

## Interview with the Executive Member for Regeneration and Resources

Questions for the Regeneration and Resources Scrutiny Sub-Committee meeting, October 31 2007.

### 1. **What percent of staff in the Regeneration Department are classified as BME?**

*As of October 2007, the proportion of staff in Regeneration and Neighbourhoods classified as BME\* was 49%.*

#### **Breakdown**

##### Total Staff

261 staff members    49%BME    51% white British

##### Senior Management Team\*\*

8 staff members    62.5% BME    37.5% white British

##### Other managers\*\*\*

35 staff members    37% BME    63% white British

##### Total managers

43 staff members    42% BME    58% white British

*\*Please note that the definition of BME used here is that used by the CRE and the Social Policy unit and that is anyone who does not self identify as white British. Also the above figures are based on information recorded on SAP.*

*\*\* this is the director and direct reports*

*\*\*\* this is the next level of management in each department and is not necessarily defined by grade.*

### 2. **Could you please outline progress in meeting our targets for deciding planning applications?**

*There had been a progressive reduction in performance through 2006/7, particularly in relation to major applications. For the first quarter of 2007/8, the percentage of 'major' applications processed within 13 weeks was 44%, a significant increase from the previous quarter but still well behind the national target of 60% and in the bottom quartile for London boroughs. Performance on 'minor' and 'other' applications also both rose significantly, to 64% and 80% respectively, with 'minors' still 5% below target and 'others' on target. The above performance increases partly reflect a programme of improvement which has been progressively implemented since May 2007.*

*We now have the results available for the second quarter. These show a further rise for all three indicators, to 62%, 74% and 82% respectively across the 3 measures. The 2007/8 performance to date is significantly in excess of that for 2006/7 for all 3 measures and, for the last quarter, all 3 targets were exceeded. What is most encouraging is the progressive improvement each month through July, August and September. A continuation of this trend should see the corporate targets being met over the full year.*

*However, a note of caution needs to be made. There is still a substantial backlog of outstanding applications, which is being addressed by setting up a temporary 'backlog team'. As decisions are made on these schemes, they will have a negative impact on the figures over the next 2 quarters as they are already past their 8/13 week deadlines. This temporary effect will be monitored separately so that its impact can be understood and explained.*

*Appendix 1 contains full performance data for Development Control since April 2006.*

- 3. What is the plan for affordable housing on the Wooddene? Southwark Council's website indicates that it there will be 'more than 100 homes to be let at an affordable rent and more than 200 homes to buy by 2009.' I have been informed by Officers that a decision has not been made. Can the Executive Member confirm the plans.**

*A detailed feasibility study has been completed by leading architectural practice AOC for the redevelopment of Wooddene. This work will inform a programme of public consultation which is scheduled to commence at the end of November with details circulated closer to the time. It is not possible at this point in time to confirm the exact number of either affordable for rent or for sale units as this will depend on the outcome of the public consultation process and the statutory planning process. However a minimum of 104 households for rent will be provided to accommodate all those households who expressed a desire to return to the new development when tenants were relocated from the now demolished Wooddene blocks or 35% of the total number of units which is the minimum requirement under the Southwark Plan.*

*Additional to the feasibility work and planned public consultation, and in order to speed up redevelopment, the process to identify a suitable development partner for Wooddene will commence during November. This will comprise a two stage process and will lead to a recommendation to the Council's Executive in the Spring, of a suitable partner to take this exciting project forward.*

- 4. SMEs in the Elephant and Castle are concerned with the lack of consultation over the past 8 months, and one of the many questions that has yet to be answered is whether the council will provide compensation for the lost of earnings to the SMEs dating back to when the regeneration of the area was announced which including the demolition of the shopping centre.**

*The council has been very clear that it will not provide retrospective compensation for alleged loss of earnings. Previous efforts by the Council, the traders, the LDA, the landlord and other advisers have been unsuccessful in identifying any basis upon which cash payments could be justified to*

individuals or businesses who claim to have incurred trading reductions or losses subsequent to the announcement of the intention to regenerate the area in 1998 or the adoption of the Elephant and Castle SPG.

However, the Council is doing everything in its power to secure continuity for local businesses in the area. The executive agreed a charter at its meeting of 30<sup>th</sup> January including:

- Joint measures involving the landlord and traders to maximise trading within the shopping centre prior to closure;
- Transitional business planning to support relocation;
- Legal advice and support on tenancies supported by the LDA;
- Options on alternative business premises with transitional rent subsidy in the LBS property portfolio or supported by s106 agreements (such as at 50 New Kent Road)
- Negotiations and collaboration with the LDA to give practical project options for LDA commitment to invest in support of traders.

**5. How are the Council going to address the concerns of the Leaseholder on Heygate Estate about the valuation of their homes. They have been devalued due to the neglect of the council. Will this be factored in when considering the market value for their homes.**

*It is the government, not the Council, which sets the legislative guidelines for the acquisition of leasehold interests. We pay leaseholders current market value plus ten per cent (seven and a half percent for non-resident leaseholders). Removal and disturbance costs are also paid.*

*Heygate properties have relatively low values – due to their design, construction material and other characteristics reflected in property value - regardless of condition, in an area of increasing property value.*

*Therefore, where the Council has discretion, we have gone far beyond what is required by legislation to address the needs of people who find themselves in financial hardship. Where leaseholders are assessed as unable to meet their reasonable housing needs (i.e. able to buy a property on the open market), they will qualify for one of the following options:*

- Shared ownership
- Retained equality (transfer of compensation into a share of the equity in a new property)
- Comparative value transaction (where the council buys the existing interest in the Heygate and sell the leasehold and leasehold interest in an existing empty property somewhere else in the borough).
- Offer of a tenancy

*All of these are over and above the minimum statutory requirement on the council but are based on an affordability assessment.*

*I am not in a position to judge how a long term lack of investment by previous administrations lead to the decision in 1998 that the Heygate Estate would be demolished. However, far from neglecting the estate in the interim, this administration has promised to maintain service standards and work to improve them. This includes work being undertaken on the estate's heating system to make it more reliable and an increased security presence.*

6. **Following the survey of residents in the area surrounding Burgess Park the main findings included a demand for better facilities, there is a fear of crime but despite this the park seemed highly valued by the respondents. Can the executive member's vision for Burgess Park, in light of this feedback and also in relation to the regeneration of the Aylesbury Estate.**

*My vision for Burgess Park is for a well-managed, safe park with a range of sustainable facilities and attractions. This will help Burgess Park become a destination of choice rather than a cut through, or worse still, a place to avoid.*

*Central to this vision is a sense of genuine community ownership and, for that reason, Groundwork Trust has commenced a programme of research and consultation amongst local residents which will underpin and validate the park master plan and existing community consultation within the AAP. For the first time we will produce as part of the AAP a single unified development plan to ensure the long term success of the park.*

*In relation to the regeneration of the Aylesbury Estate, Burgess Park has been identified as a key value driver and is therefore central to the success of the whole Aylesbury project.*

7. **At your meeting last year with this scrutiny committee, you expressed your disappointment regarding the borough's unsuccessful round 2 LEGL bid, but undertook to seek other ways of delivering parts of that proposal through other routes.**

- a. **Could you update the committee on the progress of that work?**

*The LEGL programme had three key objectives:*

- to increase total entrepreneurial activity among the population in deprived local areas;*
- to support the sustainable growth – and reduce the failure rate – of locally-owned business in deprived areas; and*
- to attract appropriate inward investment and franchising into deprived areas, making use of local labour resources.*

*Our Original LEGL application had 21 work streams covering the three objectives and a programme management element. Despite the unsuccessful bid the council has secured investment in six of these work streams.*

*Business training:*

- 'Enterprise training' project for business skill set.*

*Future entrepreneurs:*

- 'Stakeholders' business links to young people project.*
- 'Young Enterprise' project targeting young disabled.*
- 'Youth enterprise' project working with schools.*

*Business Sustainability:*

- 'Supporting business growth' project for skills IT and global business*
- 'Outreach for business' start up and sustainability' visiting service*
- 'Outreach Activity' Estate based business advice services*

Property investment:

- 'Improving local retail environment' capital investment project

Business networking

- 'Business networks forum' project to market the 'Southwark offer'

Business Research

- 'Southwark Business' survey and web based directory project

**b. What progress has been made in preparing a round 3 submission?**

*We held exploratory discussions with a number of other boroughs including Lambeth, Wandsworth, Lewisham, Greenwich, Westminster, Croydon and Bexley. These were exploratory conversations, due the lack of available information regarding round 3.*

*The Oct 9<sup>th</sup> announcement in the Pre Budget report by the Chancellor stated that there would be no further competitive bidding rounds, and therefore, no round 3. Therefore further work on enterprise development across boundaries will continue to be explored but not for the purposes of LEGI bidding. Other opportunities will be sought out for funding approaches if and when they become available.*

**8. Could you outline your strategy for the continuation of the work carried out by Southwark Works once its agreed funding ceases?**

*Southwark Works, currently in its third year, is a programme of support, referral and training to help people into sustainable work. Specialist employment advisers, hosted by partner organisations and council departments, are brought together under the single brand "Southwark Works" to provide outreach across Southwark to ensure employment and training services are accessible to everyone, particularly those not engaging with mainstream services such as Job Centre Plus.*

*Since 2004 it has worked with over 2,100 local residents who face significant barriers to employment, including: 1,000 IB claimants; 225 former substance misusers; 250 refugees; 140 clients with learning disabilities; and 80 clients with mental health disabilities. Of these, 540 have gone into accredited training and 300 have found full time employment. Case studies show that soft outcomes are consistently being achieved and that client satisfaction levels are high.*

*It has also served to raise awareness of, and improve accessibility to, employment and skills provision. This has been recognised by: Learning and Skills Council, LDA, Government Office for London, DWP, Department of Health, Social Inclusion Unit, Cabinet Office and, more recently, Communities & Local Government. The Southwark Works programme is being closely linked with multi-agency, cross-departmental best practice, including: physical and mental health issues, housing, crime reduction and ethnic minority employment.*

*Southwark Works is funded by a combination of Council, NRF and LDA money and was profiled to finish in Sept 2007. Additional funding has been*

secured from NRF which has enabled the Southwark Works programme to continue to March 2008.

Unfortunately, the government has seen fit to end NRF funding at the end of this financial year, resulting in yet more uncertainty for vital programmes like Southwark Works. Should the Southwark Works programme end, due to the unpredictable nature of government funding, we would lose delivery of specific services as well as the platform we have used to focus the minds of key regional and national delivery agents.

A full evaluation is being finalised now and we expect recommendations for continuation of a majority, if not all, of the Southwark Works programme. Some elements will definitely continue, for example funding for South London and Maudesley Hospital advisers has already been allocated from mainstream budgets. We are currently exploring funding opportunities from April 2008 to continue other elements. These include: -

- the Working Neighbourhoods Fund (NRF replacement) - we are confident that Southwark Works will meet the relevant criteria as outlined in the October 2007 CSR to work across themes and introduce an employment focus into other strands of council work;
- LDA and Government Departments - open bidding rounds to enhance particular elements of the programme like ethnic minority employment and social inclusion;
- we are also exploring investment in the Southwark Works model from major developers of our regeneration projects through obligatory community benefits from contracts. This, however, will be in the longer term.

9. **At the joint meeting of the Housing and Regeneration & Resources scrutiny committees on 9 October, the Deputy Leader of the Council explained that the plans to rehouse Heygate tenants locally have had to be changed due to delays in developing early housing sites.**
- a In your view, is this a fair assessment?**
- b What are the reasons for these delays?**
- c What action have you taken to quicken the pace for these developments?**
- d. Will sufficient housing capacity be developed through early housing sites to meet the need created through the Elephant and Castle regeneration project?**

*Southwark Council has learnt from the difficulties of long, drawn out rehousing programmes. We've responded to Heygate residents' concerns about the conditions on the estate by setting a new target date - September 2009 - to re-house all residents.*

*The new target date for vacant possession of Heygate has been set because of the increasing difficulty in keeping the Heygate blocks in good repair, particularly the mechanical and electrical installations, and maintaining a good standard of housing management services.*

*The Council is not running the estate down so that people will be desperate to move. Service standards will be maintained and we will be working to*

*improve them. This includes work being undertaken on the estate's heating system to make it more reliable and an increased security presence.*

*In September 2007 the first blocks "went live". This means that residents were free to bid for alternative accommodation through homesearch. Early indications are that people are keen to move. In the first month, 39 households found alternative accommodation, 19 with Southwark Council, 18 with a Housing Association or Tenant-Managed Organisation and 2 on their own. Further blocks will go live in December 2007, March 2008 and June 2008. The first blocks are scheduled to be clear in Autumn 2008.*

*Changes in the plans to rehouse Heygate tenants locally have occurred due to movement in the target date for vacant possession. In relation to early sites the projected timescale has not changed significantly and it is still anticipated that a significant number of units will be available for allocation during 2010. Appendix 2 sets out the 958 units that will be delivered via these schemes and the planning submission dates for individual schemes.*

*The key stage to reach before individual planning applications can be submitted is the signing of a development agreement setting the obligations of each RSL consortium and the Council. This has been a very complicated process, because of the nature of the scheme, which involves cross subsidising, architectural appointments and other complex issues. The first of these agreements has now been signed and the second will be completed shortly.*

*To quicken the pace of development, it has been agreed with RSLs that they fund detailed design work by their appointed architects before the signing of the development agreements, to enable submission of planning applications.*

*The current projections of unit numbers and tenants' rehousing preferences indicate that the rehousing requirements will be met.*