

The Economy, Housing and the Arts Policy and Accountability Committee Minutes

Monday 17 September 2018

PRESENT

Committee members: Councillors Rory Vaughan (Chair), Zarar Qayyum, Rowan Ree, Ann Rosenberg and Adronie Alford

Other Councillors: Lisa Homan, Donald Johnson

Officers: David Burns (Assistant Director, Growth and Place), Jo Rowlands (Strategic Director Growth and Place) and Kim Dero (Chief Executive).

Others: Prema Gurunathan and Jenni Young (Partnership for Growth)

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES

The minutes of the meeting held on 2 July 2018 were agreed as an accurate record.

4. 'DELIVERING THE INDUSTRIAL STRATEGY – ECONOMIC GROWTH FOR EVERYONE' – PROGRESS UPDATE

David Burns, Assistant Director Growth and Place, introduced the report which provided details on the progress which had been made on implementing the Council's Industrial Strategy – Economic Growth for Everyone - which was launched in the summer of 2017.

Introducing the Industrial Strategy, David Burns explained that it was underpinned by 4 key themes which were:

- **West Tech**, which aimed to establish an innovation district around White City, focusing on an Innovation and Growth Partnership between the Council and Imperial College.
- **Encouraging Enterprise**, which aimed to deliver more affordable workspace, drive superfast broadband and take an 'economic and social value' approach to procurement, to create new opportunities for local firms and jobs and training for residents.
- **A Great Place in London**, which is aimed at improving town centres, promoting and developing the Borough's Arts, Culture and Leisure scene; taking steps to improve the reputation of Hammersmith & Fulham internationally; and building 10,000 new homes.
- **People – Economic Growth for All**, which aimed to ensure that all residents share in the Borough's economic prosperity by leveraging relationships with anchor institutions, improving local supply chains and developing tailored apprenticeship and employment and training and business start-up support packages.

The report focused primarily on the activities and achievements of the Partnership for Growth and Innovation between the Council and Imperial College, known as Upstream, which was launched in January 2018.

It was noted that Upstreams' role was to support innovation, collaboration and business growth, with an overall aim to make the borough a place to thrive and help transform White City into an innovation district. Upstreams' specific focus and area of expertise was in the biotech, digital and creative industries.

Councillor Andrew Jones, explained how the work of the Industrial Strategy and Upstream were closely inter-related and how Hammersmith was fortunate to be within a golden zone of thriving offices and connectivity. Details were provided about the partnership working with Imperial College and the goal of building and feeding into the success of the White City campus. Councillor Andrew Jones explained the rationale was to develop White City into an innovation district along similar lines to those which had been pioneered in the United States at Cornell.

Put in the context of the wider Industrial Strategy, Councillor Andrew Jones explained the Council needed to ensure it was in a position to offer affordable

office space through innovative use of the Planning regime. The key was to ensure Hammersmith was seen as an attractive environment for start-ups and to link business and cultural developments together in a symbiotic way. Concluding his initial remarks, Councillor Andrew Jones underlined how successful Upstreams' involvement had been to date, commended the innovation of their website and underlined that West London was an important hub for business and development nationally.

Councillor Adronie Alford noted the shortage of office accommodation within the Borough, and asked what steps were being taken to address the shortfall. Jo Rowlands explained that office space (with high fixed costs) and start-up space were different entities. Officers acknowledged there were challenges, and an aspect of this was, in the short term, developing a mechanism whereby start-ups could be successfully decamped to separate smaller, lower cost accommodation. Councillor Andrew Jones explained he was aware of the issue of land values, larger office units and the costs associated with large commercial spaces. It was noted that in response, the Council was looking to use planning conditions to increase the amount of shared office space in applications and encourage the multiple occupancy within larger developments.

Councillor Adronie Alford explained that she was in favour of involving Housing as a mechanism for renewal, however, she had been informed that the Council could not use local firms under the current procurement standing orders, as they did not have the requisite insurance cover. In response, David Burns stated that he was aware there were challenges surrounding the procurement supply chain and the strategy focused on those actions which were achievable. He explained that some of the barriers to local firms apart from size and turnover, was they were often not used to bidding for public sector contracts. David Burns acknowledged that moving forwards, one of the tasks was to educate business about the Council's procurement practices. Noting the response, Councillor Adronie Alford observed the current procurement framework needed to be addressed.

David Burns explained that although Housing construction was an important aspect for local firms to enter the supply chain and for local people to access jobs and apprenticeships, it was also about focusing on lots of ancillary services, such as security and catering where there was also opportunity. Councillor Andrew Jones highlighted how the Brilliant Business Awards had been a successful way of bringing businesses together and how there was scope in the future to use this as a vehicle for greater partnership working with the Authority.

Councillor Zarar Qayyum asked for further details on how officers organised the supply chain in regeneration projects. In response, David Burns explained that officers in the Regeneration Team, within the Growth and Place Directorate, liaised with the Planning Department to ensure that opportunities were explored when the draft Heads of Terms for s106 agreements were prepared. In doing so, this ensured the Council entered early discussions with Developers and they were made aware what the needs and aspirations of the Council were, subject to the application being approved at Committee.

Councillor Zarar Qayyum asked how the broader Industrial Strategy was linked to Licensing and Planning objectives. David Burns reiterated how Planning was involved but conceded there was more work to do with regards to Licensing, especially in relation to ensuring that evening entertainment and the night-time economy dovetailed more effectively with the objectives of the Industrial Strategy. Officers explained that they were aware there were many opportunities around town centre planning especially in Shepherd's Bush and Hammersmith, and it was vital that the Local Plan aligned with the Industrial Strategy.

Councillor Andrew Jones stated that the Industrial Strategy was an opportunity for town centres to be reimagined and to align with residents' needs. It was noted that traditional retail was under pressure with the exponential rise of online shopping. To ensure the borough remained vibrant and attractive, it was important for officers to have conversations with estate agents, to help gauge what specific services and amenities were required to attract and cater for a younger demographic.

Commenting on the report and affordability, Councillor Ann Rosenberg asked if this could be replaced by the phrase "a measure of affordable housing". She noted that the cost of rent was particularly high in parts of London and it was important to ensure that in supporting small businesses thrive, that the owners and staff associated with these could live in the locality of the business. With this theme in mind, officers were asked to comment on the importance of business rate stability and the possible impact of Brexit within the borough. In response, David Burns explained that Planning policy looked at rent stability and affordability from both the perspective of the London and Local Plans.

Jo Rowlands commented that the Council had the opportunity to take an incremental role, whereby the Council could develop its own marketplace (of new build properties), which could then be let to business and then ultimately be returned to the Council. The London Borough of Waltham Forest was cited as a good example of where a programme of industrial to mixed use residential development had been introduced. With regards to business rates, David Burns commented that these were a challenge as the Council currently has limited local control over this, especially as decisions are currently being devolved to the Mayor.

In relation to economic development, Councillor Ann Rosenberg noted that TfL were in the process of selling off all their railway arch properties and it was likely that these would become gentrified (and hence, increase prices locally). She asked officers what the Council's policy was likely to be in this area. In response, David Burns confirmed that Network Rail was in the process of disposing of the properties and at this stage, the Council was taking a case by case approach to them, dependent on their condition. The Committee noted that Council powers related to changes of use, and use classes. Councillor Andrew Jones confirmed that if new uses were not viable or sustainable then the Council would need to re-examine this on a case by case basis.

Councillor Rowan Ree asked what actions were being taken at the other end of the spectrum with big business. Jenni Young, Partnership for Growth, provided an overview of the steps which were being taken by Upstream to develop White City into an innovation district. It was noted that Upstream was focused on connecting and supporting fast-growing, ambitious businesses through a series of interactive meetups, clinics, 1-2-1 assistance and high-profile events (e.g. Gigglebyte, London Tech Week).

Jenni Young explained the role of the Upstream website and provided details on the types of regular business networking and promotional meetings which had been organised and hosted, including Upstream Thursdays (where start-ups and businesses were offered trial co-working and networking events across the borough), which had run every month since May. The Committee noted that a number of high-profile events that aimed to put the borough on the map included Gigglebyte, the UK's first comedy festival for the business technsector; whose launch included the comedy chief of UKTV, a women entrepreneurs pitching workshop and investor panel as well as an 'improv' workshop for local businesses. With regards to current actions, it was noted that Upstream was currently working on a creative meetup, a biotech meetup, a Chief Information/Security Officer roundtable and a retail tech mini-conference, which are scheduled for early 2019.

Jo Rowlands highlighted that many of the larger businesses operating in Hammersmith and Fulham preferred their workforce to live in the borough. As a result, one of the Council's most significant challenges was to strike a balance between the delivery of more affordable housing and additional office space. Councillor Andrew Jones echoed this approach and confirmed that the Council was also actively looking at ways of enhancing the night time economy and looking at opportunities within the fields of art and music whilst being mindful of the impact this could have on residents. Councillor Andrew Jones confirmed that the Council was in close dialogue with developers about the types of innovative offers and services which could be developed in White City in the future.

Councillor Ann Rosenberg asked about the development of Arts venues and stressed the importance of having the right infrastructure (PA and speaker systems / lighting etc) in place to ensure these were a success. In response, David Burns cited the new Olympia development as a case in point, and explained that this would incorporate a multi-use performance area. This would include rehearsal space, as well as specific spaces for gigs and concerts. Officers confirmed they were aware of the need for professional sound systems to be installed and were looking at ways this costly expenditure could be linked to s106 agreements. David Burns confirmed that specific requirements for bespoke buildings would be mentioned to developers at the outset of the Planning process. Linked to this, the Chair explained that the Committee would be looking at the work of the Arts Commission at the December meeting so could feed into the developmental process.

Councillor Adronie Alford asked how the Council intended to develop international partner cities. In response, Councillor Andrew Jones confirmed that there were a number of city organisations that the Council was in contact with. Upstream was one channel which had fostered close links with Imperial College and one mechanism was to develop further links stemming from Imperial. Jenni Young confirmed that Upstream had been in contact with Berlin which was keen to develop start-up businesses with Imperial College in the future.

Councillor Zarar Qayyum asked what action was being taken to support those start-ups which were not technology based. In response, David Burns confirmed that film, movies and tv production was a good example of another major sector which was based in the Borough. At present, the Council had limited contact with the existing eco system of production companies, and so one of the challenges was to find ways in which some of these businesses could fit with Upstream. David Burns explained that the Council was using an employee skills forum, whose aim was to align educational institutions with pathways to local employment opportunities.

Developing this theme further, Councillor Zarar Qayyum asked about the work Upstream was doing with local schools and colleges to address skills gaps. Jenni Young explained that Upstream had promoted the Royal College of Art's graduate show preview and programmes at LAMDA, Lyric, Bush Theatre. It was noted that the partnership was working to ensure that all residents benefited from the White City redevelopment. The Committee were encouraged to learn that so far, it had connected eight businesses and organisations with Imperial College's Community Outreach programme; brokered introductions between school/resident organisations' and key local companies, including GE, L'Oreal, Dunhumby, White Company, YNAP, Huckletree, Medidata.

Councillor Donald Johnson, Ward Councillor for Palace Riverside, was in attendance. Noting the links between economic development and social mobility, he asked what the long-term key performance indicators were so the effectiveness of the Industrial Strategy could be measured. David Burns explained that the Council would be monitoring the progress of young people through school and the ability of school leavers to attain jobs in the technology sector. The Council would also be looking at broader economic tests such as measuring the performance of key firms such as West Tech within the tech sector. Councillor Donald Johnson suggested that the measurements mentioned above could be built into plans which could then be used to track indices such as the scale of change, investment costs and how these related to quality of life metrics. He stated that it would be nice to see some explicit connections and measurable outcomes. In response, Councillor Andrew Jones explained that the core objective was to bring all types of people together and there was a further piece of work to do with schools and teaching outcomes.

With regards to economic development, Councillor Donald Johnson highlighted that the high street had undergone significant change since the advent of online shopping which had in turn changed employment profiles.

Whereas high streets had previously focused on retail sales, they now needed to appeal to the social and lifestyle economy. Prema Gurunathan, explained that Upstream already worked with residents and when developing business and engagement, Upstream thought charters were a means of bringing local people and businesses together.

In terms of the future, the Chair, Councillor Rory Vaughan, asked what the innovation and enterprise zone would look like. In response, Prema Gurunathan explained that it would comprise of several interconnected sectors such as traditional tech firms, as well as bio tech start-ups, such as those already found at the Old Laundry Yard. Councillor Andrew Jones explained that for Tech City to become successful, it was essential that a critical mass was established from which other firms could feed and grow. Prema Gurunathan stated that White City was the engine and driver for change. Upstream needed to network with a diverse range of new firms and establish where synergies lay and then bring firms together in partnerships.

Councillor Rory Vaughan stated that locally and regionally, the Council needed to implant into the public consciousness, that White City was the destination for new technology and upstart firms. Councillor Rory Vaughan asked what action the Council could take to assist Upstream in its work. Councillor Andrew Jones explained that moving matters forward, officers were aware the Arts were a major thread and feedback from community groups and local businesses had underlined the importance of hosting high profile events.

Councillor Zarar Qayyum asked how Upstream went about connecting people with great ideas. In response, Prema Gurunathan drew the Committees' attention to the steps which were outlined in the report as well as the progress which had been made to date. It was noted that Upstream was working on its second start-up and had introduced VP Connect as a means of bringing executive officers together to network and share ideas. Upstream was also aware of a number of accelerators and mentors within specific industry fields which could contribute to innovation and growth. Councillor Qayyum asked if Upstream had developed a funding database and was informed that it aimed to develop one in the future. The Chair concluded the item by commenting that significant progress had been made in a short period and there was scope for the Committee to monitor progress in the future.

5. WORK PROGRAMMING 2018/19

The Chair introduced the item. It was noted that the Committee would be looking at the Arts Commission at its next meeting. Ideas for future meetings included the role of High Streets and ways in which these might be revitalised and broadband rollout in the borough. Committee Members were encouraged to contact the Chair with any potential topics they might have.

Meeting started: 7.00 pm
Meeting ended: 8.28 pm

Chair

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