



Housing and Environment Scrutiny Commission

MINUTES of the OPEN section of the Housing and Environment Scrutiny Commission held on Wednesday 17 October 2018 at 7.00 pm at Ground Floor Meeting Room G01A - 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Helen Dennis (Chair)
Councillor Graham Neale
Councillor Sunny Lambe
Councillor Margy Newens
Councillor Hamish McCallum

OTHER MEMBERS

PRESENT:

OFFICER SUPPORT: Shelley Burke, Head of Overview & Scrutiny
Julie Timbrell, Scrutiny Project Manager

1. APOLOGIES

Apologies were received from Cllr Ian Wingfield, Ina Negotia and Cris Claridge.

The chair invited Elizabeth Errington from Homeowners Council to make comments and ask questions from the audience.

2. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT.

There were none.

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS.

There were none.

4. COMMISSION WORK-PLAN

Community Energy

The chair introduced the planned scope on Community Energy and invited feedback. The following points were agreed:

- Contact SE24 to flag up the roundtable
- Prepare questions for the roundtable
- Invite written contributions in advance of the meeting with a deadline
- Invite SGTO & housing associations and tenants groups.
- Look at Local Authority best practice (Lambeth and Lewisham - maybe Islington)
- Set a date for the roundtable, after consultation with officers on the option paper in development
- Inform committee members of the date with as much advance notice as possible

Workplan

Committee members indicated it would be useful for scrutiny to examine progress on new council home delivery and government proposals on borrowing limits. The chair of this committee will discuss this with the OSC chair, to decide the best forum to address this and inform members before the next meeting.

A report looking at comparative performance data on Housing repairs; now the service has been brought in-house (from 1 October) would be useful, once available.

The Resident Involvement review will come to the committee at an appropriate time.

5. EMPTY HOMES

The chair invited the officers to introduce themselves:

- Paul Langford, Director of Resident Services, Housing and Modernisation,
- Cheryl Russell, Area Manager, Housing and Modernisation,
- Keith Kiernan, Specialist Services Contract Manager,
- Michelle Williams, Project Officer.

Officers presented the report circulated with the papers and the chair invited members to comment and ask questions.

The following issues were raised on council empty homes:

Clarification was sought on council empty homes, with reference to paragraph 2 in

the report. Officers updated the committee with the most recent figures:

- 307 due to refurbishment decisions awaiting
- 846 Aylesbury awaiting demolition
- 27 properties awaiting decisions re disposal if they meet that criteria
- 144 active voids being turn around

Cllr Hamish McCallum referred to numbers supplied by an officer from the exchequer department in a letter he had received recently (enclosed with the minutes). He asked for clarification about these figures and how they relate to the report figures and those submitted to CLG, using a national formula. He noted that the letter indicted that Southwark as a Local Authority with one of the highest numbers of empty homes. Members requested clarity on this.

Officers were asked how many residents are on the waiting list, length of waiting time and homes available. The committee was informed that this is approximately 10,500. Waiting time depends on what band; people on band 4 have no hope, whereas higher bands will receive offers. There are approximately 20 homes now (on the day of the meeting) with an estimated 144 available this week.

Members referred to concerns about houses left empty for 6 - 24 months. Officers acknowledged that there have been problems, however now voids are turning around much faster. Sometimes there are tricky issues; maybe damp or the house could be up for disposal. Officers were asked if prospective tenants could do this work as many are willing .Officers explained that the authority has a letting standard and the council do not allow tenants to do major refurbishment because of health and safety . The housing service does, however, encourage tenants to do minor repairs.

Officers said that waits can be to do with other issues; there can be adaptations, resident may wish to wait. Officers said that they had solved many technical issues around contractor performance and access to electrical power, which had delayed turnaround previously.

Members asked about the process for disposal and if there are grey areas. Officers explained that properties that become available are viewed first by surveyors. If significant refurbishment is required a property may be referred to a specialist team, and then go to a review panel to decide if the scale of investment is justified. Previously there was a threshold figure of about 50K which would have led to property disposal, however property decisions are now more contextualised and there have been instances where properties requiring investment of 70-80K to be re-let have been invested in to retain social housing. In other cases disposal is deemed sensible; if this raises significant capital for reinvestment – there was a case fairly recently where a home valued at around 3M was sold.

Members raised concern about Maydew House on the Abbyfield estate which has not been in use for several years. Officers agree that is a difficult issue awaiting a decision. An update on Ledbury was also requested.

Officers were asked to provide data on the numbers of long term voids.

Officers were asked if long term voids are used in the interim. Officers said that they are utilising the properties when they can.

A member asked about turn around time when someone passes away. Officered reports this varies; on some occasions a home can be re-let quickly, and on other occasions more remedial work is needed.

RESOLVED

- Provide clarity on the letter provided to Cllr McCallum, report statistics, and CLG data.
- Invite the exchequer department to a follow up meeting.
- Officers will provide a written answer on Mayhew and Ledbury.
- Provide a more detailed report on long term voids (less than a year , over a year , one or more years)

The committee then moved on to look at the data on private property.

There was a discussion about accuracy of data on empty homes. There is no longer any incentive to register; this was previously provided by council tax discounts, however these have now gone. Officers were asked about use of local intelligence and they confirmed that this is used, including electoral services, rubbish collection and neighbourhood complaints. There are also licensing requirements which provide data. Additional licensing is being rolled out.

Officers were asked if private property data includes leasehold and if they were aware that a significant proportion is let out on Airbnb and similar platforms. Officers said that it does include leaseholder and they were aware of the problems.

Members asked about housing association data on empty homes and officers explained that these are a category under private homes. Cllr McCallum said that there is extra data broken down in letter provided and that Southwark's figures are also high here. Members asked why this was and officers said that available funds to bring private sectors houses back into use are not as generous as other councils.

There was a discussion on the opportunity to expand borrowing to build social housing; with details expected in the upcoming budget .Officers said that they do welcome this, however the national social housing rent reduction regime reduced income by 800 million from the housing business plan . There is also a lack of certainty about rents; which is important for business planning and borrowing.

Members asked about the merging of teams and capacity to manage the caseload of private property empty homes, and requested information on activity levels. Officers said that there are 1000s on the data base contacted by mail merge, around 600 open cases and a smaller cohort that officers are actively working with. Presently they are looking at 5 compulsory purchase orders. Members asked if more staff would help; officers replied that a more limiting factor is the HRA. Officers asked about the length of time enact compulsory purchase. Officers said working with owners is a protracted process; however through this the owners often take steps to bring the properties back into use.

Officers were asked about the ‘Buy to leave’, whereby homes are purchased as investment vehicles, rather than as homes. There are financial incentives for people to buy to accrue. Officers were asked how long will it take for action to be taken by the council to address this, would this 2, 3 years? Officers responded that there are issues here and that they tend to focus on those empty properties that blight the neighbourhood. Officers suggested more action needs to come from the government using the tax system. Officers also suggested bringing in regeneration to ask about ‘Buy to leave.’

Elizabeth Errington from Homeowners Council highlighted concerns about new builds that are still empty. She added that Heygate has many empty homes and this of great concern considering the amount of people on the waiting list and homeless.

A member suggested the commission look at what the council can do to discourage ‘Buy to leave’ and any conceivable method to tackle this, including increasing council tax after two years. Parliament is presently considering the introduction of a long term discretionary premium up to 300%. Other members voiced agreement to introducing sanctions for places left empty. Officers confirmed that nothing was in place presently and measures cannot be used on furnished properties.

There was a mention of the green paper on social housing and a query on if the commission will be feeding into this.

RESOLVED

- Provide more detailed data on case management of private empty homes
- Provide timelines for utilising the Compulsory Purchase Order process and bringing private properties back into use.
- Provide data across the borough of type of private properties empty
- Provide data on furnished properties which are infrequently let.
- Provide information on how much is generated by the 50 % premium and could be generated by increasing this

- Invite Regeneration officers to attend to discuss 'buy to leave'.
- Look at the Private Homes Empty Homes strategy in development.
- Come back in 3 months time.

6. CABINET MEMBER INTERVIEW PREPARATION

It was agreed that scrutiny officers would provide dates for relevant interviews and suggested questions would be provided via email.

7. DISCUSSION OF ANY OTHER OPEN ITEMS AS NOTIFIED AT THE START OF THE MEETING.

8. PART B - CLOSED BUSINESS

9. DISCUSSION OF ANY CLOSED ITEMS AS NOTIFIED AT THE START OF THE MEETING AND ACCEPTED BY THE CHAIR AS URGENT.