



OVERVIEW & SCRUTINY COMMITTEE

MINUTES of the Overview & Scrutiny Committee held on Monday 21 March 2011 at 7.00 pm at Town Hall, Peckham Road, London SE5 8UB

PRESENT: Councillor Lisa Rajan (Chair)
Councillor Andy Simmons (Vice-Chair)
Councillor Neil Coyle
Councillor Toby Eckersley
Councillor Gavin Edwards
Councillor Dan Garfield (Reserve)
Councillor David Hubber
Councillor Tim McNally
Councillor Helen Morrissey
Councillor Paul Noblet
Councillor the Right Revd Emmanuel Oyewole

EDUCATION REPRESENTATIVES: Leticia Ojeda, Parent Governor

OTHER MEMBERS PRESENT: Councillor Fiona Colley, Cabinet Member, Regeneration & Corporate Strategy

OFFICER SUPPORT: Simon Bevan, Interim Head of Planning and Transport
Doreen Forrester-Brown, Legal Services
Eleanor Kelly, Deputy Chief Executive
Karen O'Keeffe, Head of Economic Development & Strategic Partnerships
Steve Platts, Head of Property
Peter Roberts, Scrutiny Project Manager

1. APOLOGIES

1.1 There were no apologies for absence.

2. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT

2.1 There were none.

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

3.1 There were no disclosures of interests or dispensations at this point in the meeting.

4. MINUTES

4.1 The committee agreed that questions to the leader for which an answer was outstanding, and which were still relevant, be re-submitted to the leader for his attention.

RESOLVED:

1. That, subject to the following amendment, the minutes of the meeting held on 10 January 2011 be agreed as a correct record:

Paragraph 5.3 – add, “The leader agreed to provide written answers within ten days”.

2. That, subject to Councillor David Hubber’s name being removed from the list of those who gave apologies for absence, the minutes of the meeting held on 31 January 2011 be agreed as a correct record.

5. CABINET MEMBER INTERVIEW: COUNCILLOR FIONA COLLEY, REGENERATION & CORPORATE STRATEGY

Future of town centres regeneration and the Improving Local Retail Environment (ILRE) programme

5.1 Members asked what was happening to the library and shops in the Albion Street area. Councillor Colley responded that the challenges were not unusual in the borough. There were different views about the library and reinvigorating the street. Something was needed to draw people into the area and bring in private investment. Councillor Colley welcomed suggestions. Members offered to provide feedback from the community council meeting and suggested that consideration be given to using the area around the Norwegian Church and to rent levels of council-owned shops.

5.2 Members highlighted that the core strategy included expanding Canada Water as a town centre but that traffic and transport were a problem. Councillor Colley stated that it was necessary to identify the resources to look at transport issues. Lewisham’s and Tower Hamlets’ commitment to this was not yet clear. Steve Platts, head of property, commented that the pedestrian routes around Surrey Quays tube station were not straightforward and that this was being looked into. In response to a question Councillor Colley indicated that she had not heard anything from TfL about Lower Road and a possible one-way system.

5.3 In respect of Canada Water, a member asked whether the Strategic Landowners Group still existed and stressed the need for cohesive development. Steve Platts responded that the Group had not met for some time. The council was having

conversations with landowners to ensure that development was co-ordinated. He reported the current position on Harmsworth Quays where the occupiers were consulting staff on relocation. This would be a great opportunity for redevelopment and the views of local people would be invited. Councillor Colley emphasised that if the Daily Mail offices went then this would unlock a huge area but that it would be essential to talk to residents and ward councillors. She was keen to ensure that there continued to be employment opportunities on the site.

- 5.4 Members asked for an update on the ILRE programme and whether any schemes were ahead of schedule. Councillor Colley explained that the schemes had been due to be completed by the end of this financial year but, because business engagement had taken longer than anticipated, this had moved to the end of the Summer. Karen O’Keeffe, head of economic development & strategic partnerships, confirmed that all schemes were on budget and would be on site by the end of May and completed by June. Members asked whether there would be any fresh capital allocation. Councillor Colley replied that it was unlikely that the ILRE programme would receive further allocation. The priority was bigger town centres like Camberwell and Rye Lane.
- 5.5 A member asked how the lack of Section 106 money in the south of the borough could be addressed. Councillor Colley stated that Herne Hill had one of the bigger allocations but agreed that it would be useful to review the situation.
- 5.6 Members drew attention to parts of the borough where the number of empty shops was increasing rapidly and wondered what could be done. Councillor Colley stated that this was variable, for instance Rye Lane had a low vacancy rate. There was some planning protection for shop units but the impact of the economy was not good. Steve Platts added that less than 4% of shops were in the council’s ownership.
- 5.7 In response to questions about future capital bids on Rye Lane, Councillor Colley stated that the Peckham and Nunhead Area Action Plan was a starting point. A clear idea needed to be developed of what was wanted before any capital bids were put in. Rye Lane had been resurfaced and the pavements were being done. It had to be kept clean and trade waste picked up. Peckham town centre needed an anchor store and discussions needed to take place in respect of the multi-storey car-park and the cinema.
- 5.8 Members asked how the council could engage bigger businesses to work together in support of regeneration. Councillor Colley stated that it was crucial to bring in private investment. In the past, regeneration in Peckham had been paid for by public sector funding but there was no prospect of this in the immediate future. A conference last year had promoted Southwark as a central London borough. A seminar at the beginning of May would provide the launch event for the Peckham and Nunhead Area Action Plan and include contributions from developers who had already worked in the borough.

Strategic planning issues in Borough and Bankside

- 5.9 A member was disappointed about the halting of the area action plan pending agreement of the local plan. The area action might have provided some protection

against schemes such as The Quill going ahead. Councillor Colley stated that as a priority the council needed to be clear how neighbourhood planning worked.

- 5.10 Another member asked how the council could protect the Crossbones Graveyard. Councillor Colley stated that the council was working with TfL, the Mayor of London and Friends of Crossbones to protect the site. She added that it was unfortunate that the planning inspector had decided that open spaces could not be included in the Core Strategy but that the council would include them in area plans where this was possible. She was talking with officers about the possibility of an open spaces development plan document.
- 5.11 Members asked whether all supplementary planning documents were being abandoned. Councillor Colley explained that this was not the case but that the council was reviewing the order of its priorities. In response to further questions, Simon Bevan, interim head of planning and transport, stated that the Dulwich SPD remained in draft and would need to be updated in line with the Core Strategy. He also explained in reference to the Dulwich Hospital site that the draft SPD set out local aspiration for the site.
- 5.12 The chair suggested that it would be helpful if the Regeneration & Leisure Scrutiny Sub-Committee was provided with priorities of timing in respect of the different action plans.

Elephant & Castle – including demolition of the Heygate estate, HCA and the Aylesbury and Elephant and Castle regeneration schemes and new leisure centre at the Elephant and Castle

- 5.13 Councillor Colley provided an update on demolition of the Heygate estate. Demolition had started on the Rodney Road site a month ago in preparation for the blocks to be pulled down. Concrete was being crushed on site and a lot would be recycled when the estate was re-built. Steve Platts stated that the council was working with Lend Lease on the next phase, south of Heygate Street, and that the final phase would be north of Heygate Street where currently a number of leaseholders were still in occupation. The council was negotiating to acquire all leaseholds as soon as possible with any compulsory purchase orders to be initiated once planning consent was acquired.
- 5.14 Members were concerned about plans for the shopping centre. The desire of local residents was for a new centre but there were rumours of a much more limited redevelopment. Councillor Colley reported that the owners of the centre were now showing an interest in doing something. There were pros and cons to various options which ranged from knocking down the centre to using the inner core without complete demolition. One advantage to retaining the core would be that transformation would come sooner and be technically quicker to achieve. Shops could continue trading and there would be environmental benefits. However it could be questioned whether this would be a sufficient redevelopment, it was important to get the right result for the area. A member sought assurance that any improvements would have regard to the Elephant & Castle development framework. Eleanor Kelly reported that positive negotiations were under way between Lend Lease, St Modwen Properties and the council. Proposals would be put out to public consultation in May.

- 5.15 A member asked whether the aim was to generate a sufficient Section 106 payment to finance the gap in funding for the transport infrastructure. Councillor Colley made it clear that it was important that every development around the Elephant & Castle paid towards transport improvements, but equally that it was important that TfL did not charge more for the improvements than was needed. Eleanor Kelly added that joint discussions between TfL, the GLA and the council had improved and had been broadened out to include Lend Lease and St Modwen. The council had maintained its position that discussions needed to include everyone who would be making a contribution and address a proper solution and any funding gap.
- 5.16 Members asked whether the new leisure centre would contain squash courts, bearing in mind that the existing courts were the only ones in this part of the borough. Councillor Colley replied that this was still being looked at and would depend on what could be fitted into the smaller footprint of the new centre. It was possible that squash courts could be provided as part of the redevelopment around Millwall. Steve Platts stressed that the centre needed to be kept affordable and within budget, including the capital allocation. The final design had not yet been agreed and was out to consultation. Provision of a cafe was important in terms of commercial viability but it was debatable whether this had to be within the building itself. All options were being considered.
- 5.17 Members asked how revenue costs of running the leisure centre would be kept down. Councillor Colley stated that both revenue and capital costs needed to be monitored. Steve Platts suggested that the key was the anticipated visitor numbers. Fusion was expecting this to be Southwark's most used centre and the key money maker would be the gym.
- 5.18 A member reported that the view had been expressed by local groups at a community council meeting that there was not an overarching body they could attend as groups with an interest in the regeneration. Councillor Colley indicated that a regeneration forum was to be funded by Lend Lease and was expected to launch in May. A lot of people were keen to be involved and meetings of the forum would need to be appropriately themed. Lend Lease was visiting a wide range of community groups, talking to ward councillors and would be maintaining a website and circulating newsletters.
- 5.19 Members asked for an update on proposals for a MUSCo. Eleanor Kelly explained that Lend Lease was looking at the options for ensuring that the development met the requirements of legislation and of the regeneration agreement in terms of being carbon neutral. Steve Platts added that Lend Lease's proposals around energy would come forward with the master plan application.
- 5.20 Members thanked Councillor Colley and officers for their work with residents of the Aylesbury Estate since the decision on the private finance initiative (PFI) and asked for an update on negotiations with the Homes and Communities Agency (HCA). Councillor Colley responded that it was not only that the PFI had been cancelled but that there were substantial cuts to the HCA's funding. The available subsidy per unit at affordable rent had reduced from £120,000 to £30,000. Councillor Colley also explained that other schemes in the borough suggested that

73% of new build properties had been let to council tenants, putting into question the 80% target for the Aylesbury. Grant was only available at higher rental levels but the government required that tenants should have their rents protected. Councillor Colley stated that there were substantial challenges to finding the necessary funding and that ultimately this might compromise what was possible. A solution had to be found for a huge and long-term scheme.

- 5.21 Members raised the uncertain position of leaseholders, the value of whose properties was in flux, and asked whether anything could be done to support them. Councillor Colley indicated that it was difficult to provide certainty but that communication was being maintained. Members also questioned whether the balance between affordable housing and private rentals could be revisited and whether, when tenants returned to the estate, the policy of need plus one bedroom would be continued. Councillor Colley was reluctant to reduce the percentage of affordable housing. She also confirmed the right of return to need plus one bedroom but commented that the demand might alter in response to changes in housing benefit rules. In response to further questions, Councillor Colley indicated that the capital programme refresh would include the Aylesbury.
- 5.22 Members asked whether changes in the government's approach to social housing grant effected the Elephant & Castle regeneration. Councillor Colley stated that there was less of an impact as land values were better. Eleanor Kelly added that assumptions around housing grant had been included in the financial model but that this had a guaranteed level of affordable housing irrespective of grant. Some members were concerned at any decrease in the profit payable to the council.
- 5.23 At 8.30pm the committee went into closed session and discussed the possible impact on profits of a drop in social housing grant. Officers indicated that profit was influenced by a range of factors including TfL, land values and the amount of development that the site could take. They confirmed that Lend Lease was contractually obliged to develop out 25% of affordable housing but that the council's planning policy retained its target of 35%. Members of the committee stressed the importance of making affordable new housing available to tenants being re-housed at the Elephant & Castle. The committee returned to open session at 8.40pm.

6. SCRUTINY SUB-COMMITTEES: CHAIRS' UPDATES

- 6.1 Councillor David Hubber, chair of the education & children's services scrutiny sub-committee, reported on the sub-committee's review of schools admissions and the intention to submit its final report to the committee in April. At its April meeting the sub-committee would consider an interim report on childhood obesity and sports provision for primary and secondary school children. The sub-committee had also considered adult education provision and would be considering the children and young people's plan. In the next municipal year the sub-committee hoped to continue looking at safeguarding.
- 6.2 Councillor Neil Coyle, chair of health & adult social care scrutiny sub-committee, stated that the sub-committee was due to meet on Wednesday and would be looking at equality impact assessments. He commented on the massive changes

in government health funding and that the sub-committee on Wednesday would also be receiving an update on proposed savings in Southwark. Councillor Hubber commented that the education & children's services scrutiny sub-committee was considering reviewing the impact of GP commissioning on children's health services and possibly holding a joint meeting with the health & adult social care sub-committee.

- 6.3 Councillor Coyle was concerned about the budget for overview and scrutiny in 2012 and the impact on the work of scrutiny. The chair stated that the committee would need a discussion in the new municipal year about the future structure of the overview and scrutiny function.
- 6.4 Councillor Gavin Edwards, chair of the housing & community safety scrutiny sub-committee, informed the committee that the sub-committee's report on key performance indicators of the housing repairs service was going to cabinet the following day and had already received the support of Tenants' Council. At its meeting in April the sub-committee would be agreeing its final report on unfinished security works on the Four Squares estate. A further report was in preparation on CCTV. Councillor Edwards also reported that the sub-committee was looking at fire safety works on Canada Estate and would be receiving a report from Tenants' Council on the Housing Revenue Account.
- 6.5 Councillor Tim McNally, chair of the environment, transport, communities & citizenship scrutiny sub-committee, briefed the committee on the reviews of recycling and the edge of the borough. Many of the sub-committee's recommendations on recycling had been implemented during the review. The edge of the borough review had revealed that many issues were the responsibility of Lewisham and officers were taking this up. Councillor McNally also reported on the cabinet member interview with Councillor Mohamed and that the sub-committee was waiting for written answers to some of the questions put to the cabinet member.
- 6.6 Councillor Paul Noblet, vice-chair, and Councillor Dan Garfield, member, of the regeneration & leisure scrutiny sub-committee, reported on the work of the sub-committee. The sub-committee had monitored the development at Canada Water, would be exploring the economic benefits of The Shard on Borough High Street and would be looking at the Peckham and Nunhead Area Action Plan. The sub-committee had also received a useful update from Councillor Veronica Ward, cabinet member, on the community games and the Olympics.

The meeting ended at 9.15pm.