

**MINUTES OF A MEETING OF THE  
PLACE OVERVIEW & SCRUTINY SUB COMMITTEE  
Council Chamber - Town Hall  
28 November 2024 (7.05 - 9.16 pm)**

**Present:**

**COUNCILLORS**

**Conservative Group** David Taylor (Chair), Damian White (substituting for Osman Dervish)

**Havering Residents' Association Group** John Crowder (substituting for Philippa Crowder), Julie Wilkes (substituting for Laurance Garrard)

**Labour Group** Matthew Stanton (Vice-chair)

**East Havering Residents Group** Darren Wise

**CABINET MEMBERS**

Graham Williamson (Regeneration)

Natasha Summers (Climate Change and Housing Need)

**OFFICERS**

Patrick Odling-Smee  
Darren Alexander (via Zoom)  
Mark Butler  
Michael Rourke  
Paul Walker

The chair declared the meeting open at 19:05.

**1 CHAIRMAN'S ANNOUNCEMENTS**

The Chairman reminded Members of the action to be taken in an emergency.

**2 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS**

Apologies were received for the absence of Osman Dervish (substituted by Damian White), Philippa Crowder (substituted by John Crowder), Laurance

Garrard (substituted by Julie Wilkes), Councillor John Wood and Sandy Hamberger.

### 3 **DISCLOSURE OF INTERESTS**

Councillor David Taylor declared a non-pecuniary interest on item 5 because he is employed by a Housing Association.

Patrick Odling-Smee declared that he is a board member of a Housing Association, but not one that operates in Havering.

### 4 **MINUTES**

The minutes of the sub-committee meeting held on 28 August 2024 were agreed as a correct record and signed by the Chairman.

### 5 **RELATIONSHIP BETWEEN THE COUNCIL AND HOUSING ASSOCIATIONS**

It was reported that the Social Housing (Regulation) Act 2023 introduced new consumer standards, enabling the council to inspect Housing Associations and require Performance Improvement Plans.

It was stated that Housing Associations account for a third of social housing in the borough. For low cost rentals, the general needs stock consisted of 8153 LARP units and 4243 PRP units. The average weekly net rent for LARP units in Havering was £112.78. For PRP units, it was £133.39.

It was reported that the council has nomination arrangements with all Housing Associations in the borough. There was a large degree of cooperation between the council and Housing Associations. Some of the larger Housing Associations load their properties onto LBH's LC system, to be advertised online. Other Housing Associations send property details to LBH, to be advertised online. There have been meetings between Housing Association nomination staff and LBH staff to make sure the system operates effectively.

It was reported that there is significant cooperation regarding housing development, especially concerning section 106 agreements. When a private developer or Housing Association is developing housing, they have to provide a certain proportion as affordable housing. A recent problem is the inability of developers to find a suitable housing association to purchase the social housing on new developments. It was stated that the council has some regeneration arrangements with Housing Associations, for example with Notting Hill Genesis in Rainham and Beam Park, which was an effective joint venture.

It was reported that there is significant cooperation regarding housing management, and particularly cooperation in the maintenance of properties. The council's Housing Strategy and Partnership Service leads the

development of this working relationship. Regular meetings and forms have been held to discuss nominations and letting arrangements. Nonetheless, Havering's relationship with Housing Associations is less developed than those of other boroughs (which have joint repair services, for example).

It was stated that every Housing Association has their own structure for resident engagement, which helps them to manage their stock well. Some have tenants on their board.

It was reported that there are a lot of arrangements between the council and Housing Associations regarding anti-social behaviour. The council can issue Community Behaviour Orders and Noise Abatement Notices. The larger Housing Associations in the borough have attended forums with the council, to discuss common approaches to anti-social behaviour and tenancy management.

Attention was drawn to appendix 1, which contains detailed figures on the numbers of Housing Association Stock. Anchor Hanover Group operated in 245 other local authorities, London and Quadrant Housing trust operated in 139 other local authorities, and The Guinness Partnership Limited operated in 133 other local authorities. The number of other local authorities Housing Associations operate in has changed their relationship with each local authority in the last 15 years. In Havering, there was now no local Housing Association based here.

In response to a question about how and why Havering's relationship with Housing Associations is different to other boroughs, it was stated that local authorities used to have Housing Association Liaison Officers to manage the relationship through HALO meetings. In boroughs where that was effective, there was usually a core of Housing Associations active in the borough (that core could be as few as 20 Housing Associations). As associations have amalgamated, the connections they have with local authorities has diminished, their head office has become more distant, and their ability to send someone to a meeting with the local authority has changed. Whereas Housing Associations used to have a statutory duty to cooperate with local authorities to help homeless households, that incentive for cooperation no longer exists. Local authorities have also become less involved in the regulation of housing associations.

A question was asked regarding the 4000 Housing Association properties that the council uses, and how many of them are occupied by Havering residents or residents from out of the borough. The response was that all of these are let through the council's allocation scheme, and 95 to 100% of tenants in these properties were local.

In response to a question about the council's nomination rights on new lets and re-lets, and the possibility of residents from outside the borough moving in, it was stated that in practice, most housing associations don't have a list. If you're a Housing Association tenant and want to move, you have nowhere to put your name on a list, so you put your name on the council's list. It was

suggested that this is cheaper for Housing Associations, because maintaining a list is expensive. Some boroughs subsequently charge Housing Associations for nominations.

In response to a question about Swan Housing Association Limited's 290 general needs bed spaces (compared to zero for all other housing associations in Havering), it was suspected that this is simply a data issue, and only Swan submitted data for this column of the table.

A question was asked about potential other arrangements to manage housing, given the difficulty of finding suitable Housing Associations to purchase social housing. It was responded that Housing Associations have shifted their focus from new builds to maintenance of their stock. This has meant Housing Associations are more cautious about where they invest in new stock, focussing on building themselves rather than purchasing from private developers. Some associations have been stuck with stock bought from private developers that turned out to be lower quality than they expected. So they are being more cautious in the market, and in which developers they work with. There has also been a size issue: in Havering, there are lots of medium size developments which produce 5-10 affordable units. These are not attractive to associations, due to issues of management and price. This presents challenges for the council. The council has tried to bring Housing Associations and private developers together so that affordable housing comes through. One challenge of the management model is that section 106 agreements require developers to deliver affordable housing in perpetuity, and it can be difficult to show housing will continue to be affordable if it's on a fixed-term management agreement.

A question was asked regarding the possibility of Housing Associations being reluctant to take up large numbers of social homes built by developers, and the possibility that the council will end up receiving small section 106 payments instead. It was responded that commuted sums are often asked for by developers. Big developers want to reduce affordable housing, and local authorities want to increase it, so there are complex negotiations. It was observed that section 106 needs reviewing.

In response to a question about what the council needs to get Housing Associations to develop social housing, instead of the council receiving commuted sums, it was responded that the council can influence the type of social housing built when the council has had some control and influence over the design (eg. at Quarles, where the quality of stock turned out well).

A question was asked regarding the council's degree of quality control over the property advertisements on its website, given that internal photos and room sizes are often omitted, and potential residents are sometimes denied the opportunity to view the property in person. The response was that the council does lots of work with Housing Associations on their adverts, but our current allocations policy doesn't help Housing Associations to sell their properties: people aren't shown enough information about the property online, and there are insufficient opportunities to view the property in

person. It was reported that the council is moving to a system where people can bid for as many properties as they like, and go to see them. It was hoped that this will expose the hard-to-lets, and landlords will have to work harder to let properties (by including better information on adverts, and showing off their flats when people see them).

A question was asked regarding how communication and collaboration can be measured. The response was that this isn't measured scientifically, and is more of a feeling. The council didn't have a single officer responsible for managing the relationship with Housing Associations. Lots of officers do their bit.

In response to a question about the council's ability to acquire an association's properties if that association got into financial difficulty, it was stated that the council can, in theory, acquire properties from a variety of sources, but only if it is affordable within the HRA business plan. There are reasons to be cautious about buying stock that another landlord is selling.

In response to a question about the legislative levers the council has to make Housing Associations help to improve the quality of life of residents in Housing Association stock, it was stated that the council has very few levers to pull. Section 106 agreements relate to who can live in a property, so the council has some influence here. There were some other arrangements for stock transfer agreements. The council has some control on the planning side, to influence what Housing Associations can do with properties and the sale of properties. Some Housing Associations ask the council to lift restrictions so they can sell properties. It was reported that the council has some influence with the Housing Ombudsman, but this is very limited. The council has no influence on the regulator.

A question was asked about whether the council needs the resources to appoint an officer to be responsible for managing the relationship with Housing Associations. It was responded that this may be useful, but the proposal could be financially difficult because it would be a general fund position. In particular, the council doesn't have the capacity in the Strategic Performance Service to negotiate effectively on section 106 agreements. It was stated that the council would benefit from negotiating effectively and early enough.

The Cabinet Member for Regeneration was asked whether the council is bringing larger Housing Associations into conversations around the local plan refresh, including in Beam Park. The Cabinet Member responded that most of the new developments will be owned and controlled by the council. He added that the local plan is not yet advanced enough to discuss Housing Associations. He would prefer for the council to have greater control because, for example, Housing Associations don't put enough money into managing anti-social behaviour.

It was stated that councillors should be respectful of Housing Association colleagues, given some shortcomings in the council's Housing department in the past.

A question was asked about why the council might prefer to receive commuted sums. In response, it was stated that the council would always prefer to get the property, and a commuted sum would be a reluctant compromise. The council only has a small number of commuted sums.

**It was agreed that the Planning Team will find out how many commuted sums were received in the last few years, and the reasons for them.**

Regarding the possible need for a specific resource to manage relationships with Housing Associations, it was responded that the level of development in the borough is low. This business is not currently sufficient to justify a resource for managing the relationship with Housing Associations.

**6 UPDATE ON CURRENT POSITION IN RELATION TO EMERGENCY TEMPORARY ACCOMMODATION IN HAVERING AND THE LACK OF SUPPLY**

It was stated that Havering Council's use of hotel and nightly charged accommodation has created enormous pressure on the Council's housing general fund budget. The average cost of emergency temporary accommodation had risen since 2021/22, from £73 per night to £81 per night. The increase in the average cost is not because of the use of hotels, but because of the use of a nightly charged property. This is an ordinary home in Havering or another part of London.

It was shown that the council has 230 households in hotel and nightly charged accommodation. The council successfully navigated exiting families out of chain hotels where a maximum stay is 2 weeks. The council has reduced the numbers of families with children in bed and breakfast hotels over 6 weeks (a statutory obligation) from 76 households to 15.

Attention was drawn to table 1, showing the number of households directly placed into temporary accommodation over the last four years (between 2020/21 and 2023/24). The number of households in hotels has risen from 123 to 485. The number in private sector leases has fallen from 23 to 2. The number in short-life accommodation has fallen from 23 to 1. The number in hostels has fallen from 147 to 15.

It was stated that London boroughs now spend more than £90 million per month on TA, up nearly 40% from a year earlier. It was said that increases in TA costs are being driven by four broad factors: increased demand, reduced supply, increased costs and insufficient funding.

It was shown that the number of properties on private sector lease contracts over the last four years has fallen from 840 in 2019/20 to 484 in 2024/25.

This is partly due to landlords asking for their properties back. It was reported that the council is currently working through 71 outstanding handbacks.

It was stated that the three main reasons for homelessness are family and friends eviction, private rented eviction, and domestic abuse. Attention was drawn to the figures in table 6, showing the numbers of homeless approaches. Domestic abuse was increasing as a reason for homelessness, up to a total of 319 domestic abuse approaches in 2023/24.

It was shown that the performance of the Find Your Own (rent deposit) Scheme has been decreasing since 2020/21.

It was reported that the cost of temporary accommodation is being affected by the lack of supply.

Without creating a pipeline to exit residents out of the current 230 hotel and nightly charged accommodation places, it was predicted that the number of emergency forms of accommodation required will rise from 293 in 2024/25 to 940 in 2026/27. With a pipeline, it would rise from 251 in 2024/24 to 253 in 2026/27.

It was reported that the council is currently in the process of securing a supply of 562 units and it is anticipated that the council will need another 700 properties to avoid facing the high profile risks identified in the report. These plans may include the following initiatives: private equity finance, office to residential conversions, pension fund property investments and new development opportunities for temporary accommodation.

Attention was drawn to table 13, showing the temporary accommodation pipelines planned, including the property Purchasing Scheme at Chalkhill (150 units), the Mother and Baby Unit, an open and fully occupied Royal Jubilee Court, a Family Welcome Centre, Notting Hill Genesis Joint Venture, and modular units.

A question was asked regarding the levers available to cooperate with other boroughs to make sure their placing of residents in Havering's temporary accommodation doesn't drive up the council's costs. It was replied that IBAA arrangements regulate the rates boroughs should be paying when placing residents in another borough's temporary accommodation. The IBAA framework has some flaws (eg. landlords playing boroughs off against each other). Collaborative conversations with other boroughs has led to the agreement of rates. Section 208 allows boroughs to communicate regarding the placement of residents. Havering has also participated in conversations at London Council meetings, at a pan-London level.

A question was asked regarding the impact of illegal migration, and whether the council or central government foots the bill for accommodating illegal immigrants. It was replied that the Home Office has a substantial estate across London. The issue doesn't impact Havering directly, but it does

indirectly, for example when support is provided to immigrants for health and education.

In response to a question about requirements for hotels to apply for a HMO licence if they have provided a certain amount of emergency temporary accommodation, it was stated that boroughs including Havering have tried and failed to make a hotel into a HMO. The law is complex on this issue. Chain hotels don't want HMO status and don't provide emergency temporary accommodation for more than two weeks. It was stated that Havering is a member of Setting the Standard, a London-wide inspection regime which inspects hotels to make sure they meet standards, and where they don't, the council has the ability to coordinate activity to jointly not place in those hotels.

It was observed that as well as increasing and diversifying temporary accommodation, the council also needs to increase housing stock.

In response to a question about the support in place for residents in unsuitable accommodation, it was observed that Havering offers a trauma-informed service and has received funding to create psychologically-informed environments.

A question was asked regarding the number of households who are under-occupying their property, and what is being done about it. It was stated that about 110 households are registered as under-occupying their properties. One challenge is moving them into new properties further from their support networks. That 110 includes only those who've expressed an interest in moving, which is very small percentage of under-occupiers. The true number is probably over 1000, but the council doesn't hold exact numbers on this. It was stated that every year, the council phone tenants over 70 and ask if they've considered downsizing. The council provide incentives and support to enable downsizing. The new allocation policy provides them with additional priority. Residents' aversion to change can be an obstacle. It was observed that the council needs more 2/4/6 bed properties.

A question was asked regarding the development of accommodation for over-55s. It was replied that one such project has recently been finished, but there isn't currently another in the pipeline. The council's main demand is for family units (3 or 4 beds).

In response to a question about properties given back to owners where living standards have fallen short of letting standards, it was replied that the council does carry out work on such properties unless it is prohibited by cost.

A question was asked regarding the difficulty some residents have in finding a guarantor when seeking a property in the private sector, and whether the council can assist with this. It was replied that guarantors are generally with more established agents, who have their own vetting processes. But many



agents and landlords accept residents without a guarantor. It was stated that the council also offers other incentives to landlords.

A question was asked about the reasons for seeking temporary accommodation, other than the main three included in the report. It was replied that other reasons include release from prison, hospitals, relationship breakdown, or undisclosed reasons.

**The Director of Living Well agreed that these figures will be supplied to Councillor Stanton at a later date.**

**It was agreed that the sub-committee would arrange another opportunity for Darren Alexander to respond to any further questions.**

**The sub-committee made no recommendations on this first report under agenda item 6.**

The second report under agenda item 6 concerns Temporary Modular Homes on Waterloo and Queen Street, and was delivered by Mark Butler.

It was stated that the modular housing proposal presents an opportunity to provide up to 18 families with stable homes, reducing the need for temporary hotel accommodation. This report set out the outline of the scheme, projected costs and delivery programme.

It was reported that the Council is proposing to introduce a scheme of 18 modular homes on part of the cleared site at Waterloo and Queen Street, on land scheduled for permanent development in approximately 5 to 7 years.

It was stated that the proposed development will consist of 14 two-bedroom homes and 4 three-bedroom homes, all fully equipped to accommodate families. The scheme will include some landscaping that enhances the development and improves the visual appeal of the area. There will also be five standard car-parking spaces.

It was reported that these modular homes are designed with a lifespan of up to 60 years and can be relocated up to five times if necessary, whilst retaining the supplier warranty.

It was stated that each unit is supplied at a cost of £200,000. Additional expenditure is required to provide the necessary site infrastructure, in addition to which it is proposed to apply cladding. It was said that faster construction reduces interim housing costs, and off-site manufacturing lowers per-unit expenses.

It was reported that the modular homes will provide modern, well-equipped spaces that are energy efficient and well insulated. Each unit can be relocated to smaller sites as required, and stacked up to three storeys,

although it was only proposed to stack up to two storeys, and only on part of the site.

It was reported that positive feedback was received following meetings with planning officers during pre-application discussions. A specialist company, Better Delivery, was appointed by the Joint Venture to conduct extensive market testing.

It was reported that modular homes offer sustainability in the construction phase, by minimising waste and reducing carbon emissions. It was also said that they offer sustainability in use, including green technologies such as air source heat pumps and photovoltaic panels. It was reported that there will also be built-in sprinkler systems.

It was envisaged that the modular units will be available for occupation in Autumn 2025.

A question was asked as to why this is being proposed when the cost of each home, including the additional costs, is similar to those on the open market. It was replied that some of that expenditure will be recovered through the avoidance of spending money on hotels, and some will be recovered in the remaining life of the unit.

In response to a question about whether an assessment exists to justify spending this money on modular homes because those on the open market are unaffordable, it was replied that these modular homes will be supplementary to, not instead of homes on the open market. It was described as an opportunity to use an under-utilised site.

**A recommendation that the duration of the sub-committee meetings should not be limited by the facilities team was agreed.**

The chair declared the meeting closed at 21:16.

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**Chairman**