

HOUSING MANAGEMENT FORUM

Meeting: Thursday 13th September, 2018
at 2.00 p.m.

PRESENT:- Councillors Hamilton (Chairman), Barlow, Blezard, Brook and McEwan.

Tenant Representatives:- Mrs M. Anderson, Mr L. Craig and Mr A. McIntosh.

Officers Present:- Janice Sharp (Assistant Director – Housing), Rebecca Halton (Business Support Manager) (Minute Nos. 10, 11 and 17), Paula Westwood (Democratic Services Officer - Member Support) and Sandra Kemsley (Democratic Services Officer).

10 – Minutes

The Minutes of the meeting held on 14th June, 2018 were taken as read and confirmed.

11 – Apologies for Absence

An apology for absence was received from Tenant Representative, James Christie.

12 – Radon Gas

The Assistant Director - Housing submitted a report updating Members on the progress Officers had made regarding the testing of housing assets to ensure the risk from exposure to radon gas was mitigated.

She advised that, at the meeting held on 14th June, 2017, Members had agreed to implement guidance received from Public Health England (PHE) regarding the testing of housing assets to ensure the risk from exposure to radon gas was mitigated. The guidance from PHE required the Council to:-

- **Check** – Which properties were located in a radon gas affected area;
- **Measure** – The levels of radon gas present in “medium and high risk” properties; and
- **Action** – Reduce radon gas levels using a range of simple building improvements.

Progress to date

She advised Members of the following progress made to date:-

Stage 1 – Check - The initial report had identified a total of 225 properties that had been classified as “medium to high risk” of exposure to radon gas. Having checked the property records, seven properties contained on the original list had been sold and hence the total number of test kits issued by PHE reduced to 218. All of the properties potentially affected by radon gas exposure were located in Dalton, Askam or Lindal.

Stage 2 – Monitor – The test results provided by PHE indicated that properties fell into one of three categories:-

1. Test results below the target level (Low);
 2. Test results above the target level but below the action level (Medium); and
 3. Test results above the action level (High).
- 218 test kits had been sent out;
 - 127 test kits had been returned (58%);
 - 4 test results had been above the action level (3%);
 - 9 test results had been above target level but below the action level (7%); and
 - 91 properties had failed to return the test kits to PHE.

Members had been requested to note that PHE would continue to write to Tenants to request they send back their test kits for analysis as soon as possible.

Stage 3 – Action – PHE had advised that levels of radon gas within each affected home could fluctuate on a daily basis dependent on life style and property usage as well as a number of other factors.

PHE had further advised Officers that whilst remedial action needed to be taken promptly, the levels of radon gas present would be unlikely to impact on the householder's short-term health and wellbeing.

In view of that, Officers had sought Members' retrospective approval to continue with the following action plan:-

Action 1 – Installation of remedial radon gas measures (*in progress*)

Where test results had been above the target (Medium) or action (High) levels, Officers would arrange the installation of a new positive ventilation system to properties identified by PHE. The cost to supply and install each positive air unit was between £450 - £500.

In conjunction with this undertaking, PHE would send Tenants a new test kit so that they would be able to analyse and compare the old test results to the new test results. It was hoped that this analysis would show the net effect the positive ventilation had on radon gas build up within each home.

PHE would advise Officers of the outcome of all new test results when they had been returned by the Tenant.

Action 2 – Radon Gas Communication (*in progress*)

PHE would continue to write to the 91 uncooperative Tenants regarding the returning of test equipment.

Members' agreement had been requested to establish a communication deadline with PHE of 31st October, 2018. Tenants who failed to respond after that date would be contacted directly by a member of the Housing Team.

Action 3 – Radon Gas Publicity and Information (*not started*)

Officers had sought Members' approval to publicise the findings of the radon gas results periodically in the housing newsletter and on the Council's website. In addition, Officers wished to periodically produce leaflets and articles regarding radon gas to raise awareness of the effect it may have on Tenants' health and wellbeing.

RECOMMENDED:-

1. To acknowledge the progress made to date with regard to checking radon gas levels within the housing stock;
2. To retrospectively approve the cost (£450-£500 per property) to install remedial equipment to the 13 affected properties in line with the guidance provided by Public Health England;
3. To retrospectively approve the cost required (£37-£40 per property) to re-test the 13 affected properties and monitor radon gas levels in conjunction with Public Health England; and
4. To agree to the proposed radon gas action plan contained within the report.

13 – Procure Plus Contractor Selection Report

The Assistant Director - Housing submitted a report advising Members of the progress Officers had made with regard to the selection of suitable Contractors to undertake housing improvement works in line with the 2018 Procure Plus Holdings framework.

She advised that, at the meeting held on 27th November, 2014, Members had agreed to appoint a range of suitably qualified Contractors from the Cumbria Housing Partners framework. Members had further agreed to transfer those arrangements to the Procure Plus framework at their meeting held on 23rd February, 2017. The utilisation of Contractors from that framework was due to end on 31st March, 2019.

In advance of that deadline it would be necessary to select a range of Contractors from the new Procure Plus framework that had come into effect on 1st August, 2018. The new framework would be operational until 31st July, 2023.

It was noted that the new OJEU compliant framework had been prepared by Procure Plus and a partner company called Reallies. The new framework identified a range of key work streams that had been broken down between internal and external housing components. It also separated out the various services provided by Contractors and suppliers.

The framework provided a range of work streams that had been sub-divided into small (up to 5 No) and large (more than 5 No) investment categories to ensure both smaller and larger Contractors would be able to compete on a fair and transparent basis. Contractors would not be permitted to bid for both categories within a particular work stream.

Some of the most popular work streams available to Landlords included:-

- Electrical rewiring and testing;
- Painting improvements;
- Re-Roofing works;
- External works;
- Kitchen improvements;
- Bathroom improvements;
- Heating improvements;
- Solar panelling and renewal energies;
- External High Rise;
- Insulation works;
- Whole House Improvements;
- Adaptation works;
- Asbestos removal; and
- Voids.

There were several locally based Contractors on the new framework and along with other Contractors, these would be eligible for selection using one of the following methods:

Direct call off procedure

This procedure allowed Landlords to directly select a Contractor within a particular work stream based on the original OJEU evaluation procedure that takes account of the Contractor's cost and quality submissions.

Mini competition

This procedure allowed Landlords to evaluate Contractors using a range of pre-determined assessment criterion that may vary from Landlord to Landlord.

Members had been requested to note that Officers proposed to undertake mini competitions using the following assessment procedure:-

1. Written Submission

Contractors would be required to answer questions covering the following areas:

Evaluation Criteria	Weighting
Customer Satisfaction	25%
Equality and Diversity	5%

Service Delivery	25%
Health, Safety and Environmental	5%
Local and Social Skills Benefits	10%

That section of the assessment would contribute 70% to the total mark.

2. Pricing Document

Contractors would be required to submit rates to carry out the works. Prices would be fixed for one year with the framework price change mechanism in operation after that period.

That section of the assessment would contribute 30% to the total mark.

3. Preferred Contractor(s) Status Pricing Document

The results of each mini competition would be summarised and ranked for consideration by the Housing Management Forum at the meeting to be held on 1st November, 2018. Members would advise Officers of their decision regarding Contractor appointment for each individual work stream.

Progress to date

The Assistant Director - Housing advised Members that Officers had commenced early discussions with the procurement team at Procure Plus Holdings to review Contractors that would be eligible and willing to undertake investment work streams using either mini competition or direct call off selection methodology.

The investment works were expected to cover the following areas of investment:-

- Central Heating;
- Electrical rewires, communal lighting, emergency lighting;
- Roofing and render;
- Aids and adaptations;
- Painting; and
- Windows and Doors;

RECOMMENDED:-

1. To acknowledge the progress made to date with regard to the suitability of Contractors to undertake housing improvement works in line with the 2018-2023 Procure Plus Holdings framework;
2. To agree that Officers would undertake a series of direct call off or mini competitions in line with the guidance provided and in conjunction with the procurement team at Procure Plus Holdings; and
3. To agree to review the outcomes of the direct call off or mini competitions at the next meeting of the Housing Management Forum to be held on 1st November, 2018.

14 – United Utilities Contract for the Collection of Water Charges

The Assistant Director - Housing submitted a report regarding the extension of the Contract with United Utilities for the collection of water charges.

She advised that she had recently met with representatives of United Utilities to discuss the options for moving forward. The extended Contract to collect water charges on behalf of United Utilities was coming to an end. The purpose of the report was to consider whether the Council would like to continue the arrangement. Should a decision be made to cease water charge collection, the Council would be required to serve notice in October, 2018 to cease from March, 2019.

It had been noted that the Council had entered into an arrangement to collect water charges on behalf of United Utilities from 1st April, 2013.

There were a number of positive benefits for both Tenants and the Council, including reduced charges to Tenants in the form of a discount, the funding of a full time role to focus on financial inclusion, and to generate additional income and resources to the Housing Revenue Account.

In addition, it had been recognised that the proposed changes in welfare benefits would be a challenge to those Tenants who had no experience of paying rent and the collection of water charges provided the opportunity to fund a post to work with Tenants to budget and set up bank accounts.

It had been noted that in the North West, there was arrangements in place with five housing providers (including ourselves) who continued to collect water charges for United Utilities.

Financial Benefits

The gross charges for the housing stock for the current year were £820k.

- For 2019/20, based on 2,609 properties, the projected charges would be £899k.
- The charges for 2020/21 were not available at present.
- The Council received a fee from United Utilities for the collection service. The fee was per property and a percentage of total sales, which represented a commission rate of approximately 23%.

For the current year, the income to the HRA was £196k.

- For 2019/20 (based on 2,609 properties) the projected income would be £202k.
- Income to be generated for 2020/21 was not available at present.
- The Assistant Director - Housing advised that she was unable to provide a conclusive answer to the net benefit to the HRA as the income should be set off against additional arrears accrued as a result of water charges.

Following implementation of the new IT housing management system in November 2017, there had been a number of issues and at present, it was not possible to breakdown rent received or service charges as all payments made were credited as one. As such, it had not been possible to provide an accurate figure in terms of net financial benefits.

Delivery of Contract

It was evident that the majority of Tenants maintained their rent account satisfactorily. The Council had provided additional help directly to 598 Tenants to manage their finances.

However, some Tenants had objected to the payment of water charges and had debts which continued to increase which was attributed directly to water charges.

Since the introduction of the Contract to collect water charges, it has been the Council's practice to not take 'possession action' against Tenants where it was evident the rent arrears had been attributed to the non-payment of water charges.

Advice and assistance had been offered to those Tenants with budgeting, including to apply for a reduced weekly water charge - the support tariff. Barrow Borough Council was the highest performer of the six housing providers in the North West collecting water charges, having 23% of Tenants on the support tariff.

Previously, funding had been available from United Utilities Trust Fund but that was no longer available.

Options for the Future

1. Stop Collecting Water Charges

The Assistant Director - Housing had concerns in considering this option when the HRA continued to be under pressure to reduce expenditure as well as the imminent increased financial pressure on the introduction of Full Service for Universal Credit on 5th December this year.

She advised that she was aware there was an issue regarding non-payment of water charges; however, there remained a financial benefit to the Service and Tenants through the Contract. She was not aware of other options to generate income to the HRA to assist in mitigating the identified reductions in income.

The collection arrangements did pose a risk to the HRA and imposed complications to the income and debt recovery procedures for pursuing non-payment of rent.

2. Continue with the Contract

The Assistant Director - Housing had recently met with United Utilities to discuss options, including to revisit again, if it was feasible, to vary the current arrangements to reduce risks of non-payment of water charges to the Council by

increasing the rate of commission. The Council currently received 23% commission rate as a fee. She reiterated the continuing risks to the income of the HRA and imminent 'go live' of full service of Universal Credit which posed further risks to the Council's income.

United Utilities had advised that it would not be viable for them to increase the commission as the arrangement needed to be beneficial to them as well as the Council.

She advised that she had asked United Utilities if they would be interested in extending the Contract for a further two years when the current year extension ends in March 2019. United Utilities had responded that they would be interested as a compromise in extending a further two years to a five-year arrangement.

With regard to the issue of Tenants who just would not engage and would not pay water charges, when meeting the United Utilities representative it had been agreed that the Council would be able to apply for a reduced tariff for those Tenants who were in receipt of benefit.

She proposed to consult with other social housing providers in the North West who collected water charges on how they dealt with Tenants who were persistent non-payers and review the Council's income and debt recovery procedure with regard to non-payers of water charges.

To summarise, the options available were:-

- to end the arrangement;
- to continue on a further two year basis; or
- to enter into a five-year Contract as we had originally before the current year's extension.

RECOMMENDED:- (i) To agree to extend the Contract with United Utilities for a further two years; and

(ii) To note that the Assistant Director - Housing would report back to a future meeting, details of good practice from other social housing providers in the North West who collected water charges.

15 – Fire Risk Assessments and Periodic Electrical Testing to Shops

The Assistant Director - Housing submitted a report to update Members on both the ongoing Fire Risk Assessment (FRA) process and the compliance of shops with regard to electrical and gas regulations.

She advised that the Housing Department presently managed 19 shop premises that were located on several housing estates in Dalton, Ormsgill, Walney and Lesh Lane.

At the meeting on 18th January, 2018, Members had agreed to a number of key principles regarding FRAs. The report advised that the Council should periodically

review fire safety arrangements to ensure compliance with the Council's statutory duties under the Regulatory Reform (Fire Safety) Order 2005 (FSO).

As Landlord, the Council had additional statutory obligations to ensure all electrical installations comply with BS 7671 (IEE Wiring Regulations) and that gas installations comply with the Gas Safety (Installation and Use) Regulations 1998.

Over several years the management of the shops has been carried out by a number of departments within the Council. This had resulted in compliance and lease renewal procedures being disjointed. As such, Officers had written to shop Leaseholders regarding the requirements of their individual lease obligations and advised that there was an urgent need to review all aspects of compliance. This included a review of individual lease contract arrangements.

Fire Risk Assessment (FRA)

Following on from the HMF report to Members on 18th January, 2018, Officers had conducted several follow up visits to the shop premises. Only two of the 19 shop owners had completed the fire safety works identified. Many of the fire safety improvements related to a basic lack of emergency lighting, fire safety signage and firefighting equipment (extinguishers etc). However, there were several shops that had, over the years, made structural alterations that posed a significantly higher risk as they impact on a safe means of escape in the event of a fire.

Electrical and Gas Compliance

The Council had duty to ensure that electrical and gas services within shops were safe and periodically inspected.

The current lack of available certification had prompted Officers to conduct a periodic electrical test of each shop to ensure compliance with BS 7671 (IEE Wiring Regulations). The test results indicated that eight of the 19 shops had unsatisfactory electrical installations. Common faults identified included a lack of residual current device protection on power circuits as well as minor defects to outlets and wiring arrangements.

It had been noted that compliance testing for gas installations to shops was expected to commence in late October 2018.

Summary

In general terms, shop Leaseholders had engaged in the FRA process but appeared to be reluctant to undertake the fire safety work promptly and had therefore fallen out of line with the recommended time frames set out in the FRA reports.

Due to the urgency of emergency lighting works to shops, it had been suggested that the work be undertaken as soon as possible and that the cost of the work would initially be met by the Council and, where appropriate, recovered from the shop Leaseholder during the rent review and lease negotiation process. Members had been requested to endorse that approach.

Members' approval had also been sought to refer individual shops to the local Fire Officer for advice and, where necessary, intervene if the shop owner failed to fully comply with the content of the FRA by 30th September, 2018.

Finally, Members' approval had been sought to carry out minor repairs identified during the periodic electrical inspection to ensure electrical installations were safe and that the Council hold a "satisfactory" compliance certificate on file. It had been suggested that the cost of this work would initially be met by the Council and, where appropriate, recovered from the shop owners during the rent review and lease negotiation process. Members had been requested to endorse that approach.

RECOMMENDED:-

1. To note the progress made to date with regard to FRAs and agree that Officers instruct suitably qualified electrical Contractors to undertake remedial works to emergency lighting within shops;
2. To agree to carry out minor repairs identified during the periodic electrical inspection to ensure electrical installations were safe and that the Council holds a "satisfactory" compliance certificate on file;
3. To agree to refer individual shops to the local Fire Officer for advice and where necessary, intervene if the shop owner failed to fully comply with the content of the FRA by 30th September, 2018; and
4. To agree that the cost of this work would initially be met by the Council and where appropriate recovered from the shop owner during the rent review and lease negotiation process.

16 – Housing Procedures

The Assistant Director - Housing submitted a report notifying Members of a range of new procedures that had been drafted for the Housing Department to align with recent amendments to Corporate Policy changes regarding health and safety management.

She advised that between 2015 and 2017 the Council had updated a number of corporate policies regarding the management of health and safety including:-

- Building Services (electric, gas and water);
- Contractor monitoring; and
- Construction management.

In order to ensure corporate procedures were managed effectively within the Housing Department, Officers had drafted a range of supplementary procedures to ensure roles and responsibilities for each area of compliance had been clearly identified. These new procedures aligned with the requirements of the corporate documentation. A copy of these new procedures listed below had been included as an appendix to the report.

- Communal Area Inspection Procedure;
- Radon Gas Procedure;
- Electrical Testing Procedure;
- Solid Fuel Appliance Procedure;
- Water Testing Procedure;
- Gas Servicing and Maintenance Procedure;
- Fire Risk Assessment Procedure; and
- Non Domestic Housing Assets Procedure.

It was noted that Officers would ensure the procedures were implemented, monitored and reviewed in line with regulatory and legislative requirements.

RECOMMENDED:- To note the content of the new procedures.

17 – Performance Information

The Business Support Manager submitted a performance information report. She advised that the introduction of Cx had required the Council to adopt a new reporting system. The reports generated required some changes in order for them to meet the Service's requirements and to provide a consistent approach to reporting. This process was ongoing with the help of Jim Walker (DTL consultant) and once the reports had been amended to ensure they were reporting source information in the correct way, herself and her team (alongside other colleagues) would need to start the process of validating the information returned by the Cx reports to ensure it was accurate and a true representation of the Council's performance. That process would take time, however, would be necessary to ensure that the information being reporting was a true reflection of service performance.

She advised that considerable time had been spent reviewing the reports and an action plan was being worked through to ensure the reports were returning the information from the source (Cx) in the correct way. There would be a need for some members of the service to be trained in report building to develop reports and understand them in more detail; a training area that was being looked at but could take considerable time to achieve a sufficient enough level to be confident without support.

As such, she was able to provide some, but not all, performance information at this time. The format of the tabular representation of the information would also need some changes, as outlined below.

Reporting Performance Information

The Business Support Manager reported that she was confident having reviewed the reports that once the information had been validated it would be possible to report from Cx on performance in the following areas:-

- Rent Arrears & Collection for Dwellings (current and former);
- Arrears & Collection for other properties to include dispersed, garages & shops;
- Voids & Lettings;
- Repairs & Maintenance;
- Water Charges; and
- Housing Stock.

Some information for the purposes of performance reporting had always been gathered from sources external to the main housing management system and that would continue to be the case moving forward as, Cx did not hold information on the following areas:-

- Some void & letting information (CORE);
- ASB (spreadsheet);
- Some Repairs & Maintenance information (contractor held);
- Major Works & Cyclical maintenance (held in a separate database);
- Homelessness (Legacy cases- Homeless database; Cases opened April 2018 onwards- Locata);
- Employee information (spreadsheet);
- Complaints (held by another department within Town Hall);
- Housing Register (Choice Based Lettings); and
- RTB & Land values (spreadsheet).

Changes to the way we report PIs

There would need to be some changes to the periods reported to bring these in line with other reports and to ensure consistency across departments e.g. finance who also use reports within Cx for budgeting purposes. That meant that reports would be returned for the four quarters of the current financial year based on financial periods and a weekly calendar with counts being taken on the final day of the financial period. The format would be:-

- Qtr. 1 (Periods 1-3);
- Qtr. 2 (Periods 4-6);
- Qtr. 3 (Periods 7-9); and
- Qtr. 4 (Periods 10-12).

That would still translate to Apr-Jun, Jul-Sept, Oct-Dec and Jan-Mar however the period would end based on the last day of the financial period rather than the last day of the actual quarter (there could sometimes be a few days difference). That would ensure financial information was reported accurately and that our approach was consistent with other departments within the Council who use the reports held within Cx Report Builder.

The tabular information reported to HMF would change slightly to reflect the above so the intention would be to report on the following periods:-

- Previous financial year minus one year;
- Previous financial year;
- Current year to date (April up to the last day of the financial period the month before HMF); and
- A quarterly breakdown for the current financial year in line with the above.

A copy of the proposed revised template for reporting on performance indicators had been appended to the report.

It was noted that due to the introduction of the Homeless Reduction Act (2017) and also the implementation of a new IT system for managing homeless caseloads, there would be a need to report performance information on homelessness differently from April 2018.

What we will aim to do

It was anticipated that the process of validating the information the Cx reports returned would be completed by January 2019. Full performance information should therefore be available to report to Members for the meeting on 17th January, 2019.

In the meantime information would be provided for the periods outlined on the revised template for all areas where information is gathered outside of Cx and it may be possible, depending on the validation process, to bring some Cx held information to November's meeting.

RECOMMENDED:-

1. To agree to the changes to reporting periods as outlined in the report;
2. To agree to the revised format of the PI table; and
3. To agree to accept the performance information being provided in a staggered way so as to ensure only accurate validated information would be presented to the group.

18 – Planned Investment and Planned Maintenance 2018/19

The Assistant Director - Housing submitted information relating to the Planned Investment and Planned Maintenance Programme for 2018/2019. The information is attached at **Appendix A** to these Minutes.

RESOLVED:- To note the information.

REFERRED ITEMS

THE FOLLOWING MATTERS ARE REFERRED TO COUNCIL FOR DECISION

19 – Former Garages at 2, 3 and 4 Newton Road, Newton: Permission for Appropriation of Land

The Assistant Director - Housing submitted a report with the purpose of agreeing the appropriation of land at the former Barrow Borough Council garage site at Newton from the HRA to the General Fund.

The three garages at Newton Road – Nos. 2, 3 and 4 – belonged to Barrow Borough Council and were managed by the Estates Team, as the land they had been built on was next to land surrounding the Village Hall which was General Fund land. Garage No. 1 Newton Road had been sold many years ago.

In September, 2017 it had been highlighted that several years earlier, due to the garages being derelict and asbestos being present in the roofs, all four garages (including garage No. 1 as the owner had been untraceable) had been demolished.

The three garages owned by Barrow Borough Council had been listed as an asset to the Housing Service and, as such, the land left remaining was HRA land. The size of the land was so small that there was no prospect of a change of use from its present rough area of grass. A map showing the location of the demolished garages had been appended to the report.

As the land was attached to land surrounding the Village Hall, consideration had been given to transferring the former garage site to the General Fund. The Director of Resources had confirmed (referencing Section 122 of the Local Government Act 1972) that transfer of land was permitted without Secretary of State consent:

Appropriation of land by principal councils

(1) Subject to the following provisions of this section, a principal council may appropriate for any purpose for which the council are authorised by this or any other enactment to acquire land by agreement any land which belongs to the council and is no longer required for the purpose for which it is held immediately before the appropriation; but the appropriation of land by a council by virtue of this subsection shall be subject to the rights of other persons in, over or in respect of the land concerned.

The three garage bases left remaining would no longer be garages so, in accordance with that Act, it was a change of use of the land.

RECOMMENDED:-

1. To agree the transfer of land at the former garage site at Newton Road, Newton from the HRA to the General Fund; and
2. To agree the appropriation be transacted in the current financial year 2018/19.

The meeting closed at 2.30 p.m.