

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

## Agenda

Tuesday 1 November 2016

7.00 pm

St John's Church, Vanston Place, Fulham SW6 1PB

### MEMBERSHIP

Administration:	Opposition
Councillor Daryl Brown Councillor Adam Connell Councillor Alan De'Ath (Chair)	Councillor Lucy Ivimy Councillor Harry Phibbs

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Date Issued: 24 October 2016

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

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The next meeting will be held on 13 December in the Small Hall at Hammersmith Town Hall. The meeting will start at 7:00pm.

Members and residents are invited to submit suggestions for the work programme, either at the meeting or by email to [ainsley.gilbert@lbhf.gov.uk](mailto:ainsley.gilbert@lbhf.gov.uk)

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*\* If a Councillor has a disclosable pecuniary interest in a particular item, whether or not it is entered in the Authority's register of interests, or any other significant interest which they consider should be declared in the public interest, they should declare the existence and, unless it is a sensitive interest as defined in the Member Code of Conduct, the nature of the interest at the commencement of the consideration of that item or as soon as it becomes apparent.*

*At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a disclosable pecuniary interest or other significant interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken.*

*Where Members of the public are not allowed to be in attendance and speak, then the Councillor with a disclosable pecuniary interest should withdraw from the meeting whilst the matter is under consideration. Councillors who have declared other significant interests should also withdraw from the meeting if they consider their continued participation in the matter would not be reasonable in the circumstances and may give rise to a perception of a conflict of interest.*

*Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Audit, Pensions and Standards Committee.*

London Borough of Hammersmith & Fulham

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



**Tuesday 6 September 2016**

### **PRESENT**

**Committee members:** Councillors Daryl Brown, Adam Connell, Alan De'Ath (Chair), Lucy Ivimy and Harry Phibbs

**Other Councillors:** Ben Coleman, Lisa Homan and Vivienne Lukey

**Officers:** Nilavra Mukerji, Director of Housing Services, Jane Martin, Head of Neighbourhood Services, John D'Souza, Partnership Director (Mitie), Marcus Cox, Director (Mitie)

### **13. APOLOGIES FOR ABSENCE**

Councillors Lucy Ivimy and Harry Phibbs arrived late and apologised for having done so. Councillor Ben Coleman, Cabinet Member for Commercial Revenue and Resident Satisfaction, sent his apologies for lateness owing to another meeting.

Councillor Sue Fennimore, Cabinet Member for Social Inclusion, and Councillor Andrew Jones, Cabinet Member for Economic Development and Regeneration had sent her apologies for not being at the meeting.

### **14. DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **15. MINUTES**

The minutes of the meeting held on 5 July were agreed to be accurate.

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Minutes are subject to confirmation at the next meeting as a correct record of the proceedings and any amendments arising will be recorded in the minutes of that subsequent meeting.

## **16. OLDER PEOPLE'S HOUSING STRATEGY**

Councillor Lisa Homan, Cabinet Member for Housing, explained that when she had taken over as cabinet member, older persons housing had not been one of the areas she thought needed significant improvements. It had become clear to her that the council needed to do more to make sure that its older residents were given the accommodation and support they needed. The new strategy was intended to ensure that better collaborative work was done by the council's housing and adult social care departments to support older people. Councillor Homan explained that she and Councillor Vivienne Lukey, Cabinet Member for Health and Adult Social Care, wanted residents views on the strategy which would shape it before the strategy was agreed.

Nilavra Mukerji explained that the Older Person's Housing Strategy stemmed from the Housing Strategy which had committed the council to look further at options for older people. The demographic of the borough made it vital that the council improve its housing options for older people as there would be a 20% increase in the number of borough residents aged between 65-85 years. He felt that the best outcome for residents was to be able to live in their own home as it was better for them and cheaper for the council. The borough faced significant challenges in delivering what residents wanted owing to the age and type of existing specialised housing stock and land values in the borough. The housing department's aim was that by 2018 the council would be able to offer residents advice on a range of housing options and then provide them with appropriate accommodation. He also wanted to continue to build good relationships with colleagues in adult social care to provide more integrated support services.

Pauline Hutchinson asked where residents could currently go to seek advice about the choices available for housing for their old age. Nilavra Mukerji said that the Housing Options team, based at 145 King Street could provide advice to anyone, whilst those living in social housing could also speak to their housing officers. Ms Hutchinson also said that it was important that when re-housing older residents the council helped to maintain their relationships with former friends and neighbours. She raised a particular case which Nilavra Mukerji agreed to discuss with her outside of the meeting.

Anthony Wood noted the low number of unpaid carers in the borough and said that any information on why there were fewer than in other areas would be useful to solving the issue. Mr Wood said that much of the strategy was very good and was well researched but asked for more information about the idea of 'tenure swapping'. Councillor Homan explained that the idea of tenure swapping was to rent an under occupied property from a resident which the council could then use as accommodation for others in need, whilst providing the owner with a more suitable property to live in, either through a specialist provider of retirement homes or through the council's own stock. The ownership of the properties would not be affected. Mr Wood said that he was concerned that the local plan did not include a target for the number of specialist housing units to be built. Councillor Connell, Chair of the Planning and Development Committee, explained that the London Plan set a target of

60 such homes per year, whilst the local plan had been written to prevent the loss of the borough's existing specialist stock. Mr Wood also said that he felt the council ought to raise council taxes by 2% to fund better social care. Councillor Lukey explained that the council had decided not to pass on government cuts in this area to residents as tax rises; instead the council was making savings in other areas to make sure that social care was well funded.

John Flynn suggested that the council speak to private providers of sheltered and extra care housing to see if they could be tempted to develop additional capacity in the borough. Councillor Homan noted that the performance of some companies had not been particularly high, but agreed that it was an idea which was worth further investigation.

Gwen Cook explained that services to help residents keep active were very important. She felt that the Agewell fitness classes were very useful in doing this, and she hoped that they could be extended. She also thought that the Health Trainers Scheme for adults up to the age of 74 could be useful in keeping residents able to live in their own homes.

Councillor Connell asked how the older person's housing strategy linked with the council's approach to improving the private rented sector. Councillor Homan said that many older people living in the private rented sector benefitted from more secure tenancies, and it was only usually when residents became very vulnerable that they came to the attention of the council. Rita Nath-Dongre said that Hammersmith United Charities worked closely with charities and community organisations, such as Age UK and the Irish Cultural Centre, to identify vulnerable older people living in the private sector. Nilavra Mukerji added that there was no private specialist housing provision in the borough and so there were only limited areas of overlap between the two strategies.

Councillor Lucy Ivimy arrived at this point in the meeting.

Anthony Wood explained that he had proposed that an Older People's Commission be set up by the council to look at services more generally. He felt that this commission would be able to help suggest how the new strategy could be taken forward. Councillors Homan and Lukey said that they had welcomed Mr Wood's suggestion and that a commission would be set up when resources to support it became available, likely during 2017.

Councillor Ivimy asked how the work of housing officers was co-ordinated with the work of staff in adult social care. Councillor Homan explained that officers worked closely together to support residents, although she recognised that there was more to do to make the service completely joined up. Nilavra Mukerji agreed, saying that staff in the two departments had learned a lot about each other's roles and skills; officers were continuing to look at models for more joint working to give residents the best possible advice.

## 17. SHELTERED HOUSING SERVICE

Councillor Harry Phibbs arrived at the beginning of this item.

Councillor Lisa Homan explained that residents had been unhappy with the re-organisation of the Wardens Service by the previous administration. She said that the council had listened to residents and that services for sheltered residents were getting better. Councillor Homan explained that the recently undertaken sheltered housing review had been about people rather than just bricks and mortar and that every resident had been surveyed as part of the review.

Jane Martin explained that the needs assessment which formed part of the review had given officers lots of information about what residents needed. Loneliness had been identified as an issue and housing staff had therefore worked with colleagues in adult social care to remodel the befriending service. The Sheltered Housing Service had achieved all of the targets in its improvement plan with staffing returned to normal levels, the guestroom policy being updated and the handyman service extended. A plan to improve the service further was being developed in response to the findings of the needs assessment.

Adrian van Zy said that he had been signposted towards sheltered housing by a doctor. He had been housed by the council and was very pleased with his new accommodation which both met his physical needs and allowed him many opportunities to meet new people and get involved in new things.

John Ryan said that there were lots of improvements being made in sheltered accommodation through the investment group; Pinnacle had even volunteered to build a Japanese Garden at one scheme. Marilyn Mackie said that it was important that maintenance was considered, as in her view there were already issues with grounds maintenance at sheltered schemes.

Pauline Hutchinson said that she felt the Sheltered Accommodation run by Hammersmith United Charities was of a very high standard and ought to be used as a model by the council. She was particularly impressed with the sense of community at the schemes.

Anthony Wood said that he felt sheltered schemes needed a proper staff presence rather than the visits from specialist housing officers. He felt that scheme managers ought to be employed to look after the welfare of residents and help to avoid them becoming lonely. Councillor Ivimy explained that she had been the cabinet member responsible for redesignating scheme managers as specialist housing officers but that this had been forced upon the council by changes to housing benefit rules. She had hoped that they would be able to continue to meet the welfare needs of residents in sheltered housing. Councillor Homan said that the recent needs assessment had been commissioned to ensure that services were targeted at those most in need. She said however that there was not sufficient money available to return to a system whereby dedicated scheme managers could be provided.

Nilavra Mukerji said that budgets were tight, and that the government's cut to social rents hadn't helped this. Officers had been trying to bring in alternative resources, for example from adult social care, to help meet residents' needs. Residents discussed the possibility of raising service charge levels to cover the cost of a better service. Nilavra Mukerji explained that any increase would have to be affordable for all residents. Anthony Wood said that he had discussed a range of options for bringing more money into the service, but that it was a very difficult area.

Tony Smallwood explained the difficulties of living in sheltered accommodation with an alcoholic in the same block. Councillor Phibbs asked whether the needs assessment included a figure for the number of alcoholics living in sheltered accommodation. Nilavra Mukerji explained that the question 'are you an alcoholic' was not easy to include in a survey. The needs assessment process had been agreed with colleagues from adult social care and where officers had more serious concerns these would be referred to adult social care. Those who needed support with alcoholism would be referred to appropriate agencies as soon as the issue was identified.

Gwen Cook said that cycle parking at sheltered schemes ought to be improved. Councillor Brown added that more parking for mobility scooters also needed to be provided. Nilavra Mukerji said that improving cycle parking on estates across the borough was something officers were looking to do, but that officers' time was currently being spent on controlling parking on estates. The issue of providing parking for mobility scooters was more complicated as the spaces needed to be secure and not too far from a resident's front door.

Councillor Phibbs asked how the waiting list for Sheltered Accommodation was prioritised. Jane Martin said that the waiting list was organised in accordance with the housing allocations scheme which included priority for medical needs, under occupancy and time on the waiting list. She explained that the average length of time spent on the waiting list for sheltered accommodation had been inflated by residents seeking a property in a particular scheme.

Anthony Wood said that he did not think there were 125 sheltered properties in the borough which met the lifetime homes standard. Nilavra Mukerji agreed to look into this statistic. He also clarified that the 100 people on the waiting list for sheltered housing were those who had expressed an interest in social housing; there were more people over 60 on the Housing Register but who did not wish to live in sheltered accommodation.

Roz O'Connell said that she felt it might be worth reviewing whether 60 was too young an age to allow residents to move into sheltered accommodation. Gwen Cook said that she felt having younger residents in schemes was vital to create mixed communities which did things together.

A resident asked what the budget for the handyperson scheme was and where that money came from. Nilavra Mukerji agreed to circulate this information with the minutes of the meeting.

## **18. DELIVERING IMPROVEMENTS IN OUR REPAIRS SERVICE - REVIEWING KEY PERFORMANCE INDICATORS**

Councillor Ben Coleman, Cabinet Member for Resident Satisfaction, explained that when he had been Chair of the Economic Regeneration, Housing and the Arts PAC, residents had made it very clear to him that they were very unhappy with the service provided by Mitie and that they felt ignored by the council. Councillor Coleman explained that parts of the contract with Mitie were good, but that in his view the monitoring of their performance had not been good enough. It had taken longer than he had hoped to make progress on the issue but a trial of a new way of monitoring satisfaction had now started. This trial was based on new software called rant and rave which sent text messages to a third of residents who had either made contact with the call centre, had a visit from Mitie staff or had a job completed. The new system gave the council more information about what residents thought of the service, and also gave Mitie instant feedback on work which allowed them to solve problems for residents and take action where issues with staff were identified.

John D'Souza, Mitie Partnering Manager, explained that Rant and Rave had given Mitie's management a lot of information which they could use to improve their services; for example, residents had been particularly upset about door entry system and TV aerial repairs taking a long time and so Mitie were trying to respond faster to these as they were having a significant impact on residents. Mr D'Souza said that the response rate to text messages was only about 20%, and that Mitie wanted to try to improve this; they were also trying to get telephone numbers from residents so that they could be contacted.

A resident raised a concern about scaffolding at Meadowbank sheltered housing scheme having been left up for months with work not being completed. Nilavra Mukerji agreed to look into the issue. The Chair explained that the PAC would be considering an item on scaffolding at its December meeting and that views on the council's use of scaffolding would be very welcome then.

Roz O'Connell felt that the rant and rave project was very helpful in that it allowed Mitie to fix issues quickly. She said that it was important that residents responded so that a true picture of performance could be built up.

Gwen Cook said that she felt that having a new way of monitoring Mitie was not enough to improve the service. She explained that Mitie had taken over a year to resolve a problem in her flat and that she had been forced to make lots of phone calls and go through the formal complaints process to get this resolved. Councillor Coleman said that Ms Cook's experience of Mitie was completely unacceptable, and it sounded like the communication by Mitie had been very poor. He explained that in his view the council's contractors represented the council and so apologised to Ms Cook. He said that Mitie were committed to improving their performance and that whilst he accepted that rant and rave would not resolve all of the issues he hoped it would make a big difference. Marcus Cox, Director at Mitie, apologised to Gwen Cook for



the poor service she had received. He explained that he wanted to meet with her so that he could find out how things had gone so badly wrong. He would feedback what he had learned to Councillors Homan and Coleman.

Pauline Hutchinson said that the lights on Cheeseman's Terrace were not being repaired. Marilyn Mackie felt that lights were not noticed because estate inspections were not done at night. Roz O'Connell explained that the repairs working group had set up a sub-committee on lighting, and that that group would be carrying out a survey of the council's estate lights; these meetings were being delayed because of officers not being available. Councillor Coleman asked Paul Monforte to make sure that the group was properly supported. Councillor Phibbs felt that it was frustrating that issues with lighting continued to arise as they had been a problem for some years. John D'Souza explained that at Cheeseman's Terrace some of the lights were connected to the highways street lighting system and so the issue there was more complicated.

A resident asked whether rant and rave would be expanded to cover other contractors and services. Nilavra Mukerji explained that if the trial was successful the scheme might be extended, however, it wouldn't work so well in areas where it was harder to tell if a service had been delivered well or not.

Thomas Flynn said that he thought the repairs working group should be given responsibility for scrutinising Mitie's performance. Nilavra Mukerji explained that he felt the group couldn't effectively carry out scrutiny as well as do all of the great work it was to improve services. He said that the council was looking to introduce mystery shopping to ensure that services were being delivered well.

Roz O'Connell said that she felt that the complaints system needed to be improved. Councillor Coleman agreed and said that the council was already looking at how to improve its handling of complaints.

The chair thanked residents for their contribution and said that he hoped that repairs would be discussed again to see if rant and rave really did make a difference to satisfaction.

## **19. DATE OF THE NEXT MEETING AND WORK PROGRAMME**

The Chair reminded the committee that the next meeting would be held at St John's Church, Fulham on 1 November, starting at 7pm. The meeting would be considering high street regeneration, the idea of a social lettings agency and an update on the proposals to make the borough's library service more sustainable.

Meeting started: 6.10 pm  
Meeting ended: 9.00 pm

Chair .....

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<p style="text-align: center;"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p style="text-align: center;"><b>Economic Regeneration Housing and Arts Policy and Accountability Committee</b></p> <p style="text-align: center;"><b>1 November 2016</b></p>	
<p><b>HIGH STREETS REVIEW</b></p>	
<p><b>Report of the Cabinet Member for Economic Development Councillor Andrew Jones</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification - For Policy and Accountability Committee Review and Comment</b></p> <p><b>Key Decision: No</b></p>	
<p><b>Wards Affected: All</b></p>	
<p><b>Accountable Director:</b> Director for Strategy and Growth, Jo Rowlands</p>	
<p><b>Report Author:</b> Antonia Hollingsworth, Principal Business Investment officer</p>	<p><b>Contact Details:</b> Tel: 020 8753 1698 E-mail: antonia.hollingsworth@lbhf.gov.uk</p>

## 1. EXECUTIVE SUMMARY

- 1.1. This paper looks at the council's work to revive borough high streets, particularly North End Road and Bloemfontein Road.

## 2. RECOMMENDATIONS

- 2.1. That the PAC review the work which has been taking place and make comments as it feels necessary.

## 3. CONTEXT

- 3.1. The borough has three town centres, four key local centres (East Acton, Askew Road, North End Road, and Fulham Road), 16 neighbourhood parades and six satellite parades<sup>1</sup>.
- 3.2. High streets provide a significant contribution to the business rate base, draw in footfall and spend, offer retail choice and satisfaction, and create employment opportunities. Nationally, there is much debate about failing high streets, empty shops and the changing nature of retail.

<sup>1</sup> As identified by the Core Strategy, Local Development Framework October 2011,

- 3.3. The borough's high-street vacancy rates are currently 8.5 per cent (9.5 per cent is the London average). Town centre vacancy rates vary between 5.6 per cent in Shepherd's Bush<sup>2</sup> and under 10 per cent in Fulham. The overall borough retail vacancy rate is similar to the regional average at around 10.5 per cent<sup>3</sup>.
- 3.4. The key challenges facing our high streets can be summarised as:
- Multiple ownership of shopping streets, with a range of leaseholders and freeholders
  - H&F can only affect rents on the properties it owns and the Council has only a handful of retail units in the key high streets.
  - Less than 3 per cent of the Council's retail portfolio is vacant and only two units are not under offer.
  - Rateable values for retail units rose 31 per cent after the government's 2010 revaluation. The government's next revaluation is due in 2017, when further rises are expected.
  - Competition continues to grow from internet shopping, shopping malls and large supermarket chains
  - There are significant numbers of betting, pawn and loan and charity shops
  - National government planning policies/proposals make change of use and permitted development from business to residential easier.

#### **4. REVIEW OF ACTIVITY**

The ERHA PAC previously requested the council to extend its support for two high streets in the south and north of the borough, North End Road and Bloemfontein Road

##### **4.1. North End Road**

- The Council owns eight units in this road and they are all let.
- Over the past year, we have seen new business investment (eg Jaffa Bakehouse), a reduction in vacancies and churn and no new betting shops.
- Following the ERHA PAC on 17 September 2014, the Council established a North End Road Action Group (NERAG) of residents, stallholders and businesses, open to all.
- NERAG decided as a first step to raise the profile of the road, create a sense of optimism and sense of potential, and encourage start-ups by holding regular traffic-free markets.
- Five such markets have been held: a Christmas market on 6 December 2014, a Summer market on 27 June 2015, Christmas markets on 28 November and 12 December 2015, and an Autumn market on 8 October 2016. A Christmas market will be held on 3 December 2016.
- Among many other activities, NERAG has curated the stalls and has designed marketing material.

<sup>2</sup> Westfield is included in this figure.

<sup>3</sup> Source: Local Data Company, April 2016. Figures have been provided (on a quarterly basis) by Local Data Company and they show amongst others retail vacancy rates, independent premises, and churn. Note that office premises were not included in LDC figures.

- The traffic-free markets have hosted up to 150 stalls and attracted 10-15,000 visitors each.
- They have created more than 600 opportunities to trade; encouraged young entrepreneurs (schools and college selling their products from stalls); led to new permanent traders in the market and new borough businesses; and built wider interest in the road.
- They have been supplemented by Love your Local Market days on 21 and 28 May and flanked by a social media campaign (1,000 followers for Facebook “North End Road”; @NrthEndRdMrkt).
- A new “trade for a tenner” campaign is running to encourage start-up stallholders.
- New research shows that 40 per cent of North End Road shoppers spend between £10 and £25 every time they come and 54 per cent of shoppers shop in the road more than once a week.
- North End Road has been included in the potential Fulham Business Improvement District (BID)<sup>4</sup>.

#### 4.2. **Bloemfontein Road**

- The Council owns 15 units in this road. Fourteen are now let and the remaining one is under offer
- Responding to the needs of local residents, the Council has converted No. 75 into Hub@75, a foodbank that also hosts CAB and legal services. The Council enabled refurbishment through its contractor Amey as part of their Corporate Social Responsibility programme, and is funding a Centre Manager, a CAB adviser, advice from H&F Law Centre and some foodbank running costs through the Third Sector Investment Fund.
- In anticipation of the longer-term redevelopment of White City, Mitie has carried out a condition survey which identifies internal works to shops.

### 5. **POINTS FOR CONSIDERATION**

- 5.1. The PAC may want to consider the success of activity to date, future plans for North End Road to stimulate the market and business footfall, and measures to stimulate footfall in other borough high streets.

### 6. **CONSULTATION**

- 6.1. The Council has undertaken regular meetings and consultation with NERAG on all aspects of the regular and extended market. We also surveyed shoppers, businesses and residents in December 2014, June 2015 and May 2016 regarding North End Road, its regular market and its extended market.
- 6.2. The Council and Mitie have undertaken regular meetings and consultation with Bloemfontein Road businesses.

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<sup>4</sup> A BID is a business-owned, led and funded company set up by a democratic ballot of eligible businesses.

# Agenda Item 5

<p><b>London Borough of Hammersmith &amp; Fulham</b></p> <p><b>ECONOMIC REGENERATION, HOUSING AND THE ARTS POLICY &amp; ACCOUNTABILITY COMMITTEE</b></p> <p><b>1 NOVEMBER 2016</b></p>	
<p><b>CREATION OF H&amp;F SOCIAL LETTINGS AGENCY</b></p>	
<p><b>Report of the Cabinet Member for Housing and Director for Housing Growth &amp; Strategy</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification - For Decision</b></p> <p><b>Key Decision: Yes</b></p>	
<p><b>Wards Affected: ALL</b></p>	
<p><b>Accountable Director: Jo Rowlands - Director for Housing Growth &amp; Strategy</b></p>	
<p><b>Report Author:</b></p> <p>Labab Lubab – Housing Opportunities Manager</p>	<p><b>Contact Details:</b></p> <p>020 8753 4203 <a href="mailto:labab.lubab@lbhf.gov.uk">labab.lubab@lbhf.gov.uk</a></p>

## 1. EXECUTIVE SUMMARY

- 1.1. This report sets out the key elements from the Social lettings Agency Cabinet report.
- 1.2. The Social Lettings Agency Cabinet report recommends establishment of a social lettings agency in Hammersmith and Fulham and sets out the type of products the agency should offer, the marketing effort needed to increase its chances of success and the indicative budgetary requirements for these proposals.

## 2. RECOMMENDATIONS

- 2.1. PAC to review the proposal to establish a Social Lettings Agency in Hammersmith and Fulham and make comments and recommendations as it deems appropriate.

### **3. REASONS FOR DECISION**

- 3.1. The booming rental market in the borough has priced many H&F residents and workers out of the borough, led to a deterioration in housing standards in parts of the market and adversely affected the Council's ability to use the sector to bridge the gap between the demand for, and the supply of, social housing.
- 3.2. The gap between rising rents and low benefit levels resulted in considerable financial strain on the Council. Because, at the same time, there has been a general increase in demand for temporary accommodation. Therefore, the Council has to be more creative to increase its private rented sector property portfolio to meet this demand.
- 3.3. Further, the Council's housing strategy commitment to improve housing standards in the private rented sector, provides an opportunity to do this and affect change in the way the Council operates in the private rented market.
- 3.4. Members have expressed interest in developing a Council backed organisation that will provide better access the private rented sector for the purposes of homelessness prevention, to secure homes for use as temporary accommodation, to help people seeking rental opportunities.
- 3.5. Through its activities, the agency will drive the Council's commitment to improve housing standards in the private rented sector as outlined in its Housing Strategy, *'Delivering the Change We Need in Housing'*.
- 3.6. The agency will aim to compete with private letting agencies by providing tenant sourcing and letting services at competitive fees and rates.

### **4. PROPOSAL**

- 4.1. The report proposes establishment of a social lettings agency that will co-locate with the existing Housing Property Procurement service.
- 4.2. The estimated cost of initiating the second phase of the project is £200,290 and will include setting up, recruiting to, marketing and launching the agency. This will be funded from an invest to save bid.
- 4.3. The second phase of the project will also consider the options to establish the social lettings agency new functions from the Council's Local Authority Trading Company.
- 4.4. Full details of our analysis and considerations can be found in the appendices to the cabinet report. Some of these are restricted as they contain information about the business affairs of the council and other organisations which are commercially sensitive.

## **5. OPTIONS AND ANALYSIS OF OPTIONS**

- 5.1. The Council can opt to continue the current housing property procurement operation and allocate the required funding to subsidise rising market rents. However, our assessment deems this approach will not be sustainable in the long term because current projections show that funding available to attract landlords through incentives will be decreased next year and in the future.
- 5.2. Alternatively, the Council may decide to reinvigorate the current property procurement operation under the brand of a 'social lettings agency' and market the service and the new brand. However, this is also not viable for the reasons stated above.
- 5.3. This report recommends the Council establish a social lettings agency with a new and unique brand that co-locates the existing Housing Property Procurement service within the Housing Options division to maintain links to key services such as temporary accommodation, HB Assist and h&f Home Buy. The agency would also operate the private rental offer for working households as a commercial operation from the Council's Local Authority Trading Company.
- 5.4. The objective of this approach is to generate income to cross-subsidise the agency's other activities and enhance the package offered to landlords who house benefit-dependent customers.

### **What are Social Letting Agencies**

- 5.5. Social letting Agencies operate in a similar way to high street lettings agents and offer very similar products and services. In exchange for their services, social lettings agencies usually retain a percentage of the rent charged, although this is usually significantly less than private letting agencies.
- 5.6. The main difference between private agencies and social letting agencies, is that the latter will offer specialised services designed to help vulnerable people maintain their tenancies and stay in their homes. This provides landlords with additional security and mitigate the risk of housing vulnerable people, which is vitally important in preventing homelessness.

### **Why a Social Lettings Agency**

- 5.7. Currently, the majority of leased properties are coming through letting agents who charge the Council a finder's fee. However, the cost of working with letting agents is not sustainable for the Council in the long term.
- 5.8. The SLA will supplement the work with existing letting agents as well as invigorate the direct marketing and property procurement efforts of the Council itself. The SLA will have several unique selling points for landlords and tenants;
  - It will have the ability to transfer the risk of letting to welfare-dependent tenants onto itself because it will manage a diversified portfolio of properties and have provisions for managing bad debt.



- It is backed by the Hammersmith and Fulham council which is the largest landlord in the borough and is a stable, reputable and established organisation with a considerable sphere of influence in the market place.
- Its staff will have skills and capacity needed to support tenants to manage their households and sustain their tenancies and educate and train new landlords on their roles and responsibilities.
- It will have established links with Council services such as HB Assist team which specialises in helping tenants sustain their tenancies and the home ownership service, H&F Home Buy, which holds a register of over 8,000 people seeking properties to buy and/or rent.

### **Key Features of the proposed Social Lettings Agency**

- 5.9. As a commercial enterprise, the agency will be developed to address certain gaps that currently exist in the rental market particularly concerning ethics and culture of letting agents.
- 5.10. This is particularly important because the lack of statutory regulation of letting agents has given rise to unscrupulous practices in the sector which resulted in a general assumption amongst tenants and landlords and the wider public that estate agents are typically dishonest.
- 5.11. It is therefore crucial to the success of the Social Letting Agency to distinguish itself from the competition through adoption of a strong, clear and impactful mission statement and a robust business and marketing plans to build trust and attract landlords and tenants.

## **6. THE PRODUCTS**

- 6.1. The Council wants to build on the success of the existing Leasing Scheme using the skills and experience of the current team and taking the opportunities from the networks and relationships already established with local landlords. At the same time, should modernise the way property acquisition is carried out and improve on seizing opportunities in a sizable private rented sector that continues to grow.
- 6.2. To augment the progress of the Council's exiting Leasing and Direct Lettings service with new commercial property management services, three separate products will be launched:
- Leasing with Full Management
  - Assured Short-hold Tenancies (ASTs), with Full Management
  - ASTs with Matching Service only

## **7. ACQUISITION TARGETS**

- 7.1. Detailed research into a profile of the current market has been carried out and a snapshot reveals a high number of properties on the market indicating high annual turnover rates.
- 7.2. Analysis was carried out to identify the number of properties that become available in borough each year through Property Website listings. This revealed approximately 10,000 properties became available each year that would fall within a reasonable price range for the Council.
- 7.3. Despite the challenging private rental sector, it is recommended that the Social Lettings Agency set an annual target of procuring 500 properties across its products which is the equivalent of 5% of the properties that become available in borough.
- 7.4. We have therefore outlined in the appendices, the potential income that could be generated by the new products such as the property management and matching service that will compete with private letting agents' offers. Additional products such as inventory checks and, tenancy arrangement/renewals, will supplement this income and further detailed planning is currently being undertaken.
- 7.5. The agency should set up and convene a minimum of two focus group sessions in the first year of operation with tenants and landlords seeking their participation and feedback in designing some of the features of the services on offer.
- 7.6. The agency should aim to obtain exceptional customer satisfaction rating across all services from users and stakeholders to boost the profile and the brand of the agency.
- 7.7. It is recommended that a review of the agency's operations is undertaken in the fourth quarter of the first financial year of full operation to analyse performance. It is expected that efficiencies can be derived from the agency in the future.

### **LIST OF APPENDICES:**

**Appendix 1 – Implications and Risk Management**

**Appendix 2 – Council's Current Property Procurement Operation**

**Appendix 3 – Private Sector Analysis**

**Appendix 4 – Private Letting Agencies**

## **Appendix 1 – Implications and Risk Management**

### **1. EQUALITY IMPLICATIONS**

1.1. There are no equalities issues to be considered in this report.

### **2. LEGAL IMPLICATIONS**

2.1. There are no legal implications arising from the proposed social lettings agency set up.

2.2. *Legal comments added by David Walker Principal Solicitor, 020 7361 2211.*

### **3. FINANCIAL IMPLICATIONS**

3.1. This report recommends using the Council's Local Authority Trading Company to procure housing opportunities (via a Social Lettings Agency) for Hammersmith & Fulham private & social tenants. The trading company will retain responsibility for funding annual deficits should they arise, and will be beneficiary of surpluses generated.

3.2. The award of government funding in 2015/16 which resulted in the existing Housing Property Procurement Service spending to budget suggests an underlying budget under-provision of £200k. If not addressed, General Fund savings to support the under-provision will need to be identified.

3.3. The outlay in addition to existing budgets required by the recommendations in this report is £200k, of which £105k is one-off revenue expenditure and the remaining £95k is recurring revenue spend.

3.4. In order to determine whether the financial investment delivers value for money, a detailed business plan supporting these proposals would be required: this is in the process of being finalised.

3.5. However, as an indication were the Agency to deliver 40 private lettings this would generate £99k in additional income which could then be used to fund the acquisition of 33 units with 2 or 3 bedrooms for social let .

3.6. Evenly split between 2 & 3 beds the additional 33 units would result in annual revenue cost avoidance of approximately £237k - after taking into account the proportion of social tenants in receipt of housing benefit (55%).

3.7. Any such cost avoidance would be contingent on an improved performance in acquiring socially rented units, for which there was an £80k underspend against the dedicated fund in 2015/16. That underspend would, in itself have been sufficient to acquire 26 units with 2 or 3 bedrooms for social letting with associated cost avoidance of approximately £180k.

3.8. *Implications verified/completed by: Paul Gulley, Head of Financial Investment & Strategy, 020 8753 4729*

#### **4. IMPLICATIONS FOR BUSINESS**

- 4.1. Establishing a social lettings agency in H&F will increase the competition for properties in the private rented sector.
- 4.2. Given the demand for rented accommodation, the borough can absorb a social lettings agency with limited impact on the commercial lettings sector. Please see Risk 7.
- 4.3. *Comments added by Antonia Hollingsworth, Principle Business Investment Officer 0208 753 1698.*

#### **5. RISK MANAGEMENT & EXIT STRATEGY**

- 5.1. Break clauses should be inserted in lease agreements, this provides the Council with the ability to terminate leases in the event that the agency is no longer viable.
- 5.2. The Council can seek to negotiate with letting agents and suppliers to acquire and manage the properties on its behalf.
- 5.3. The Council will vacate properties and return them to the landlords as per the terms of the leases. This is contingent on the Council being able to source alternative accommodation to move the tenants and cover any costs resulting from breaking lease agreements

Risk	Comments	Impact (High / Medium / Low)	Mitigation
<p>1. Changes to Housing Benefit and Local Housing Allowance rates. Reduction of Housing Benefit rates to mirror Local Housing Allowance rates and the advent of Universal Credit</p>	<ul style="list-style-type: none"> <li>• Reduction of benefits will adversely affect benefit claimants and the rents offered to landlords to lease their properties for this client group.</li> <li>• LHA (30<sup>th</sup> Percentile) rates will remain at the April 2015 levels and frozen from 2016/17 to 2019/20, which will further widen the disparity between the market rents and benefit rates.</li> <li>• Overall Benefit Cap – Non-exempt households will have their total benefits (subsistence benefits e.g. JSA(IB), Income Support, Child Tax Credit, etc. and Housing Benefit) capped to £442.31 per week for couples/single parents and £296.35 for single people in London from November 2016. The larger the family size, the higher the rent shortfall.</li> <li>• Universal Credit (UC) – combining 6 benefits, including housing benefit, into one benefit payment that is awarded direct to the claimant’s bank account in one monthly payment. Tenants are then responsible for passing the UC Housing Cost (replacing Housing Benefit) on to their landlord.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>High</b></li> </ul>	<ul style="list-style-type: none"> <li>• Regular monitoring of the financial performance of products and take actions such as varying or terminating leases when appropriate.</li> <li>• H&amp;F’s HB Assist service is dedicated team of specialist officers providing welfare reform/benefit assistance, employability support, tenancy sustainment advice, landlord negotiations support, Discretionary Housing Payment (DHP) awards/support and UC online claiming assistance or Alternative Payment Arrangement applications for vulnerable tenants, to mitigate the potential impacts of Universal Credit and Overall Benefit Cap.</li> <li>• Tenant training and robust vetting process – nomination to properties subject to attending private rented sector tenancy induction or awareness training and passing credit checks and affordability assessment</li> </ul>

2. Competition with private letting agents	<ul style="list-style-type: none"> <li>• Potential for enhanced offers to landlords.</li> <li>• Improvement to practices in the private rented sector.</li> <li>• Depletion of pool of available properties</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Medium</b></li> </ul>	<ul style="list-style-type: none"> <li>• Monitor and Review</li> </ul>
3. Competition and Resistance from other boroughs	<ul style="list-style-type: none"> <li>• Population shifts to more affordable parts of London.</li> <li>• Increase competition for properties.</li> <li>• Increased choice for tenants</li> <li>• Depletion of pool of available properties</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Low</b></li> </ul>	<ul style="list-style-type: none"> <li>• Monitor and Review</li> </ul>
4. Financial risk to the Council	<ul style="list-style-type: none"> <li>• The agency does not meet the required targets or combination of the other risks renders the proposition not viable</li> <li>• Growth bid in staffing of £95K</li> <li>• Marketing budget of £50k</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Medium</b></li> </ul>	<ul style="list-style-type: none"> <li>• The Council is able to exit the market and bring the operation back 'in-house'.</li> </ul>
5. Reputational risk	<ul style="list-style-type: none"> <li>• The agency performs poorly</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Low</b></li> </ul>	<ul style="list-style-type: none"> <li>• Robust Marketing and branding plans to be put in place to ensure particular emphasis on customer-focus and business ethics can still have a positive effect on customer and stakeholder satisfaction.</li> </ul>
6. Competition from Mayor of London's commitment to establish 'London wide social letting agency'  7. Competition with Private Lettings Agency	<ul style="list-style-type: none"> <li>• Mayoral manifesto commitment</li> <li>• Potential for enhanced offers to landlords</li> <li>• Improvement to practices in the private rented sector</li> <li>• Depletion of pool of available properties</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Low</b></li> <li>• <b>Medium</b></li> </ul>	<ul style="list-style-type: none"> <li>• Monitor and Review. Provides opportunity to use a successful H&amp;F model.</li> <li>• Monitor and Review</li> </ul>

Implications completed by: . Labab Lubab – Housing Opportunities Manager

## **Appendix 2 – Council's Current Property Procurement Operation**

### **THE COUNCIL'S CURRENT PROPERTY PROCUREMENT OPERATION**

The Council secures homes in the private rented sector through its housing property procurement service. This service operates two main schemes to meet the demand from homeless households, those threatened with homelessness and applicants for social housing who do not qualify for assistance.

The first is a basic matching service similar to the one offered by private letting agents. Through this scheme a person in need of housing and a landlord who has an available and suitable property are 'matched' and placed in a direct relationship with each other. The Council usually pays the landlord an incentive payment in the range of £2,000 for 1 a bedroom property, £3,000 for 2 and 3 bedroom properties and £4,000 for 4 bedroom+ properties. The rent is usually paid by the tenant directly to the landlord and is usually supplemented in part or entirely by LHA/Housing Benefit.

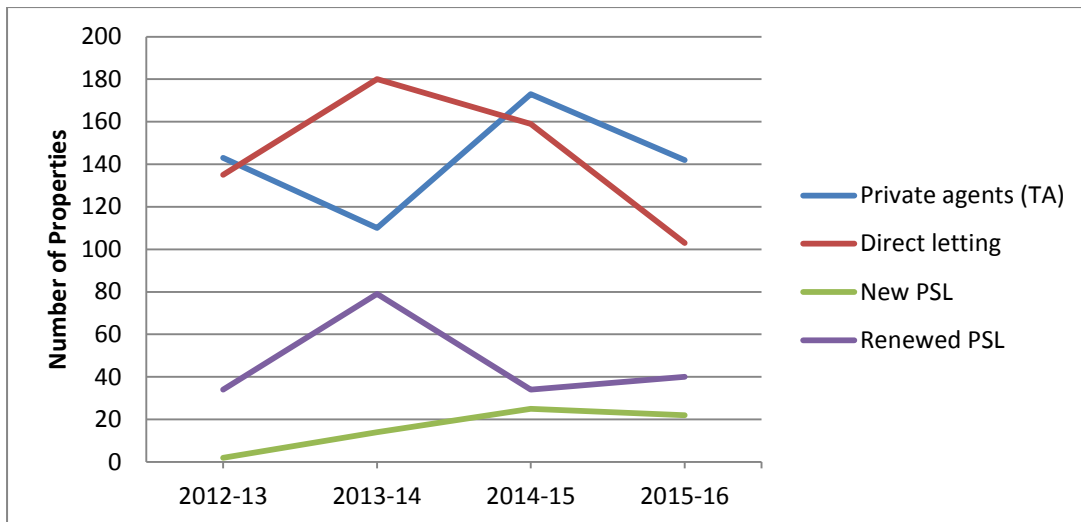
The second is a leasing scheme where properties are leased and managed from landlords for a number of years. The service assumes day to day management of the properties, either directly or through letting agents, and are therefore able to place more than one person in the accommodation during the lease period. The service would pay the landlord an incentive payment (as above) and the rent is collected by the service and paid to the landlord/letting agent. These rents also often paid from, or supplemented by, LHA/Housing Benefit.

The service also procures Bed & Breakfast and Hostel accommodation to assist people in urgent housing need.

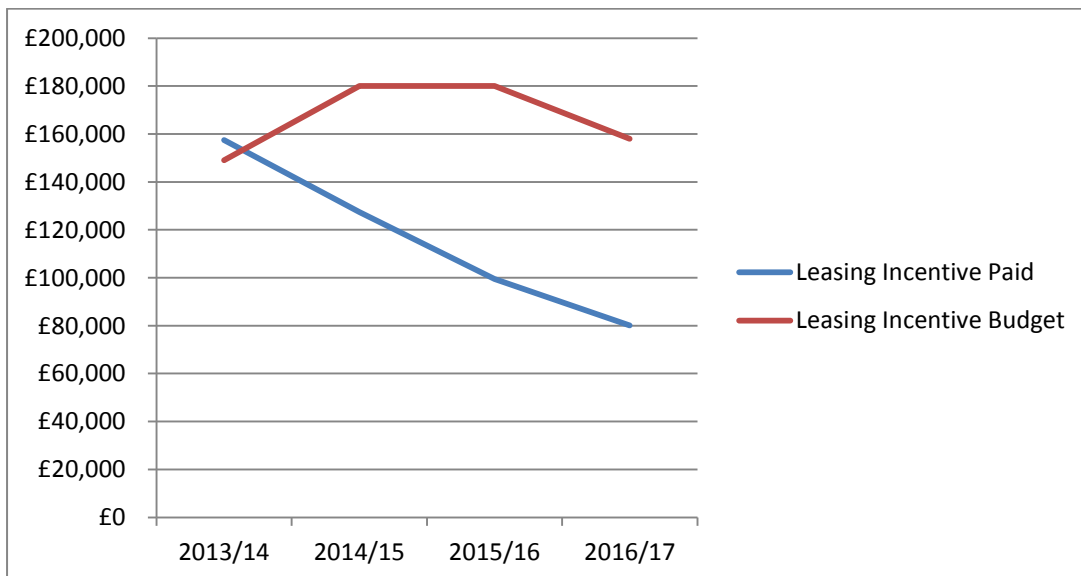
The Council's current Housing Property Procurement service consists of a service manager, six procurement officers and an administrative support officer. Two procurement officers specialise in operating the Council's private leasing scheme. Two specialise in the matching scheme. One officer manages the process of renewing leases and handing back properties at the end of leasing agreements and the sixth is tasked with bed and breakfast/hostel procurement and supporting the other officers.

#### **Trends**

The challenges facing the service reflect the market conditions outlined in this report. Generally there is a tangible downward trend in the number of properties being procured through the various schemes. However, there are encouraging signs as the service is improving the retention and renewals of existing leased properties;



The difficulties experienced by the service in procuring properties is further illustrated by the amount underspent in the budget available for incentivising landlords to lease their properties to the Council;



### Current Property Portfolio

Housing Property Procurement's portfolio consists of 800 properties; 761 in London and 39 outside of London. Of the 761 London properties, 513 have been secured through letting agents and 248 are leased directly from landlords.

The service's in-borough leased property portfolio consists of 184 properties, 146 leased directly from landlords and 38 are leased through letting agents. Of the 184 properties 35% (65) are leased from Council leaseholders.

The ideal scenario for the Council would be to reverse these numbers. The Council should have more directly leased properties than those secured through agents. Primarily because agents and providers charge a finder's fee for their services and are therefore a significant cost to the Council.



This is common in the sector because it is generally accepted by local authorities that agents who operate across borough boundaries have more detailed knowledge of their markets and much larger landlord databases built over several years.

Interestingly, 59% of the Council's 248 directly leased properties are in Hammersmith and Fulham and of these 60% are two bedroom or larger. This clearly demonstrates that, for the majority of in-borough landlords, the financial package is not the principle motivator when you consider how much they can potentially obtain through private market lets. This is echoed by portfolio landlords interviewed in phase one of the project and who have worked with the Council for over 12 years.

It is therefore reasonable to deduce that the Councils' current operation has been successful in leasing and retaining properties in expensive boroughs and should be able to continue to do so with a more concerted effort in marketing and negotiations.

It is a testament to Housing Options' Property Procurement team's effort that Hammersmith and Fulham can boast to be one of the very few boroughs in the country who do not have any families in Bed and Breakfast accommodation.

The Council must now consider how it will to continue its procurement operations given the prohibitively expensive and highly competitive private rented market. It must also decide on the approach for renewing leases of properties that had started as far back as 2009 when the Council was able to be more competitive with its financial packages in the private rented sector.

## Appendix 3 – Private Sector Analysis

### PRIVATE SECTOR ANALYSIS

This section summarises research that has been carried out into the private rented sector in Hammersmith and Fulham. It also measures how these market conditions compare with the Council's current schemes to acquire private rented homes to meet the demand for Temporary Accommodation.

Leasing Schemes are the main way the Council acquires private rented accommodation. For many years, the Council has been aware that it cannot offer Lease Fees that can compete with the commercial market prices. More recently, the buoyant and relatively stable Private Rental Market means that landlords can demand uncompromising rental prices across most areas of the borough.

It has therefore become increasingly difficult to provide Temporary Accommodation on a sustainable financial footing because to do so; fees to landlords for leased properties would have to be below the market level, usually at or around rates based on or around the current Local Housing Allowance.

At present, monthly lease fees paid by the Council to landlords of properties within the borough are negotiated between a broad range of between current LHA rates and up to 10% above the rates. These are exceeded from time-to-time and a case-by-case basis.

Research was undertaken to compare these upper Lease Fee rates currently paid set against market rates in the four main postcode areas W12, SW6, W14 and W6.

The analysis shows that the Council is most competitive in W12, achieving the best comparisons on one bedroom properties. Predictably, the findings shows that our Lease Fee offer is least competitive in the W6 postcode area.

In summary the research broadly reveals that:

- The Council's current Lease Fees offered to landlords, range between just 40% of the market rate, up to 90% depending on location.
- W12 is the most viable area to focus acquisition activity across all property sizes this is because rents are lower in this part of the borough. (W6 is least viable
- W14 and SW6 Lease Fees are relatively competitive for one and two bedroom accommodation
- one-bedroom Lease fee is still competitive in W12 and relatively viable in W14 and SW6
- two bedroom Fees remain viable in W12, but W14 and SW6 are becoming uncompetitive
- three and four bedroom accommodation remains marginally viable in W12
- current rates are not viable for three and four bedroom competitive across W6, W14 and SW6.

The research finds that in order for a new Council-run Social Lettings to be genuinely competitive in the current market, while operating within budgetary controls, it needs to combine prudent increases in its lease fees with a shift towards a focus on dynamic sales techniques on its unique range of services and incentives.

Although an increase to Lease Fees is recommended, these need to be moderate because inflated rates will impact on financial plans.

## Appendix 4 – Private Letting Agencies

### PRIVATE LETTING AGENCIES

The private rented market has seen an increase in the number of private letting agencies in the borough over the past decade.

Currently, there are no specific statutes governing the operation of letting agents. Although, most tend to follow the guidance published by organisations such as the Association of Residential Letting Agents (ARLA)<sup>1</sup> who provide guidance and best practice codes to letting agents and customers.

ARLA's latest guidance (July 2015) promotes best practice in letting and management of the properties and highlights recent changes in legislation particularly the Immigration Act 2014, Consumer Rights Act 2015 and Deregulation Act 2015.

#### Products & Services

Private letting agents typically offer landlords two main services; a let-only service and full property management service. In some instances, an agency may choose to offer a hybrid of the two products to landlords to provide greater choice as well as increase revenue.

The two typical types of services are compared below;

Service	Full Property Management	Matching Service / Let Only
Market appraisal	Yes	Yes
Comprehensive marketing and promotion of properties	Yes	Yes
Key-holding service	Yes	Yes
Flexible accompanied viewings	Yes	Yes
Negotiation of terms and creation of tenancies	Yes	Yes
Tenant referencing	Yes	Yes
Inventory checks (check-in and check-outs)	Yes	Yes
Registration and management of deposits	Yes	Yes
Negotiation of tenancy renewals & rents	Yes	Yes
Rent collection	Yes	
Provision of EPCs and Gas safety certificate	Yes	
Regular property inspections	Yes	
Tenant liaison (enquiries, maintenance)	Yes	
Emergency service for tenants (24hrs)	Yes	
Regular maintenance reports	Yes	
Co-ordination and management of maintenance works	Yes	
Instruction and payment of contractors	Yes	
Negotiation of deposit release	Yes	
Service of notices	Yes	
Advice on legislation compliance	Yes	
Provision of financial statements (monthly/quarterly)	Yes	

#### Fees & Charges

There is also no industry standard for the prices agencies choose to charge for their products and services. Our analysis of fees charged by some agents in the borough show that letting agents' prices vary greatly. Letting and management fees start at around 10% (lettings only), but can rise to as much as 18% of the gross rent for the tenancy period.

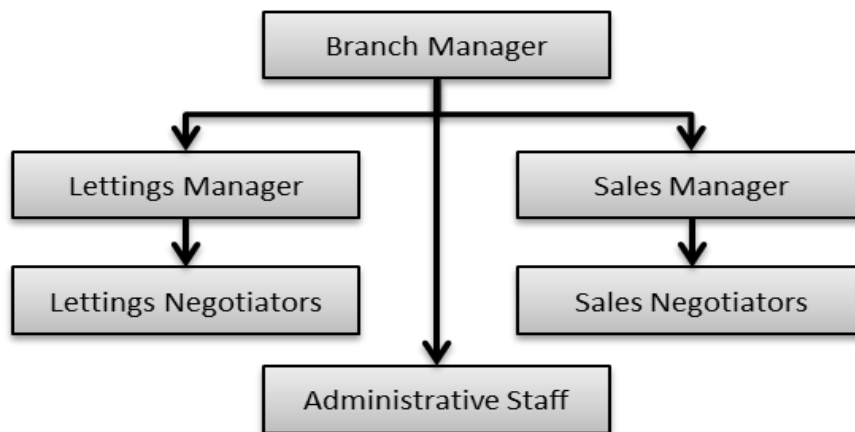
<sup>1</sup> ARLA 'Private Rented Sector Code of Practice' Updated July 2015  
[http://www.arla.co.uk/media/1043126/private\\_rented\\_sector\\_code-amended\\_july\\_2015.pdf](http://www.arla.co.uk/media/1043126/private_rented_sector_code-amended_july_2015.pdf)

Some smaller agents undercut bigger companies to gain a foothold in the market place, but this is rare. In some instances, it is common practice to charge the landlord and tenant for the same service; e.g. tenancy renewal.


Services	Typical rates in H&F
Full Property Management fee (landlord)	13% - 18%
Let Only service fee (landlord)	10%
Tenancy Arrangement fees (landlord & tenant)	£120 - £210
Inventory Checks - "Check In & Check Out" (landlord & tenant)	£100-£450
References (per tenant)	£25 - £60
Guarantor fee (tenant)	£25 - £60
Tenancy renewal fees (Landlord & Tenant)	£90-£200

### **Typical Estate Agency structure**

The typical estate agency operational structure is illustrated below and almost all the positions are heavily incentivised.



Bigger estate agents hand over management of properties to a central hub that deals with landlord and tenant enquiries, whereas smaller agents deal with these aspects directly.

<p align="center"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p align="center"><b>ECONOMIC REGENERATION, HOUSING AND THE ARTS POLICY AND ACCOUNTABILITY COMMITTEE</b></p> <p align="center"><b>1 November 2016</b></p>	
<p><b>OPEN DOORS: ENSURING A THRIVING LIBRARY SERVICE IN HAMMERSMITH &amp; FULHAM</b></p>	
<p><b>Report of the Cabinet Member for Environment, Transport and Residents Services, Councillor Wesley Harcourt</b></p>	
<p><b>Open Report</b></p>	
<p><b>Key Decision: No</b></p>	
<p><b>Wards Affected: All</b></p>	
<p><b>Accountable Director/s:</b> Sue Harris, Director, Cleaner Greener &amp; Culture Mike Clarke, Director of Libraries &amp; Archives (shared service)</p>	
<p><b>Report Author:</b> Mike Clarke, Director of Libraries &amp; Archives</p>	<p><b>Contact Details:</b> Tel: 020 7641 2199 Email: mclarke1@westminster.gov.uk</p>

## 1. INTRODUCTION

- 1.1. We are committed to keeping libraries in Hammersmith & Fulham open despite government cuts – and to making them even better than now. We will not be closing any libraries. This is in line with the administration’s election manifesto, which has been adopted as council policy and which pledged: *“We will take measures to modernise and widen the appeal of the borough’s libraries.”*
- 1.2. At the PAC meeting on 5 July 2016, residents broadly agreed that we should continue to look at:
  - Commercialising the library service, raising more income from buildings and introducing new services, ensuring the core offer remains free at point of use
  - Increasing the role of volunteers alongside enough paid and trained staff to run a good quality service

- Cutting costs and improving value where there is scope to do so (LBHF expects to save £90,000 from the shared service arrangements)
- Exploring a trust model for the long term future of the library service (making sure it is a locally accountable model)

1.3 This paper updates PAC on progress in developing the work streams listed above as well as developments from Smarter Budgeting linked to libraries as Centres of the Community.

## 2. COMMERCIALISATION

2.1 To achieve our vision, libraries will need to be more **outward looking, efficient, commercially aware and entrepreneurial.**

2.2 **Quick wins:** We have made progress on several smaller income generating initiatives

- Site surveys have been conducted to determine suitable power and water supply positions for hot drink vending machines
- Amazon lockers have been installed in Fulham and Askew Road libraries. Planned combined income yield of £3,720 per year
- Advertising of the hire of Fulham library for weddings and events has commenced and a card payment machine to facilitate easier payments will be installed in coming weeks. Planned income £10 - £20,000 a year from 2016/17

2.3 **Co-location:** The library service, working with the Council's Property department, is actively pursuing several opportunities for co-location or commercial hire of underused space. This would provide income, better use of library buildings and increased footfall, as part of our "sweating the assets" approach.

- Negotiations continue with both a local social enterprise and commercial operations who are interested in renting underused space at both Fulham and Hammersmith libraries

2.4 **Co-working hubs:** Providing rentable spaces in libraries for microbusiness start-ups and flexible workers (with coffee and Wi-Fi connectivity) could generate income of £50,000 a year.

- We continue to monitor the launch of The Workary branded space in Kensington & Chelsea, prior to concluding negotiation on rental agreements of space in Fulham and Hammersmith libraries

2.5 **Better use of library spaces:** Hire for larger scale events and meetings, particularly outside normal opening hours, using our heritage library buildings as film locations and holding film clubs and community activities could earn libraries £85 – 140,000 a year.

- The Council's filming and events team confirm that preliminary work to implement a filming location database, including library sites, will be completed during Autumn 2016

- Further work can then be undertaken to identify and catalogue archive materials that may be suitable to include as props/set dressing to those who hire our locations

### **3. THE ROLE OF VOLUNTEERS AND GREATER COMMUNITY INVOLVEMENT**

- 3.1 **Increased volunteer involvement** in running libraries. Without replacing existing paid staff, we plan to increase the number of volunteers who donate their time to augment library services. There is no immediate cashable saving to this but we acknowledge that volunteering offers important training opportunities for young people, and creates an even stronger community around our libraries. We aim to double the number of volunteers, from the current 90, by mid-2017.
- A working party is developing role descriptions, best practice recruitment, induction and training materials for both managers and volunteers as well as developing stronger links with volunteering agencies across the borough to deliver an improved volunteer experience
- 3.2 **Increased sponsorship and crowd-funding** could be achieved by working with commercial partners such as Westfield and setting up library friends and fundraising groups, possibly as part of the Hammersmith Space Hive civic crowdfunding initiative – income to be confirmed.
- 3.3 **Crowd-sourcing** could bring local experts and champions into libraries. This could help to provide some of the services that local people value as well as things we can't currently provide. Examples include getting more young people volunteering, better quality IT provision and help, more classes and events and community activities for libraries.

### **4. CUTTING COSTS IN THE SHARED SERVICE**

- 4.1 Each of the three councils in the shared service partnership has financial challenges with library services required to reduce net cost. Each borough is taking a different approach to delivering that target. In LBHF the focus is on greater commercial opportunity and sweating the assets. LBHF will also make savings from changes to the shared service operating model.
- 4.2 There is a proposed new structure which will save £1.1m (including on costs) across the boroughs, of which LBHF's share is £90,000. A consultation is now underway with staff who are affected by this on the proposed changes, which includes some LBHF employees. The consultation will end on 9 November 2016.

## **5. CENTRES OF THE COMMUNITY**

- 5.1 The creation of **Centres of the Community** is a Smarter Budgeting initiative being developed for several public buildings in Hammersmith and Fulham including the four libraries. Many of the essential and desirable characteristics/ features of the centres (as listed in appendix A) are true of the library buildings.
- Officers recently completed an exercise to increase understanding of what libraries can offer to Centres of the Community and raise awareness of how this could be developed further ensuring it complements the delivery of the library service and ancillary commercial activity in each site

## **6. TRUST MODEL**

- 6.1 We have carefully considered the option of putting our libraries into a trust. Having reviewed the possible savings, opportunities and risks, and considered the feedback at the last PAC in July, we have decided not to progress this option for now.

## **7. LEGAL IMPLICATIONS**

- 7.1 As set out in the report of 5 July 2016, legal implications will be updated as options are developed.

## **8. EQUALITIES IMPLICATIONS**

- 8.1 A full equalities impact assessment will be prepared as appropriate for the option(s) chosen for further development and implementation.



## **Appendix A: Characteristics & Features of Centres of the Community**

### **Essential characteristics or features**

- free Wi-Fi
- toilets
- meeting space
- accessible / by public transport
- get advice and information / signposting
- welcoming to all communities

### **Desirable characteristics or features**

- computers
- digital inclusion
- space for group activities
- online presence
- where you can meet the neighbours
- things for all ages
- Breast-feeding / baby changing
- volunteering opportunities
- council services access point
- co-located services
- can book online
- clear signage
- notice boards
- happy/fun atmosphere
- Borrow books/cds/dvds
- hot drink and a sit down
- open at nights and weekends
- can photocopy and scan
- music
- arts, space for artists
- a place for celebrations and events
- small business support
- networking for business people
- parcel collection point
- classes
- swap shop or foodbank
- Cllr or MP surgeries
- Childcare
- recycling point
- access to health
- place for worship
- place for alternative therapies
- place to see the police
- use individual budgets

## Economic Regeneration, Housing & the Arts PAC Work Programme 2016/17

7 <sup>th</sup> June 2016 Small Hall, HTH, 7:00pm.		
ITEM	LEAD OFFICER	REPORT BRIEF
The Arts Strategy	Donna Pentelow	To review the Council's proposed Arts Strategy.

5 <sup>th</sup> July 2016 Courtyard Room, HTH. 7:00pm.		
ITEM	LEAD OFFICER	REPORT BRIEF
Libraries	Mike Clarke/Sue Harris/Helen Worwood	To consider the priorities of the service.
Update on the Resident Involvement Structure	Nilavra Mukerji / Daniel Miller	To receive an update on the Council's work to establish a structure consisting of a number of panels and groups designed to provide Council Tenants and Leaseholders with greater decision making powers and increased involvement

6 <sup>th</sup> September 2016 Clem Attlee Residents Hall, 6:00pm.		
ITEM	LEAD OFFICER	REPORT BRIEF
The Older Persons Housing Strategy and Sheltered Accommodation	Nilavra Mukerji	To consider the new Older Persons Housing Strategy review the Council's provision of sheltered accommodation and support for older residents.
The development of new KPIs for Mitie	Nilavra Mukerji	To review the development of new Key Performance Indicators for the housing contractor Mitie. The new KPIs will more accurately monitor residents' key priorities

## Economic Regeneration, Housing & the Arts PAC Work Programme 2016/17

<b>1<sup>st</sup> November 2016</b>		
<b>St John's Church, Vanston Place. 7:00pm.</b>		
<b>ITEM</b>	<b>LEAD OFFICER</b>	<b>REPORT BRIEF</b>
Update on High Street Revitalisation	Antonia Hollingsworth / Jo Rowlands	To scrutinise what the administration has done over regeneration of North End Road and Bloemfontein Road and to discuss future plans and proposals for the two areas. For the North End Road Action Group (NERAG) to report on their work over the last year and a half. To consider what action has been taken to tackle the problem of empty shops.
Social Lettings Agency	Jo Rowlands / Labab Lubab	To consider the benefits of a Social Lettings Agency working in the borough.
Libraries	Mike Clarke/Sue Harris	To consider an update on the work being done by officers following on from the meeting on 5 July 2016.

<b>13<sup>th</sup> December 2016</b>		
<b>Small Hall, HTH. 7:00pm.</b>		
<b>ITEM</b>	<b>LEAD OFFICER</b>	<b>REPORT BRIEF</b>
The Financial Plan for Council Homes	Kath Corbett	To review the HRA budget before approval by Cabinet in early January 2017
Scaffolding	Nilavra Mukerji / Kath Corbett / Paul Monforte	To explain the Council's policy on the use of scaffolding in relation to social housing maintenance.
Update on the Stock Transfer	Tariq Kazi	To provide the committee and residents with an update on the progress made against the recommendations of the Residents Commission on Council Housing.

## Economic Regeneration, Housing & the Arts PAC Work Programme 2016/17

17 <sup>th</sup> January 2017 Small Hall, HTH. 7:00pm.		
ITEM	LEAD OFFICER	REPORT BRIEF
The draft Budget 2017/18	Mark Jones/Danny Rochford/Paul Gulley	To review the 2017/18 budget for the departments covered by this committee.

7 <sup>th</sup> March 2017 Small Hall, HTH. 7:00pm.		
ITEM	LEAD OFFICER	REPORT BRIEF
Greening our Estates	Nilavra Mukerji	To consider how the council is promoting biodiversity and greener environments on its housing estates, for example by supporting kitchen gardens and green walls/roofs. The report is to cover the council's policy for replacing and maintaining trees.

## Economic Regeneration, Housing & the Arts PAC Work Programme 2016/17

<b>Potential Future Items</b>		
<b>ITEM</b>	<b>LEAD OFFICER</b>	<b>REPORT BRIEF</b>
Tackling worklessness	Jo Rowlands/ Rashid Aslam/ Gordon Smith	To assess the impact of the Government's welfare reforms and the measures undertaken by the Council to help people back into work, including the OnePlace project with JobCentre+
The Council's home energy strategy and measures to tackle fuel poverty	Nick Austin/Justine Dornan	To review the work of the Council to make homes as fuel efficient as possible and how vulnerable residents will be protected during the winter
Economic Growth Strategy 2016-26	Jo Rowlands	To discuss the new Economic Growth Strategy
Housing for disabled people	Jo Rowlands	To consider the proposed actions for meeting the housing needs of disabled people
Housing for refugees and asylum seekers	Jo Rowlands	To provide an overview of what the Council does to provide housing for refugees and asylum seekers, and the rules and funding streams relating to these.
Adult learning	Jo Rowlands / Eamon Sconlon	To review the adult learning curriculum delivered by the Council, to consider the results of the recent Ofsted inspection and to understand the impact of government reviews of learning outside of schools.