

**MINUTES OF THE OVERVIEW AND SCRUTINY COMMITTEE
TUESDAY, 29 JULY 2008**

Councillors Councillors Bull (Chair), Adamou (Vice-Chair), Aitken, Egan and Winskill

Apologies Councillor Alexander and Dodds

Also Present:
Councillors Edge and Kober

MINUTE NO.	SUBJECT/DECISION
OSCO40.	WEBCASTING
OSCO41.	<p>APOLOGIES FOR ABSENCE</p> <p>Apologies for absence were received on behalf of Councillor Alexandra, for whom Councillor Edge was substituting, Councillor Adamaou for whom Councillor Kober was substituting, and from Councillor Dodds for whom Councillor C. Harris was substituting.</p> <p>NOTED</p>
OSCO42.	<p>URGENT BUSINESS</p> <p>There were no items of urgent business.</p> <p>NOTED</p>
OSCO42.	<p>DECLARATIONS OF INTEREST</p> <p>Councillors Bull and Winskill declared personal interests as LB Haringey Leaseholders, in respect of Item 5 on the agenda.</p> <p>NOTED</p>
OSCO43.	<p>CALL-IN OF THE CABINET ITEM REGARDING SERVICE IMPROVEMENT INITIATIVES FOR LEASEHOLDERS</p> <p>The Chair outlined the procedures for the meeting whereby he would firstly allow Councillor Wilson, as the first signatory on the call-in to address the meeting, followed by Legal Services, and then allow Homes for Haringey and the Cabinet member for Housing to respond, followed by questions from the Committee and then general discussion.</p> <p>As Chief Signatory, Councillor Wilson referred the Committee to the content of the call-in and the stated reasons as circulated. He also stated to the committee widespread concerns raised by leaseholders with regards to service charges.</p>

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Councillor Wilson referred the Committee to the report before them that had been considered by the Cabinet. He stated that the concerns expressed in the call-in were contingent on each of the recommendations in regard to proposed fundamental changes in leaseholder charging without full and effective consultation with leaseholders, and it was stated that the effects of the change would have a worsened effect on methods of payment for leaseholders, whilst seemingly benefiting only the Council.

The Committee was referred to tabled comments of the Haringey Leaseholders Association in terms of the effects of the proposed policy, and the issues contained therein. The signatories to the call-in believed that it was evident that there had been an insufficient number of answers to concerns expressed and questions asked, which in his view begged the question as to the level of consultation and explanation. It was the case that whilst the proposals for doors and windows were an acceptable one, the remainder of the proposals were not well thought through.

The representative from Legal Services responded to a number of points raised in relation to enforcement and interim invoices, in accordance with the terms of leaseholder leases and recovery of payments. It was stated that the Council was well within its rights to recover monies based on estimate invoices and that it had been doing so. It was generally the case that whilst action could be taken on behalf of the Authority to recover based on interim invoices, by the time this action was being commenced it was likely that a final certificate be required to be issued.

The Committee received a brief outline from officers from Homes for Haringey in relation to consultation process conducted and were informed that there had been clear information circulated to all leaseholders with workshops organised which outlined the payment proposals and the various options of advance payment and discount. The comments and views expressed had been clearly minuted and circulated. In terms of the repayment of charges Haringey was the only London Borough to offer an interest free 36 month loan to cover the repayment of major work charges. There was also a process of mediation through the leaseholders' advisory service which had been in existence since 2002 and the options open for leaseholders if they used this were explained. In respect of actual proposed works the process of engaging with Leaseholders was also outlined and the point at which the Section 20 notice was issued was commented upon.

The Cabinet Member for Housing addressed the meeting and commented on the fact that consultation had been adequately carried out and he outlined the number of minuted leaseholder meetings and that the call-in was only relevant in terms of consultation processes embarked upon, which in his view had been adequate, together with the information on 2 occasions in the 'Homezone' publication of September 2007, and June 2008 in regard to the issue of leaseholder

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charges. Councillor Bevan also referred to the TABLED comments of representatives of the Leasehold Panel which clearly stating why they felt the call-in should be rejected. Whilst he accepted that some leaseholders may have expectations of higher levels of discount – 7% as opposed to 2.5% as recommended the repayment methods were clearly set out together with the offer of an interest free loan to pay back charges.

Councillor Wilson stated his opinion that the methods of payments should to be revisited, that the current proposals be rejected, and that further leaseholder consultation take place on new revised proposals.

The Committee then discussed the proposals before them in relation to the call-in, and officers responded to a number of points of clarification. The main points raised included:

- The actual number of leaseholders contacted by the main signatory of the call-in and whether and how many had voiced their concerns;
- In respect of paying in advance and receiving a discount – whether if people did not wish to pay early and in advance then there was no requirement to do so;
- The need for more pro-active TMOs who were effective in information giving and support to leaseholders;
- clarification that the length of time for works being programmed and carried out being a lesser period than before and that the packages of required work were now distinct, together with the period of notice works and commencement time now more defined with a maximum work period now likely to 30 weeks maximum
- clarification of the serving of the Section 20 notice and the period of 1 month in which leaseholders had to raise points of clarification and the requirement to respond to such points within 21 days, and also the methods of payment and the 2.5% discount for payment in advance and the benefits for leaseholders
- clarification of the exclusive 36 month interest free loan offered to Leaseholders for paying for the works, without any prior credit checks etc, and the placing of a charge on the leaseholder's property if the leaseholder was unable to make any payment which would be reclaimed at such times as the property was then sold by the Leaseholder

The Committee agreed to suspend standing orders for the Chair of the Leaseholders Panel, and the HLA (Nick Martin-Clarke) to address the Committee. The Committee were advised of the views of the Leaseholders Panel, and HLA as to the proposed changes and the acceptance of the proposals following discussion and comment, as outlined in the tabled paper. The Committee were advised of the matter of the Section 20 notice and its issuing a month before work commencing and that maybe the period of issuing could be up to 6 months and that payment

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process should be as a pay as you go method.

Following further comment and clarification the Chair asked if there were any proposals from the Committee as to way forward.

Councillor Winskill commented that clearly in terms of consultation the opportunity to consult had been lost and that in his view 4,500 leaseholders were not a great number to consult with. The legal advice given in the original report referred only to the door and window proposals and whilst the details of these proposals were excellent the legal position in respect of payments had not been answered. Councillor Winskill further commented that there was some ambiguity as to how payment could be demanded in terms of upfront payments and the advice that payment could be demanded on a quarterly basis as clearly clarified during the meeting by legal representatives.

Councillor Winskill therefore moved that the Committee refer the call-in back to Cabinet on the following 3 grounds : (i) on the issue of the payments methods and Cabinet consider a full consultation with all leaseholders before agreeing to the process of payment, or working with the leaseholder panel or HLA to agree a form of wording (ii) that the cabinet have clear legal advice relating to the whole proposal in terms of the action it can clearly take and not take, and (iii) that given that it implies that the Council is able to demand payment in advance that this be reworded to state that payment can be made either upon satisfactory completion of works or state that advance payment was an option.

Councillor Aitken commented that in his view the whole issue should be referred back to the Cabinet without caveats or suggestion and that in the 5 days that there were in which to organise a meeting of Cabinet officers would need to address the comments and views/concerns expressed during this meeting. He MOVED accordingly.

The Chair clarified whether, in view of the further MOTION of Councillor Aitken whether Councillor Winskill would wish to withdraw his proposal. The Chair also intimated that he would be moving a proposal to uphold the decision of cabinet but with additional caveats. In response to clarification the Chair advised that the committee had taken this course of action previously. The Chair commented that he felt that there was little point in referring the decision back to Cabinet and therefore in upholding the decision that a caveat should be added to the effect that officers needed to be sure that in discussion or putting out information to leaseholders that the proposed methods of payment and discount and advance payments be clearly set out to leave no ambiguity.

Councillor Kober commented that in it was necessary for the Committee to add any caveats to the upholding of the decision of cabinet and that she was assur4ed that officers would be

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	<p>ensuring that clear guidance/further information imparted to leaseholders would be clear and concise in its detail.</p> <p>Councillor Winskill, in accepting Councillor Aitken's proposal, advised that he would withdraw his motion.</p> <p>The Chair then asked that the Committee vote on Councillor Aitken's MOTION to refer the whole decision back to cabinet for its consideration.</p> <p>On a vote there being 3 for and 4 against the Motion was lost.</p> <p>The Chair's MOTION was put to the vote. There being 4 for and 3 against it was:</p> <p>RESOLVED</p> <p>That in respect of the call-in with regard to the decision of the Cabinet of 15 July 2008 (CAB35) – Service Improvement initiatives for leaseholders, (i) the original decision be held to be within the budget & policy framework, and (ii) no further action be taken and that the decision of Cabinet of 15 July 2008 be implemented immediately.</p> <p>There being no further business to discuss the meeting ended at 21.52hrs.</p>	
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COUNCILLOR GIDEON BULL

Chair