



REGENERATION & RESOURCES SCRUTINY SUB-COMMITTEE

MINUTES of the OPEN section of the meeting of the REGENERATION & RESOURCES SCRUTINY SUB-COMMITTEE held on 22 NOVEMBER 2006 at 7.00PM at the Town Hall, Peckham Road, London SE5 8UB

PRESENT: Councillor Lewis ROBINSON [Chair]
Councillors Mary FOULKES, Richard LIVINGSTONE, Paul NOBLET, Jane SALMON and Martin SEATON.

OFFICER Paul Evans – Director of Regeneration
SUPPORT: Stephen Gaskell – Head of Policy and Performance
Gafar Gbadmosi – Senior Legal Officer
Lucas Lundgren – Scrutiny Project Manager, Scrutiny Team

ALSO Councillor Richard Thomas – Executive Member for Regeneration
PRESENT: Shamim Uddin – Committee Manager, Black and Minority Ethnic Tenants Association
Bernie Bartley – Chair, Black and Minority Ethnic Tenants Association

APOLOGIES FOR ABSENCE

Apologies for absence were received from Vice-Chair Councillor Helen Jardine-Brown and for lateness from Councillor Mary Foulkes.

CONFIRMATION OF VOTING MEMBERS

The members listed as being present were confirmed as the voting members. The new sub-committee membership was noted.

NOTIFICATION OF ANY OTHER ITEMS WHICH THE CHAIR DEEMS AS URGENT

With the agreement of the sub-committee the Chair accepted the written responses from the Executive member to questions submitted by the sub-committee. The Chair advised that following the Executive interview he intended to invite traders present to update the sub-committee about the position at the Elephant & Castle.

DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were no disclosures made nor interests declared.

RECORDING OF MEMBERS' VOTES

Council Procedure Rule 1.17(5) allows a Member to record her/his vote in respect of any motions and amendments. Such requests are detailed in the following Minutes. Should a Member's vote be recorded in respect to an amendment, a copy of the amendment may be found in the Minute File and is available for public inspection.

The Sub-Committee considered the items set out on the agenda, a copy of which has been incorporated in the Minute File. Each of the following paragraphs relates to the item bearing the same number on the agenda.

MINUTES

RESOLVED: That the minutes of the sub-committee meeting held on September 27 2006 be agreed as a correct record of proceedings and signed by the Chair, subject to the following amendment:

Correct all references to "*Ashenden Estate*" within the minutes to read "*Ashenden House, Heygate Estate*"

1. **EXECUTIVE INTERVIEW: COUNCILLOR RICHARD THOMAS [PORTFOLIO FOR REGENERATION]** [see pages 1-6 & 40-49]
 - 1.1 The Chair welcomed Councillor Thomas to the meeting. Copies of the Executive member's written responses to questions submitted in advance by the sub-committee were circulated to those present and a copy is attached to these minutes. Cllr Thomas apologised for late provision of written responses.
 - 1.2 Councillor Seaton expressed concern that having given advance notice of questions, the sub-committee were placed at a grave disadvantage in formulating supplemental questions by the provision of Cllr Thomas' written responses on the night of the interview.
 - 1.3 **Question 1: What is your response to the new set of recommendations relating to business continuity at the Elephant and Castle, produced by this committee and to be considered by the Executive later this month? How will you work to ensure that these recommendations get implemented? Specifically, how do you see the Council using the power of well-being to help traders? MS**
 - 1.4 **Question 2: A small number of E&C businesses may be offered the opportunity to relocate to the adjacent Volvo Site, but this may not be suitable as the site will not be ready for trading until 2012 or possibly even 2014 – please comment. MS**
 - 1.5 Cllr Seaton noted that the Executive member had provided few timeframes in his written responses in relation to the Elephant & Castle regeneration, in particular around possible use of the Well Being powers and asked Cllr Thomas why this was the case.
 - 1.6 Cllr Thomas agreed that clarity was called for. Ongoing dialogue with traders to establish their position and with the London Development Agency [LDA] about their role in putting together a package was progressing well and dialogue with shopping centre landlords St Modwen's had been established over the previous months. Information being gathered by BusinessExtra from individual traders would be crucial to inform future action by Regeneration Department.

- 1.7 Cllr Seaton noted these matters had been subject to discussion over a protracted period and was dissatisfied with Cllr Thomas' response. Once Southwark had announced its regeneration intent for the Elephant & Castle in 2004 this began to affect how the centre was managed in anticipation of future rebuild. It was clear that the landlords would not extend current leases and that this would detrimentally affect traders. In light of the impact that the announcement of regeneration had on the management of the centre by St Modwen's and the Executive members response to question 1 Cllr Seaton believed this implied that the Council had accepted that it held some responsibility for the situation in which the traders found themselves in and accordingly would have to make arrangements to mitigate against this.
- 1.8 In respect of question 2, Cllr Seaton asked Cllr Thomas how businesses could be expected to survive until 2012 if Volvo site units were not available for trading until that date. The Chair advised the Executive member that the sub-committee had concerns with the placement of units bordering on the Ashenden House edge of the development.
- 1.9 Cllr Thomas wanted to better understand what problems there were with the Volvo site units such as: placement, concerns about potential footfall, design of the site, timetable for development/readiness or issues around the s106 planning agreement, and he was clear that the Council needed to make best endeavours to ensure that suitable units were available.
- 1.10 Councillor Seaton was concerned that the Executive member appeared not to understand traders issues with the Volvo site despite the selection of developers taking place in a few weeks time. The Chair reminded members that these issues had been discussed in depth at the previous meeting. Cllr Thomas responded that there were two main kinds of objections but that he needed to work out whether it was a problem solely related to that particular site or whether the problems with s106 were so substantial that they would prevent the model being applied elsewhere.
- 1.11 Cllr Seaton reminded all present that the recommendations in the minutes of the previous sub-committee meeting stated that BusinessExtra had been commissioned to gather information from traders.
- 1.12 **Question 3: Unless you are able to ensure the E&C traders are no worse off resulting from the regeneration initiative the only viable option remaining will be to compensate businesses to the market value of their business pre-2004. What steps have you taken to assess compensation claims? MS**
- 1.13 Cllr Thomas responded that compensation in these terms was not solely the Council's responsibility and as such the authority could do very little without the agreement of landlords St Modwen's.
- 1.14 Cllr Livingstone suggested the Executive member provide the sub-committee with an update to his answers to questions 1-3 following consideration of scrutiny's recommendations by the Executive on 28 November 2006. Cllr Seaton was however adamant that it was not appropriate for the sub-committee to receive a fuller response from the Executive member only after the decision on selection of developers had been taken. He wanted to know what was going to be in place to help traders.

- 1.15 Cllr Thomas responded that progress was being made. The Council was in dialogue with both London Development Agency and St Modwen's about their roles in the situation. The BusinessExtra report was needed to answer some questions around the issues raised by Cllr Seaton's question and until this was available he acknowledged that traders would have no satisfaction.
- 1.16 **Question 4: What progress has been made with regards to selecting a commercial partner for E&C regeneration ? HJB**
- 1.17 Cllr Thomas had received an initial briefing in his capacity as Executive member. There were two very serious bids on which a decision would be taken in the New Year 2007. These competitive bids would be tested using a robust system as set out in the Stage 3 bidding documents which included bid scoring.
- 1.18 Shamim Uddin expressed concern that current traders were not involved in the selection of commercial development partner. He noted that it was the Council pushing forward regeneration activity.
- 1.19 Cllr Thomas responded that he had not suggested that the Council had no role in ensuring business continuity and an independent trading environment post-regeneration. At stage 3 of the bidding process much was demanded of bidders including an outline of type of business support to be provided, training and these factors were taken into consideration during bid assessment.
- 1.20 **Question 5: Do you think the bidding process for contracts has been fair? Have current landowners at the Elephant and Castle enjoyed an unfair advantage over other bidders at the Elephant and Castle? MS**
- 1.21 **Question 6: Do you see any problem with the fact that the two remaining bidders are both advised by the same company, Colliers? MS**
- 1.22 Cllr Livingstone asked what Cllr Thomas would think if the current centre landowners were to become the development partner for the project ? Cllr Thomas stated that it would be fatuous for him to answer such a hypothetical question.
- 1.23 **Question 7: What progress has been made with establishment of a Multi-Utility Services Company (MUSCo) at the Elephant and Castle? JS**
- 1.24 Councillor Salmon confirmed that she had no further question to put to the Executive member having considered his written response.
- 1.25 **Question 8: Would the Executive Member inform the committee of the Council's liaison work with BAME business at the Elephant & Castle since the beginning of the year? LR**
- 1.26 **Question 9: If your actions indirectly or directly have an adverse affect disproportionately on a community the LA is required to a carry out an impact assessment to mitigate such. Will the result of the E&C regeneration ensure the same proportion of BAME businesses will be retained within the E&C future? MS**
- 1.27 **Question 10: Can you explain why the BAME officer responsible for liaising with E&C BAME businesses ceased employed Dec 2005 has not been replaced? MS**

- 1.28 Cllr Thomas stated that whilst the situation was not ideal, the existing core team was covering the work of this post with backup from the wider economic development team on some economic continuity work. It was not appropriate to discuss the situation of individual officers, however.
- 1.29 Cllr Seaton felt this went to the heart of the problem as the BAME officer post is a strategic, lynchpin appointment that traders saw as important. Lack of progress had resulted in lack of continuity in communications between the Council and BAME businesses.
- 1.30 The Chair agreed to return to question 9 at the end of the interview to enable Cllr Seaton to fully consider Cllr Thomas' written responses.
- 1.31 **Question 11: Why have the works on the Southern Roundabout at the Elephant and Castle been delayed? JS**
- 1.32 Cllr Thomas responded that this was not currently at the stage where delays would impede the developer in carrying out works. Transport for London's [TfL] clearance procedures were onerous yet Southwark was working with TfL positively and in addition the Mayor of London was reportedly committed to this work. All parties involved were aware that the Council was keen to take action and get this work started.
- 1.33 **Question 12: Could the Exec Member confirm the number of Tenants and Leaseholders on the Heygate estate that have been contacted individually about their Housing needs? Do the results influence the New Build developments, for example more residents needing 3 bedrooms than 2? JS**
- Question 13: How many residents have already left the estate by using homesearch or in the case of Leaseholders by accepting the councils offer on their property ? JS**
- 1.34 Cllr Salmon had no further questions in respect of the responses provided.
- 1.35 **Question 14: Do you accept the criticism by leaseholders on the Heygate estate that the amount offered by the Council to purchase their properties ahead of demolition is very much below market price? Do you understand why they are angry, and do you accept that the effect of regeneration has been to deprive leaseholders of the benefit of the increase in value of their properties? What will you do to address these concerns? MS**
- 1.36 Cllr Seaton thanked the Executive member for his response, but remarked that tenants in the Heygate Estate were being disadvantaged because the prices of their properties were declining and they could not afford to buy homes elsewhere because they were not being offered sufficient amounts for their leases.
- 1.37 Cllr Thomas responded that the Council could neither amend the relevant legislation nor control the valuation process. Property prices on the estate reflected both the nature of the market and that properties on estates like the Heygate are not generally as sought after as other properties.

- 1.38 Council has put in place a package that for leaseholders at the end of the process as they had requested, but he welcomed any additional suggestions for alternative packages. The Chair flagged this as a possible area for further discussion by the sub-committee.
- 1.39 **Question 15: Are you happy with current level of staffing resource available to service the Aylesbury regeneration scheme? MS**
- 1.40 Cllr Thomas stated that he had been unhappy with the current level of resources since he took up post. Before the new Year 2007 he hoped to have news about how the Council could get some movement on this.
- 1.41 **Question 16: What do you - as lead Member from the accountable body - consider to be an appropriate succession vehicle for the Aylesbury NDC scheme? MS**
- 1.42 Cllr Thomas noted that despite its good work the NDC would eventually end and the question was what to do after this point. Questions included: whether to mainstream previous NDC programmes, how to establish a successor body to continue programme work, and how to ensure that any successor body was viable following NDC end. He was happy to form some kind of trust company with financial independence, he stated, but did not wish to presume what arrangements might be agreed.
- 1.43 In respect of timescale, Paul Evans responded that the question was whether to put exit strategies in place prior to NDC end, or to wait until the point of programme close, whether to have parallel timing or a handover. Depending on the chosen arrangements central government would have an interest in arrangements given resourcing from government for NDC. Councillor Seaton protested that it was important that the member provide a timetable otherwise his answers were open-ended. His colleagues had a legitimate interest in the timescale as they wished to have the option of inputting into the arrangements.
- 1.44 Cllr Thomas said that no decision had yet been taken on the succession vehicle but that these were early discussions in which NDC was very much involved. Cllr Seaton looked forward to these matters being discussed at a later date.
- 1.45 **Question 17: Would the Executive Member comment on the contribution that the London Development Agency (LDA) has made, and its potential, in furthering regeneration work in Southwark? LR**
- 1.46 The Chair asked whether Cllr Thomas was satisfied that the LDA was sufficiently engaged with regeneration in Southwark and whether it was serving its function.
- 1.47 Cllr Thomas responded that the LDA was providing some business continuity work at the E&C. Work with the LDA was welcome although Southwark did not as well as some other London boroughs in relation to allocation. It was yet to be seen how the LDA would deal with issues around regeneration and small traders and whether anything might be learned from this. He shared concerns of some members that the LDA's focus would increasingly be on east London in the lead up to 2012.
- 1.48 **Question 18: Can the executive member update us on the urban/suburban issue? PN**

- 1.49 Cllr Noblet had no further question on this issue. He suggested that the Secretary of State be invited to visit Southwark after she makes her decision on the matter.
- 1.50 **Question 19: Would the Executive Member inform the committee of the responsibilities and achievements of his Communications Team since May 2006? LR**
- 1.51 The Chair remarked that the written response implied that communications section also dealt with consultation. In regeneration consultation was a prime function and asked whether this was correct. Cllr Thomas agreed that consultation and communications did feed into each other and that housing regeneration were inputting into consultation.
- 1.52 **Question 20: How will you work with Millwall football club so that Southwark can benefit from their enthusiastic plans to regenerate the area around Millwall Stadium? MS**
- 1.53 Cllr Livingstone remarked that Peter Desavery was no longer Chairman of Millwall FC and suggested that these issues be explored with the new Chair Heather Rabatts to check what plans were still in place. The Executive member confirmed that at the time the response was drafted the previous Chairman was still in post. Cllr Seaton again remarked that a timeframe was lacking in this response. Cllr Thomas responded that Southwark was not in control of regeneration plans for the area surrounding the club and that Millwall itself would need to approach the authority on this matter. Cllr Noblet advised that Millwall has been invited to Rotherhithe Community Council in January 2007 to update members on plans for regeneration. Much long term work was underway in which Network Rail was involved, and the club was working with the Council to improve Southwark approaches to Ilderton Road. This was an example of how Southwark was increasingly active in negotiating difficult s106 agreements.
- 1.54 **Question 21: Could the executive member for regeneration set out the implications for the council for its Local Enterprise Growth Initiative [LEGI] bid not being short-listed this year? What effect will this have on regenerating the borough's economy and what does the council plan to do now that LEGI will not be an option for the forthcoming period? RL**
- 1.55 Cllr Thomas advised that the authority had not been shortlisted for the LEGI bid, which was severely disappointing as a successful bid would have delivered approximately £80m funding. No other London borough had reached the shortlist. Southwark now needed to assess which projects would be implemented and identify possible alternative funding sources for certain of the others. The Council would need to form a strategy for 2007/08 application. The Executive member agreed to provide an update on implementation of LEGI work.
- 1.56 **Question 22: When will the Wooddene estate be demolished? JS**
- Question 23: How many residents are still living in Wooddene? What are the barriers preventing them moving out ? MF**

- 1.57 Cllr Thomas understood that of three residents left in Wooddene Estate only one now remained. The Council had done all it could to persuade residents to vacate but regrettably had needed to use legal powers in some cases. Cllr Foulkes stated that the length of time taken to decant Wooddene Estate continued to impact on those around and within the estate and asked whether Southwark Council intended to review both its overall decant policy and the specific impact of protracted Wooddene decant on small traders in the Meeting House Lane area. Meeting House Lane traders had received no support from nor had been consulted by Southwark Council.
- 1.58 Cllr Thomas offered to respond on the position of Meeting House Lane traders after consulting with officers. In respect of lessons learned from decanting his view was that the problem at the start was that blocks were demolished without extra accommodation capacity first being provided elsewhere in the system. Lessons from the Peckham Partnership project had not been learned as did the question how to manage places through major change.
- 1.59 **Question 23: What are the plans to renovate Caroline Gardens ? The majority of residents living in Caroline Gardens are elderly and some are having difficulties climbing the stairs. How would the executive member propose to resolve this issue ? There also appear to be subsidence or some other serious issue causing some of the buildings to sink into the ground - has the council carried out an assessment of this situation and are there any health and safety issues associated with this ? MF**
- 1.60 Cllr Foulkes recognized that this matter was not within Cllr Thomas' portfolio but asked why it was not part of the regeneration programme. Cllr Thomas replied that Cllr Humphreys was responsible for refurbishment matters through the Decent Homes Scheme.
- 1.61 The Chair agreed to take this issue forward with Councillor Humphreys and secure his response for Cllr Foulkes to this question.
- 1.62 **Question 24: Is the executive member concerned that the Housing Department no longer exists ? Can he clarify where housing regeneration will sit within the interim structure ? At what point was he consulted? Does he believe that this major decision should have been discussed at Council Assembly ? MF**
- 1.63 Cllr Thomas stated that the interim structure would be discussed at the 12 December Executive meeting at which a decision on the longer term arrangements would be made. He was happy about the changes made by the new Chief Executive, appointed to resolve problems and deliver what was needed for Southwark's tenants. People were not happy with the performance of the Housing Department previously yet also appeared to take issue with the Chief Executive's changes to address this.

In relation to how these changes had been introduced, Cllr Foulkes felt strongly that Council Assembly was the proper arena within which such major decisions should be taken and that it was unacceptable that as an elected member she had discovered details of these changes only from Southwark News. She disagreed with the Executive member that the changes constituted simply managerial decisions and the impact on tenants was as yet unknown. Cllr Thomas agreed that it was unacceptable if Councillors and housing officers involved learned of the changes through the local press and not from the Council itself and advised that the monitoring officer would be asked to investigate the matter.

- 1.64 **Question 25: How do you think the impending reorganisation of housing will affect the regeneration department? Will it enable closer joint working? MS**
- 1.65 Rachael Sharpe's team would be managed directly by Paul Evans which Cllr Thomas reported would assist joined up working between Members and officers and reduce duplication of communication.
- 1.66 **Question 26: What joint working have you done with the Executive Member for Communities on Social Inclusion lately? How often do you meet formally to discuss joint projects? MS**
- 1.67 There were no supplemental questions raised on this point.
- 1.68 **Question 27: Can you update us on plans for a swimming pool, leisure centre and library in the Canada Water regeneration project? What progress have you made in securing the use of the land needed for these schemes? PN/MS**
- Question 28: How confident are you that the council will be successful in delivering the full Canada Water plan? MS**
- Question 29: Can you clarify recent reports that the Canada Estate will be included in the Canada Water regeneration? MS**
- 1.69 Councillor Noblet reported that local residents were positive about Canada Water plans and felt that local views had been taken into account. He hoped that good consultation practice in respect of the library consultation could be rolled out across the authority. Cllr Thomas replied that good practice demonstrated by this exercise could be replicated and the Council could work with Community Council and local ward Councillors on this.
- 1.70 In terms of expanding the development plan footprint Councillor Noblet suggested that attention be given to Hawkstone and Canada Water Estate development. Cllr Thomas referred to Albion Estate also. The intention was to ensure community facilities were considered when new homes were created in an area, especially given the large number of estates experiencing decant across the borough.
- 1.71 Councillor Noblet asked the Executive member to establish a mechanism to keep Canada Water and other local forums informed about development plans to facilitate stakeholders involvement in consultation, decision making and development of necessary actions. This was important even for those not directly involved but who would nonetheless be affected by local area regeneration.
- 1.72 **Question 30: How will the council determine its official response to the consultation on the route of the cross-river tram – how will community councils be able to contribute their views? MS**
- 1.73 Councillor Thomas confirmed that whilst the formal consultation process for the cross-river tram route had not yet been finalised, Community Councils would be able to contribute their views. The authority does not have a formal sign-off system in place for this but sign-off would normally be by either the Director or Executive member. Councillor Thomas would look into this and would be happy to involve Community Councils.

- 1.74 The Chair stated that Community Council Chairs needed to proactively keep abreast of issues. Councillor Livingstone noted that the proposed tram route would cross through five Community Council areas and hence the challenge of pulling together a coordinated response across all CCs would need to be taken into account by the Strategic Director of Regeneration in setting out the process and timescale. Cllr Thomas reminded scrutiny that initial consultation on the broad route issues would now run until February/March 2007.
- 1.75 **Question 31: Are you satisfied with the progress and delivery to date of the Nunhead and East Peckham renewal area? One of the goals for the first 12 months of the renewal team was to deliver approximately £1m of new lighting across the renewal area. Nearly 18 months on, no contract has been signed for this work, and it now transpires that an EU procurement process may need to followed, delaying the work even further. Why did the team not see this coming? How do you respond to concerns that local people are losing faith in the renewal team's confidence to do this work? MS**
- 1.76 Councillor Seaton commented that whilst he accepted the Executive members answer he was concerned that again there was no timetable provided. This was a matter of great concern to his constituents.
- 1.77 The Chair then asked the Executive member to respond to question 9, after which he invited traders from Elephant & Castle present at the meeting to update the sub-committee on the current situation from their perspective and to respond to the Executive member's responses on Elephant & Castle.
- 1.78 **Question 9: If your actions indirectly or directly as an adverse affect disproportionately on a community the LA is required to a carry out an impact assessment to mitigate such. Will the result of the E&C regeneration ensure the same proportion of BAME businesses will be retained within the E&C future? MS**
- 1.79 Councillor Seaton stated that he had done research on the impact of regeneration on BME businesses. The Executive member's response, despite the stated aims of the regeneration, would he believed result in higher rents yet there was no package available to secure the survival of local businesses, nor confirmation that suitable alternative trading spaces would be available to them in the new centre. He cited examples of good practice at Birmingham's Bullring shopping centre. He asked Councillor Thomas whether he thought that the regeneration project would have failed if it resulted in a smaller percentage of BME businesses trading in the centre.
- 1.80 Councillor Thomas was aware of similar good practice in Liverpool and Cllr Seaton offered to share details of Birmingham good practice. Cllr Thomas responded that it was generally accepted that rents would rise once the centre became more desirable and that higher footfall was assumed to follow from this. He reiterated that he wished to avoid the situation in which only large businesses would be viable within the centre and disagreed that there was no package available to secure business survival, nor confirmation that suitable alternative trading spaces would be available to local businesses in the new centre. It was essential that in addition to traders, local people benefited from regeneration, and that smaller units were essential. He disagreed with Councillor Seaton that the previous administration's approach to regeneration of the area would have brought more benefit to independent traders. Councillor Thomas refuted that the Council had told potential developers that there was no place for small traders in the scheme.

- 1.81 Mr Uddin noted that plans indicated that the units offered by developers would be unsuitable for small traders. Developers had made it clear that plots of land in redevelopment would house only major retailers and it was unrealistic to subsequently change the plan and expect developers to accept small trading units. The Council had little control over the development which would involve splintering of land although he suspected that a single developer might take a more cohesive approach to land use. He reported having seen information on a website which stated that ADSA would be opened at the Volvo site to ensure adequate shopping facilities for local people, although this conflicted with what he believed Southwark's Chief Executive had stated about the Volvo site not being ready until 2012. Cllr Thomas asked Mr Uddin to send him a copy of the website.
- 1.82 Councillor Thomas asked Mr Uddin to bring his information to their meeting the following day to avoid misunderstanding. The Chair noted that the sub-committee meeting was an opportunity for Mr Uddin and Bernie Bartley to update the sub-committee on the current position and tell members what had happened since they last spoke with scrutiny. He invited them to do so.
- 1.83 Bernie Bartley reminded members that he and other traders had sat with Cllr Thomas and outlined concerns about the Volvo site not being a viable option for businesses in 2009, not least because units would not be ready then. This frustrated traders who had been telling the Council for years what the problems were. It was a very simple situation – business had been lost from the area. He wanted the Council to be honest with traders and not ignore them. The Council had told traders that businesses would be kept in the loop, but this had not happened. The Charter was intended to facilitate businesses moving from the existing centre to new units, however if no units were ready in 2009 then it would be without purpose.
- 1.84 Mr Uddin noted that no charter document had been produced since originally proposed in 2005. It was unreasonable to expect traders to see a Charter at the last minute and he felt that getting BusinessExtra to value businesses was a deliberate delaying tactic on the part of the Council. Traders wished simply to continue trading, rather than seeking wealth through this process. Mr Uddin was concerned that the Council proposed to select a developer in January 2007 without any idea of who would be occupying the trading units. The previous developer had reportedly said it was cheaper to compensate everyone in the centre. He maintained that all options for business continuity had not yet been exhausted.
- 1.85 Cllr Thomas noted that at a meeting with St Modwen's on 23 November 2006 Annie Shepperd planned to discuss the Charter's content. Bernie Bartley reported having received no agenda for the meeting and concluded that there was as yet no charter in existence.
- 1.86 Mr Uddin said there had been no consultation with traders. He personally had paid around £3,000 for the information necessary to confirm his accounts details with BusinessExtra and asked why the Council was wasting his money and time if it had no intention of assisting or compensating traders.
- 1.87 The Chair expressed his dissatisfaction with the way the matter had been handled over the last few years. The sub-committee wanted to see resolution on this matter as it was an unsustainable position to have such uncertainty remaining. The Chair expressed regret that both Mr Uddin and Bernie Bartley felt they needed to attend committee again simply to repeat themselves.

- 1.88 Councillor Thomas confirmed that the meeting on 23 November would focus on talking to St Modwen's. The Council had a great deal of difficult negotiation to undertake. He wished to see resolution on this matter as much as anyone else. Mr Uddin felt that due to its financial might, St Modwen's might easily intimidate the Council. He personally had been engaged in a legal dispute with them for the previous three years and he felt St Modwen's were engaging in a war of attrition as they were confident they could afford to continue proceedings for some time longer than he could.
- 1.89 Councillor Seaton asked whether traders had ever discussed use of the Well Being power in relation to E&C business continuity during meetings with Southwark's Chief Executive [CE]. Mr Uddin responded that the CE had concurred that it could not be used to benefit a private entity. This would set a dangerous precedent and was therefore unlikely to be used. All the advice traders had received from professionals was that use of the power was not a viable option and they had been cautioned not to explore this route.
- 1.90 In response to this Cllr Thomas stated that he would be happy to clarify exactly what had been said for the record. Compensation is a matter between the landlord and tenant however the Well Being power might enable something to be framed in terms of economic continuity.
- 1.91 Mr Uddin confirmed that 97% of businesses at the Elephant & Castle shopping centre were BME owned. Mr Uddin stated that Southwark's Chief Executive had been surprised that no agreement had been made with the developer for business tenants to move back in to the centre. Mr Uddin stated that the Council had not carried out Equalities Impact Assessment of the Elephant and Castle regeneration.
- 1.92 The Chair circulated an email submission from Patrick Blunt, a copy of which is attached to these minutes.
- 1.93 Paul Evans suggested that the Council and traders were in one sense both victims of trying to be as helpful as possible. Proposals had been put to LBS that businesses had demonstrably changed over time and as a result Regeneration needed to gather information to understand this situation. There were limitations to the application of the Well Being power.
- 1.94 Mr Bartley said that the situation had reached the point at which the Council needed to give a definitive answer about whether there would be small businesses at the Elephant & Castle in the future. Councillor Thomas replied that there would be.
- 1.95 Councillor Seaton asked Mr Uddin and Mr Bartley to describe the optimal outcome for traders. Mr Uddin said that traders had outlined very clearly what they needed but that the Council was unable to achieve this. He wondered why development could not be brought forward to 2007 to enable compensation to be paid.
- 1.96 Bernie Bartley responded that in his view traders were being sacrificed for the long term benefit of the area. He appreciated the LDA having spoken with traders but felt that things were far from resolved. Taxpayers could not be expected to compensate individual traders for potential losses and the developers would drag the situation out for years.

- 1.97 Shamim Uddin alleged that Southwark's Chief Executive had wrongly excluded his nominated deputy [traders representative] from a particular meeting regarding the Elephant and Castle shopping centre. Councillor Thomas responded that both he and the Chief Executive wanted dialogue with traders. He reminded the sub-committee of the clear distinction between the roles of backbench and Executive members and stated that at a recent meeting one Councillor present had acted in a very party political way. Councillor Seaton took exception to this statement and Councillor Thomas refused to withdraw it. The Chair urged members to have regard to their conduct and stated he took the Executive member's word that he wished to see this matter resolved.
- 1.98 Cllr Thomas felt the Chair had allowed a number of questions to be posed by traders present to which there was not a full opportunity for him to respond. In conclusion, the Chair thanked Councillor Thomas for his time and patience in responding to a number of difficult questions.
- 1.99 Councillor Foulkes said that in her opinion it was clear Southwark's regeneration programme was racist. The sub-committee had a moral duty to talk about the disproportionate negative impact on Southwark's BME population. She did not want to reach 2010 with the borough in uproar because black people were still not being properly regarded within the planning process. The Chair acknowledged the areas for action arising from discussion of the Elephant & Castle which would be followed up in the minutes and reported back to the next meeting to assess progress made. He would continue to make the case for the Well Being power to guide the production of a package for the traders. This would involve many agencies including the LDA.
- 1.100 Councillor Seaton noted Equalities Impact Assessments [EIA] could be used to assess the impact of regeneration outcomes were negative for BME populations. This should be undertaken *before* a project started but this appeared not to have happened in this case. He felt lack of EIA left an indelible scar on the local community and undermined Southwark's work to promote community cohesion. He suggested that "regeneration" was perhaps not a wholly appropriate descriptor if project outcomes were not positive. He suggested therefore that scrutiny should call for an EIA on the E&C regeneration programme as a matter of urgency. Councillor Livingstone noted that research had been done on Equalities Impact Assessment of regeneration schemes elsewhere and suggested that Southwark might look to develop its model of good practice EIA use for future regeneration programmes.
- 1.101 Councillor Noblet asked whether specific work had been carried out to assess the impact of Southwark's regeneration programmes on local business and suggested scrutiny undertake this work.

RESOLVED:

1. That Councillor Richard Thomas agreed:
 - To provide an update on implementation of LEGI work;
 - To Confirm the Council's formal sign-off process for the cross-river tram route and explain the role of Community Councils in this;
 - To respond on the position of Meeting House Lane traders after consulting with officers.
2. That the Strategic Director of Regeneration put a paper to Community Councils setting out the process and timescale for Southwark's formal response to consultation on the cross-river tram route.

3. That the sub-committee continue to drive forward its recommendations in respect of E&C business continuity, which it hopes will be taken up by the Executive to give traders resolution.
4. That discussion on the impact of regeneration schemes on local business, including the role of Equality Impact Assessments within Southwark, be added to the sub-committee's 2006/07 work programme.

2. QUARTER 2 CORPORATE PERFORMANCE REPORT [see pages 11-39]

- 2.1 Stephen Gaskell presented the performance report. Stephen Gaskell noted that for some indicators, small fluctuations in performance caused figures to shift dramatically. He confirmed that benchmarking was undertaken in all service areas. It was noted that the Corporate Plan was being updated and that indicators shown were the current indicators.
- 2.2 The sub-committee discussed quarterly performance information and what measures might be taken to ensure meaningful scrutiny engagement with the quarterly reports. The sub-committee suggested that OSC look in more detail at how current sub-committee remits aligned with existing performance targets to help scrutiny sub-committees better focus their discussion of future quarterly performance reports on these areas. It was felt that this could also help establish ownership of performance targets by individual scrutiny sub-committees.
- 2.3 Members also suggested that presenting performance information from previous years alongside current quarterly performance reports could help members scrutinise officer predictions of future performance. Stephen Gaskell confirmed that this would normally be included within the year-end reports once final audited outturns from other local authorities were known.

- RESOLVED:**
1. The sub-committee asked officers to map how the performance indicators in the current corporate basket aligned with the scrutiny sub-committee areas of responsibility.
 2. The sub-committee asked that future performance reports to scrutiny be presented alongside similar profile information for previous years, to enable members to assess officer predictions for future performance.
 3. The sub-committee asked that if possible future performance reports to scrutiny should include comparative information about the performance of other comparable London boroughs on these indicators.
 4. The sub-committee asked officers to report back on action to address the authority's performance deficit in respect of time taken to process major planning applications.

3. SUB-COMMITTEE WORK PROGRAMME 2006/07 [see pages 7-10]

3.1 The work plan was noted.

3.2 The Chair thanked Cllr Noblet for his work scoping the section 106 review, copies of which were circulated. It was agreed that the review be undertaken early next year towards the end of public consultation on the Council's new Special Planning Guidance on s106 and its consideration by the Executive.

3.3 Arrangements have been made for the Director of Finance to provide a training/briefing session for the sub-committee in mid January 2007 prior to budget scrutiny and interview of the Executive member in late January. Members availability appeared to be around 16 January and the Scrutiny Project Manager was asked to circulate this date for confirmation by email following the meeting. A training session on local authority finance and budget was also reportedly available to all members on 7 December 2006 as part of member development training.

RESOLVED: That the Scrutiny Project Manager circulate details of the proposed date for the sub-committee's Director of Finance budget briefing [16 January 2006] to the sub-committee by email for confirmation.

The meeting ended at 10:20PM.

CHAIR'S SIGNATURE:

DATED: