

ASSEMBLY

21 July 2010

REPORT OF THE CORPORATE DIRECTOR OF CUSTOMER SERVICES

Title: Petition regarding provision of Communal TV Aerial systems to blocks that do not currently have provision	For Decision
Summary: The Council has received a petition which states “Barking & Dagenham council are forcing tenants and leaseholders to pay an extra charge for digital TV aerials being installed across the borough. We already have and are happy with our own services and do not need or want this added” in respect of the installation of Full IRS (Integrated Reception Service) Digital Communal Aerial Systems in various locations throughout the borough. We reviewed the 238 signatures on the petition, 121 of them were from properties that the Council upgraded to ‘Freeview’ digital capability in 2004. The remaining 117 signatures are from properties affected by the new installations. The lead petitioner is Mr K Rutter and has been invited to the meeting to present the petition. The government is switching the whole of the UK’s TV transmission from Analogue to Digital TV, region by region between 2008 and 2012. This will give people the choice of digital TV, terrestrial, by satellite, cable or broadband, where available. At the same time, airwaves are to be freed up for a range of new services such as HD television, community services and so on. Frances Kneller, Head of Housing and Property, Digital UK, has been invited to the meeting as an independent expert, who will answer questions around the government’s agenda for the digital switchover and the responsibilities of landlords. The Council as a landlord decided to take steps to ensure that residents were not disadvantaged after the time of the switchover. The Council reviewed the provision of communal TV aerial systems and then carried out consultation with residents. Installation works took place between June 2009 and April 2010.	
Wards Affected: All	
Implications:	

Financial:

The Council is obliged to follow the government's digital policy. Housing Services is incurring costs of 70p per property per week to supply this service to residents. This is for the lease of the masts from Stanley Security Solutions Ltd, which also includes mast maintenance and public liability insurance. It is therefore necessary that the charges (totalling around £327k per year) are recovered through the payment of service charges by LBB social tenants and leaseholders. Failure to do so would mean that the Council's Housing Revenue Account annual budget would fall into deficit. Residents should bear in mind that leasing these masts was a significantly cheaper procurement option, as installation was free and for the Council to purchase these masts would cost somewhere in the region of £1.5m.

Legal:

As observed, there is a pressing requirement on landlords to ensure that the television reception is maintained for tenants and leaseholders post the digital switchover. Failure to make the provision for the Government's switchover from analogue to digital TV reception would mean loss of reception to all those affected. The switchover will require significant works to be carried out before the cessation of analogue signals. This reception requires specialist equipment and cabling and the cost can be recovered by a charge for services.

The Council consulted extensively with the affected tenants and leaseholders before the works were carried out in 2009. Only 15% of those consulted were against the proposal.

In 2004 a tenant challenged the Council's imposition of service charge for the switchover to digital. The Local Government Ombudsman's decision on the challenge was that the Council 'had approached the task in the proper manner'.

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 attachment of aerials and dishes to the fabric of the buildings would carry the risk of significant damage to the building with risk of cracks, water ingress and general structural integrity. In addition the risk of detachment of part or whole of the dish in 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 in the event the property is vacated.

It is considered that for the above reasons a policy to refuse requests for tenants and occupiers to arrange their own attachments would be reasonable.

Risk Management: No specific implications

Social Inclusion and Diversity: No specific implications

Crime and Disorder: No specific implications

Options Appraisal:

Housing Business Services considered three options:

1. Do nothing and allow a proliferation of TV and satellite dishes to be installed on the fabric of our buildings, with no capacity to monitor the planning permission, landlord permission and public liability insurance cover required.
2. Digital Terrestrial Communal Aerial Systems with new single feed cabling to each flat, the cable to be connected to a new two way outlet socket in the living room of each flat. The system will provide Analogue and Terrestrial 'Freeview' services. Please note this option would not allow residents the options of acquiring any Sky satellite services, High Definition Television (HDTV) or new BBC Freesat services. The cost of this would be 50p per week per property installation, insurance, rental and repairs and maintenance charges.
3. The option adopted at 2.1 below.

Recommendation(s)

The Assembly is asked to agree:

1. That, in delivering this service, the Council, as a landlord, sought to fulfil its 'digital switchover' obligations to residents and did so.
2. That all affected tenants are required to pay the service charge for the communal aerial system.
3. That a report on the consultation process that was followed, will be circulated to all CHP boards, Tenants and Residents' Associations and The Barking & Dagenham Leasehold Association.

Reason(s)

This links to the Community Priority of Fair and Respectful – Getting you involved in the decisions we make about public services;
Making sure everyone can access all public services; and
the Council priority of regenerating the borough - creating a thriving and sustainable local economy where skilled and informed local people can live and work with pride.

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1. Introduction and Background

- 1.1 The petition submitted to the Council had 238 signatures. After a review, it was found that 121 of these signatures were from properties that the Council upgraded

to 'Freeview' digital capability in 2004. The remaining 117 signatures are from properties affected by the new installations.

- 1.2 In 2004, the Council upgraded circa 13,000 properties' communal TV aerial systems from analogue to digital 'Freeview' capability. At that time, no consultation was required as it was an improvement and a service charge of 35p per week was imposed on the tenants, with the required 28 days written notice. Historically Leaseholders had always paid for this service but tenants had not. This imposition of the service charge was challenged by a tenant to the Local Government Ombudsman and in August 2004 and the Council were found to "have approached the task in the proper manner".
- 1.3 The government is switching the whole of the UK's TV transmission from Analogue to Digital TV, region by region from 2008 up to 2012. This will give people the choice of digital TV, terrestrial, by satellite, cable or broadband, where available. At the same time, airwaves are to be freed up for a range of new services such as HD television, community services and so on.
- 1.4 Housing Services were aware of the government's proposals when a new Communal TV Aerial leasing, repair and maintenance contract was awarded in May 2004 to Stanley Security Solutions Ltd for a period of ten years.
- 1.5 In the first six months of the contract, existing leased systems serving in excess of 10,000 properties were upgraded from analogue to digital 'Freeview' capability. A service charge was imposed on the tenants at that time under their Conditions of Tenancy. The weekly charge per resident is currently £0.70p. Leaseholders pay an annual service charge of £36.40. Increases in the service charge are calculated, as detailed in the contract, of RPI (Retail Price Index) plus 1%
- 1.6 Housing Services had an additional 492 blocks comprising 2406 units of accommodation that never had access to communal TV aerial facilities.
- 1.7 There is a risk that residents will find that many of these properties suffer lack of, or very poor reception, after the government's target date of spring 2012 for the digital 'switchover' from analogue TV transmission in the Granada area. This is because Digital TV signal reception can be very difficult to obtain (even with an appropriate indoor aerial) as it depends on the location of the property in relation to the local transmitter; so many properties will be in signal 'blind spots'.
- 1.8 The Council carried out consultation with residents between June and August 2009. 2406 Work Proposal Letters were sent out to those affected in four phases. (see **Appendix 1**)

The PROPOSAL LETTER clearly states: *If you choose not to return the sheet at all, we will take that to mean you are happy for us to go ahead.*

The responses were collated into the following categories Good – 272 / Bad – 362 / No response – 1772. This translated into negative responses as a percentage 15% and positive and nil responses as a percentage 85%

An F.A.Q was devised to address any issues that may be raised, this was sent out to the affected residents on request and supplied to B&D Direct so that they could respond to queries effectively (see **Appendix 2**)

2. Current Position

2.1 Housing Services received the survey and quote from Stanley Security Solutions Ltd to install:

- Full IRS (Integrated Reception Service) Digital Communal Aerial Systems with new dual feed cabling to each flat. The cable is linked to a new four-way outlet socket in the living room of each flat. This allows residents, in addition to the existing Analogue and Freeview services, the options of acquiring Sky or Sky+ satellite services. The equipment installed will also allow for HDTV and the new BBC Freesat services. The cost of this is 70p per week per property in installation, insurance, rental and repair and maintenance charges.
- The installation works were divided into four phases and carried out between June 2009 and April 2010

3. Consultees

3.1 The following were consulted in the preparation of this report:

Councillor Phil Waker – Lead Member for Housing Services
Yinka Owa - Legal Partner - Procurement, Contracts and Property
Christopher Boyo - Group Manager Landlord Services East
Hakeem Osinaike – Group Manager Landlord Services West
Susan Devitt – Group Manager – Housing Services
Mark Taylor – Group Manager – Housing Services Finance
Maryam Collard – Procurement Manager – Housing Services

Background Papers Used in the Preparation of the Report:

- Contract with Stanley Security Solutions Ltd (formerly Blick (UK) Ltd dated 24/05/2004
- Briefing notes dated 17/12/2007 and 22/06/2009 on the provision of Digital TV reception to Council owned flatted accommodation
- FAQ's issued in June 2009 to tenants, leaseholders and B&D Direct.
- Stanley Security Solutions Contract dated 24.05.2004
- Executive Report 11.05.2004 & Minute Number 390 of 11.05.2004
- Various documentation from the Digital UK website in respect of Landlords' responsibilities.