

HARINGEY LEASEHOLDERS' ASSOCIATION

MINUTES OF THE GENERAL MEETING HELD AT HARINGEY CIVIC CENTRE, HIGH ROAD, N22, ON SATURDAY 15 DECEMBER 2012

Present: Sue Brown (Chair) (SB), Nick Martin-Clark (Treasurer) (NMC), Peter Gilbert (Secretary) (PG), Rita Batzias (Committee Member) (RB), Anne Gibson (Committee Member) (AG), Kate Worley (Committee Member) (KW) and a total of 36 other members of the Association

1 Welcome

The Chair welcomed members and the Association's guest speaker, Eamon McGoldrick, Interim Director of Housing Management, Homes for Haringey (EMcG) to the meeting. She noted that the meeting was quorate.

2 Opening Remarks

The Chair said that it had been a very eventful year, which had finished with very good news in that HLA had been re-recognised by HfH, so that leaseholders now had a representative voice again, after three years without one. Although HLA had not resolved all its differences with HfH, the two organisations were holding regular meetings and it was hoped that the relationship would be constructive. EMcG had come to the GM to speak to leaseholders about future plans for HfH and to answer their questions. He would be speaking next as he then had to leave, but afterwards there were other important issues on the agenda on which the GM would need to vote.

As the result of HLA's problems with HfH over the past couple of years, a previous GM had agreed that the Committee should appeal to the HfH Board against its decision to derecognise HLA. Having re-recognised HLA, HfH had asked the Association to drop its appeal, but was still refusing to admit that it had treated HLA unfairly. With the help of the Information Commissioner, HLA had also obtained email correspondence that showed that at least one HfH officer had behaved very unprofessionally. The Committee had been given legal advice that HLA might be able to sue HfH for misfeasance, but that would be a very big step which the Committee did not propose to take at the moment. However, the Committee did propose to continue with the appeal and would seek the agreement of the meeting to do so. As nothing had happened since the appeal had been requested a year before, the Committee would be pressing for an early hearing.

The Chair reminded the meeting that at previous GMs leaseholders had discussed taking legal action against a former Treasurer, who had been expelled at a previous GM for misusing HLA's data-base in sending personal unauthorised emails to members. The Committee would update members on the progress of the legal action.

In addition, although the leaseholder member of HfH Board had acted in a way that was very harmful to leaseholders, since the Association had been re-recognised the Committee had tried to mend relations with her. However, because she had ignored their conciliatory approaches, the Committee had made an official complaint against her to HfH.

Separately from those problems from the past, HLA was looking forward at how it could work with HfH for the benefit of leaseholders on:

- The organisational structure and budget of the Home Ownership Team (HOT) and how this fitted into the overall structure and finance of HfH;
- The annual service charge and how the HOT could influence HfH decisions on its level;
- Details of a future programme of work with the HLA service charge sub-committee;
- The scope for HfH to consult with leaseholders on optional elements of the service charge;
- The prioritisation of major works projects throughout HfH's housing stock and the effect on leaseholders;
- Referrals to the Leasehold Valuation Tribunal and LVT decisions;
- Updates of the HOT/HfH databases;
- The cycle of mailouts by HfH to leaseholders and how HLA could piggy-back its communications on them and save money.

The Chair added that the Committee would like to do much more for leaseholders, including providing an advice service. Although HfH had said that it might give HLA an office, so far there had been no confirmation of the details. In addition, the Committee would like to talk to leaseholders about the possibility of a voluntary levy of £2-£3 a year on service charges, which would enable HLA to do so much more for its members, for example obtaining regular legal advice. Leaseholders would be able to opt out of any such voluntary levy.

The Chair emphasised that HLA was looking for a more constructive approach after three years of trouble and was seeking to return to the success that it had been enjoying at the time of the 2009 AGM.

3 GM Minutes

The meeting received the minutes of the General Meeting held on 5 November 2011, which had been tabled. The Chair moved that they be adopted, seconded by RB, and this was approved by 20 votes to 0, with 5 abstentions.

4 New Vision for Housing

EMcG thanked HLA for the invitation and said that he was glad that the relationship between HfH and HLA was improving. It was important to have a borough-wide body with which HfH could work. He urged HLA to continue to challenge HfH. It was important for the two bodies to keep working together, face up to issues and have proper discussions about the issues they could fix and how to do so.

He said that proposed changes to the regulations for leaseholders would be considered by Haringey Council Cabinet on Tuesday 18 December. As the landlord, HfH was required to carry out gas safety checks and servicing for its tenants, but not to leaseholders. Unchecked boilers in leasehold properties in tower blocks also put their neighbours at risk. It was therefore good practice to suggest that leaseholders had their boiler checked. EMcG recognised that it would be going too far to require all leaseholders to submit their gas safety certificates to HfH. The new lease regulations required an annual gas service, with checks being made on request. If HfH had consulted HLA and the Leasehold Panel earlier, it might have been possible to reach agreement quickly. In future, proposals would be presented for consultation at the start of the process.

EMcG went on to say that HfH had begun consulting residents widely some 15 months previously. There had been several consistent themes:

- Enforcement of the existing conditions on, eg, sub-letting, graffiti, noise, tenants who trashed their properties, drug-taking;
- There was not a good consistency of service throughout the borough;
- There was a problem over the appearance and feel of some estates . some were well cared for and others were not;
- There were problems with office accommodation . 3 tenancy management teams were housed in 2 offices, one of which needed to be vacated in the next two years;
- The call centre needed to be updated.

In addition, HfH had to make efficiency savings by reducing their costs by 10% over the next two years. The present grant of £35 million would be cut by £1.7 million in each of the next two years. As staffing costs made up 70% of HfH's total budget, it would be necessary to reduce the current complement by about 40 staff.

New legislation would also have an effect on Haringey's residents, for example the reduction of council tax benefit to be suffered by those whose properties were under-occupied. Also, the Council Tax benefit system would be administered and devised by Haringey Borough Council from April 2013 and there would be 25000 additional council tax payers in the new year. Squatting in residential property was now a

criminal, not just a civil, offence. In addition, for a council tenant to sub-let would be a criminal offence from April 2013, rather than merely a civil offence. HfH staff were preparing for all these changes.

As part of the New Vision for Housing, all Tenancy Management and Estate Services staff would be brought together on Broadwater Farm. In addition, an office for concierges would be developed at Commerce Road. The Call Centre would need to be improved, possibly in the next year.

It had been noted that estate walkabouts were carried out to a very inconsistent standard and that the officers leading them were in some cases not skilled enough to assess what work was needed. To improve matters, four specialist officers with the technical knowledge to identify problems would be appointed to lead walkabouts. Two chute cleaners would be organised at no additional cost to specialise in clearing gullies, cleaning graffiti and carrying out low level minor repairs.

Three or four new posts would be created in Tenancy Management.

In 2013, a review would be carried out of the Estate Services Officers and the concierges to see whether they could do more. This would be to see whether more things could be done with the same staff or whether the number of staff could be reduced to obtain improved value for money.

There had been a considerable perceived difference between the cost of the concierge service on Broadwater Farm and what was provided on the Commerce Road estate. HfH would discuss with HLA what service should be provided to leasehold properties.

EMcG added that HfH wanted to improve the way in which it went out to contractors, including its main repairs contractor, Haringey's Direct Labour Organisation. He said that in Islington all repairs were outsourced and there was a normal contractor/client relationship. There was a risk that contractors might become complacent, and it was necessary for there to be internal checks and controls so that HfH management could hold the Property Services organisation to account. If the Quality Assurance Services Manager saw that provider services were not working well, he would notify the Director of Housing Management. HfH wanted to give Quality Assurance the overall control of communal repairs and responsibility for the budget for this work.

In addition, the Home Ownership Team would be restructured. It would lose three staff. There would be three teams, one for billing and calculation of all charges and one for recovery and collection. There would be a new post just to monitor communal repairs. There would be a small team to manage work on Right to Buy issues and compliance, including, for example, adapting the property without having the freeholder's permission.

The Chair thanked EMcG for his talk and called for questions from the floor.

5 Questions to the Interim Director of Housing Management

A leaseholder in Noel Park explained that there was a proposal to replace bathrooms on her estate with pods. This was an awkward procedure to carry out and the proposal had been on the stocks for years. This blighted the sale of her flat as she did not know the charge that would be levied or when the work would take place. EMcG commented that it was for the leaseholders' representatives to negotiate the price and to take into account defects of this type in assessing the value of the property. The leaseholder said that she would prefer to do the work herself. EMcG replied that Noel Park was a conservation area and HfH needed to be able to fund the work. The capital programme for 2014-15 for work including kitchen and bathroom renewals was in the order of £35 million. The leaseholder asked whether, if the flat were empty, she would still require a gas safety certificate. EMcG said that she should have an annual check carried out for her own safety, particularly if the flat was in a block where the safety of other residents was also an important issue, but HfH would not ask her to present the certificate to them or 'come after her'. The Chair suggested that the leaseholder should attend the next meeting of the Asset Management Panel (possibly at 6pm on Friday 11 January) which was consulting on how to spend a capital works budget of £14 million.

Another leaseholder raised a number of issues. There had been several different charges raised for work on lifts in old flats. He had asked for proof of the prices quoted and to see the invoices. In some cases, lifts had been replaced, not repaired, and a charge of £3,500 had been levied. In a number of instances, the lift had been out of order for several weeks only a few months after it had been installed. Different leaseholders had been charged different prices and no explanation had been given of how the cost was calculated. The leaseholder might take HfH to court. The service charge was now over £2,000 a year and had more than doubled in the past six or seven years. There was a further problem with temporary repairs to the water pipes, which needed to be carried out and charged every year, because the repairs had not been done properly in the first place. Although the leaseholder had written to HfH, the problem had not been resolved. The charge for cleaning was £600 a year although only the entrance hall had been cleaned. Leaseholders were paying for a service that they were not receiving. In addition, there was a problem with other residents causing damage to the front door to the block but not being charged for the cost of the repair. Leaseholders did not need someone who was supposed to oversee the work but did nothing.

EMcG agreed that he would take complainants' addresses as he left and would look into the matters that they had raised when he returned to the office on Monday 17 December. He was concerned that, in contrast to, say, Chettle Court, there seemed to be some blocks or estates where concierges were not doing as good a job. The charge for repair or replacement of internal lifts would depend on the terms of the individual lease. The cost of repairs that were required within the defects liability

period (normally 12 months) because work had not been done properly in the first place should be the contractor's responsibility and should not be recharged to leaseholders.

A leaseholder in Sandra Close said that she had been charged a high price for cleaning that had not been done properly. It had lately been a little better, but one day she had had to step over urine to enter her property. She had sent photos in evidence to the Home Ownership Team, but all that the cleaners seemed to do was to come and mop. They left spiders' webs on the outside of windows. Nobody was supervising them. She had pictures of where fencing had been replaced that she could have done better. She wanted someone to come down and see how leaseholders' money was being spent. Gates were being opened and rubbish was being dumped every week. She had had to organise clearance of carpets that had been dumped in the past couple of days. She had also received an invoice for works that were being proposed for January and would be costing £11,000. The proposed recovery would be of around £150 a month, which would put her total payment to around £350 a month. She asked if recovery could be more gradual.

EMcG noted that this was another complaint about cleaning. When he had been to certain estates, he had seen poor workmanship. He would be able to say whether communal repairs had been fairly charged when HfH had received the notice from the contractor. He admitted that dumping was a bad problem in Haringey, in contrast to other neighbouring boroughs such as Islington, Barnet and Enfield. Haringey Council had proposals to introduce tougher enforcement measures in the next year. On average, Haringey levied a charge of £150 for each litter notice, while Enfield charged £500. It was in the Council's interest to root out the practice of dumping. EMcG was happy to discuss the cost of major works, but phasing would be even more expensive overall and the right way to proceed was generally to do all the work in one phase. Arrangements should be in place for repayment to be over several years.

A leaseholder remarked that the charge in Haringey to leaseholders who sub-let was one of the highest in London. He asked how much he would have to pay to Haringey Council if he sub-let his property. He commented that Haringey was in effect charging leaseholders to carry out work in their own flats.

Another leaseholder said that members of his family had been living in three maisonettes for some 35 years. There were six maisonettes in the block and a couple of them had had the leases transferred to the occupiers, while the leases to the others were still owned by the landlord. The landlord now wanted to renew the roof, at a proposed charge of £16,000 per flat which would be due next year. The occupants were pensioners and should be given time to pay. The proposed cost seemed to be inflated. Nobody had come to repair the roof over the past 30 years, and the properties were also being rebuilt inside although there were no structural defects. The pricing of the work had not been carried out adequately, as the

estimates were more than double the value of the work. HfH had to oversee the work properly. Another leaseholder said that there had been no reasonable arrangement for the external work to the property: the cost of £24,000 had been repayable over three years and otherwise the leaseholder would have been taken to court. The annual charge would only be reduced if the repayment were made over a longer period. Leaseholders were wondering why the work had been given to the same main contractor, Apollo.

EMcG promised to look into whether the projects were comparable with each other. There was an area for HfH to work jointly with HLA and discuss the repayment arrangements for major works. Sub-letting leaseholders were required to notify the freeholder and HfH had consulted leaseholders before approving a small administrative fee of £20 a year. Apollo was not the only contractor whom HfH used . others included Wates, Lovells and Mullallys - and all contracts over a particular sum had to be put out to tender in accordance with EU rules. The leaseholder obtained confirmation that the freeholder was Haringey Council, not a Housing Association, and agreed to let EMcG have the address of the properties concerned.

Another leaseholder asked who looked at the estimated bills. EMcG said that specialist staff at HfH procured the contractor and signed off the work. He asked for examples of where the contract had not been properly managed. He would check and would reply to the leaseholders, including details of work that had not been foreseen when the original contract had been let. The Home Ownership Team dealt with all leaseholder enquiries.

Yet another leaseholder suggested that, when HfH was selling properties under Right to Buy legislation, the ALMO should advise the purchaser of the major work that was forecast to be carried out over the following seven years and its expected cost, and should not charge leaseholders for additional work in that period. EMcG commented that, when the leaseholder went on to sell the property, the solicitor acting for the leaseholder would ask what was being planned over the period. He would like to see a five or seven year programme, but doubted whether one was yet in place. The vendor's lawyer should notify the buyer's lawyer of the expected cost of the future work.

The Chair thanked EMcG and said that the range of questions from leaseholders had shown why HfH and HLA needed to work together in future and to continue to hold long-term positive discussions. She asked leaseholders to remain for the following 10 to 15 minutes so that the meeting could continue to be quorate while important decisions were being taken.

6 Treasurer's Report

NMC advised leaseholders that, now that HLA had been re-recognised, it would receive a grant from HfH of £1,000 a year, which would be £750 for the current year as recognition had been granted only from 25 September. Postage costs for notifying leaseholders of meetings had been cut by incorporating the notice of the meeting with HfH's Homezone. However, it had been necessary to incur costs of £270 or so on telephone calls to encourage leaseholders to attend the meeting. The bank balance prior to that expense had been £400.11. He went on to say that HLA hoped to rebuild its subscriber base in a bid to recover at least some of the £16,000 that it had incurred on, eg, legal fees to help it to remain in existence as an independent organisation while it was de-recognised.

7 Appeal against De-recognition

The Chair reminded the meeting that HfH had de-recognised the Association in 2010. The de-recognition had been very unfair on the basis of a report that had been made to HfH by its officers, who had not spoken to the HLA Committee. The Chair asked members whether to continue the appeal to HfH, and members agreed to support the continuation of the appeal by 25 votes to 1, with 1 abstention.

8 Update on Legal Action

Leaseholders received an oral report on the legal action that was being undertaken against the former Treasurer of HLA and agreed by 23 votes to 2, with 3 abstentions, to authorise SB and NMC to represent the HLA during the case. The meeting noted that the Chair and the Treasurer had personally agreed to indemnify the Association against any potential loss.

9 Complaint against the Leaseholder Member of HfH Board

The Chair explained that the HLA Committee had had a very difficult relationship with the leaseholder member of the Board of HfH, who was a former Vice-Chair of HLA. The latter had worked against HLA and had been one of several people who had tried to set up a rival organisation. After HLA had been re-recognised, the Chair had written a conciliatory letter to the Board member, asking her to work together with HLA in the interest of all leaseholders. The Board member had ignored the letter. HLA had therefore laid a formal complaint to HfH against her conduct as a member of the Board, as she had broken a lot of the rules that govern her conduct in that role. This included not declaring her interest at the meeting of the HfH Board which had agreed illegally to grant public moneys to the rival organisation.

In reply to a leaseholder who asked why, if the grant had been illegal, HLA had not challenged the HfH Board itself rather than going after one person, NMC explained that the appeal against de-recognition was an appeal against the decision of the Board. As a Board member, she bore responsibility for her actions in that role and

as she also had been part of the other group she had ignored the rules under which she should have declared an interest in that matter.

The Chair maintained that the present leaseholder member was not a good person to represent leaseholders on the Board, and her behaviour had worked against leaseholders' independent voice. The question was whether she should be kept in a position where she could continue to do harm to leaseholders' interests.

NMC suggested that HLA members should campaign at Board meetings and urge the leaseholder member to resign from the Board.

AG pointed out that the term of office of the Board member would come to an end in autumn 2013 and that HfH would be holding elections for a new leaseholder member to replace her. Any leaseholder would be able to stand, and all leaseholders would be able to vote for their new representative.

The Chair closed the meeting at 12.55pm, as leaseholders indicated that they did not wish to continue to stay to discuss the rest of the agenda.