



**Minutes of Leasehold Panel meeting, 7.00 pm, Civic Centre,
Tuesday 12 February 2007**

1. Attendance: Ms Z Agard, Mr A Yohannes, Mr J De Freitas, Ms M Gill, Ms A Goodhew, Ms D Grandson, Ms B Hines, Mr M Laheen, Mr N Martin-Clark, Mr R Akinyemi and Mr M Ruggins

Apologies. Ms C Etheridge, Ms E Owen and Mr R Towerzey

Officers: Mr N Thevanesan, Home Ownership Manager, who chaired the meeting, Ms M Smith, Client and Best Value Manager, Mr A Cusack, Litigation Lawyer, Mr O Akinfe, Head of Asset Management and Mr B Nicholas, Project Officer.

2. Elections of new Resident Members to the Board of Homes for Haringey. Martina Smith, Client and Best Value Manager.

Ms Smith circulated a copy of a report to Board dated the 7 February 2007. She commenced by saying that the composition of the Board was as follows: six residents, five Council nominees and five independent experts. She explained that the Board has six resident members as follows: four tenants, one leaseholder and one sheltered housing representative. The position of Board Member is unsalaried.

All the current resident members on the Homes for Haringey Board will retire at the first Annual General Meeting (AGM) and will be replaced by six elected members: four tenants, one leaseholder, and one sheltered housing representative. Dr Krishna (Mrs) Sengupta is the current leaseholder representative.

Ms Smith explained that the Constitution requires that at the first Annual General Meeting (on the 18 September 2007) all the Resident Board Members must retire from office. However retiring Members can stand for election since the constitution allows Board Members to hold office for at least 3 consecutive terms. The constitution states that at the third AGM that 2 Resident Board Members must retire from office. Thereafter 2 Resident Board Members must retire by rotation.

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Nominations will be invited in May. Some training will be offered to potential candidates, which would include the Homes for Haringey governance structures and the roles and responsibilities of a Board Member. It would be expected that all those standing would be committed to Homes for Haringey's aims and objectives and should meet a candidate specification. Residents who wish to stand must be nominated by 10 other residents as signatories to the nomination paper.

The elections to the Board will be held over 6 different 'constituencies'. With regard to tenants the borough will be split into four areas: North Tottenham, South Tottenham, Wood Green and Hornsey. One tenant will be elected onto the Board from each of these areas. Supported Housing tenants and leaseholders will also elect one Board member representative each, making a total of 6 resident representatives. All residents will be entitled to vote and the whole process will be overseen by an independent company.

Ms Smith then provided some details of the proposed timetable for the elections. Following an article in the April issue of Homes Zone, the period for nominations will take place over a four week period. A Special Residents Consultative Forum will then be held in June to give people a chance to hear the candidates speak and answer questions. The ballot, which will be postal will be held during July – the votes will be returned in prepaid envelopes.

Mr Ruggins then expressed the view that leaseholders were under-represented on the Board. He said that since there were about 4,300 leaseholders in relation to 16000 tenants there should be 2 leaseholder Board Members rather than the one at present. Ms Smith responded that Homes for Haringey felt that the representation provided a fair balance between the different groups. The size of the Board was already quite large – this was necessary for it to properly represent the various interests it had to take into account. Since these matters were written into the constitution it would in any case be very difficult to effect an amendment. She indicated that she would also be shortly responding to a letter she had received on this subject from Ms Sue Brown, Secretary of the Haringey Leaseholders Association.

3. Application to the Leasehold Valuation Tribunal – progress report. **Andrew Cusack, Litigation Lawyer, Haringey Council.**

Mr Cusack explained that the application was part of the process of consultation under the section 20 regulations regarding the decent homes programme. The first section 20 notice had been sent to leaseholders on the 21 July 2006 and the second notice (Notice of the Proposal) would be despatched in March this year. Since the Council and Homes for Haringey were unable to provide any meaningful cost

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information at present, it was necessary for them to apply to the Tribunal for a dispensation in this regard.

A lot of other boroughs have followed the same course – examples include Barnet, CityWest and so on. For leaseholders to be charged a proportion of the cost of any work in relation to their properties it will be essential for them to be provided with costings prior to the commencement of the work. This is a requirement under the section 20 regulations (Schedule 3) and there were plans in place to provide leaseholders with the necessary information. Mr Cusack said that the Council and Homes for Haringey felt confident that the case they would present to the Tribunal was a very sound one that it would probably be accepted.

The borough has been divided into four areas in order to plan and carry out the work. There will be one contractor for each area. Until detailed surveys have been undertaken the Council and HfH will not have a good idea of the estimated cost of any of the work required. Mr Cusack indicated that the commencement of the decent homes programme will also depend on the outcome of the Audit Commission's inspection in May and whether the Government allocates the necessary funding.

4. Decent Homes Programme – arrangements for consulting residents. **Ola Akinfe, Head of Asset Management.**

Mr Akinfe said that a report would be going shortly to the Council's Procurement Committee containing recommendations about the proposed contractors. The selection of the contractors had been made on the basis of bids submitted containing costings in relation to specifications of typical building works for two hypothetical medium rise blocks of flats located in the Wood Green area of the borough. These were examples which had been determined purely on the basis of providing a good mixture of the types of work that would be expected across the borough. The examples were not appropriate in any way to predicting either the type of works that would be carried out to specific buildings or the likely cost of such work as it would relate to individual leaseholders.

There was therefore no question of releasing this information into the public domain, since it would be apt to be very misleading. The borough would be divided up into 4 different areas. There would be a contractor operating in each area. As would normally be the case, there would be some variations in the rates and prices charged by each contractor. An assessment has been made of the tender submissions on the basis of the normal rates and prices applicable in the industry. Following the undertaking of the surveys, it was expected that Homes for Haringey would commence consulting residents (and

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leaseholders) about the works proposed in their buildings in the late summer/early autumn.

Mr Akinfe said that leaseholders will be consulted far more than would be required under the statutory regulations. He explained that the work in relation to each building or estate will be divided as follows:

- a) Essential work
- b) Desirable work
- c) Optional work.

Residents will be consulted about the work on the basis of these three categories. The consultation process will start at least six weeks before the issue of the section 20 estimate (under Schedule 3). At the start there will be a newsletter to all residents about the work. Everyone will then get a description of the proposed work and the options for what can be done. The information will also include estimates of the costs of the different options. Finally leaseholders will be provided with an estimate of how much the work which has been agreed will cost them.

The programme for the first year will be advised to residents at the end of the summer. The question was raised as to why it was necessary for there to be different contractors operating in different areas. Mr Akinfe responded that there would be too much risk associated with the reliance on one or possibly two contractors for the whole borough. He was asked why it was necessary for this method of procurement to be used. He said that Changes in the criteria set by central government to qualify for ALMO funding require ALMOs to adopt partnering principles when procuring major construction projects. This is consistent with Gershon and Egan principles and is designed to create greater efficiency and better value for money.

There would be further consultations about the programme in April of next year as a preparation for the financial year 2008/9. A Panel Member commented that the leaseholders felt in relation to the dispensation that they were being asked to sign a blank cheque. Mr Cusack responded that irrespective of the dispensation leaseholders still had the right to question the quality, cost or necessity of the work, if they felt that these issues were not being properly addressed. Mr Akinfe agreed and said that Homes for Haringey was making an all out effort to ensure that the work will be carried out in terms of the highest standards and the best quality available. In addition there would be extensive consultation in relation to each building project undertaken during the programme.

The question of the use of subcontractors was raised. Mr Akinfe said that systems were included in the contracts to ensure effective monitoring of all work to be undertaken. The contractor would not get paid if the work

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was not done properly. Residents will be involved in signing off the work so this should ensure that no substandard work was overlooked. Guarantee periods of 12 months covered a lot of building work, but items such as roofs generally were covered for up to 25 years. The responsibility for the guarantee would lie with the main contractor.

Mr Akinfe referred to the scheduling of the work. Some work, amounting to about £14 million had been postponed from previous years and this would be done in the first year, as had been promised to residents. The budget for the first year totalled £48 million. A Panel Member expressed concern that meeting the wishes of tenants could result in the cost of the work in a building being substantially increased. Mr Akinfe explained that the options were not mainly about incurring additional costs, which would be tightly controlled within budgets. However there were certain options regarding matters such as colour schemes, the location of facilities etc, in which residents' opinions had to play an important role. In answer to a question Mr Akinfe said that it was expected that the broad details of the programme would be available in the autumn after the completion of the surveys.

5. Leaseholders Forum.

It was agreed to hold a Leaseholders Forum in June along similar lines to those previously agreed.

6. Any other business

It was agreed to hold a meeting in March to discuss the concierge service amongst other business.

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