

**THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA****HOUSING AND PROPERTY SCRUTINY COMMITTEE****16 MAY 2012****CABINET MEMBER FOR HOUSING AND PROPERTY SERVICES****CABINET MEMBER REPORT ON CURRENT ISSUES**

The purpose of this report is to inform Members of recent policy and practice developments, which are likely to impact on the future work of the Business Group and to update Members on progress of important current projects.

**FOR INFORMATION****HOUSING****1. TMO repairs service**

- 1.1 Morrison is the TMO main contractor delivering repairs and maintenance services to all residents. The contract has recently been brought to an end early after the contractor served a six month 'no fault' break notice as allowed within the contract.
- 1.2 As a consequence of this the TMO have been negotiating an interim arrangement with a new contractor. In these circumstances the law allows for contracts to be negotiated without a full procurement process up to a specific financial threshold. This means that the interim contractor will work to an 11 month contract with an option to extend for a further six months as a maximum. During this time the TMO will work to assess the most appropriate option to secure the long term solution for the provision of the repairs service. This appraisal will be presented to the Board on the 15<sup>th</sup> June for decision on the preferred way forward.
- 1.3 The new interim contractor has been agreed and a full paper for approval will be presented to the TMO Board on 10<sup>th</sup> May. The incumbent contractor has indicated that they would like to exit earlier than the six month notice period in order to minimise their financial losses and therefore it is likely that a date of the end of June will be agreed. The TMO will work jointly with Morrison and the new contractor to ensure a smooth handover and effective mobilisation into the interim arrangements. Appropriate legal and

consultancy advice is being taken to ensure risk is managed appropriately during this period.

## **2. Fire doors**

- 2.1 The London Fire Brigade is currently restructuring some of its organisation and as such the Fire Safety Teams in this borough and in Hammersmith & Fulham have merged with effect from the 1<sup>st</sup> April 2012. The Team Leader from Hammersmith and Fulham has now taken on responsibility for both Boroughs and as he is new to Kensington and Chelsea he is currently seeking to familiarise himself with the fire safety issues here so that he is able to prioritise the team's workload appropriately.
- 2.2 At the March meeting the Committee were advised of the LFB's acknowledgement that it is the enforcement body in relation to non-compliant leaseholder flat entrance doors as per the requirements of the fire safety legislation. However, advice from the LFB's Senior Policy Advisers is that enforcement action should be taken in conjunction with the local Environmental Health Department under the Housing Act 2004 as opposed to under the fire safety legislation. This route had already been used for a test case undertaken in Hammersmith and Fulham and the intention is to pursue a similar test case in Kensington and Chelsea.
- 2.3 The new LFB Fire Safety Team Leader met with the TMO on 26<sup>th</sup> April and it has been agreed there should be regular monthly meetings. These meetings will cover the whole range of fire safety issues and will enable us to continue to monitor progress with enforcement on leaseholder entrance doors. Specifically, progress to date with this issue is as follows –
- LFB will be meeting with the Borough's Environmental Health Officers shortly to discuss the possibility of pursuing a test case similar to that undertaken in Hammersmith & Fulham
  - TMO has drafted a letter informing all leaseholders of the requirement for dwellings located in enclosed blocks to have compliant entrance doors and confirming the fire safety standards these are required to meet
  - LFB and TMO Officers have inspected several leaseholder doors in order to clarify what would constitute potentially the most hazardous. TMO are interrogating the Fire Risk Assessments in order to identify the door for the test case.

- 2.4 Enforcement responsibility for leaseholder entrance doors lies with the LFB. The possibility of an initial test case is still being progressed. However, organisational changes within the LFB have impacted upon progress to date.

### **3. Capital Receipts from Elm Park Gardens**

- 3.1 The costs of the Elm Park Gardens affordable housing development have now been met, allowing the remaining receipts to be put to further use, with the formal agreement of Cabinet. With additional works further Elm Park Gardens vacant basement areas can be brought to market, and potentially create an additional accessible affordable unit on the ground floor. The balance of the capital receipts may then support the development of new Council homes and contribute to regeneration in the north of the borough. The total capital receipt generated through sales is likely to be around £13m. With the development costs of the Elm Park Gardens scheme at £5m the surplus is now estimated at £8m.
- 3.2 It is proposed that the capital raised from the basement space disposals at Elm Park Gardens should be used to help to deliver new accessible and affordable units on other 'Hidden Homes' sites in the borough. Hidden Homes are new homes delivered within the footprint of an existing building. Hidden Homes opportunities can contribute towards the Council's Core Strategy commitment to meet a housing target of 600 additional dwellings a year, of which a minimum of 200 should be affordable.
- 3.3 Two sites have been identified for conversion to provide new homes for Council rent. These are a void basement area of Holmefield House on Hazlewood Crescent in Golborne Ward, and vacant former office space in 1-3 Greaves Tower on the World's End estate in Cremorne Ward. The Kensington and Chelsea Tenant Management Organisation (TMO) was asked to investigate these opportunities further, and recruited surveyors and architects to carry out initial feasibility studies which have shown that these sites will deliver three units of housing each, five two bedroom flats, and one three bedroom flat. The requirement for Elm Park Gardens funds here is approximately £700,000. The TMO has undertaken to engage with the residents on both estates, to discuss with them the potential benefits of these developments, and any issues that they may create for the existing communities. A six month construction period is envisaged, which, with a potential start on site in November 2012, can deliver handover of new homes in May 2013.
- 3.4 The TMO was also asked to review the investment needs of its major estates using its Keystone asset management system to identify the highest priority and highest cost estates and capital investment

projects. Based on the TMO's information on investment need, and the aspirations of the TMO Board and the Lancaster West Estate Management Board (EMB), a recommendation has been made to Cabinet that funds from the Elm Park Gardens capital receipt be set aside for investment for renovation and conversion works to Grenfell Tower on the Lancaster West Estate. In March 2012 the TMO carried out a consultation at Grenfell Tower to establish whether the items identified for investment matched resident priorities. This produced overwhelming support for the proposals.

- 3.5 The TMO was asked to provide indicative costings for these works, incorporating external insulated cladding, new windows, enclosure of the 'open' lower level corner of the block, provision of additional residential units on the lower levels, and rationalisation of the TMO and EMB office requirements. This gives an estimated cost of £6m. The proposed investment in Grenfell Tower is intended to substantially improve its carbon efficiency and reduce fuel bills for both residents and the Council. The TMO will also work in close partnership with the Kensington Academy and Leisure Centre project taking place on the site immediately adjacent to Grenfell Tower, to ensure that the proposals complement the wider regeneration investment planned.

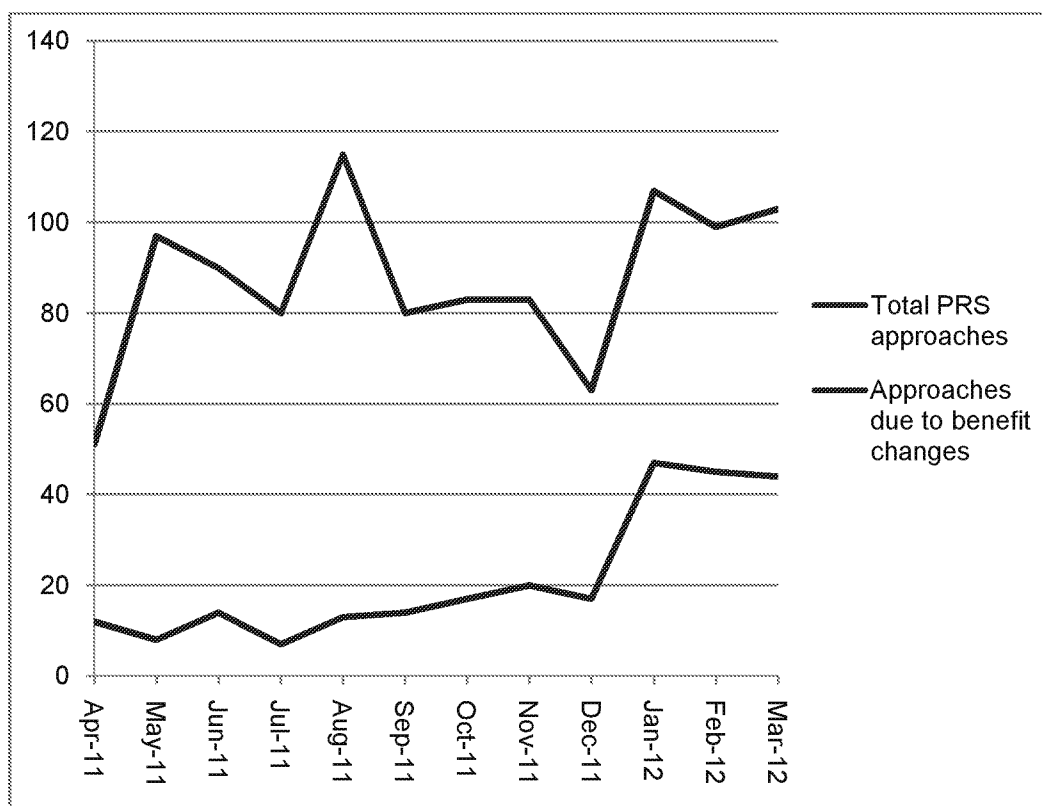
#### **4. Update to the Royal Borough's response to the changes in Housing Benefit.**

- 4.1 Advice sessions for residents: July 2011 saw the first sessions aimed at residents affected in January 2012. 179 people were invited, but only 11 people attended. In October 2011 we held further sessions targeted at claimants affected in February and March 2012. 316 people were invited, but only 12 people attended. In January 2012 further sessions were held. All those invited in January, February and March were contacted again as well as those affected in April 2012, totalling 677 invitations. 47 people attended. The most recent session was held in March inviting 340 households, but only 12 households attended.
- 4.2 To date, we have invited a total of 1017 borough residents but just over 8% have attended (82 households). Due to the poor attendance, advice sessions have been put on hold for the time being, and we will re-examine this position in June.
- 4.3 Additionally we have individually contacted all the over 70's affected between January and June 2012 offering individual visits, but have not received any responses to this. We will continue to contact the remaining older residents and are also planning to attend Age

Concern events held in the Borough to give advice and information to residents.

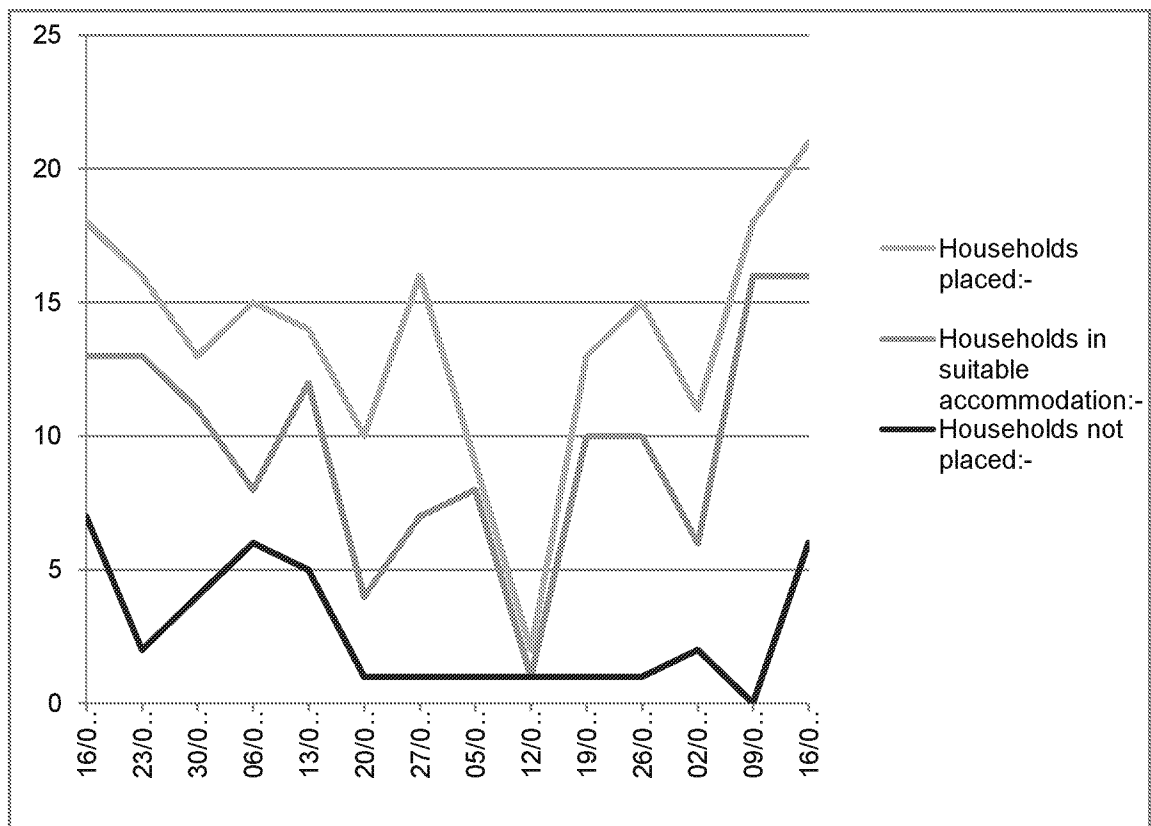
- 4.4 Homeless approaches: There has been an increase in approaches from the private rented sector since the turn of the year, and in particular an increase in the number of approaches due to the benefit cap changes.

Total				
	Total PRS approaches	Approaches due to benefit changes	For other reasons	% due to benefit changes
Apr-11	51	12	39	23.53%
May-11	97	8	89	8.25%
Jun-11	90	14	76	15.56%
Jul-11	80	7	73	8.75%
Aug-11	115	13	102	11.30%
Sep-11	80	14	66	17.50%
Oct-11	83	17	66	20.48%
Nov-11	83	20	63	24.10%
Dec-11	63	17	46	26.98%
Jan-12	107	47	60	43.93%
Feb-12	99	45	54	45.45%
Mar-12	103	44	59	42.72%



- 4.5 We continue to have difficulty meeting this increased demand with available temporary accommodation units. Although we are successfully placing an increasingly higher number of households each week, there has been an increase in those households that we have no choice but to place in accommodation that is not suitable for their needs. In addition there remain households that we cannot place at all each week.

Temporary Accommodation households placed and not placed since 16/1/12





Summary of those placed but in unsuitable accommodation

Week starting	Over-crowded	under-occupying	Family in B&B	In B&B but needs self contained	Needs local accommodation	Nightly lets used	Requires wheelchair adapted	Pregant woman in B&B	TOTAL
16/01/2012	2	0	1	1	0	0	0	1	5
23/01/2012	0	0	2	0	0	1	0	0	3
30/01/2012	0	0	0	0	0	0	0	2	2
06/02/2012	2	1	1	1	0	0	0	2	7
13/02/2012	0	0	0	0	0	1	0	1	2
20/02/2012	1	3	1	0	0	1	0	0	6
27/02/2012	0	3	0	1	0	4	0	0	8
05/03/2012	0	1	0	0	0	0	0	0	1
12/03/2012	0	1	0	0	0	0	0	0	1
19/03/2012	1	1	0	1	0	0	0	0	3
26/03/2012	1	1	1	2	0	0	0	0	5
02/04/2012	2	2	1	0	0	0	0	0	5
09/04/2012	0	1	0	0	1	0	0	0	2
16/04/2012	0	0	0	2	0	2	1	0	5
	9	14	7	8	1	9	1	6	55

4.6 To try and meet demand, some households have been placed in accommodation that is not completely suitable for their needs.. In addition we have used bed and breakfast accommodation for families or for individuals requiring self contained accommodation.

4.7 Due to the lack of affordable self contained accommodation, we are considering accommodation, such as nightly let accommodation, commercial hotels and accommodation that is much further away from the borough than we have previously used.

**FOR INFORMATION**

**Councillor Timothy Coleridge**

Cabinet Member for Housing and property Services