

WEDNESDAY 25th JUNE 2003

COUNCIL ASSEMBLY
(ORDINARY)

PUBLIC QUESTION TIME

QUESTIONS SUBMITTED IN ACCORDANCE WITH COUNCIL PROCEDURE
RULE 3.6

1. QUESTION TO THE EXECUTIVE MEMBER FOR REGENERATION AND ECONOMIC DEVELOPMENT FROM MR CYRUS GRANT

Because of the uncertainty over the Elephant & Castle regeneration project, I would like to ask will there be any incentives for tenants who wish to buy a property privately and relinquish their tenancy prior to the final phase of the regeneration project?

RESPONSE

Yes: assistance to those who might be interested in taking up home ownership will be part of the package of measures for the Heygate. This can be based on the two schemes the Council in partnership with Registered Social Landlord's (RSL) and financed by the Housing Corporation to assist and encourage tenants to move to owner occupation i.e. Homebuy and Shared Ownership. Under Homebuy, Council and RSL tenants can purchase a home on the open market, within set value limits, and receive an interest free loan for 25% of the property's value.

Under Shared Ownership, Council tenants may purchase a more flexible percentage of a purpose built unit. (Currently the average first tranche purchase is 40%).

The Executive decision of 17th June 2003 restated the Council's commitment to opening as far as possible the range of housing choice available to tenants on the Heygate and therefore the availability of programmes to assist both tenants and leaseholders will be one of the factors that will be used to select partners to deliver the early residential development programmes. We will discuss with those partners and the Housing Corporation how the capacity of the schemes can be increased if necessary.

More details will be published in newsletter form during the recently commenced 3-month consultation period.

2. **QUESTION TO THE LEADER OF THE COUNCIL FROM MS LUCIA HINTON**

We were told the District Auditor's report in regards to Imperial Gardens/Fairview planning applications would take three months, nine months later we are still waiting. When is the District Auditor's report likely to be published?

RESPONSE

"The District Auditor was invited by the council to investigate a range of issues relating to planning matters following complaints by the owners/managers of Imperial Gardens night club. It is now clear that the time required to complete this work will be considerably longer than originally expected. This has been due to the extremely complex situation associated with the planning applications for both the adjacent site and that relating to Imperial Gardens itself, and with a multitude of new issues being raised as the enquiry has been developing. This has necessitated in a large number of people having to be interviewed and there are several interviews still outstanding and resultant issues to be investigated. Serious allegations of misconduct have also been made in relation to this matter that require detailed investigation and the District Auditor is anxious to ensure that they are properly considered and that he does not prejudice any possible future action.

The council for its part continues to co-operate with the District Auditor, and has supplied a large amount of written and oral evidence. Whilst the council has continuously encouraged a rapid conclusion to this review, it recognises that the investigation must be carried out with due diligence and cannot reach conclusions which have not been properly tested. Our latest discussion with the District Auditor indicates that the processes are continuing and that the District Auditor will present his findings at the earliest opportunity."

SUPPLEMENTAL QUESTION FROM MS LUCIA HINTON

Good Evening. Thank you Mr Stanton for your answer. In response to your answer, in the first part of your answer you state that the district auditor was brought in to answer complaints by Imperial Gardens. Can you confirm that this is all that he is looking into and that there are no other unrelated issues. Your response to our public question states the reason for the delay is there are a multitude of new issues being raised as the inquiry has been developing. This implies that the new issues are being raised by Imperial Gardens or are related to Imperial Gardens or Fairview Homes, but we now know that they are not. Can you confirm that these new issues have nothing to do with the Imperial Gardens? If the District Auditor's remit was as limited as you state in your response, and I would like to remind you of your response.

"The District Auditor was invited by the Council to investigate a range of issues relating to planning matters following complaints by the owners of Imperial Gardens". The relevant point is complaints by Imperial Gardens. If the District Auditor had stuck to his remit can you confirm our belief that the inquiry would not have taken almost a year. Just to add that we only have

ever complained about planning issues that have a relevance to Imperial Gardens and Fairview Homes. In regard to additional information we have brought to the District Auditors attention, most notably the train station; if the Council had been more honest and informed us of the relevance of the train station to our existence, would you not agree this would have been dealt with in the first batch of information we brought to the District Auditor. Half way through your first paragraph of your answer you mentioned the multitude of new issues. In the light of the fact that there are other enquires unrelated to us, should your response have stated that a significant amount of new issues are unrelated to Imperial Gardens. The fact that the District Auditor is looking into other issues, would you not agree that some thing is seriously wrong with your planning department? Sadly the District Auditor's remit seems to have changed to an open ended investigation into all aspects of the planning department. This is the reason we are in the ninth month of the investigation. Can you confirm that there are discussions with Bob Coomber and yourself and the District Auditor in regard to a QC of our choice working along side the District Auditor with a remit only to look into the issues relating to Imperial Gardens and he was to report to the District Auditor. However Deborah Holmes only offered £1,000 towards his fees with a knowledge that a QC would not get out of bed for this figure. We would like this Council, having accepted and agreed in writing that there are serious procedural failings, to find a solution on the basis that those procedural failings have compromised our business. In our original discussions with the District Auditor he made it clear that if the Council accepted their actions were responsible for the compromising of our business, then any solutions would be down to the Council.

RESPONSE

I will try and deal with this in order.

I had a meeting with the District Auditor last week or the week before about a number of issues in which we briefly discussed the investigation into the complaints about Imperial Gardens. I understand that Imperial Gardens have been furnishing the District Auditor with additional information as his inquiry has progressed, most recently about, I think, the railway station and yes of course you are right that had you know about that earlier you could have referred that into the original tranche of papers to the District Auditors.

And course it is right that had Mr Stevenson and Miss Hinton had known about the existence of the file about a potential new railway station in Camberwell which I think is the thing that was most recently referred to the District Auditor then they could have referred that in the initial tranche of the investigation. I think it is always easy to be wise with the ability of hindsight but I suppose almost inevitably as this investigation has progressed as I understand it the District Auditor has been wanting to satisfy himself about the way the Planning Department has handled other applications, partly as a control to see if this one was handled any differently, partly as a result of issues arising from this investigation, so it is certainly right that the issues which I refer to halfway through that first paragraph are certainly not all issues which have been raised by Imperial Gardens.

In relation to the question about the QC, there certainly was a suggestion I think when Imperial Gardens first started making complaints about the

Council back in the Summer, that there could be some sort of independent inquiry. My own view, which I expressed at the time, was that was unlikely to add anything to a District Auditor investigation and given the fact that the District Auditor and the local ombudsman had both been asked to investigate, it seem to me, I have to say that even with the benefit of hindsight, it still seems to me that little accept a lot of repetition and possibly even further delays would have been gained by having an independent inquiry. I think it is regrettable that the investigation has taken so long, because as you know it is difficult for us to address any issue of compensation until we have the results of the report to hand. The District Auditor, when I met him, was waiting to interview one more witness, and was hoping that, unless that the answer to that revealed a whole new line of enquiry, that he would then be in a position to start drawing together his report and hoped that it might be possible to bring a report to the Council by the end of July, but there have been similar hints or promises or possibilities of the report having been finished within a few weeks or by the end of the month, before. That has not materialised. It is important to realise, I think that quite properly the investigation of the District Auditor is outside the Council's control and it will therefore be a matter for him to decide when it is finished and when it is in a state that he is happy to publish.

I think that answers all the questions which you raised?

It is certainly right to say as you know that it is difficult for the Council and Imperial Gardens to agree a basis for a claim of compensation based on some of the allegations made by Imperial Gardens while those are still being investigated by the District Auditor.