acknowledged these points. However, he understood that the programme was a long term one which would be delivered over a number of years. He asked whether this meant that the service could explore putting fixed term internal staff arrangements in place to enable in house delivery of the works.
- 4.13 The Head of Property & Asset Management noted this point. She said she would make a note of it and explore whether this might be a viable option for future phases of the front door programme.
- 4.14 A Member noted that the Cabinet had previously approved £5.9 million in funding for the door replacement programme. Now the programme had moved forward, she asked if it was clear whether this would cover the costs.
- 4.15 The Head of Property & Asset Management said that this funding was to cover the first phase of the front door replacement programme, for the blocks which were 10 storeys or higher. In terms of whether this would cover the costs of this element of the programme, she would not be able to confirm this until the service had reviewed the contract submissions mentioned earlier in detail. It needed to be noted that market prices for doors were high, due to demand. It was likely that further phases would deliver more front doors, with additional cost incurred.
- 4.16 The Chair said in the discussion in November the Commission was advised that in some cases, leaseholders would be charged for the replacement of doors. However a TMO Forum she had attended the previous week had been advised that leaseholders would not be charged in any cases. She asked what the latest position on this was.
- 4.17 The Head of Property & Asset Management said she was not in attendance at the TMO Forum. However, she confirmed that the position around charging had not changed. In the majority of cases leaseholders would not be charged. However, charges would be applied in cases where doors being replaced were

original doors not replaced in any improvement programme, or were doors which leaseholders themselves had replaced.

- 4.18 The Cabinet Member for Housing Services confirmed that this was the case. In the large majority of cases, there would be no charge. The position was the same as set out in the previous report to Cabinet on Fire Safety Works. This had previously been made available to the Commission.
- 4.19 The Chair thanked guests. However, she was concerned that contrasting information had been given at a public meeting the previous week.
- 4.20 The Head of Property & Asset Management agreed with this point and said she would raise this with the Officer in attendance at the TMO Forum.
- 4.21 A Member asked what the cost of doors would be for leaseholders who would be charged. He noted that at the last meeting these had been estimated by Officers to be £1,500 per door. He asked if this was still the case.
- 4.22 The Head of Property & Asset Management said that the per unit cost would be clearer after the submissions by contractors had been reviewed.
- 4.23 The Chair said that Members had received previous updates around issues being managed at Bridport House. She asked if an update could be provided at this point.
- 4.24 The Group Director, Neighbourhoods and Housing confirmed that - acting very promptly on advice from a Fire Engineer - the Council had put in waking watch measures on Bridport House. This involved wardens patrolling every floor of Bridport House, 24 7. A meeting was to take place on the evening following this one, in order to update Bridport House residents on developments. Investigative work took place at the end of the previous week to survey any issues with insulation. The remedial action (if any) required would become clearer when the findings of the investigation were available. Residents would then be updated on next steps. The Council was rightfully erring on the side of extreme caution, and waking watch arrangements would remain in place for as long as needed.
- 4.25 A Member noted an earlier point around regular checks of Council blocks by Officers. She asked if TMOs were responsible for assessing the blocks they managed.
- 4.26 The Head of Resident Safety confirmed it was the Council's responsibility to assess blocks. The service liaised closely with TMOs in the lead up to and during assessments. In terms of fire safety works arising, these would be completed by the Council. Where actions were for the TMO to take forward – such as ensuring the removal of combustible items – there was an effective process for ensuring that the calls went back to the DLO.
- 4.27 A Member noted the references to ensuring that relevant and up to date fire information notices were displayed in all blocks. She asked if this work would cover blocks in all wards. There were blocks in her wards which did not have this displayed.

- 4.28 The Head of Resident Safety advised that the programme was one which was in progress. Fire Action Notices would be up in all blocks by the end of May. Refreshed signage would be displayed in all blocks within the next two to three months. A lot had already been done.
- 4.29 A Member noted that in November the Commission had been advised that by April leaseholders would be required to provide proof of gas safety for the appliances in their homes. She was aware that letters had been sent to leaseholders advising of this requirement, which she welcomed.
- 4.30 However, she also noted the Commission had been advised that leaseholders would be given the option to buy into the Gas Safety check service the Council delivered for its tenants. She noted that the letters sent did not include information on this offer. She asked what progress had been made on this.
- 4.31 The Head of Resident Safety confirmed that initial letters had been sent to leaseholders asking for gas safety certificates. The response had been positive, with 40% having responded and provided a certificate (CP12). Enforcement was not yet being followed, but relevant rules and regulations were being updated to allow for this in cases where it proved to be necessary. Progress was being made; the service had recently met with a company who would be able to deliver the service on behalf of the DLO. At that point, letters would be sent to leaseholders not having provided certificates, requesting them to do so and asking them to contact the DLO by phone or online if they wished to buy into the Council offer.
- 4.32 The service had needed to take a phased approach; there were 8,000 leaseholders in the borough. Early signs were very positive in terms of the numbers coming forward and also leaseholders being generally welcoming of the new policy. There were cases where more vulnerable residents had asked for support in getting certification in place, and advice on the companies they might approach for this. In these cases the service advised that an offer from the Council would be coming into place, and that they would be contacted again at this point. Within the current phase, the service was focused on encouraging and enabling compliance.

5 Cabinet Question Time - Executive Member for Housing Services

5.1 Guests in attendance for this item were:

- Cllr Clayeon McKenzie, Cabinet Member for Housing Services
- Kim Wright, Group Director, Neighbourhoods and Housing
- Donna Bryce, Head of Resident Safety, Neighbourhoods and Housing
- Sinead Burke, Head of Property & Asset Management
- Gilbert Stowe, Head of Tenancy and Leasehold Services
- Steve Platt, Head of Building Maintenance and Estate Environment

5.2 The Chair noted that the first area for questioning was that below:

- Finance - Latest position on budgets in the context of Housing Services; impact of Fire Safety-related work and implications for other improvements to housing stock, and envisaged priority spending areas over next three years.

- 5.3 Asked to make any opening comments on this point the Cabinet Member for Housing Services said the following:
- The 19/20 Housing Revenue Account Budget was agreed by Cabinet in January.
 - 2018/19 had set a £19 million budget for fire safety work.
 - During 2018/19 an additional £6 million was approved for the front door replacement programme for appropriate doors in blocks of 10 storeys or more. These works would be delivered over 2019/20.
 - For 2019/20, £11 had been allocated to fire safety work, including £8.7 for the front door replacement programme.
 - In addition, planned maintenance works would pick up elements of actions arising from the Fire Risk Assessments.
 - The process of identifying and prioritising works within the Council's housing stock was set out in the recently approved Asset Management Strategy. The strategy would see every property in the stock surveyed and have required works delivered, over a seven year cycle.
 - With most recent work programmes focusing on kitchens bathrooms and decorations, the focus of the current cycle would be on external works. This said, surveying would pick up any other internal or communal works required, which would be incorporated into the programme.
 - In terms of the impact of the fire safety works on other areas, there had been some impact on the ability to invest in other areas. However, there was full capacity for the Council to deliver the programmes set out in the Asset Management Strategy. The removal of the HRA borrowing cap provided greater flexibility.
 - It was important to note that the Council could not yet confirm the financial impact of fire safety works.
 - External inquiries could put additional requirements on local authorities. Work that it had done so far had been sourced from existing funds; no support had been given by Government.
 - In addition, the further actions which the ongoing Fire Risk Assessment programme were unknown. An example of this were the actions which had needed to be taken at Bridport House, following an assessment.
- 5.4 The Chair thanked the Cabinet Member for Housing Services. She asked if all properties requiring new kitchens and bathrooms had now received them. She was aware that the Council had continued to invest in these areas following the ending of Decent Homes funding.
- 5.5 The Cabinet Member for Housing Services said it would never be the case that no kitchens and bathrooms within the Council's stock needed replacement at any one time. At different times a number of homes would need them as theirs reached the end of life. These would be picked up through scheduled work

informed by the surveying mentioned. However, all kitchens and bathrooms works related to Decent Homes had been completed.

- 5.6 A Member noted previous issues around floods caused by faulty pipework within blocks. He asked if the surveying would pick this up, prior to new kitchens and bathrooms, and other works, being delivered.
- 5.7 The Head of Property & Asset Management advised that pipework was going to be a greater area of focus moving forward. There was a dedicated item in the Asset Management Strategy on water supply pipework.
- 5.8 The Chair recalled the previous reductions to HRA budgets which had been caused by cuts to rents. She asked if these were ongoing.
- 5.9 The Cabinet Member for Housing Services confirmed that the three years this applied to would end at the end of 2019/20. There was general consensus among both local authorities and Government was that rent increases from 2020/21 would be delivered at a rate of Consumer Price Index plus 1%. This was in reflection of the last four years having seen a 1% reduction year on year. This had led to Hackney losing approximately £100 million with which to invest in its stock.
- 5.10 The Chair noted that in previous years rent increase notices had been sent quite close to their implementation. She asked if consideration could be given to advising residents at earlier points.
- 5.11 The Group Director, Neighbourhood and Housing confirmed that there would be a programme around engagement and consultation upon any confirmation from Government.
- 5.12 In response to a question, the Head of Resident Safety confirmed that – wherever possible - any door closers recently installed to doors which were being replaced would be reused.
- 5.13 The Chair noted that the next topic area for discussion was the one below:
- Use of Community Halls - Current and potential usage of halls by community organisations and groups. Current and future plans re community halls fees and charges - including for the community and voluntary sector - and benefits and risks of this.
- 5.14 Asked to make any opening comments on this area the Cabinet Member for Housing Services made the following points:
- The Council had 76 community halls within its remit, along with 10 community flats which were used as community facilities by TMOs and TRAs.
 - 36 of the halls were managed by the Council's Community Halls Team, based within the wider Residents Engagement Team.
 - The remainder were managed by local Tenant and Residents Associations (TRAs). The Community Halls team provided advice and support. The service was working to regularise agreements between the Council and the different TRAs managing the assets.

- The Community Halls Team managed over 1000 bookings a year for halls it managed.
 - Halls were typically used for community groups and community activities, for Councillor Surgeries, by Council services, by TRAs to hold meetings and functions, and external functions including wedding receptions.
 - Charges were delivered on hourly and daily hire bases; with a £30 per hour charge for a booking of up to five hours, and a rate of £350 per day. Reduced community rates were in place of £20 per hour and £200 per day. These charges had not been increased for a number of years and were in place prior of the transfer of housing functions back into the Council.
 - The Housing Transformation Team had been commissioned to deliver a review of all Community Halls. This would include an exploration of costs against revenue, and usage of the facilities. That review would help inform a long term strategy for Community Halls which would work to ensure that there was an efficient number of good quality halls with facilities to meet local demand, which were sustainable, affordable and accessible to users.
- 5.15 A Member said he felt pricing to be a barrier to the delivery of valuable events for the community. Some organisations could not afford even the subsidised rates. He noted the point around the Community Halls Team visiting halls to meet with those making the booking, and doing the opening and closing function.
- 5.16 He asked whether the review might look at a system where a community group could use a hall during quiet periods of the day and do the opening and closing themselves, for a very low rate. In these cases, they might pay a deposit which could be retained by the Council in the event of misuse. Adding to this, he asked whether wellbeing events (including sessions focused on those suffering from mental health conditions and isolation) could be delivered for free or at very reduced cost during quiet periods.
- 5.17 The Cabinet Member for Housing Services advised that the areas mentioned would fit within the remit of the review.
- 5.18 He said it was important to note that subsidised rates were already offered. In addition, the community halls hosted numerous events on estates free of charge. This said, while everyone would wish that all events were hosted without charge, a sense of balance needed to be achieved.
- 5.19 Adding to this, the Head of Tenancy and Leasehold Services said the Community Halls Team did use discretion in some cases. For example, where a group might be receiving a level of funding to deliver a community activity, but could not meet the costs of hire, the team did negotiate with them. This added to the community discount rate already available. The team was working hard to increase day time usage, and uptake had increased. Publicity had been crucial to achieving this. There were still quiet periods. The team was considering how this might be addressed, including through greater discounts being applied at these times.

- 5.20 The team already worked to enable other council services to deliver events. This included those held by Public Health and Hackney Works.
- 5.21 He felt this highlighted that there was a range of work going on to enable the delivery of events to benefit the community. He said that this had not always been publicised as widely as it might have been.
- 5.22 It did need to be noted that the Council managed less than half of community halls. The others were managed by TRAs which controlled both access and fees. This meant there was some inconsistency. This was one reason for the commissioning of the review. The review would enable a holistic overview of how the assets were being used, and the forming of a view around appropriate charging arrangements for those which the Council would decide to keep.
- 5.23 The Chair was aware of a TRA which did not have its own community hall, but was allowed to use another local hall for four TRA meetings per year. The TRA understood that they were not be able to use that hall at other times. It meant that it had to deliver its events outdoors, restricted to summer months. She said it would be useful for the review to look at the usage of local community halls by TRAs without a dedicated facility.
- 5.24 A Member noted from the presentation that high numbers of halls were managed externally. He asked if the review would look at ways of improving the management and visibility (including through marketing) of TRA-run halls, for wider community benefit. His ward had a single, small community hall. He asked whether the review might look at establishing a closer partnership with the TRAs managing halls, to help better enable wider usage. As an example, he wondered if the Community Halls Team might be able to refer booking requests for a community hall to the TRA managing it, or to make bookings on its behalf.
- 5.25 The Head of Tenancy and Leasehold Services agreed with these points. The team was seeking to take that approach. As well as enabling greater usage by the community, the service was keen to play its role in delivering the Mayor's priorities by enabling more Council services to engage residents through community halls around the borough.
- 5.26 A Member recalled a community hall which had had no use for some time. She said it was crucial that the review looked at this, and sought to bring all into use.
- 5.27 She asked what the timelines of the review were.
- 5.28 She noted the linkages between the Community Halls Team and some services. She hoped that these partnerships could be extended to health services, and youth provision. She hoped that more intergenerational events could be delivered, by way of achieving cohesion.
- 5.29 The Head of Tenancy and Leasehold Services said he agreed with these points. The review would look at how the community halls were used, and how or if usage could be improved if needed. This would include decisions to decommission where usage could not be increased to a level which made the hall viable.

- 5.30 The holistic nature of the review would mean that community hall provision and the offers within them were considered alongside a view of what other facilities were available in the local area.
- 5.31 The service was committed to engaging with Council services and others to help Community Halls become centres where young people could learn and develop.
- 5.32 The Chair thanked the Head of Tenancy and Leasehold Services. As a final point on this topic area, she asked if the review might produce updated itineraries on what was available in each community hall. There was inconsistency between these. She felt full information should be provided at the point of booking on what was available in the hall (for example, cups, saucers and kettles).
- 5.33 The Head of Tenancy and Leasehold Services said this was being looked at. Information was generally provided, but there was a need for an update.
- 5.34 The Chair noted the final topic for questioning to be that below:
- Housing Services Workforce - Use of agency staff by the different services within Housing Services, and by seniority of grade. Comparisons of agency staff levels compared with the rest of the Council. Any implications of Housing Services' usage of agency staff on service delivery and budgets.
- 5.35 The Cabinet Member for Housing Services made the opening comments:
- It was important to both him and the administration that the service had a happy and settled workforce with good terms and conditions.
 - The Director of Housing Services had been leading a number of workstreams with his management team to reduce agency spend. Proactive work continued.
 - Since April 2018, there had been a reduction of agency staff numbers in Housing Services of 58, from 196 to 137.
 - A tangible demonstration of this was that the entire senior Housing Management team was now made up of permanent staff members. This had not been the case in previous years.
 - Since the summer 2018, the Group Director of Neighbourhoods of Housing had chaired a panel consisting of herself, the Director of Housing Services, and Finance Officers. This was focused on reducing the reliance on agency workers and encouraging managers to recruit to posts permanently or on a fixed term contract basis where this was more appropriate.
 - These controls were having an effect. There had been a clear and consistent trend downwards in numbers of agency staff based in the service.
 - A restructure in the Housing Repairs Service was approaching the end of its implementation phase, with key posts now recruited to. This would further reduce agency staff numbers.

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- The Neighbourhood Contact Centre and Tenancy and Leasehold Services were currently recruiting to permanent posts. The Repairs Contact Centre would follow the same pathway.
 - The Head of Planned Asset Management was leading a review of the structure which would be implemented during 2019/20.
 - Now the Asset Management Strategy had been agreed, Housing Services was in a position to put in a staffing structure to support its delivery.
 - All Heads of Service were required to set out their plans to further reduce agency staff.
 - The measures above would enable a further driving down in the reliance on agency staff whilst protecting services for residents.
- 5.36 A Member asked what proportion of the Housing Services workforce the 137 agency staff accounted for, and how this compared with shares of posts filled by agency staff in other areas of the Council.
- 5.37 She understood that the Repairs Call Centre had high levels of agency staff; she understood that this had come down but still stood at 65%.
- 5.38 She wished to explore whether there were any tiers within the service which were more populated by agency staff than others. She felt that this would help indicate any equality issues in terms of posts at the lower ends of payscales being filled by agency staff who might not exercise their rights as much as temporary staff at higher tiers.
- 5.39 As a final note, she asked if managers were given specific targets around the maximum percentages of their teams which were made up of agency staff. She understood that the agency staff rate for the Council stood at around 20%. She wondered if Housing Services could lead the way and set a target of 10%.
- 5.40 The Cabinet Member for Housing Services wished to make clear that work to reduce agency staff was being delivered across the service, from the lower tiers to the top.
- 5.41 The Group Director, Neighbourhoods and Housing advised that that the agency staff head count across Housing Services equated to 22% of the workforce. This was one of the lower rates compared to other front line service areas of the Council. It was important to note that the service had seen a 30% reduction in agency staff over a one year period.
- 5.42 There were three areas which carried the highest shares of agency staff within Housing Services. These were in Planned Asset Management, in the Contact Centres, and in the Repairs Team. This said, it was equally the case that all these areas had plans in place to reduce agency staff, which were being worked through.
- 5.43 By the end of May levels in the Repairs Team would have reduced. The Property & Asset Management Service had already achieved significant

- reductions, and these would continue with the Asset Management Strategy in place. Recruitment was being carried out in the Contact Centres.
- 5.44 On the suggestion of setting an agency staff level target of 10%, she would not feel comfortable in doing so now. However, what she was happy to commit to was the setting of targets, which was something that had already been planned. Some of the timings for these would be aligned to the completing of restructures. At that point, it would be clearer what the figures were within the newly structured teams, meaning that ambitious and also realistic targets would be possible to set.
- 5.45 It needed to be noted that there would be some ongoing need for agency staff. During winter months for example where there was greater demand, the Repairs Contact Centre did need the flexibility given by the ability to recruit agency staff on short term bases. However, the service was committed to continuing on the clear downward trajectory in the use of agency staff which had been achieved.
- 5.46 On the point around opportunities for agency staff filling roles on lower grades, managers were fully aware of the need for workers to have the same opportunities for training and the tools and skills to do their jobs effectively.
- 5.47 She said that when the services were seeking to fill permanent roles, they very much encouraged good agency members of staff to apply for them. Some agency staff did make the active choice to work for an agency rather than an organisation, but the service would always welcome applications for permanent positions.
- 5.48 Adding to this, the Head of Building Maintenance and Estate Environment said that the Repairs Contact Centre had acted as a training ground for many members of staff who had gained a broad range of knowledge through working in this area before going onto other roles.
- 5.49 In response to a question, the Group Director, Neighbourhoods and Housing confirmed that reducing the share of posts filled by agency staff would deliver cost savings. In a context where savings of £4.5 million were required over a forthcoming period, reducing agency spend had the potential to make a large contribution. Increasing the posts which were filled by permanent staff made both business and moral sense.
- 5.50 In response to the Chair asking about the timings for targets for reducing agency staff, the Group Director, Neighbourhoods and Housing suggested that updates to the Commission might be provided yearly. This would see the Commission receive an update in April 2020 on the progress made between now and then.
- 5.51 A Member noted the wide range of skills among residents in the borough; both amongst young people and older residents who may have retired but wished to work in a housing management environment. She asked if Housing Services could seek to utilise this potential.
- 5.52 The Group Director, Neighbourhoods and Housing confirmed that active work went on to encouraging and signposting residents to local jobs, including

through job fairs, advertising and close work with Hackney Works. There was a significant apprenticeship programme in the Building Maintenance and Estate Environment in particular, which was enabling people to qualify in the trades.

- 5.53 A Member noted points around seasonal demand in the Repairs Contact Centre, and that some of those working within the contact centres had moved onto other areas of the service. He asked if staff who had moved on could be called upon in particularly busy periods in the contact centre.
- 5.54 The Head of Building Maintenance and Estate Environment said one of the restructures delivered had resulted in the Repairs Contact Centre being brought into the wider repairs structure. This enabled repairs to be owned by one area from start to finish. It had also better enabled support to be called upon during busy periods, which it was.
- 5.55 A Member asked if a caller identification function could be introduced. He asked whether – with the diverse communities in Hackney – a system could be set up where automated options were provided to residents so they could immediately go through to someone who spoke their language.
- 5.56 The Head of Building Maintenance and Estate Environment said that identification was carried out through a check of postcode. Staff could quickly gain access to case histories.
- 5.57 On the point around languages, he said a menu option was an interesting idea. The service was made up of a diverse range of staff, who could be called upon to help residents. They also had access to translation service. In addition, an Outreach Team carried out visits to residents where there had been difficulty in identifying the issue which was being reported.

6 Findings of Commission investigation into contract management - Discussion with Cabinet Member for Housing Services

- 6.1 Guests in attendance for this item were:
- Cllr Clayeon McKenzie, Cabinet Member for Housing Services
 - Kim Wright, Group Director, Neighbourhoods and Housing
 - Sinead Burke, Head of Property & Asset Management
- 6.2 The Chair noted that over a period of around 18 months the Commission had received a number of updates on the performance of one of Housing Services major 'partnering' contracts. It had also held a wider item looking at the benefits and risks of these contracts generally.
- 6.3 These items had led to the Commission writing to both the Scrutiny Panel, and separately to the Cabinet Member for Housing Services.
- 6.4 This item had been scheduled for the Cabinet Member for Housing Services to respond to the Commission on some specific points raised in the Commission's letter to him. These were detailed in sections 3.1 to 3.3 of the letter, which was available in the agenda.

6.5 Invited to make any opening comments, the Cabinet Member for Housing Services made the following substantive points:

- He thanked the Commission for what he said had been its valuable work exploring contract management within Housing Services.
- He said he would respond to the three points which the Commission had specifically raised with him.
- On Clerks of Works and Quantity Surveying functions, he agreed with the Commission that they played a vital role in ensuring the Council received the right quality of work, and value for money from its appointed contractors.
- Internal procedures were in place to ensure that the Council would not pay in full for works, until sign off by Clerks of Works.
- In the last 18 months both the Quantity Surveyor and Clerks of Works teams had been strengthened. Stand-alone teams for each operated within the Property and Asset Management Service. Each had a team lead.
- At present, 9 Building, 6 Electrical and 5 Mechanical Clerks of Works, were in place.
- A review of staff levels and structures was being carried out within the Property and Asset Management Service. This would include exploring the grounds and case for continuing with these arrangements on a permanent basis.
- On Quantity Surveyors, the ambition was to recruit greater numbers, on a permanent basis. This said and as acknowledged by the Commission, the market was a challenging one.
- Moving onto Client Liaison Officers, there were currently 7 within the Property and Asset Management Service. 6 of these posts were filled by permanent members of staff. Client Liaison Officers acted as the first point of contact for residents in queries regarding to capital works.
- Consideration of the amendments to these roles suggested by the Commission in its letter would be considered within a review which was underway, and at the point that contracts were being re-procured.
- The new Asset Management Strategy put resident consultation at the centre of all work stages. Client Liaison Officers would play an important part in implementing these ambitions.
- As with Clerks of Works, the new structure would examine any requirement for greater Client Liaison Officers on a permanent basis.
- In regards to procurement and as per the letter of the Commission, there were significant challenges in ensuring against under-pricing at tender stage. Officers had been very open with the Commission around challenges, most notably through the numerous updates provided on the Morgan Sindall contract.

- He was able to confirm that – since the last letter from the Commission on this matter – the contract with Morgan Sindall had been ended by mutual consent.
 - This said, and as the Commission had noted, the Council had a number of very successful partnering contracts which worked very well. These delivered good outcomes and value for money for residents, with contractors working hard to deliver social value for residents. One example was the progressing by contractors of Council aims and ambitions to enable local people into employment and to provide apprenticeship opportunities.
 - Drawing significant lessons from previous contract arrangements would be key to ensuring the improvement of procurement processes. The Council's in-house Procurement Service now had a dedicated resource to provide assistance in the development of construction contracts. They would work closely with Officers in Housing Services on future procurement exercises. Where specific specialist advice was required and where permanent recruitment was not appropriate, external expertise would be engaged.
 - The agreed Asset Management Strategy ensured that the Council's ambition for its homes was well articulated. It would help to inform an effective Procurement Strategy and supporting documentation. Officers were beginning to develop the Procurement Strategy for Capital Works. This would be presented to Cabinet Procurement Committee in June.
 - Officers were also currently examining a wide range of potential contract types, with the intention to build on lessons learnt. These options included seeking to better ensure that more local companies could be engaged in works where there was the capacity, and identifying opportunities for the Council's DLO (the Council's in house repairs and maintenance function) to deliver greater shares of works.
 - In addition, more effective processes had been introduced to engage residents and to keep them informed of progress of capital works.
- 6.6 The Chair thanked the Cabinet Member for Housing Services. She said she was pleased to hear of the progress made. She noted the points around Clerks of Works and Quantity Surveyors. She understood from the points above that some of those in place were not permanent. She recalled points made in previous meetings around these posts being difficult to recruit to given market competition. She asked if market supplements could be used to secure more permanent staff.
- 6.7 The Head of Property & Asset Management advised that the majority of Clerks of Works roles in the structure were permanently filled. This said, the need for Clerks of Works resources fluctuated as the service moved through its workstreams. This meant that at various points, agency staffing would be required.
- 6.8 There was a greater challenge in the area of Quantity Surveyor recruitment. Less of these posts were filled permanently, with greater reliance on agency staff. The service was reviewing the service in order to ensure that the right structure was in place to deliver the Asset Management Strategy. This would include the identification of measures to further reduce reliance on agency staff.

- 6.9 The Chair noted the reference to the service seeking external advice in some circumstances. She said she would be concerned around a risk that the Council could end up being advised by a private company who was also advising potential contractors.
- 6.10 The Head of Property & Asset Management said that the scale of works which the service sometimes procured for, was very large in scale.
- 6.11 The service did receive support and advice from an Officer who was permanently employed in the Procurement Service. However, there were cases where the service did and would benefit from external advice. Examples were that the service was commissioning an external report on relevant work being delivered by other Councils. Another was that the service might draw on external advice around pricing in the market. There was not always the capacity internally to deliver this type of ad-hoc work. In its procurement the service would always be very careful to ensure that the external advisors commissioned did not have conflicting interests.
- 6.12 The Chair noted previous discussions around plans to increase the capacity of the DLO. She asked how this work was progressing.
- 6.13 The Cabinet Member for Housing Services said it was progressing well. Examples included that the painting programmes within the Asset Management Strategy would be delivered by in house staff. The service was also looking to bring the scaffolding function into the DLO. This had been an area of considerable expense in previous programmes.
- 6.14 The service also had the ambition to provide a repairs service to leaseholders. This would be welcome for leaseholders who contacted the Council to seek assistance with – for example - plumbing and electrics who were currently advised that they would need to find a private provider. Any development of this service would be in addition to the gas safety checking facility the service would be offering leaseholders shortly.
- 6.15 This all said – and whilst there was an ambition around delivering more work in house – it was important that this was built up in a managed, sustainable way. The Council was not in a position where it could suddenly end its use of contractors. Doing so would impact negatively on residents. There had been calls for the physical building of homes to be done by the Council. There was not the capacity to do this. Internal capacity and the taking on of more work in house needed to be built up and delivered incrementally over time.
- 6.16 Adding to these points the Group Director, Neighbourhoods and Housing advised that further to the mutual termination of the Morgan Sindall contract, reactive works outstanding had been transferred into the DLO.
- 6.17 Across Housing Services, thinking was always given to the potential for in house delivery, before any external procurement. There were increasing numbers of good examples of works having been successfully delivered in house.

- 6.18 The Chair asked whether the backlog of work left by Morgan Sindall had now been completed.
- 6.19 The Head of Property & Asset Management said that it had not, although a plan was in place which was being worked through. Some planned works had been built into delivery schedules of other contractors. The next round of procurement in June would include tendering for some others which would have been completed under the ended contract.
- 6.20 The Chair thanked the Head of Property & Asset Management. She was aware that the TMO of which she was a Member was unaware of when delayed electrical works would be completed by. She noted that this lack of knowledge could create uncertainty, particularly for TMOs which needed to timetable works they managed the delivery of themselves, with works delivered by or on behalf of the Council.
- 6.21 The Head of Property & Asset Management thanked the Chair. She said that the service would take measures to make relevant parties aware of revised timescales for planned electrical works.
- 6.22 The Chair noted that with the Morgan Sindall contract, points had been made around the need for Council staff to very closely monitor performance and the completion of works. She noted that this high level of management and scrutiny would have been likely to have brought high financial cost to the Council. While good contracts were in place, she was keen that all contracts gave fair consideration to the work that could be incurred by the Council in its monitoring and management.
- 6.23 A Member asked whether there had been any innovations or thoughts around whether Estates Officers could perform a contract monitoring function as part of their work. She felt that Estates Officers might act as eyes and ears helping to ensure high quality works.
- 6.24 The Head of Property & Asset Management said that Clerks of Works were regularly described as eyes and ears. Clerks of Works were regularly (often every two to three days depending on the scale of works) deployed to sites.
- 6.25 The Member thanked the Head of Property & Asset Management. However, she said she wished to explore quality assurance of general repairs.
- 6.26 The Head of Property & Asset Management advised that the Clerks of Works were generally focused on major works. However, they did have a role in general repairs also. An example was in the electrical and mechanical services contracts, where Clerks of Works sample-checked 10% of repairs for quality.
- 6.27 The Chair noted that a question had been submitted in advance of the meeting by Cllr Wrout. This regarded costs incurred by leaseholders for works. Cllr Wrout had reported that some leaseholders in her ward had concerns around transparency in pricing. She had asked if information could be provided to leaseholders at earlier points in the process; on the different quotes which had been received for works, the checks of these that had been carried out, the reasons for the selection of the successful contractor, and on payment options.

- 6.28 The Head of Property & Asset Management said that the new Asset Management Strategy set out an approach of engaging leaseholders at all stages. It formalised this by defining the extent of consultation which would take place at each stage of the process. Work was now underway with the Leaseholder Services Team to ensure that it was able to deliver against the intentions set out in the strategy. Information materials for leaseholders had already been substantially improved, with a greater use of imagery and a review to ensure language was accessible.
- 6.29 A Member said that as a leaseholder who had incurred charges, he had welcomed the expanded range of payment options which the Council was now providing. He said this had been a positive step. However, he had found glitches. Having taken an option to pay over two years, he had been sent a bill for the balance three months into the agreement period. He had also received arrears notices on service charge accounts shortly before a monthly payment had cleared. He welcomed the greater flexibility. However, he did wish to report these apparent glitches so that they might be addressed.
- 6.30 The Group Director, Neighbourhoods and Housing thanked the Member for raising these points which the service would look at.
- 6.31 As a final note, the Cabinet Member for Housing Services said that he was very keen that Members were involved in the development of the new Procurement Strategy. They were keen to learn all lessons. He said he would write to Commission Members on this.

7 Prevent Programme Update

- 7.1 The Chair advised that Tracey Thomas, Prevent Coordinator Hackney was not in attendance as expected.
- 7.2 It was agreed that this item be postponed until the first meeting of the new municipal year.

8 Update on counter extremism work in Hackney - paper update

- 8.1 The paper update was noted. The Chair asked that any questions on the paper be sent to the Scrutiny Officer.

9 Review around serious violence - discussion on findings and recommendations

- 9.1 The Chair presented a set of slides summarising the evidence gathered by the Commission during its review. She advised that she and the Scrutiny Officer would produce an initial draft report for comments.

10 Minutes of the Previous Meeting

- 10.1 The minutes of the last meeting were agreed as an accurate record and the follow up items noted.

11 Living in Hackney Scrutiny Commission- 2018/19 Work Programme

Monday, 8th April, 2019

- 11.1 The Chair advised a Member had been in contact to suggest the Commission might explore how the Council ensured the effective identification and removal of asbestos in the homes that it managed, before any works were carried out.
- 11.2 Another Member had suggested the Commission look at the roles and work of Resident Participation Officers, particularly in the context of supporting residents to build TRAs and to deliver activities and events.
- 11.3 The Chair said she would email Members to seek other suggestions for major review items.

12 Any Other Business

- 12.1 There was no other business.

Duration of the meeting: 7.00 - 9.40 pm