

**Report for:** Cabinet – 8<sup>th</sup> of December 2020

**Title:** Call In – Alterations Policy for Leaseholders

**Report Author:** Councillor Peray Ahmet Chair of Overview and Scrutiny Committee

**Ward(s) affected** N/A

**Report for Key/Non-Key Decision:** Key decision

## **1. Describe the issue under consideration**

- 1.1 This report sets out the outcome of the Overview and Scrutiny Committee's consideration of the Cabinet's decision on the Alterations Policy for Leaseholders on the 10<sup>th</sup> of November 2020

## **2. Introduction**

- 2.1 The Overview and Scrutiny Committee considered the Cabinet's decision at a special meeting on 1<sup>st</sup> of December. The Committee heard representations from the following:

- Michael Hardy - Haringey Leaseholders Association
- Barbara Tierney – Haringey leaseholders Association

- 2.2 Consideration was given to the views expressed by the deputation, as follows:

- Challenging the level and quality of resident engagement on the proposed changes to the Leaseholder Alterations Policy which had only received 147 responses when there were over 5000 leaseholders in the borough. This was not felt to be an adequate context on which to base the progression of these changes to the Leaseholder's Alterations Policy.
- Disputed how the questions in the consultation were framed which was felt to be misleading and did not provide any of the positive aspects of leaseholders replacing their own windows and doors and the cost savings this could provide them.
- Sought justification why Homes for Haringey was best placed to replace leaseholder and tenants' windows and doors and why leaseholders were not being provided the opportunity to replace their own windows and doors at a lower cost.
- Direct example provided of a leaseholder fitting some of her own windows and doors in 2008, then requiring to replacing all her windows and doors as part of her blocks decent homes works. There was personal account provided of conflicting information from Homes for Haringey, lack of time for financial decision making provided and insufficient communication about the scheduling of the works, culminating in the leaseholder being billed with significant increased costs to the works. This had caused stress and impact on life choices for the leaseholder and it was advised that there were a number of other leaseholders facing similar circumstances.

- The first-tier tribunal process was an appeal option available to the leaseholders where they could dispute the costs of the work but this was expensive, complicated and a time consuming process in comparison to the leaseholder undertaking the works themselves.
- Ultimately, seeking to have rights, as leaseholders, to fit own windows and doors, whilst respecting fire safety regulations and conservation issues as well.
- Changing the policy would mean allowing some leaseholders to remain living with inadequate windows and doors until they were replaced by Homes for Haringey and this was causing concern about personal safety.
- Mainly leaseholders were frustrated with the process and ended up having to undertake the works themselves and were then having to seek retrospective consent which was now leaving them in a precarious position. Leaseholders cared about their properties and their safety and would have the incentive to procure better products for their properties
- It was accepted that the Council had to reconsider the fire safety of their housing stock in light of Grenfell. However, it was contended that there were different types of properties in the Council's housing stock and they should not all be treated in the same way. There should be different solutions put forward for ensuring the safety of properties.
- Confidence in Homes for 'Haringey procured fittings was also questioned given Homes for 'Haringey board reports of failed fire safety burns tests on contractor fitted doors
- Inconsistencies in the charging for door installations by Homes for Haringey, indicated that there were different costs being put forward to leaseholders which was likely to be connected with the procurement packages being taken forward for Major Works for different blocks. This was leading to unequal charging of leaseholders around the borough.

### 2.3 The Committee considered the views expressed by the call-in signatories

- Contended that the changes to the policy put forward made the installation of doors and windows less safe and there were local specific examples provided of leaseholders paying for works and not receiving communications about the progression of the works, delays, and then being charged increased costs .
- Inconsistency in approach with two different Council blocks where there were urgent safety works to be undertaken.
- Questioned whether Homes for Haringey had the sufficient processes in place to adequately manage an important safety programme and communicate sufficiently with leaseholders.
- Leaseholders in a difficult situation as having safety works mandated to them and then these works not being carried out in a timely manner.
- Questioned whether Homes for Haringey could fulfil the proposition of commissioning, managing, and delivering works that ensured the safety of residents.

- Specific casework referred to Homes for Haringey works on windows which had to be rectified and the delays in completing these works. It was questioned whether Homes for Haringey were actively learning from these cases and rectifying processes accordingly.
- Assurance needed that identified fire safety works would be completed in a timely way by Homes for 'Haringey to keep residents safe as waiting for these works would not provide peace of mind.
- Understanding performance of Homes for Haringey for delivering on works, starting from when the matter is reported, works specified, and then completed.
- Before agreeing this policy, there was a need for assurance that Homes for Haringey had the correct procedures in place and can carry out the works to the required standard which is also independently checked. Ultimately need to ensure that if leaseholders are not permitted to undertake the works themselves, they are getting quality works completed by Homes for Haringey.
- The response to call in report did not evidence that the safety standards being put in place were to the highest standard and that this information was provided to leaseholders.
- Lack of information in the response to the call in on the quality assurance measures being taken forward. It and suggested that a survey was being taken forward, post works with leaseholders and tenants, but it was unclear if this was a new measure or an existing QA process.
- Proposed that the Cabinet decision on the Leader's Alterations Policy be delayed until evidence received that Homes for Haringey are the safest option for leaseholders and tenants and that there can be confidence in the quality assurance process to meet safety standards.

2.4 Cllr Ibrahim, the Cabinet Member for Housing and Estate Renewal, and officers from the Council Housing services and Homes for Haringey responded to the representations, questions from Committee members and call-in as follows:

- The policy addressed a wide range of property issues, not just windows and doors. HfH and Council officers reviewed the policy and proposed amendments to clarify responsibilities in line with best practice across the social housing sector. It was further clarified that the only substantive changes to the policy were concerning windows and doors and the remainder of the policy was unchanged.
- In line with post-Grenfell advice from the Government to housing providers, HfH commissioned a series of burn tests to front entrance doors installed by our major works contractors in recent years. The Council have yet to receive certificated results of these tests. HfH Board has been informed that officers understand there have been test failures (i.e. doors did not withstand fire for the specified 30 minutes) and acutely aware of the challenge on and a detailed report on remedial action is being drawn up. These issues relating to composite door manufacture reflect an industry-wide set of concerns being pursued by the Government and many other local authorities.
- Understood frustration of leaseholders and they were encouraged to put forward this casework to the Cabinet Member.

- Councillors did care about the situation of leaseholders and hoped that interaction on this issue would change perceptions.
- Windows and doors fittings were important in the prevention of the spread of fire and there were examples of this recently in an incident at Shepherds Court, Lacknell House fire and Garner Court where fire had spread through the window panels. It was accepted that the legislation had not changed since 2005 but this was not a reason to continue with the policy
- The 2008 policy changes to allow alterations by leaseholders to windows and doors should not have been agreed.
- Safety of residents, both tenants and leaseholders, were of paramount importance and guided this policy decision. The Cabinet Member had to action safety concerns concerning the borough which were brought to her attention and keep in mind the Council's role as a landlord, protecting the safety of residents who are leaseholders and tenants.
- It was important to prevent alterations that undermined the safety of residents as it only took one bad alteration to affect a whole building.
- The key issue was accountability, and the Council could not pass this responsibility for fire safety to leaseholders and tenants.
- The Cabinet Member could not find another Council with the current alterations policy, allowing leaseholders to take forward alterations to windows and doors.
- Every Council had its specific challenges since Grenfell in ensuring fire safety of their housing stock.
- Every Council also had challenges with the management of its stock and repairs.
- With regards to the specific casework issues raised by the call-in signatories, there had been many steps taken by Homes for Haringey to meet some of the challenges expressed by the call in.
- 6 fire safety officers had been recruited in Homes for Haringey, 4 fire safety posts in the Council, including compliance officer, contract monitoring, demonstrating that Homes for 'Haringey were responding and endeavouring to meet the challenges expressed.
- As a Council there were mechanisms to have oversight of Homes for Haringey, including the cross-party Homes for Haringey Board.
- Consultation was always a challenge to ensure the engagement reached affected residents. However, there was in depth engagement on fire safety and this had been ongoing. However, the longer the Council took to make this policy decision, the longer the risk of the current policy. Officers were content that there was sufficient effort to contact people and officers were disappointed with the number of responses. This was typical of the level of responses the Council.
- There was noted to be 95% customer satisfaction from major works programme monitoring and possibly this could mean that residents were less likely to respond to the consultation on the Alterations Policy.
- Dealing with public money and costs shouldered by HRA, which was made up of resident's rents, was incentive to get value for money and compliance.

- There was a competitive procurement process for the contracted works and some of the time this would be through a pre-qualified panel and there would be a significant competition to ensure quality and price.
- Certification process, specification of the product being installed was critical in term of doors and windows, and making sure right products were chosen that meet legal requirements for fire safety.
- There was quality control of production line and need to be satisfied that appropriate quality assurance in place factored in the procurement process. This was also the case for installation with Homes for Haringey surveyors for inspecting works. The procurement process allowed for a number of checks to be in place to ensure right products and installation. It was accepted mistakes could sometimes be made and Homes for Haringey were working hard to make things better
- Discovered some manufacturers make claims to meet standards but do not and Council had been taking its own doors burns tests. The cost would be high for a leaseholder fitting a door under the current policy as potentially they would need to complete a burns test for their door before installation.
- Considering Homes for Haringey role in a wider context, government investigating and encouraging Councils to complete these tests to ensure the safety of doors and windows and many other Councils were doing the same.
- With regards to composite doors, there was not the confidence in the industry that there had been thorough quality assurance examination, and this was why Councils had to take forward these additional tests.
- Homes for Haringey follow the same contract processes of the Council and could supply the procurement documentation, but this was a lengthy document. The service could provide further information to the committee on the procurement process later, but this was publicly available information.
- It was still the Councils' responsibility for works, undertaken in the current 2008 policy, and the risk that this continues.
- Cabinet Member was not indicating that all works have been completed are redone. This was unless a fire safety challenge was identified.
- Different compartmentalisation challenges in different buildings and 3 apparent cases of issues with windows and doors, Shepherds court was a recent example. Also need to respect and consider information from the Fire brigade.
- There were specific cases, that could not be named, and examples of surveys that have found substandard installations by leaseholders so there was a risk.
- Fire safety assessments were taking place on housing stock on a cyclical basis with issues being discovered. Ultimately manage this risk and there were processes in place where issues identified but this was not a long-term solution.
- Issues discovered in fire safety assessment reported to a specific board in Homes for Haringey attended by senior housing officer from the Council's Housing service. Officers can look into providing these reports to councillors on request to enable them to understand issues and progress.
- There was a need to complete significant fire assessment works and bring forward a programme of compartmentation works next year.



- Fire safety reviews ongoing and includes review all buildings and this means that as and when issues were identified actions were taken place. In relation to windows and doors findings, this was leading to a policy change.
- The Council were maintaining oversight of this procurement process and there was a process for leaseholders to challenge the costs through the first-tier tribunal process. Homes for Haringey would take this challenge seriously as they would need to justify the works through this process. So added assurance of needing to meet legal requirements, when section 20 notices are issued and when justifying costs need to be robust. Need to ensure cost appropriate to HRA and leaseholders.
- The Council need to have a good dynamic of being a good freeholder and good relationship with leaseholders.

2.5 The Committee noted that there was a lack of information in the Cabinet reports about the Procurement processes that would be followed in taking forward the windows and doors installation works, guaranteeing quality products and good installations. Safety was a predominant concern but there was also a need to provide assurance on the procurement process to be followed. Providing confidence that it was robust to enable the Council to meet its safety obligations. Also, if leaseholders were being asked to meet a cost for the alteration, they needed to know how this sum had been arrived at.

2.6 The Committee recognised the anxiety amongst leaseholders about the potential cost of windows and doors installation. There was a lack of confidence outlined in the representations from the call in and deputation in the ability of Homes for Haringey to provide value for money and deliver these works.

2.7 There was information provided on the Homes for Haringey role in maintaining safety for all residents in the Council Housing stock and the Council meeting its safety obligations as a freeholder.

2.8 The Committee took into account the advice of the Monitoring Officer that the decision was within the policy and budgetary framework and the decision options available to the Committee.

2.9 The Committee deliberated on the evidence that it had received, and views expressed. The Committee decided that the called-in decision was within the budget and policy framework.

3. The Committee expressed the following concerns about the decision:

- The absence of evidence to support the Cabinet decision to approve the Leaseholder Alteration Policy and that installation of doors and windows are only carried out by the Council and its approved contractors.
- The need to await the outcome of the Grenfell inquiry report which it was felt should inform the policy decision.

- Assurance on the procurement process for the contractors, including the need to be open and transparent on delivery, value for money, quality, and cost.
- The need to engage and involve leaseholders and tenants in the procurement process.
- The quality of the installation works to be undertaken and the safety and cost of the works.
- The need for fitted doors and windows to meet required safety standards and need for certification of works.
- Oversight of the procurement and installation arrangement to achieve high standards in the process for windows and doors fittings.
- The need for an accessible and clear complaints process prior to the first-tier tribunal.
- The poor response rate to the consultation and the need for improved communication with leaseholders.

## Decision and Recommendations

- 3.1 Therefore, the Committee decided that the decision be referred back to Cabinet for reconsideration. The Committee recommend that Cabinet pause or suspend its decision (i.e. resolution CAB 348 - Alterations Policy for Leaseholders]) to allow for a time limited scrutiny to be completed by March 2021.
- 3.2 If Cabinet decides to proceed with its decision despite the concerns expressed above, the Committee recommended that the Policy be amended to include the following:
  - a) The Council's or Homes for Haringey's commitments on the standards for safety, quality, monitoring and oversight and completion of installations of doors and windows. Also, the processes and timescales to be adhered to.
  - b) An open and transparent process for the procurement of the contractors and that will deliver value for money, quality standards and be cost effective.
- 3.3 That Leaseholders and tenants be engaged and involved in the procurement process for contractors and in the purchase of the doors and windows that meet the safety standards and represent value for money.
- 3.4 A robust complaints process for leaseholders and tenants to challenge decisions or actions regarding repairs and installations prior to instating the First Tier Tribunal Process.
- 3.5 The Committee further recommended that the Council take steps to improve engagement and consultation with leaseholders as the response rate to the Policy consultation was very poor.

#### **4. Appendices**

Appendix 1 Call in submission

Appendix 2 Officer response to call in - including addendum

Appendix 3 – Monitoring Officer report

Appendix 4 - Excerpt of Cabinet minutes 10<sup>th</sup> of November 2020

Appendix 5 - Cabinet report on Alterations Policy for Leaseholders