



Economic Regeneration, Housing and the Arts Policy and Accountability Committee Minutes

Wednesday 17 September 2014

PRESENT

Committee members: Councillors Ben Coleman (Chair), Daryl Brown, Adam Connell, Marcus Ginn and Lucy Ivimy

Other Councillors: Sue Fennimore, Lisa Homan, Andrew Jones, Sharon Holder and Larry Culhane.

Officers: Kayode Adewumi (Head of Governance & Scrutiny), Mel Barrett (H&F Executive Director of Housing & Regeneration), Nicki Burgess (Business Engagement Officer), Kim Dero, (Head of Economic Development, Learning & Skills), Kathleen Corbett (Director of Finance & Resources, HRD), Ibrahim Ibrahim (Assistant Committee Co-ordinator), Hitesh Jolapara (Bi-borough Director of Finance), Sue Perrin (Committee Co-ordinator) and Richard Sorenson (Head of Client Management & Housing Performance)

Public: 70 local residents, businesses, stall holders and others.

13. WELCOME AND INTRODUCTIONS

The Chair, Councillor Ben Coleman, welcomed everyone to the second meeting of the Economic Regeneration Housing and the Arts PAC.

14. MINUTES & ACTIONS

RESOLVED THAT:

- (i) The minutes of the meeting held on 1 July 2014 be approved and signed by the Chair as an accurate record of the meeting.

(ii) The matters arising be noted.

15. APOLOGIES FOR ABSENCE

There were no apologies for absence.

16. DECLARATIONS OF INTEREST

There were no declarations of interest.

17. ECONOMIC REGENERATION: NORTH END ROAD

The Chair explained that, at its first meeting, the PAC had supported the Council's priority of high street regeneration and recommended that there should be two pilot sites: North End Road and Bloemfontein Road. This meeting would focus on North End Road.

The PAC was aiming to bring together people who wanted to see North End Road improve and thrive. The Council could not do this on its own, nor should it want to. Any initiatives would need to be community-led rather than top-down and directed by the Council.

Councillor Ivimy suggested that, when talking about improving the road, 'improve' should be defined. The Chair agreed that this would be important.

The Chair then asked Ms Burgess to conduct the following short quiz (correct answers are highlighted).

1. How many shops/businesses are there in North End Road (from Fulham Broadway to where the road meets West Kensington)?
a) 250 **b) 290** c) 320
2. How many betting, pawn and credit shops are there in North End Road.
a) 11 b) 17 **c) 21**
3. How many vacant shops are there in North End Road?
a) 17 b) 22 **c) 26**
4. How old is North End Road Market?
a) 110 years old **b) 140 years old** c) 170 years old
5. What is the largest type of business in North End Road?
a) Restaurants, cafes and fast food (17.6%, with 40 units)
b) Grocery and food shops
c) Health and beauty shops

The Chair welcomed the many ideas for improving the road left by residents on the Council's website. Most were very supportive of the market.

The Chair then asked attendees what they considered to be the main challenges for North End Road. There followed a lively discussion, which identified a number of key themes.

Shops and Trading

Trade was declining in North End Road, with a number of empty pitches and shops.

The mix of shops was poor, with too many betting and loan shops and too many empty shops. It was difficult for start-up businesses to get a foothold and there was no provision for the creative industry. Currently some shop fronts looked rundown and were a disincentive to shoppers.

Market

The market offered good value for money and a wide range of goods. It was an asset to the area, helping to attract people and also supplying the shops.

Street traders were allocated a set pitch and could be penalised for not staying within the lines, even when setting up. Conversely, shops were allowed to encroach on to the pavement. It was suggested that the shops had been built with an extended shop frontage, which they were permitted to use.

Parking

Traffic wardens were perceived as being punitive towards businesses. Parking was also a problem for St. John's Church, which organised musical events in the evening.

A few years previously, a meeting about parking had been held with the Council. The parking charge of £2.40 per hour had been said to damage trade, yet it had subsequently been increased to £2.80 per hour. In contrast, parking in some areas of Kensington was free from 5pm on a Friday until 9am on Monday.

Congestion

This was a particular problem on Saturday mornings. There was a lack of pavement space and pavements were narrow and uneven. In addition, a number of shops were selling groceries or phone cards on pavement stalls outside their shops, making it difficult to get past. Street traders were being pushed towards the road.

The Chair asked attendees what their vision was for how North End Road would look in four/five years' time and how the Council, residents and traders could work towards that vision.

In respect of the road itself, views included a pedestrian zone, either permanently or only on the weekend, or a bus route only and the introduction of a one way system.

In respect of the shops, views included fewer empty shops and more variety of shops, the market would continue, and more high street names.

Some attendees did not want larger chain shops, so as to avoid an identikit high street, but preferred boutique type shops.

It was suggested that the post of Town Centre Manager should be re-instated. Vacant shops should be put back into use, maybe with short term lets and lets to artists and designers at a low rent. A children's clothes shop would bring in trade and a bookshop was needed. Rundown shops should be forced to smarten up.

It was agreed to establish an Action Group comprising local volunteers, for example businesses, stallholders and residents. Officers and members would support and participate in this, but not lead it. The Action Group could look at: the range of issues including those identified by the PAC meeting, developing ideas for action and considering ways of getting more people involved. Many attendees volunteered to join the group.

It was agreed that the group would hold its first meeting within the next few weeks and the PAC would receive updates on its work as a regular standing item. The PAC would then make recommendations to the Cabinet, as necessary.

18. HOUSING

(a) Updates

Progress on matters arising from the previous meeting had been circulated with the agenda and noted. The Chair asked TRA representatives and council officers for any further updates

(i) Boiler servicing and draining the hot water tank.
Better communication was required.

(ii) Empowering tenants and leaseholders
A letter had been sent that day to TRAs.

(iii) Draft handbook for consultation with TRAs
Further to a meeting with Mr Kirrage, to consider the draft handbook, a sixth draft was being prepared, with a view to issuing this by January 2015.

(iv) High Street Revival
The Chair said that he and officers had met with the local businesses in Bloemfontein Road, which was the other pilot site for high street regeneration. He understood that Mitie had volunteered to develop ideas for an overarching plan for the area. He welcomed this as an example of a contractor working to be a partner with the Council. Once the Council had considered Mitie's ideas, the aim would be to circulate

a draft plan to the shop owners for further discussion. The outcome would have to be agreed with everyone.

(v) Procurement

The Chair said that the Council spent some £306 million a year on buying in goods and services, of which less than 1% was spent with local small firms and charities. A Social Value Procurement Taskforce, which he also chaired, had been set up jointly between this PAC and the Finance and Delivery PAC. The aim was to develop a new Procurement Strategy and guidance to ensure that Council procurement had more local economic benefit. This would mean including social value requirements when letting Council contracts and making it easier for local small firms and charities to bid for contracts. The Chair noted that a number of local small firms and charities had been invited to give evidence to the Taskforce the following day.

(b) Housing Strategy

The Chair stated that the Council was committed to improving housing within the borough and referred to the housing commitments in the administration's manifesto, which had been noted by full council on 16 June 2014. Developing a new housing strategy would be the key item for the next PAC, including how to protect social housing and improve private rented accommodation.

Councillor Lisa Homan, Cabinet Member for Housing, noted that the manifesto stated that the Council would provide more new affordable homes for residents, including first-time home seekers, to buy or rent. She was working in partnership with, Councillor Andrew Jones, Cabinet Member for Economic Regeneration and Development to consider issues such as the definition of affordable housing and allocation criteria.

Councillor Homan emphasised the Council's commitment to discussion with residents through the PAC, in developing its new housing strategy.

The Chair then asked attendees for their priorities for the housing strategy. The following points were made:

- Stop the building of luxury flats or impose a limit for a certain number of years.
- The balance of housing should be skewed towards social housing, but through the free market, not limits on luxury flats.
- The Council should cap rents in the private sector, if possible.
- Build more affordable homes.
- Help young people to stay in the borough.
- Some people could not afford to buy properties, but empty properties bought for investment were increasing.
- The answer was at a national level and there should be legislation to prevent new development of buy to let properties.
- Current shared ownership schemes were flawed and too expensive: it was hard to afford both a 25% share of the property and rent on top.

Councillor Jones stated that there were big issues across London for property being sold abroad before to residents. Because of the high land value in Hammersmith & Fulham, schemes were problematic and there was a lack of affordable housing for rental and purchase. A systematic review of all housing was being undertaken and this included a series of discussions with all developers. The Council would increase affordable housing to buy and to rent, although the percentage had not been decided.

Councillor Jones referred to the major regeneration project around Old Oak Common, which would include a substantial number of new homes, including affordable housing. There were issues around what could be deemed to be affordable. Definitions included: 40% of market value, which was the Council's rent level; and a discounted land value of 80%, which would not work for Hammersmith & Fulham because of its specific problems.

Attendees then raised further points:

- There were no affordable properties to buy in Hammersmith & Fulham.
- The condition of private rented accommodation was poor, with some landlords refusing to undertake repairs.
- Earls Court was an opportunity and the Council should renegotiate an increased proportion of affordable housing.

The Chair concluded the discussion by confirming that the housing strategy would be the key item for the next meeting. The PAC could make recommendations to the Cabinet. Should the Cabinet not accept those recommendations, members were required to attend the PAC and explain their reasons.

(c) Measuring tenant and leaseholder satisfaction with contractors

The Chair noted that the previous PAC had agreed to look further at how residents on Council estates were involved both in setting Key Performance Indicators (KPIs) for contractors and in deciding how satisfaction with these KPIs should be measured.

The contracts for Mitie and Pinnacle for repairs and maintenance, estate services and housing management contained numerous KPIs. These were incentivised so that extra payments would be made if residents' satisfaction achieved certain levels.

A report was tabled setting out the performance measures included within each of the contracts individually, the effect of their operation, how the performance levels were set and how they were measured.

The Chair suggested that this matter be explored in detail at the TRA forum. In respect of estates without TRAs, the Chair suggested that individual residents should be invited to the TRA forum.

Action: Richard Sorenson

In response to a comment on the continuation of the Mitie and Pinnacle contracts, the Chair stated that the manifesto commitment was that where something was working well, the Council would build on it: where it was not working well, the Council would try to improve it; and if it could not be improved, it would be ended.

Attendees reported continued parking abuses by Mitie vans, such as double parking and blocking in other vehicles. It was agreed that these issues should be further discussed at the TRA forum.

Action: Richard Sorenson

An attendee queried the performance of the housing management service in the north of the borough, which had remained in house. Mr Sorenson responded that the same performance measurement applied.

In respect of the contract with Mitie, Mr Kirrage stated that a meeting had been arranged for the following week with Legal Services to consider which contract details could be released. Commercially sensitive information would not be released.

Action: Stephen Kirrage

19. 2015 MEDIUM TERM FINANCIAL STRATEGY (MTFS) - UPDATE

Mr Hitesh Jolopara presented the report, which indicated that, due to significant and ongoing reductions in funding received by the Council from the Government, in the next financial year there was an anticipated budget gap, before savings, of £24.9 million rising to £66.6 million by 2018/19.

Departments had been set savings targets, as set out in the report. For example, the budget for the Libraries service would reduce by £0.2 million for 2015/2016.

Ms Kathleen Corbett clarified that the Housing and Regeneration Department (HRD) provided services funded by both the Housing Revenue Account (HRA) and by the General Fund. The report outlined the services provided from each of these accounts for information, but considered only HRD services provided from General Fund Budgets. The 2014/2015 HRD net General Fund proposed budget expenditure was £8 million.

Ms Corbett noted the limited potential for significant savings to be generated by Temporary Accommodation budgets due to the inter-relationship between rental income from tenants and rental payments to landlords.

Mr Melbourne Barrett explained the HRD key services set out in the report.

The Chair stated that the budget gap would be further discussed through PACs before the budget was set, in line with the manifesto commitment. He said that the Council wanted to set the budget together with residents, not behind closed doors.

20. ISSUES RAISED BY MEMBERS OF THE PUBLIC FOR CONSIDERATION BY THE COMMITTEE

The Chair asked attendees if there were any further issues.

There were a number of specific points in respect of housing management. One attendee considered that the south of the borough had improved since Pinnacle had been awarded the contract.

Other attendees raised issues of the bin area being consistently filthy, caretakers not doing their job, housing officers not responding to problems/returning calls, and a hedge not being cut and becoming overgrown.

One attendee stated that Robert Jenson House had arranged a meeting with Pinnacle but no-one had turned up.

The Chair emphasised the value of active, concerned residents and the importance of these residents, who were raising important basic issues, being treated more seriously by officers and contractors. An attendee added that there was a need for officers to treat residents with more respect, which would lead to a corresponding increase in respect from contractors.

One attendee stated that sheltered housing had been over looked and there was no longer Sheltered Housing Officer support. Mr Sorenson responded that four members of the Sheltered Housing Forum had been nominated to attend the TRA forum.

The Chair suggested that should residents not receive a response to their complaints or enquiries, they should contact their ward councillor who would ensure that they received a response. Councillor Homan added that she was working closely with officers to ensure that residents did not have to go through a councillor to get things put right.

21. WORK PROGRAMME AND FORWARD PLAN 2014/2015

The Council's housing strategy would be the main item for the next meeting.

22. DATE OF THE NEXT MEETING

Tuesday 11 November 2014. Venue to be confirmed.

The Chair thanked everyone for attending and closed the meeting.

Meeting started: 6.25 pm
Meeting ended: 9.00 pm

Chairman

Contact officer: Sue Perrin
Committee Co-ordinator
Governance and Scrutiny
Tel 020 8793 2094
E-mail: sue.perrin@lbhf.gov.uk