



Leasehold Panel

Minutes of the meeting, 18 February 2009.

Attendance. Mr Nick Martin-Clark (Chair), Mrs Anne Goodhew (Vice Chair), Yvonne Thompson, Mrs M Shaw, Ms May Irving, Ms Rita Batzias, Mr Charles Connolly, Ms Lesley Ramm, Ms Linda Chrysostomou, Mr Roger Kemp, Ms Susannah Adewumi, Ms Shirley Perlman, Mr M Pentol, Ms Anne Crellin, Ms Lucille Parris, Ms Eileen Marshall, Ms Sue Brown (Chair, Haringey Leaseholders Association), Mrs Delsie Grandson, Mr D Wright, Ms Christine Ibrahim and Mrs H Wright. (21)

Chair: the meeting was chaired by Mr Nick Martin-Clark.

Officers. Mr Nesan Thevanesan, Head of Home Ownership; Mr Michael O'Driscoll, Electrical Services Manager; Mr Joe Boake, Senior Resident Involvement Officer and Mr Nick Claxton, Senior Home Ownership Officer, who took the minutes.

1. Minutes of the last meeting – 14th January 2009

Ms Batzias stated that the apologies she sent for the meeting of 14th January had not been recorded and this was noted.

Mr Martin-Clark said he welcomed the return to the old-style of “lengthy” minutes and asked Mr Thevanesan if they would continue to take this form. Mr Thevanesan responded by agreeing that a dialogue would continue with the aim of reaching a mutually satisfactory style that is in keeping with LBH and HFH’s minuting standard, but also satisfies the needs of the Leasehold Panel.

The meeting then agreed the minutes as a true record of the meeting held on 14th January 2009.

2. Matters arising

Mr Thevanesan reported that the action points contained in the minutes of 14/01/09 had been completed, with the exception of information regarding the availability of guarantees, which he hoped to be able to report on by the next meeting.

- It was **AGREED** that the question of the availability of guarantees would be carried forward to the next meeting, 16th March 2009.

Ms Ramm brought to the panel's attention the fact that leaseholders in Newland House had not received a satisfaction survey questionnaire, even though it was now several months since work was carried out. Mr Thevanesan responded by informing the panel that Homes for Haringey's construction partners were now distributing the satisfaction questionnaires, and that the Home Ownership Team were identifying non-resident leaseholders so the questionnaire could also be sent to them.

- **ACTION:** Mr Thevanesan undertook to investigate the reason for the delay in distributing the satisfaction questionnaire to leaseholders in Newland House and report back to the Panel at the meeting of 16th March 2009.

3. Proposed digital TV contract – charging options concerning leaseholders – progress report on policy review. Mr Michael O'Driscoll, Electrical Services Manager. Mr O'Driscoll reported that an advertisement had been placed in the Official Journal of the European Union regarding tenders in respect of the installation of digital TV reception systems. Twelve applications had been received, one of which had been set aside as being inappropriate. Mr O'Driscoll explained that all contractors applying had been required to complete a pre-qualification questionnaire.

The questionnaire contained questions regarding the organisational structure, Customer Care, Capability, Technical capabilities, membership of Professional Bodies & Trade Organisations, Relevant experience and existing contracts held by applicants in order to determine their suitability.

The completed questionnaires are being assessed by a panel including a leaseholder and a tenant's representative. The assessment was expected to be completed by 21st February 2009 and the next stage would be to interview the prospective contractors.

Mr O'Driscoll went on to explain that the works were required to be carried out to comply with the digital switchover deadline of 2012. The Council proposes to enter into a contract with up to four contractors for a minimum of two years (with the possibility to extend a further one plus one year) to carry out works across the borough. Each of the contractor's performance would be reviewed after the first year, with further works given based on performance.

Mr O'Driscoll explained that at present the intention was that our Tender will have separate priced breakdowns of the various possible installations options, that is:

- a Digital Terrestrial TV system with FM and DAB radio
- the addition of Sky Plus
- the addition of Hot Bird
- the addition of Turksat

By breaking down the prices from the basic system to a full integrated reception system (IRS) Homes for Haringey would be able to proceed with whatever option is finally agreed following the consultation.

M O'Driscoll explained that the present situation regarding this was that Homes for Haringey was undertaking a review and discussions with Haringey Council concerning the different options that can be provided and the implications of each option, and these are given below.

If Homes for Haringey went for the basic option of just a Digital Terrestrial TV system (which allows Freeview) with FM and DAB radio, consideration would have to be given to:-

- The array of dishes on the buildings. Would we remove all leaseholder (and tenant) dishes on completion of works, as is our current practice? This would mean that residents may feel disadvantaged as they would not be able to receive the channels presently available via the various providers.
- The problems that occur when a dish is installed outside someone's property by a tenant who lives on the wrong side of the building to receive a signal.
- Damage to building and infrastructure from installation of dishes and cabling.
- Health and safety issues with a poorly installed dish that may fall onto someone below. (*We already receive complaints based on H&S for cables thrown up access ladders to roof areas and in tank rooms and roof area*).
- Procedure for new leaseholders moving to the block at a later time and requesting the installation.

Other options to be considered were:-

- Should we go for the above basic system together with SKY plus, as this is the service that is most used across the country?
- Should we allow a combination of systems for different areas? For instance where there are high ethnic mixes in certain parts of the borough, do we install the complete systems there with Hotbird & Turksat?
- Should we allow a mix of systems within one building?

- Should an opt-out policy be allowed? (*What would the procedure be for a new leaseholder moving into the block at a later time who then decides they want this type of installation?*).

Mr O' Driscoll said the consultation with the Council and tenants / leaseholders would help to establish what the policy of Haringey Council as landlord should be. If it is decided it is necessary to minimise the number of individual cables and aerials/ dishes attached to the outside of its buildings then the full IRS system may be the required option. However if it is decided that a minimum service is adequate then the basic system will be chosen.

The intention is that once the tenders have been received and evaluated it will then be possible to select the type of installation required from the range of options which have been provided for in the tender documents.

Mr O' Driscoll suggested that the ideal solution would be to have integrated reception systems (IRS) that would allow residents the freedom of choice, and that all properties in a building would receive the service and therefore avoid any further need for residents to install their own aerials or dishes. He confirmed that the works were only due to take place to buildings where there were existing communal systems.

The following concerns were raised by leaseholders:

- Is there a sales aspect to the works?
- Will there be an opt-out policy?
- Will residents be able to opt out after the works have been completed?
- If residents are able to find a less expensive deal will Homes for Haringey "price match" or offer any sort of refund?
- With respect to the policy for the removal of existing satellite dishes, will HfH enforce this in as much as they haven't in the past?
- Who will be responsible for maintenance?
- Will the maintenance charge apply to residents who only have Freeview?
- Why should residents be required to pay when the 2012 digital switchover is dictated by central government?
- Will adjustments be made later to meet the needs of new leaseholders?

Mr Martin-Clark explained that the Council did not propose residents should have to subscribe to any TV services such as Sky or Virgin, and that the annual charges would only be for the maintenance of the systems in each building.

Mr O' Driscoll advised the panel that there were other factors influencing the extent of the work that would be done, primarily the age of the existing system. Whereas wiring that was installed only four years ago may not require replacing but possibly adding to, but this would be dependant on the extent of services to be provided. Systems that were installed over 30 years ago most

certainly would require replacing. The installation contractor would be responsible for any repairs / defects to the system for the first year. A maintenance agreement would be entered into with a contractor to maintain the system.

Mr Martin-Clark advised the Panel that there were 3 different programmes of work that included digital TV reception systems. One already underway, a scheme based on environmental issues, and the Decent Homes programme. It was felt that this had led to disparities in the ways leaseholders had been consulted.

Ms Ramm reported to the meeting that works of this nature had already taken place at Newland House and that no consultation had occurred. She said she had been informed about the choices provided by the system by one of the workman carrying out the work. Having been given the choice of "all of the channels or some of the channels" she had assumed she should request "all of them" and now had many satellite stations she did not require. Ms Ramm and other leaseholders were now concerned over the figure of £700 per property for installation of the system followed by a £350 annual maintenance fee (for the building).

- **ACTION: Mr Thevanesan undertook to investigate the process that had been followed with respect to the installation of TV aerials at Newland House and the charges detailed in correspondence received by leaseholders.** [It should be noted that the figure of £350 was an estimate provided by the contractor for maintaining the new system in the building. Even if this figure were to be confirmed, leaseholders would only have to pay a part of this cost. Since there are 33 flats in the block, each leaseholder would only have to pay approximately one thirty third of the amount of £350. However no maintenance contract has been set up for this building at the present time.]

Ms Ramm also reported that since the work was done the reception was of a significantly reduced quality and there did not appear to be a project manager to address this with.

- **ACTION: Mr O'Driscoll undertook to report the problems with TV reception at Newland House to the Decent Homes Project Manager.**

Mr Thevanesan advised the Panel that Decent Homes schemes no longer included work on TV reception systems.

- **ACTION: Mr Thevanesan to up date the Panel on works to be carried out under the Decent Homes Programme at the next meeting.**

Mr Ruggins asked whether there would be a consultation period between receiving tenders and a decision being taken on which contractor to appoint. Mr O'Driscoll outlined the proposed timeframe:

- Interviews and evaluation of the prospective contractors to be held over the next month
- Tenders sent out for a period of 4 weeks
- Tenders to be evaluated over 2 week period
- Report to go to the Legal Department – 2 weeks
- Report to go to the Board
- Section 20 process to be invoked upon Board's approval of contractor.

The Chair requested that a copy of the report be submitted to the Leasehold Panel prior to being forwarded to the Board. Mr Martin-Clark also stressed the concern of leaseholders over a lack of information.

- **ACTION: Mr Thevanesan undertook to investigate the option of residents opting out and to report back to the panel at the next meeting.**

Ms Brown informed the Panel of the next meeting of the HLA, on Friday 6th March at the Civic Centre at 7pm. Ms Brown strongly urged the leaseholders to attend the meeting to discuss the matter further.

4. Feedback Issues - Impact Assessment –the consultations on the payment options for major works - Mr Joe Boake, Senior Resident Involvement Officer.

Mr Boake commenced his report by referring the meeting to the paper "Consultation on major works payment options" (attached) and asked the Panel to consider whether they felt the process of consultation had achieved the Panel's assumed outcomes and whether it had been advantageous or detrimental to their goals.

Panel Members made the following Impact assessment responses with respect to the anticipated outcomes –:

a. Attendees. The immediate individual benefits expected were that there would be better options to pay the large major works bills which some leaseholders would receive under the Decent Homes Programme. Information about the options would be contained in a new booklet agreed by the Panel which also explained major works standards and how major works invoices are calculated.

b. Homes for Haringey. The enhanced payment options would enable more HfH leaseholders to be able to pay their major works bills, resulting in less court action for forfeiture and less people losing their homes.

c. Leaseholders in general. Panel Members had concerns for more vulnerable leaseholders, those who were old, frail and/or in receipt of benefits. They referred to policies in other boroughs such as Islington which they felt were more likely to ameliorate the adverse impact of large major works bills on a leaseholder's financial position. The Panel said that further consideration should be given to reducing the risk of leaseholders losing their homes as a result of major works bills, as far as was possible.

It was noted that the 5% preferential interest rate agreed with the Council at the time the proposals were being finalised in July last year was a reduction from the rate then in place of 7.5%. The Panel therefore requested Mr Thevanesan to ask the Council to revisit this figure in the light of recent changes to the Bank of England base rate.

- **ACTION: Mr Thevanesan agreed to ascertain whether the Council could lower the interest rate on discretionary loans in view of the reductions in the Bank Rate.**

d. Were the expected outcomes achieved? Ms Brown stated that the HLA had received reports about cases where individual leaseholders were being pursued for major works bills without being offered the payment options. She said that when they sought advice from Homes for Haringey after being threatened with forfeiture action, they were told they would need to sell their homes to pay their bills.

Mr Thevanesan advised the Panel that in future the new payment options would apply to all major works invoices, not just the Decent Homes ones. However the old payment options would apply to the invoices which had been raised last year before the introduction of the new options. Mr Pentol asked why there was no money in a sinking fund to cover these costs. Mr Thevanesan explained that the possibility of creating a sinking fund had been discussed by the Panel, who had rejected the idea.

Mr Thevanesan said that In respect of leaseholders who were about to receive new invoices (in year 2 of the Decent Homes programme) the Home Ownership Team had arranged a special workshop about the new payment options. The Citizens' Advice Bureau had also attended and made a presentation on debt advice.

One leaseholder who had attended the workshop said she had received a bill for £18,000 and she felt that none of the payment options would actually help her. It was noted that there was still the possibility of having a charge put on her property. This would mean that the interest would accrue and the full amount plus the original invoice could then be paid at a later date, for instance when the property was sold.

Mr Thevanesan confirmed that the new payment options would only apply to invoices for major works to be issued during 2009. However since the payment options had been agreed in principle by July 2008, he agreed to seek the Council's view as to whether the options could also be applied retrospectively to any unpaid major works bills for works which had been issued after this date.

- **ACTION: Mr Thevanesan to report back to the next meeting as to whether the new payment options could be applied to unpaid invoices which had been issued after July 2008.**

He noted that that there were a number of examples where efforts had been made to prevent leaseholders losing their homes, by putting bills on hold and checking what benefits support might be possible. He said that it was in cases where the leaseholder had not tried to contact the Home Ownership Team that action had had to be pursued. The Council is legally required to enforce the payment of such unpaid bills.

The Panel felt that it was not yet possible to reach a properly considered view on all the outcomes achieved. Mr Thevanesan agreed to report back to the Panel on the number of bills issued and the number of payment options taken up.

- **ACTION: The Panel agreed that Mr Boake would return at a later date so the Panel could consider whether the outcomes had been achieved, after it had received information from Mr Thevanesan on how the new options were operating.**
- e. Were there any other unexpected outcomes ? It was felt that the Panel had not been aware until after the agreement on payment options had been reached that the payment in advance of major works bills would be likely to achieve a (small) improvement in the Council's cash flow position.
- f. Was anyone omitted from the consultation on major works payment options ? Mr Martin-Clark noted that the consultation on the payment options had been widely promoted and that it felt it was unlikely that people had been omitted.
- g. Was the activity cost effective ? The Panel noted that it was not possible to comment on this as no major works bills had been issued since August 2008. it was agreed to revisit the question once it had received some information from Mr Thevanesan on the payment of bills under the new options.

Mr Thevanesan reported that since the Decent Homes Advice Day on 28th February 2009 the Citizens Advice Bureau had applied for a leaseholder in to receive assistance from the Department of Work and Pensions with their major works invoice. If it was refused he said an appeal would be arranged and it would be treated as a test case. He referred to a similar case where Hammersmith and Fulham had successfully appealed against the DWP on behalf of a leaseholder in order for them to obtain benefit help with a major work invoice. Mr Thevanesan explained that he was undertaking a review of this case to see how the results could be applied to help leaseholders in Haringey.

Ms Brown felt that when the consultation had taken place the panel had focused on the common good rather than the needs of the individual. Mr Martin-Clark also observed that when the consultation had taken place there had been no feedback from leaseholders who had received invoices under the new options.

- **ACTION: Mr Thevanesan undertook to report to the Panel once billing had commenced with statistics regarding the number of invoices raised and the amounts billed .**

4: Feedback Issue b) Annual Participation Questionnaire 2007/08 – Draft Report

- **Due to time constraints it was agreed that this item would be deferred until the next meeting.**

5: Annual Team Plan for Home Ownership Team

- **Due to time constraints it was agreed that this item would be deferred until the next meeting.**

6: Problems regarding sub-lessees

Mrs Goodhew reported to the panel that leaseholders had expressed the following concerns over sublet leasehold properties:

- Non-resident leaseholders can be difficult to contact and this causes delays in rectifying problems caused by tenants.
- Some leaseholders felt that the Council does not have a policy regarding subletting.
- Leaseholders feel that tenants appear to have more rights than they do.
- Tenancy Management Officers are not always able to achieve effective outcomes and reports of problems are sometimes met with a letter claiming HfH are unable to access properties to remedy problems

that may affect the structure of the building or other properties in the block.

Mrs Goodhew proposed that a working party should be set up to address issues regarding sub-lessees. Mr Boake felt that such a panel should include representatives from the environmental health and the anti-social behaviour teams. Leaseholders also felt that a panel should include TMOs and representatives from Home Ownership and should involve leaseholders and tenants alike. Mr Thevanesan explained that the Home Ownership Team does operate a policy of registering all properties that are sublet, but that not all leaseholders comply with this requirement.

Mr Ruggins called for a vote. The Chair asked the panel to vote.

- **ACTION: The motion was carried UNANIMOUSLY to set up a working party to address issue regarding sub-lessees. Mr Thevanesan to seek nominations from Tenancy Management.**

7: Any Other Business

Mr Thevanesan advised the panel that a representative of BMG, the company who carried out the satisfaction survey, would like to make a presentation at the next meeting. The representative will be coming from Norwich.

- **It was AGREED that the presentation by a representative of BMG would be arranged and added to the agenda for the next meeting.**

Mr Martin-Clark thanked Mr O'Driscoll and Mr Boake for their presentations and everyone else for their contributions. He then declared the meeting closed.

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