

## ASSEMBLY

8 DECEMBER 2010

### REPORT OF THE LIVING AND WORKING SELECT COMMITTEE

<b>Title: Communal Digital/Satellite TV System Petition Appeal – Recommendations</b>	<b>For Decision</b>
<p><b>Summary:</b></p> <p>A petition from tenants and leaseholders against the installation of Full IRS (Integrated Reception Service) Digital Communal Aerial Systems and being forced to pay an extra charge was presented to the Assembly on 21 July 2010.</p> <p>It was agreed by Assembly to refer the matter to the Living and Working Select Committee for further investigation and for them to report back any subsequent findings and recommendations.</p> <p>The item was considered at the Living and Working Select Committee at their meeting held on 20 September 2010.</p> <p>Mr. K. Rutter, lead petitioner, presented the issues as to why residents were against the installation of the communal digital aerial and the lack of communication between Stanley Security Solutions Limited, the provider appointed to deliver the contract, and the Council. There were also three other residents in attendance who were party to the petition.</p> <p>Councillor P Waker, Cabinet Member for Housing, was in attendance, along with the then Interim Corporate Director of Customer Services and lead officers on behalf of the Council. Representatives of Stanley Security Solutions Ltd were also in attendance.</p> <p>A site visit to D'Arcy Gardens, Dagenham, was undertaken by Members, including Councillor P Waker, on 26 October 2010 to make further recommendations for the lightning protection and, if any, options for re-siting of the communal aerial.</p> <p>The lessons learned and recommendations made by the Select Committee are set out under paragraphs numbered 6 and 7.</p> <p><b>Wards Affected: All</b></p>	
<p><b>Recommendation(s)</b></p> <p>The Assembly is asked to:</p> <ul style="list-style-type: none"><li>(a) note the lesson learned from the way that the system installation was progressed; and</li><li>(b) agree the recommendations of the Living and Working Select Committee as set out in section 7 of this report.</li></ul>	

**Comments of the Chief Financial Officer**

Over the last four financial years the Council has charged £908,000 to residents against costs of £948,000 which is a slight under-recovery of £40,000.

Any reduction in costs will be determined by the terms of the contract which is not due for renewal until April 2014.

Any refund that is due to residents for non-supply of the service should preferably be by way of credit to their rent account to avoid potential costs associated with physical payments.

For any refunds made there will no associated reduction in costs to the Housing Revenue Account.

**Comments of the Legal Partner**

The Council is required under the Housing Act 1985 to give notice of variation of the change in payments in respect of services. Provided the process is followed the increased charges may take effect at least 4 weeks after a date set in the notice.

The option to permit tenants and leaseholders to establish their own provision of media services requires the Council's consent as Landlord for both tenants and leaseholders. This is a standard term in the tenancy agreement and lease. There are several reasons for this. Firstly, the outside of the building is not part of the letting and secondly, the risks a non-standard attachment to a building presents. The fixing of aerials and dishes to the fabric of the buildings carries a risk of significant damage to the building due to resulting cracks, water ingress and detriment to general structural integrity. In addition the risk of detachment of part or whole of the dish due to winds and general wear and tear would present an unacceptable danger to other tenants, visitors and passers-by. Finally there would be the cost of refurbishment and removal of such equipment in the event the property is vacated. For these reasons a reception system for satellite and television services is provided by the Council and a policy operates not to permit requests by tenants and occupiers to arrange their own attachments.

**Comments of the Risk Management Officer**

There are no specific risk implications associated with this proposal.

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**1. Background**

- 1.1 A petition signed by tenants and leaseholders was received in April 2010 and presented to Assembly on 21 July 2010.

- 1.2 A report prepared by the Divisional Director of Housing Services in response to the petition was also presented to the Assembly on 21 July 2010.
- 1.3 Assembly Members agreed that the issue warranted further investigation and referred the matter to the Living and Working Select Committee for further scrutiny.
- 1.4 The Living and Working Select Committee met with the Lead Petitioner, Mr. K. Rutter, and three other residents at their formal meeting held on 20 September 2010 and undertook a site visit on 26 October 2010.

## **2. Prime Reasons for the Petition**

Mr. Rutter outlined the prime reasons for the petition as follows:

- Lack of communication to inform residents why and when the installation was to take place;
- A majority of responses to the consultation disagreed with installation, but 1772 non-responses were counted as positive;
- Tenants and leaseholders, who had been previously upgraded, complained about poor reception and the aerial being badly maintained;
- Being charged by the Council for the service, even though the cables had not been installed;
- Suitable siting of the masts in communal areas out of sight, instead of on a tenant or leaseholder's property to serve the whole block;
- Up to eight power cables running across properties and the concern of the increase of electromagnetism in the home;
- Lightning protection; and,
- Residents had to pay for their current service providers in addition to the Council charge.

Residents felt their freedom of choice had been compromised and wanted to manage their own aerial service individually.

## **3. Response to Issues Raised at Assembly**

- 3.1 The Council agreed that the contractor, Stanley Security Solutions Ltd, and, in particular the project manager, had given a sub-standard service. There had also been a lack of monitoring procedures by the Council in place. This had arisen because the previous phase of the contract had been carried out by the contractor to an excellent standard.
- 3.2 The first phase of upgrading communal digital TV aerials was carried out in 2004 over a six month period on over 13,000 properties. Two corporate complaints were received, neither relating to the contractor.

The second phase was carried out over a ten month period and required access to 2,406 properties. 142 complaints were received exclusively about the conduct and professionalism of the contractor's staff.

- 3.3 All the equipment (aerials, satellite dishes, wiring, sockets and other associated parts) are the property of the contractor. The London Borough of Barking and Dagenham leases the equipment.
- 3.4 When the current contract ends in April 2014, the contractor has the right to remove all the existing systems or to quote for the sale of those systems to another contractor or the Council.
- 3.5 The weekly charge of 70p per resident is made up of the following elements:
- Leasing fee
  - Repairs and maintenance
  - Annual servicing
  - Public liability insurance for the installation

The Council has started negotiations with the contractor to try and reduce the cost to residents for the remaining life of the contract.

#### **4. Living and Working Select Committee Meeting 20 September 2010**

Following the Living and Working Select Committee meeting with Mr. Rutter and three other residents, Members concluded:

- (a) The Council had to fulfil its role of a responsible Landlord and was accountable to all tenants and leaseholders in blocks of flats.
- (b) The Government requirement to switch TV transmission from analogue to digital TV region by region by 2012.
- (c) Without the installation of digital aerials residents would be left without the ability to watch TV.
- (d) Tenants and leaseholders change and new residents may require the communal digital aerial.
- (e) Tenants and Leaseholders, under the Landlord's agreement, must seek consent to install their own attachments.
- (f) Residents and tenants should have been better informed of the reasons why the work was being carried out.
- (g) Residents should have been consulted as to the siting of the aerials once a survey had been completed.
- (h) There was a lack of notification as to when the work would be carried out and appointments convenient to residents booked.
- (i) The contractor's poor communication for residents to rearrange appointments for work to be undertaken.
- (j) Consultation with the residents was mainly undertaken through written communication.
- (k) The level and reasons for the charge of 70p per week had not been clearly itemised.
- (l) Boxes and cables have been placed on properties, and, although the cables are not connected, residents are being charged 70p per week.
- (m) Residents' health and safety concerns had not been addressed.
- (n) Although sympathetic to non-response to correspondence being counted as in agreement to proposals, it had been clearly laid out in correspondence this would

be the case and is common practice in other organisations when conducting such consultations.

## **5. Site Visit to D'Arcy Gardens, Dagenham on 26 October 2010**

5.1 Members attended D'Arcy Gardens, Dagenham, primarily to look at:

- (a) The siting of the aerials in communal areas;
- (b) Damage to property caused by installation works;
- (c) Lightning protection;
- (d) Health implications relating to cables running externally across properties;
- (e) Unsightly equipment having an impact on the value of a leaseholder's property

5.2 In addition, the electrical safety certificate, the existence of which had been raised at the meeting of the Living and Working Select Committee on 20 September 2010, was made available.

## **6. Lessons Learned**

To address the issues identified where the Council could improve communication and liaison with residents, the following lessons were learned.

- 6.1 A method statement from each contractor would be required at the outset on how they intend to liaise with customers
- 6.2 Mechanical and Electrical staff must oversee any such installations to ensure that the terms of the project are adhered to and that no damage is done to the structure and fittings of the Council's buildings
- 6.3 Residents must be consulted and final plans made available to them of where equipment would be sited
- 6.4 Part of the consultation would include surgeries/public meetings to give residents the opportunity to clarify any concerns they may have
- 6.5 The Council would use the tenants' profile information as a guide on how to communicate with residents, for example, send letters out in Braille to those known to have a sight impairment

## **7. Recommendations**

The Living and Working Select Committee have agreed the following recommendations:

In respect of work carried out in the D'Arcy Gardens area:

- 7.1 The Contractor, Stanley Security Solutions Limited, write to all affected residents and apologise for the sub-standard service provided.
- 7.2 D'Arcy Gardens to be re-assessed for options where communal aerials and cables can be placed.
- 7.3 Once viable options are found, residents will be written to and given 28 days to respond giving preference as to where the communal aerials should be placed.

- 7.4 The Council to negotiate with the contractor to try and reduce the cost of the service to residents for the remaining life of the contract.
- 7.5 To consider a refund of charges to those properties that have not been connected to the system.

Future contract related requirements:

- 7.6 When the lease for the communal aerial expires in 2014, the contract to be reviewed and residents' views considered as to whether the communal aerial is to be maintained.
- 7.7 The Council to improve the monitoring of contracts. Where appropriate, prior to appointment, a method statement be required from contractors on how they intend to liaise with residents/customers.
- 7.8 Once a survey of potential works has been completed, a wide consultation, including surgeries and public meetings, take place to give residents an opportunity to clarify any concerns they may have.
- 7.9 The Council to use the tenants' profile information as a guide on how to communicate with residents, for example, Braille to those who have a sight impairment.
- 7.10 Communal aerials to be inspected by a qualified technician to check lightning protection.

**Consultees:**

- Darren Henaghan, Scrutiny Champion
- Living and Working Select Committee Members
- Yinka Owa, Legal Partner
- Jo Moore, Finance Manager, Customer Services
- Risk Management

**Background Papers Used in the Preparation of the Report:**

- Assembly report of 21 July 2010
- Contract with Stanley Security Solutions Ltd (formerly Block (UK) Ltd dated 24 May 2004
- Living and Working Select Committee Report of 20 September 2010
- Living and Working Select Committee Minutes of 20 September 2010