

Minutes of the Housing & Regeneration Scrutiny Panel
3rd November 2014

Present: Cllr Adje, Cllr Bevan, Cllr Diakides, Cllr Elliot and Cllr Engert.

In attendance: Cllr Bull, Cllr Strickland, Andrew Billany (HfH), Dan Hawthorn (LBH), Mustafa Ibrahim (LBH), Michael Kelleher (LBH), Liz Smale (LBH), Dan Kendall (public), Martin Harley (public).

1. Webcasting

1.1 A technical fault prevented the meeting from being webcast.

2. Apologies for absence

2.1 Apologies were received from Cllr Carroll and Cllr Marshall

3. Declarations of interest

3.1 None received.

4. Deputations

4.1 None received.

5. Urgent Business

5.1 None received.

6. Minutes

6.1 A correction was highlighted in paragraph 7.11 from the previous meeting: in line 2 of the removal of TFL and should therefore read: 'Members of the panel indicated that that transportation responses were often not accurate or in sufficient detail when included in planning reports'.

6.2 Further to the above amendment, the minutes of the previous meeting were approved

7. Cabinet Q & A

7.1 The Cabinet member for Housing and Regeneration attended and outlined key developments within this portfolio.

7.2 In respect of regeneration the Cabinet member noted that:

- The next regeneration ambition after Tottenham is the Wood Green area and its surrounds. This programme would be led by the AD for Regeneration and would entail:
 - 1,000 new homes would be delivered at Haringey Heartlands;
 - The local High Street Offer would be assessed;
 - Buildings around Station Road had been acquired to centralise the Council estate.
- In respect of the Tottenham Regeneration it was noted that:
 - The final master-plan had been assessed;
 - A people programme was now in operation to support physical development and The Grange was the focus for some of these activities. A bid had been

- lodged with central government for £1m to support the community engagement approach to support the Tottenham redevelopment;
- In respect of the Spurs Stadium, a Compulsory Purchase Order (CPO) challenge had been lodged in the court though was due to be considered in January 2015;
- A community engagement exercise had commenced in the Northumberland Park Area to obtain key community principles to guide and inform development in the area.
- For Tottenham Hale regeneration plans it was noted that:
 - The Housing Zone bid had been lodged with the Greater London Assembly;
 - A public consultation is being undertaken in the area which would contribute to the development of the local area plan;
 - The new bus station would be complete on the 9th November;
 - Cabinet agreed to dispose of APEX house and redevelopment would commence in 2015/16.

7.3 The Cabinet member also highlighted recent key housing developments for the borough:

- Principles for a new Housing Strategy had been agreed by Cabinet and were not being put out for public consultation;
- The Council was changing the way that it engages with local Registered Housing Providers, in that 6 local providers would acquire a preferred 'partner status'
- The Council had commenced a new house building programme with the first plans agreed by Planning Committee in October;
- The unification of the Community Housing Service with Homes for Haringey had commenced and most staff and functions had transferred successfully at the end of September 2014
- It is expected that unification will help to remove service duplication and deliver tangible savings for the housing service;
- A cross-party panel was being set up to consider the future management of the council housing stock post 2016 when the current management agreement with Homes for Haringey would expire – this would consist of 5 members (4 Lab, 1 Lib Dem) and would be chaired by an independent expert.

7.4 The Cabinet Member for Housing and Regeneration responded to questions from the panel on this portfolio. The following highlights the key areas of discussion.

7.5 Further to housing unification, the panel noted that Tracie Evans (Chief Operating Officer) is the strategic lead for all housing issues whilst Dan Hawthorn (AD Regeneration) leads on Housing Strategy and Andrew Billany (Managing Director, HfH) oversees housing operations and delivery.

Agreed: That an up to date chart of the new structure of housing services in Haringey is circulated to the panel.

7.6 The panel noted that in the plans to decamp staff from APEX House, there were no plans for the use of porta-cabins to house staff or conduct council business. Plans are under way to move staff from APEX House to four likely locations: Marcus Garvey Library in Tottenham, Broadwater Farm (where there is already a housing

management service), 48 Station Road in Wood Green and Alexandra House in Wood Green. The panel noted that other libraries in the borough have similar multi-purpose uses and that the accommodation of housing staff would not diminish the library offer on this site.

- 7.7 The panel noted that the Customer Service Transformation Programme would assess and remodel the way that the council engages with local service users and residents. Although plans are in a very stage of development, it is likely that this will impact on the provision of customer services for housing and that these arrangements likely to be interim in short to medium term.
- 7.8 The panel noted that the Council new house building programme would comprise of approximately 96 units which would be offered for mixed tenure. Of these 96 units, 59 would be for social rent, 36 for shared ownership and one for private sale (the latter to help fund development for the site). Further planning applications would be submitted in the New Year for additional council build.

Agreed: The tenure breakdown (social rent, shared ownership, private sale) of the Council new build programme for 2014/15 to be distributed to the panel.

- 7.9 The panel noted that Right to Buy (RTB) receipts could be used to fund housing developments in a number of ways including the Council building houses directly itself or given to a third party such as a Registered Housing Provider (RHP) to build homes. The panel noted that a priority for the Council was to build new homes for its residents and that it had explicit yearly targets for this, therefore in some circumstances it may be appropriate to use RTB receipts to support RHP new build to contribute to this aim.
- 7.10 The panel noted that there were restrictions however on the use of receipts from properties sold through the RTB programme. Firstly, there were time limits in which the funds could be used which meant that these had to be used for committed projects (and not held on account). Secondly, RTB receipts could only be used to fund 1/3 of the cost of each housing unit, thus to fund the £150k unit cost of each new home, the Council would be required to provide an additional £100k from other sources for each unit with £50k of RTB receipts.

Agreed: The panel requested further information on the total capital receipts from Right to Buy for the past 5 years and how this has been used, with particular reference to receipts from the sale of the Waltham Cross housing estate.

- 7.11 The panel noted that the decision to follow the Compulsory Purchase Order (CPO) route to bring empty properties back in to use was costly and only used as a last resort once negotiations with property owners had failed. In total, the panel noted that 59 empty houses were brought back in to use during 2013/14.
- 7.12 In respect of empty Council properties being brought back in to use, the panel noted that there was no set financial cut-off (i.e. the level of investment needed to bring it back in to use). However, each property would undergo an individual economic assessment to assess the costs to bring it back into use against the opportunities that sale of the property on the open market might offer. The panel noted that in

some circumstances, the sale of a property may yield sufficient capital to provide for two new council homes.

7.13 The panel highlighted that other neighbouring London boroughs had reviewed the Council Tax liabilities of empty properties, to help provide further incentives to bring these back in to use. The panel were keen to understand what the position was in Haringey.

Agreed: Further information on the Council Tax liabilities for empty properties in Haringey would be provided to the panel.

7.14 The panel noted that Haringey, along with other London boroughs, was under extreme pressure in trying to meet the totality of local housing needs. The introduction of a welfare reform programme and the lack of affordability of the private rented and home ownership sectors had heightened demand for housing in the social rented housing. This was exemplified by the number of people on the local Housing Register (approximately 15,000).

7.15 Whilst such demand highlighted the need to prioritise the building of new homes for local people, it also necessitated that a more realistic and open conversation take place with local residents as to the ability of the Council in meeting local housing needs. In this context, the panel noted that plans had been put forward to amend the Allocations Policy to effectively remove those in bands D and E on the Housing Register, who in reality have little prospect of being housed given the comparative needs and numbers of those in higher priority bands (A, B and C).

7.16 The Panel was keen to understand, in the context of such extreme housing demand, what action the council was taking in relation to council home building and ensure that it was utilising any opportunities to do this. It was noted that as the Council now manages rental income through the Housing Revenue Account (HRA) and can use this to plan and build new homes. There were however borrowing limits (Borrowing Cap) set by Department of Communities and Local Government to allow councils to build new homes. In Haringey, the Borrowing Cap was £44-45million over the 30 year HRA plan. This limited the Councils ability to directly fund house building from this particular reserve.

7.17 The panel also noted that the Council was looking at establishing other Special Purpose Vehicles to improve opportunities for lending and to increase house building. Such SPVs may also limit eligibility to Right to Buy and the future loss of local housing stock. The panel would look at this further within its agreed project.

7.18 The panel noted that to date, much of the improvement and maintenance of local council housing stock has been provided through dedicated grants, most notably the Decent Homes Programme. It was noted that whilst this funding stream would cease in 2016, improvements would still be funded through the Housing Revenue Account. Although the loss of funding through the DHP would be challenging, it would also provide more local freedom to set and prioritise local maintenance works (and help remove local anomalies).

7.19 The Chair thanked the Cabinet member and officers for attending to discuss housing and regeneration issues.

8.0 Housing Unification and Improvement Programme

8.1 The panel noted that the transfer of the Community Housing Service to Homes for Haringey was agreed by Cabinet in March 2014 and would involve approximately 200 staff. There were five waves to the Housing Unification and Improvement Programme (HUIP), the first being the transfer of staff which was successfully completed on 29th September 2014. The second phase was the creation of a new local Housing Strategy which would provide the overall strategic framework and direction for the newly unified housing service.

8.2 The panel noted that Homes for Haringey management structure was getting to know and understand those teams that had moved over, and that improved working /operational relationships had already been recorded as a result. It was envisaged that unification would result in some significant cost savings in the region of £2.97m to the General Fund (GF) and £3.8m to the HRA by March 2017.

8.3 The final phase of the HUIP would assess the best model for the management of the Council housing stock. The current agreement with HfH will run until 2016, and that a cross party panel will be established to explore future options for the Council beyond this date. The panel would consist of local councillors, tenant's representatives and chaired by an independent expert. The panel would consider all the possible options available: retention of the ALMO, winding down HfH, development of an ALMO Plus model, transfer of stock to a RHP, formation of a housing cooperative (etc.). The established panel would also consult with other local authorities and expert opinion in making its recommendation.

8.4 The panel sought clarification as to the position of the Council in respect of the placement of families outside the borough (and more specifically out of London). The panel noted that temporary accommodation figures for the council were still high and costly and would continue to be challenging as there were limited short term solutions to the high level of demand for housing and the council's obligations to house those in need. It was noted that the availability of temporary accommodation to the council had reduced as private landlords can obtain greater yields on the open market, and the cost of what was available (nightly rate) had increased. Funding this was costing the Council approximately £2.5m per annum.

8.5 In the context of the above, the panel noted that it was becoming increasingly difficult to find accommodation for people in Haringey. It was noted that a Placement Protocol setting out the temporary accommodation options for local people, using options outside of the Borough, was currently in development, and would be considered by Cabinet for approval in January 2015.

8.6 The Chair thanked officers for the report and for attending to respond to member questions.

9.0 Homes for Haringey – Monitoring and Scrutiny Arrangements

- 9.1 The panel noted that monitoring of the contract with Homes for Haringey is undertaken in a number of ways including regular meetings to assess key performance indicators as well as specific meetings for collaborative projects.
- 9.2 The panel praised the contribution of Homes for Haringey staff in the consultation arrangements for the Tottenham regeneration and development programme, though expressed a concern that this was not undertaken at a cost to front line housing services.
- 9.3 The panel sought clarification as to whether HfH would seek alternative sources of income which could be invested in housing services, such as the payment for parking services and permits. It was reported that HfH would adopt a common sense approach to this and would identify income streams where these were practical and appropriate. It was suggested that additional income from reviewing fees and charges for garages and parking could realistically contribute £0.5m to revenue to the service, and this is part of the planning for future budgets.
- 9.4 The Chair thanked officers for the preparation of this report and for responding to member questions.

10.0 Haringey Housing Strategy

- 10.1 The panel received a presentation on the principles and process for agreeing a new housing strategy for Haringey.
- 10.2 Whilst the panel acknowledged that the housing strategy contained the overall strategic framework for the development of housing services it sought clarification of when more detailed sub-strategies and action plans would be published following agreement of the overarching housing strategy (e.g. policy regarding selective licensing of private landlords, older peoples housing strategy, design guides etc).

Agreed: The panel requested a list of those sub strategies/ delivery plans that 'fall' from the overarching Housing Strategy with their approximate dates for completion/ publication
- 10.3 The panel were concerned that given the level of housing needs in the borough, there was no explicit priority in the strategy at present given to increasing the provision of housing in the social rented sector. It was noted that this is a draft of the strategy and could yet be included in a final strategy depending on the consultation feedback received. It was noted that there was a manifesto commitment to increase social housing no intention of reducing the level of such stock. Similarly, given the ambition to create mixed and diverse communities, the council would support the delivery of all tenures of stock where appropriately planned.
- 10.4 The panel discussed the Estate Renewal Programme and the number of affordable shared ownership properties available in these schemes. There was some discussion as to what constitutes affordable housing and in reality, how affordable these were to local residents, particularly as this may require an income of £60-80k. The Panel noted that in respect of Love Lane Estate Regeneration all those residents that would be moved would be re-provided within the new build programme at the same site.

10.5 In respect of the planned consultation for the Housing Strategy, it was suggested that given the importance of this strategy and its implications for all households (irrespective of tenure) this should include all residents. In addition, the consultation framework should include Homezone, those on the Housing Register email and should maximise the contacts and networks of local councillors.

Agreed: The panel recommended that the consultation framework should be extended so as to reach a wider audience, in particular residents from wider range of tenures, as well as those with specific housing needs and should incorporate the use of: Home Zone, Housing Register email and Haringey People. The panel also recommended that the networks and contacts of local Councillors should be utilised within the consultation process.

10.6 The panel sought clarification as to whether the Council had applied for £60m of funding that was available through the Greater London Assembly for the Care and Support. It was noted that whilst the Council had not applied directly, it had supported the bid of a local RHP.

Agreed: The panel will collate its responses to the Haringey Housing Strategy and formally submit these to the consultation and Cabinet member.

Agreed: A report would be provided back to scrutiny as to the outcome of the Housing Strategy consultation and completion of the actual strategy.

11.0 Preferred Partnership Status

11.1 The panel noted that there were in excess of 50 RHPs providing housing services to over 13,000 local households. RHPs have been and continue to be key partners in the provision of new affordable housing, specialist housing support and other tenures to local residents. The number of providers however was however challenging for local engagement. As such, the Council was preparing for a more strategic working relationship with six key providers.

11.2 An initial invite was circulated to all RHPs and from resulting expressions of interest, a short list of nine was agreed. Following interview, six preferred partners were agreed which were:

- Family Mosaic
- Newlon
- Notting Hill
- Sanctuary
- Circle
- London and Quadrant

11.3 Members were keen to understand what criteria had been used to select RHP preferred partners. It was understood that those selected were already active in development and the council would seek to build on this. A number of those selected also had a local presence in Haringey, one had its head office in Tottenham Hale and another had its South Eastern head office in Wood Green.

11.4 The panel noted that as there was no legal obligation for RHPs to work with the Council, a memorandum of understanding (MoU) was being developed to create a framework for the council and preferred partners to work together. There will be one MoU for all 6 partners. A dedicated web page would be provided on the council website detailing local arrangements with RHPs and a performance report would be compiled. It was agreed that this performance report would come to Overview & Scrutiny at a future date once in operation:

Agreed: Once the Memorandum of Understanding has been agreed between the Council and preferred partners and in operation, a performance report for the RP sector will come to scrutiny.

11.5 The panel noted that there were a number of ongoing issues with a few local RHPs which needed to be resolved, which included:

- Failing to provide local walkabouts with councillors to identify housing management issues;
- Failure of RHPs to work cooperatively on multi-landlord estates
- A reluctance to provide houses at social rent despite being funded by central government to do so;
- A local provider which did not meet CQC standards for some of its supported housing;
- A provider which had implemented security structures which made residents feel like they were living in a prison.

Agreed: Further details of issues with Register Providers highlighted by the panel would be passed to the lead officer for further enquiry (and report back).

11.6 The panel were reassured that although the Preferred Partnership Status had been agreed with large RHPs, the Council would continue to work with smaller organisations. The panel noted that the Council would also encourage larger preferred partners to work in partnership with smaller RHPs to further support the provision of housing services in the borough. It was noted that HfH already works closely with a number of local RHPs in the provision of housing services and in driving common housing management standards.

11.7 The panel sought clarification as to whether two liaison forums between the councils and RHPs were still in operation (i.e. the Development Forum and Provider Forum) and whether attendances had improved. It was recorded that these were still in operation and that although attendance remained challenging, the new Preferred Partnership Status may help to reinvigorate these groups.

11.8 In response to specific questioning as to the eligibility of local Councillors to join the board of RHPs, it was noted that there was no specific bar to this, but that this was a decision for individual RHP boards.

11.9 The panel also sought to clarify how both parties would benefit from the Preferred Partnership Status. It was noted that from the RHP perspective, the council would support bids for regional funding (e.g. GLA), will support new build in Haringey and may be given funding to build (as mentioned earlier from receipts from RTB). The Council will benefit from a more strategic relationship with providers who are keen to

develop interests in Haringey and who already have a track record of new build in the borough. The panel noted that Council still retains 100% nomination rights on new build.

11.10 The Chair thanked officers for the report and for attending to respond to member questions.

12.0 Employment and Land Supply

12.1 The panel discussed the briefing that was requested at the last meeting. The panel noted that the Council was in an evidence gathering stage that would ultimately inform the Economic Development Strategy that will be finalised and considered by Cabinet in the New Year (January 2015).

12.2 The panel noted that the GLA had placed clear expectations and targets with the council in the delivery of local jobs and housing. Given the limitations on local land availability it was suggested that both these objectives were over ambitious and would be challenging for the Council to deliver. The limitations on local land supply also inevitably created tensions between the two strategic objectives of delivering jobs and homes.

12.3 It was apparent that a market led approach would not provide a balanced approach to these issues, as the economic viability of development would currently favour housing because of the returns for this type of development (reflecting current housing demand). As a result, the council would adopt a site-by-site approach to ensure more balanced range of employment and housing development is attained (informed by Local Plan etc).

12.4 The panel noted that the Council does not want to become a dormitory suburb, where local residents predominantly commute to employment outside the borough, but to create genuinely mixed communities. To this aim, it was noted that there are certain sectors within the borough which are established which the council may wish to support and encourage further (e.g. clothing manufacturing, food manufacturing).

12.5 The panel were keen to understand how class B1 planning categories (e.g. garage spaces, railway arches etc) could be retained and supported further in the borough, particularly as these provided a platform for growing small businesses and were increasingly the 'backbone' of local high streets and shopping centres. It was noted that the council would use local planning policies to support such local areas create such opportunities for local businesses.

12.6 It was also noted that the promotion and support of local employment opportunities would complement the councils green agenda in that it would help to create sustainable communities where people could work, shop and enjoy recreational activities locally. It was underlined to the panel that it was an ambition of the council to create such integrated communities and to avoid the creation of artificial housing and employment only zones in the borough.

12.7 The panel highlighted that with the development and regeneration plans for the borough there were many opportunities to bring additional employment as well as housing to local residents, in particular the provision of local apprenticeships. It was

suggested that in some cases (e.g. Tottenham Hale) regeneration had delivered more jobs than were previously available on the previous industrial / manufacturing site.

12.8 The Chair thanked officers for the preparation of this report and for attending to answer panel questions.

13. Industrial living.

13.1 The panel noted the briefing that was provided by the Planning Service on work that was being undertaken in respect of Industrial Living sites in the borough.

14.1 Work Programme Update

14.1 The panel noted the work programme update and the forward plan of work. The next meeting would be on the 8th December and dedicated to scrutinising budget proposals set out in the forthcoming Medium Term Financial Plan. Included in the agenda for the 22nd January 2015 were the Asset Management Plan and Community Buildings Review.

14.2 The panel discussed progress on its project to look at the role of the council in the delivery of affordable housing, in particular the legal and financial structures available to support such delivery. A date for the 'scrutiny in a day' was still being considered and options would be circulated to the panel.

14.3 There were a number of relevant conferences that would be of interest to panel members to support this project work taking place in November and December and the details of these would be circulated to the panel.

14.4 A full background report would be circulated to the panel detailing the results of a desk review would also be circulated to the panel ahead of the planned meeting.

15. Dates of future meetings

15.1 These were noted by the panel.

The chair closed the meeting at 9.30pm