



## **HOUSING AND COMMUNITY SAFETY SCRUTINY SUB-COMMITTEE**

MINUTES of the Housing and Community Safety Scrutiny Sub-Committee held on Tuesday 11 January 2011 at 7.00 pm at Town Hall, Peckham Road, London SE5 8UB

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**PRESENT:** Councillor Gavin Edwards (Chair)  
Councillor Linda Manchester  
Councillor Poddy Clark  
Councillor Stephen Govier  
Councillor Claire Hickson  
Councillor Wilma Nelson  
Councillor Michael Situ  
Lesley Wertheimer

**OTHER MEMBERS PRESENT:** Councillor Darren Merrill  
Councillor Martin Seaton

**OFFICER SUPPORT:** Debbie Gooch  
Karen Harris  
Shelley Burke

### **1. APOLOGIES**

1.1 Apologies for absence were received from Jon Nosworthy and Jane Salmon.

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

2.1 There were none.

### **3. DISCLOSURE OF INTERESTS AND DISPENSATIONS**

3.1 There were no disclosures of interests or dispensations.

### **4. MINUTES**

**RESOLVED:**

That the minutes of the meeting held on 29 November 2010 be agreed as an accurate record.

**5. FOUR SQUARES SCRUTINY**

5.1 The Chair welcomed members and visitors to the meeting and asked them to introduce themselves.

5.2 He introduced the 4 squares agenda item, explaining that the purpose of this meeting was to find out what had happened to get to today's situation and how things could be moved forward here. He emphasised that this meeting would not be the only opportunity to discuss this issue but the sub-committee would get as far as it could.

5.3 The discussion began with members asking questions of officers.

**5.4 When was it known that there was not enough money to complete the works?**

Officers responded that this was not clear from the start but became clear after the second phase of the works. There was an overspend due to a mix of factors.

**5.5 When did you know about the overspend on phase 1 of the work?**

After the second phase of the work.

**5.6 Did you call a meeting of residents to explain the situation?**

No, officers recognised that this was a fault - the communication had not been effective enough.

**5.7 Was the overspend due to the contractors being poor?**

Ensuring the level of contractor performance pushed the overall cost of the project up. Officers commented that from experience projects of this kind cost more as time went on.

**5.8 Was money recouped from poor contractor performance?**

Action was taken and officers offered to find out the details. None of the officers present were in post during the first phase of the 4 squares work.

**5.9 The overspend was considerable, not small. Did nobody know?**

Action was taken on the first phase of the contract and a different contractor was used for the second phase.

**5.10 Why did officers not notice the overall funding issue? How many contractors**

**were involved? Members felt that a meeting should have been held with residents**

It was wrong not to update residents who had been led to believe that the work would be done. The commitment had been made without certainty of funding being available.

**5.11 What were Members told?**

There may have been some mis-communication. Officers had put forward a programme of work for the future and this had not included 4 Squares; members may have assumed that it was an existing and ongoing project

**5.12 Why did the contract and the specification produce an overspend? There was an expectation that there would be additional money – why was there confusion over this?**

Until the stock condition survey became available there was no real baseline of the level of resources necessary to deliver the overall housing investment need. Difficult choices had to be made because there was a gap between need and the resources available.

5.13 The chair clarified that the situation now was one of an overall housing funding shortfall of some £300 million and no decision had yet been made on how that would be met.

**5.14 What has happened to the remainder of the £8 million which was allocated? There is a feeling amongst residents that they had already won agreement to the programme of works which is not now going ahead. There has been misinformation which has not treated residents and councillors in a respectful way.**

The remainder of the money is part of the overall available resource against which future investment is now being considered

Councillor Al-Samerai said that she was aware that an £998,000 overspend on the project had been signed off by officers

The Decent Homes standard was different to the security works which were planned for 4 squares

**5.15 Are there any plans to spend the remainder of the money on the 4 squares issues? In particular to look into community safety and vandalism issues?**

The resources allocated to 4 squares were not ring-fenced. All future decisions on the housing investment programme will be made in the context of the stock condition survey.

**5.16 £8 million was allocated - why was it not ring-fenced?**

If there was a previous cabinet decision to allocate £8million ring-fenced for this

project no record of that decision has been identified.

The decision to not continue to spend had been taken as a delegated decision.

There was a point in 2009 at which a decision was taken to put forward a plan of work that was affordable. 4 squares was not in that plan but the council did not specifically say it was not going to go ahead.

**5.17 Was there a written statement in 2009 explaining that the planned 4 squares works would not go ahead?**

There was not. This was a delegated decision, meaning it was for officers to decide rather than for councillors.

5.18 Questions followed to Kim Humphreys, the former executive member for housing.

**5.19 It seemed as if the problem emerged within the first couple of years of the contract. Did the contractor come and say it was going wrong? Who does the decision come to in the Council that the contractor can do that?**

The former executive member explained that 4 squares was two contracts. As Executive Member for housing he would get reports for overcosts on housing and there were none for 4 squares. He also pointed out he was not in post at that time, these reports were what he received after this.

**5.20 If everyone knew that there was an overspend and a problem with the contracts, how come nobody seemed to know that the additional work would not go ahead?**

The former executive member did not see an overspend because the overspending problems occurred during the course of the first contract, when he was not in post.

**5.21 When did the executive member become aware that the work would not go ahead?**

He was aware that some major works would not go ahead in 2009. This was a public decision which was well publicised at Tennants Council and Area Forums. Rather than contracting for individual jobs it was the intention to move to a system with a small number of major works contractors, which would have provided a greater degree of flexibility.

**5.22 At what point did the former executive member know that the works would not be done within the £8 million allocation?**

It was explained that he was aware in 2009 that this work had to be balanced against other issues in the major works budget

**5.23 When you were asked in February 2010 by the local councillor about the project what did you tell her about the work being completed?**

The former executive member had talked about the work being completed but not where the money would be coming from. At the time it was hoped that JSI funding would help to find additional resources.

**5.24 The local councillor referred to an e-mail exchange which made a commitment to the funding. There was a mis-explanation of the situation.**

**She made the point that the security works needed were quite separate from the major works contracts with their focus on Decent Homes.**

It suggested that it would be possible that work could be done under a contract that wrapped up both.

**5.25 Was there something that stopped open communications? Could the same sort of thing happen again?**

It was all about allocations of money from central government. The funds available for major works were insufficient for the work that needed to be done. This situation was not unique to Southwark.

**5.26 The elected members in Southwark decided on a Decent Homes plus standard. Why?**

It was explained this was about tenant expectations. There was work going on but little alteration within flats, not the amount of work on kitchens and bathrooms that people wanted. The 2010 Decent Homes deadline was always an artificial government deadline, it was clear that local authorities would need longer.

**5.27 What the people at 4 squares wanted was a well managed and maintained estate.**

It was confirmed that the security works at 4 squares were not about decent homes but were a separate issue.

**5.28 Was there a problem of member/officer communications?**

The two year programme was explicit to all members

The decision was taken in 2009 about the future work programme. This did not mean that the work would not be done, just that it was not part of that particular programme.

The 2009 programme set out what the council was going to do. The only way of knowing if there was enough money was by waiting for the stock condition survey.

The current cabinet member has agreed to look at this matter as part of the next report on housing investment linked on the forward plan for April.

**5.29 The chair invited comments from local residents and questions to Councillor Al-Samerai.**

- 5.30 Councillor Al-Samerai said her expectation was that the allocation was made and the work would be done. She had not expected to see it in the two year work programme as the money had been previously allocated. She became worried about it last year, and the e-mail correspondence was not clear. The message she received was that it would take longer to do, not that the resources were insufficient.
- 5.31 The chair of the local residents explained how they felt it was difficult to get a clear answer. They felt that between 2002 and 2006 it was viewed that the resources were not enough, but it seemed that it was not until 2009 that the local authority realised this.
- 5.32 The job was tendered for because of the level of anti-social behaviour that the community was experiencing, not because of the decent homes standard.
- 5.33 A local resident commented that he felt it obvious that there was mis-management of the contract but nobody would take the blame or the responsibility. He claimed that the original £8million allocation should cover the costs especially if you added on the amount that leaseholders had paid towards the scheme. There were 80-100 leaseholders who had each paid between £13 and £18,000.
- 5.34 A local resident expressed her frustration that local residents were now being told that the rest of the money would go towards delivering the decent homes standard.

**5.35 Why did the work in the 3<sup>rd</sup> block go out to tender when it was known that resources were insufficient to complete the work?**

It was explained that lots of projects were put out to tender as the council wanted to get an idea of prices in order to establish which work could be done

Councillor Al-Samerai highlighted that the tender process had created raised expectations.

- 5.36 Councillor Edwards thanked everyone for their contributions and emphasised that this was now an urgent matter for the sub-committee which would be considered again at the next meeting.
- 5.37 Residents and visitors to the meeting were asked to leave contact information in order to be kept up to date with the progress of this issue by the sub-committee.

**6. CONSIDERATION OF THE DRAFT REPORT ON THE HOUSING REPAIRS KEY PERFORMANCE INDICATORS**

- 6.1 The Chair referred members of the sub-committee to the draft scrutiny review report which was circulated with the supplementary agenda.
- 6.2 He briefly summarised the recommendations set out in the report and invited comments, suggestions and additions from members of the sub-committee with a view to agreeing the report (with any changes) at this meeting.

- 6.3 Generally, members of the sub-committee were pleased with the report and felt it was an important milestone in starting to improve the repairs service so that work was done in a timely manner.
- 6.4 The following suggested amendments were made by the sub-committee
- Recommendation 9 – It should be made clear that the text message confirming that a repair has been completed should go back to the housing department and not to the contractor. It would be housing that would need to follow it up if a “yes” text was not received.
  - The issue of language problems amongst residents needed to be addressed too, as this could be the reason for not responding. Perhaps non-respondents could be spot-checked through the satisfaction survey?
  - Recommendation 10 (a) - The option “neither satisfied nor dissatisfied” should be removed from the satisfaction survey
  - Section 13.1 should be revisited to be made clearer
  - An additional recommendation should be made – that implementation of the recommendations in the report be reviewed.
  - A public digest summarising the report should be prepared
  - Recommendation 3 – The cabinet member for housing should be a member of the “core group” but should not chair that group as it made it too political.
  - The fact that a repair should have a single number was agreed, but it was acknowledged that this would be difficult to do because of repairs switching between departments etc.
  - Several references were made in the report to “i-world”. This is a council system, not just one used by the contractors. This should be made clear in the report.
- 6.5 The strategic director of housing services commented that it would be possible for the department to add to the recommendations. The sub-committee agreed that the scrutiny report was intended as a catalyst for a wide range of changes in housing repairs and was a starting point rather than a definitive list of all the changes needed.
- 6.6 Housing officers confirmed the commitment of the cabinet officer for housing to the full implementation of the recommendations in the report.
- 6.7 Councillors made reference to a repairs finder booklet that helped in communication between the customer service centre and tenants. It was confirmed that a new booklet had been produced and sent out to all tenants. It was agreed

that a copy of this booklet should also be sent to each councillor for their use.

6.8 The Chair confirmed that the agreed changes would be made to the report and it would then be re-circulated to members of the sub-committee as the finalised version.

6.9 The sub-committee thanked all officers who had contributed to the report, in particular Christian O'Mahoney, Catherine Spence and Karen Harris.

## **7. HOUSING BENEFIT**

7.1 Councillor Govier confirmed that the written report on housing benefit would be prepared for the next meeting of the sub-committee.

7.2 He explained to the sub-committee that as the plans for the Aylesbury estate now needed to be revisited this might have a knock-on effect for the initiatives to mitigate the problems which would be created by housing benefit reform through the provision of temporary accommodation. As a result the planned local response to the housing benefit changes would need to be revisited.