



SCRUTINY SUB-COMMITTEE B

MINUTES of the Scrutiny Sub-Committee B held on Tuesday October 13 2009 at 7.00 pm at Town Hall, Peckham Road, London SE5 8UB

PRESENT: Councillor Richard Thomas (Chair)
Councillor Columba Blango
Councillor Mark Glover
Councillor Jenny Jones

OTHER MEMBERS PRESENT: Councillor Kim Humphreys

OFFICER SUPPORT: Annie Baker, Waste Contract & Strategy Manager
Simon Bevan, Interim Head of Planning and Transport
Sally Masson, Scrutiny Project Manager

1. APOLOGIES

1.1 Apologies were received from Councillors Blango and Hubber.

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 none.

4. MINUTES

RESOLVED: That the minutes of September 2 2009 be agreed as an accurate record.

5. TENDER FOR CATERING SERVICES AT TOOLEY STREET

- 5.1 Cllr McNally, Executive Member for Resources, gave the committee an update on the tendering process for the catering service at Tooley Street. The Councillor's report was as follows:
- 5.2 The cafe and meeting room services contracts are being tendered as two separate contracts. The cafe contract will be tendered as a licence to occupy and will be at nil cost to the Council. The subsistence service contract will be tendered with a very limited indicative spend which is rechargeable back to the departments, services will only be provided to the ground floor and for meetings which run over meal times will external visitors present (working lunches). The Council is not committed to this level of spend.
- 5.3 The non-subsidised cafe will be a barista style coffee bar with a range of cakes pastries and cold snacks, a small hot counter providing a limited display of hot snacks and a "help yourself" refrigerated display containing sandwiches, boxed salads and cold beverages. The cafe will be available to all Council staff and visitors. It will not be available to members of the general public.
- 5.4 The cafe will provide a "value for money" service to its customers and will provide tariffs for certain "subsistence" food and drinks that are set at a competitive level that is no higher than 10-15% below equivalent high street pricing.
- 5.5 The meeting room service will provide beverages, working lunches, working breakfasts etc to the training and meeting room areas on the ground floor.
- 5.6 Throughout the procurement process we have sought advice from Annie Baker on sustainability, Naomi Baker on energy and Mary Coldham on economic development. Tricon Foodservice has provided the necessary technical support and the Council's Legal, Procurement and Finance departments have been consulted on the entire procurement process.
- 5.7 The evaluation panel will be chaired by Anne Lippitt and the panel members will be Annie Baker (Sustainability), Paul Wright (Tricon Consultants for technical capability), Janita Vara (Procurement), Jim Lo (Health and Social Care), Lola Okuboyejo (Communities, Law and Governance) and Councillor Tim McNally.
- 5.8 Throughout consultation with the specialist advisors listed above it was soon clear that four key objectives emerged as vital to the Council and this procurement as a whole. These key objectives were
- fair-trade,
 - sustainability & recycling,
 - local providers and supply chain
 - healthy eating.
- 5.9 These objectives feature heavily through the specification, method statements and evaluation criteria.

- 5.10 The Council initially advertised to local organisations via the Council's Economic Development and Strategic Partnerships resulting in a response from 30 organisations. The Council also approached 28 companies that had previously entered themselves onto the Council's "Register of Interest".
- 5.11 All of these organisations were contacted and invited to put forward an initial expression of interest. This also included a pre-qualification questionnaire (PQQ). 12 organisations expressed an interest and returned the PQQ's. These organisations included both large and small companies and various local enterprise organisations. The PQQ's are currently being evaluated. The tender documents will then be issued as per the timetable below.

Key dates are as follows:

9 th Oct	Completion of evaluation of PQQ's
14 th Oct	Tender packs issued
16 th Oct	Contractors visit our site
30 th Oct	Tenders returned
2 nd - 11 th Nov	Evaluation period
11 th - 13 th Nov	Shortlisting of contractors (final 4)
16 th - 20 th Nov	Panel visits to contractor sites and tastings
27 th Nov	Award of contract
27 th Nov – 10 th Jan	Contractor mobilisation period
11 th Jan 2010	COMMENCEMENT OF SERVICES ON SITE

- 5.12 Following on from his report, The Executive Member said that the catering facility would be provided free to the successful tendering company, only on the condition that the food is subsidised at a reasonable rate. It was recognised that staff can arrive earlier and stay later at work and the Council has an interest in ensuring that staff have access to good quality food at a reasonable price. However, Members were concerned that the Council was using tax payers money to subsidise a facility that only Council staff could use. The Executive Member said that there were a lot of food options in the area and many have signed up to the District Improvement Business scheme which offers staff a variety of discounts. However, Members felt that schemes such as these weren't always positive because they seemed to promote the multinational companies over local food outlets.
- 5.13 Members wanted to ensure that there were good environmentally friendly and healthy options wherever possible. For instance there should be water dispensers in the cafe area rather than staff having to rely on bottled water. Metal knives and forks should be provided as the main preference over plastic, disposable utensils. Members wanted to emphasise that the new company should be providing seasonal, organic and compassionately farmed food.
- 5.14 It was thought that having a company preparing food on site was more sustainable and this should be a significant consideration when selecting a company. Cutting out transporting and packaging costs and keeping down environmental damage must be at the forefront of the Council's

considerations.

6. EXECUTIVE MEMBER QUESTION TIME

- 6.1 *Question One: What assessment has he made of the opportunity for creative use of open spaces on council estates? For example: Open space related activities such as community gardens, orchard planting, allotments etc.*
- 6.2 Answer: The use of open spaces in Council estates has been the subject of a number of initiatives, mainly the focus and work of the Council's Cleaner, Greener and Safer schemes that exists across the eight Community Council areas. A number of schemes have been delivered over the years and they include a community allotment in East Dulwich Grove Estate and a community garden at Lytcott Grove, the installation of planters, rose beds and flower boxes in the Rotherhithe area, a play ground at Salisbury Row in Walworth, a ball court in Kinglake Estate and hanging baskets in Elizabeth Estate, allotments at the Tabard Estate and Styles Estate in Borough and Bankside and the installation of a green oasis on the Gilesmead Estate in Camberwell. Details of all the schemes are on the Council's website and in the eight Community Council areas.
- 6.3 In addition to this, the Housing Management division have been in contact with the Edible estates project and soon the thirteen Area Housing Forums will be considering how to use their open spaces to promote the food growth on estates and a healthy diet. We also promote the work of the BARGES project (Bermondsey and Rotherhithe Green enthusiasts) and support a number of community gardens in and around our estates.
- 6.4 In addition the executive Member said that there was a long waiting list for allotments which are very popular with local residents. Community Councils have a large part to play when listening to community requests for orchards and the use of land around them.
- 6.5 Engagement between the Community Councils and the community could mean more opportunity for local people to become involved in growing their own food. Involving communities in projects such as these have been shown to reduce cases of ASB.
- 6.6 The Executive Member said that the Council were always open to new ideas and if residents were to come forward with new initiatives they would definitely be considered albeit subject to planning rules.
- 6.7 Members asked if it would be possible to plant orchards on areas that were not for building. The Executive Member said that there wasn't really the budget for orchards even if there were space, however, money might be found from third party organisations such as the GLA.
- 6.8 *Question two: What is his response to the recent review of leaseholder services?*

- 6.9 The DL&EMH welcomes the independent audit of service charges as an example of joint working and commends the process to all other London authorities with large leaseholder portfolios. The DL&EMH was instrumental in proposing the audit would like to repeat his thanks, given at the recent Home Ownership Council, to all involved especially the leaseholder representatives who gave their time voluntarily, for the resultant report which contained useful recommendations. Those recommendations will to be acted upon to continue the improvements made in service charges over the past few years since 2005/6, the subject year of the audit. The DL&EMH also notes that the audit found no actual errors in any of the sample service charges and consequently the audit recommendations concentrate on improving processes and information explaining the service charges.
- 6.10 In addition the executive Member said that he was pleased with the independent audit which showed how far things had come since 2005 and the recommendations from the audit were now in place. The audit had shown that there was room for improvement in the areas of information technology and cross departmental working. A timetable for improvements had now been agreed.
- 6.11 *Question three: Does the council aspire to meet the decent homes standard?*
- In April 2008, Executive agreed to deliver 'Southwark's Decent Homes Standard' (SDHS), which is higher than the government's Decent Homes (DH) standard. This standard includes the renewal of all old and poor condition kitchens and bathrooms when a refurbishment contract is taking place, a higher level of sustainable works and a consideration of the wider investment needs of an estate such as security, environmental works and non-residential buildings such as tenant halls.
- 6.12 In making this decision it was recognised that this standard would cost more and take longer to deliver. The council's aspiration is for all tenanted homes to meet this standard, however to do this additional resources will need to be identified. Part of the funding strategy is to look at the best use of our assets in relation to the sale of some stock and also under-utilised land and non residential buildings on our estates; this will go some way in funding the SDHS.
- 6.13 Currently, government grant and supported borrowing equates to approximately £50 million per annum (to reduce to £38 million from 2011/12) and Southwark's contribution via way of capital receipts and support from the revenue account is in excess of £30 million per annum - this figure will increase when major schemes realise significant receipts. This is a sizeable contribution to the refurbishment of our stock, but is still not enough to deliver both the aspirations of residents and the council.
- 6.14 A full review of our investment requirements and resource assumptions will take place when we have the results from the stock condition survey.
- 6.15 The executive Member said that Southwark is going out to consultation on a 2 year plan. The report had gone to the tenants and residents which set out the

works of the existing incomplete programmes. There are currently ½ dozen contracts ongoing with additional schemes in development. Fire safety has been a substantial consideration when planning work and this has needed a bid for outside capital funding. The 15 million pounds will be going into fire safety works which has now become the major issue for the borough's homes and because of this the capital money has been insufficient. The committee was told that residents have been comparing their completed repairs and renovations with those on other estates and some dissatisfaction has arisen. Southwark has decided to have a sensible asset management approach, higher than the base line prescribed by national government. However, as a result of raising the expectations regarding the quality of the work, has meant that the repairs and renovations will take longer to deliver.

- 6.16 Over the last year or so, the capital receipts are expected to be moving upwards although the Council was not being complacent and was taking a very cautious view of the situation. Minor void sales are continuing.
- 6.17 The Executive Member went on to inform the committee that Southwark had a great of housing stock which had been built around the time of the 1960s. Buildings from this era were now in need of attention, effectively becoming the flipside of the decent homes standard. This means that a considerable wave of improvements needed scheduling, with major works currently running at a cost of approximately £80 million per year.
- 6.18 Because of the unique challenges Southwark face - aging 60's stock and £80 million not having a substantial impact, Southwark will not reach its government targets by 2010. This has already been made explicit to the government. When asked by Members how much the Executive Member felt was needed to meet the targets, he replied that between £300 – £700 million but the actual figure would have to be verified. Fire safety now came first. The £80 million allocated to Southwark was only enabling the borough to stand still.
- 6.19 The Executive Member went on to tell the committee that the housing department were consulting residents and tenants to ask them how Southwark should be investing in its housing stock. Specifically, the Executive Member wanted to know if the community felt that Southwark should be spreading work across all properties, slowly increasing the standard of repair overall or if the Council should be working in targeted areas until all repairs and maintenance were complete, enabling Southwark to meet targets.
- 6.20 *Question Four: Can the Executive Member set out the programme of insulation on C.H.P and council estates?*
- 6.21 We do not currently have a programme of installation of combined heat and power plants. Our policy is to update district heating systems where we can and look for opportunities arising from regeneration schemes to install CHP or indeed decentralised energy reserves. Working with sustainable services we are seeking to connect five of our estates in Bermondsey to SELCHP as part of the SI06 agreement for the OKR waste facility. In addition we are working with the E & C regeneration team on the E&C Musco which will similarly create

a decentralised energy reserve for that area.

- 6.22 Between October 2009 and 2012 the council will roll out a £1.8m programme to insulate lofts of around 10,000 street properties, and blocks below 4 storeys. The council has also secured £4.36m of funding from the Homes & Communities Agency to insulate all cavity walls in council estate blocks of 5 stories and above (around 5,800 dwellings). This programme will be completed by 2011.
- 6.23 Members also wanted to know how much would be needed to ensure that there was enough finance to manage repairs. The Executive Member reiterated that it would be between £300 - £700 million but this was yet to be validated. The cost of the fire prevention works were the most challenging part of financing the repairs and renovations.
- 6.24 The current spend is 80 million per year which enables the Council to 'stand still' in terms of their work plans. As mentioned earlier, consultations with tenants on how they wish the work to be carried out will be taking place shortly and this will ascertain if they wish the repairs to take place bit by bit across all estates or by focusing on individual estates from the start of the work to completion.
- 6.25 *Question Five: Does The Executive Member believe that selling street properties is an appropriate way of raising money for the decent homes programme?*
- 6.26 The sale of stock is not something the council would wish to do, however with an investment gap to meet both DH and SDHS and no additional government support, funding for the programme has to be found from our assets.
- 6.27 The strategy of limited stock disposal does not specifically mean the sale of street properties. (Executive decision - March 2009). Disposal only takes place where the sale of the unit results in the ability to also sell the freehold, namely when an 'A or B' flat has already been sold; when the property has a high value or where investment costs are exceptionally high. Generally the sale of stock is of smaller units on estates and at higher floor levels – prioritising bedsits and 1 bedroom units.
- 6.28 Due to pressure for larger homes linked to the void disposal strategy is our major void strategy, to retain larger units and where possible de-convert flats in street properties into family homes, where possible using grants. Between 2008-10, 36 large homes will have been created with approximately £3.7 million grant support from the Greater London Council.
- 6.29 The Executive Member added that there was no policy to sell street properties at the current time but there were policies to sell sail voids and minor voids (mainly bedsits over the 3rd story). The Council does not intend to sell off any larger properties. Members wanted to know what constituted a high value larger property. The Executive Member responded that £500,000 would be classed as high value. Members were concerned that if Southwark were attempting to create mixed communities, setting the bar at £500,000 would

exclude certain sections of the community. The Executive Member responded by saying that this is a phased process with approximately 100 properties, mainly bedsits, that were being sold and that these sales are balanced with other market factors. If the Council felt that this amount was having an impact on the community they would be looking at it. The Executive Member said that he could provide the precise numbers of properties being sold and Members agreed that those figures would be helpful.

6.30 *Question six: How many direct offers of housing and how many offers are made through Homesearch for the last three years; could we have the percentage and actual figures please?*

- Figures are shown for those types of property typically advertised via Homesearch – e.g. General Purpose and Sheltered, but not Disability-adapted dwellings. Nominations include those made to HA and TMO

Financial Year: 2006 / 2007				
	LBS-managed stock		Nominations	
	Number	Percent	Number	Percent
Total Offers	3,958	...	1,179	...
Homesearch	3,616	91 %	1,061	90 %
Direct Offer	342	9 %	118	10 %

Financial Year: 2007 / 2008				
	LBS-managed stock		Nominations	
	Number	Percent	Number	Percent
Total Offers	4,319	...	1,016	...
Homesearch	4,105	95 %	933	92 %
Direct Offer	214	5 %	83	8 %

Financial Year: 2008 / 2009				
	LBS-managed stock		Nominations	
	Number	Percent	Number	Percent
Total Offers	4,345	...	1,165	...
Homesearch	3,713	85 %	1,005	86 %
Direct Offer	632	15 %	160	14 %

Year to date: 1/4/09 - midday, 28/9/09				
	LBS-managed stock		Nominations	
	Number	Percent	Number	Percent
Total Offers	2,253	...	604	...
Homesearch	1,883	84 %	521	86 %
Direct Offer	370	16 %	83	14 %

- 6.31 *Question seven: Can he set out the programme of insulation on C.H.P and council estates?*
- 6.32 We do not currently have a programme of installation of combined heat and power plants. Our policy is to update district heating systems where we can and look for opportunities arising from regeneration schemes to install CHP or indeed decentralised energy reserves. Working with sustainable services we are seeking to connect five of our estates in Bermondsey to SELCHP as part of the SI06 agreement for the OKR waste facility. In addition we are working with the E & C regeneration team on the E&C Musco which will similarly create a decentralised energy reserve for that area.
- 6.33 Between October 2009 and 2012 the council will roll out a £1.8m programme to insulate lofts of around 10,000 street properties, and blocks below 4 storeys. The council has also secured £4.36m of funding from the Homes & Communities Agency to insulate all cavity walls in council estate blocks of 5 stories and above (around 5,800 dwellings). This programme will be completed by 2011.
- 6.34 *Question eight: For a considerable period of time you were engaged in auditing community halls in the borough. What is the current position on that?*
- 6.35 Following the transfer of the management of TRA halls back to housing management from property in January 2009, the TRA Hall Estate is being managed as a discrete portfolio to ensure compliance with health and safety requirements and to scope the investment requirements to inform future strategic planning of the portfolio (but linked to any opportunities that may arise for co-location arising from the voluntary and community sector (VCS) review led by Regeneration and Neighbourhoods).
- 6.36 An audit of the TRA Halls has provided baseline data for an accurate asset register with property descriptions and an initial assessment of each hall's physical suitability for community use and current levels of usage.
- 6.37 A more detailed stock condition survey has been programmed to build on this baseline data and to firm up indicative costs so that investment needs can be profiled and strategic decisions about the size of the portfolio and where investment should be targeted given the on-going pressures on capital expenditure.
- 6.38 A compliance action plan has been progresses with Property to ensure that the existing portfolio of TRA halls meet health and safety requirements in

regard to water management, electrical testing, gas inspections, asbestos surveys and fire safety.

- 6.39 Future compliance has been planned by engineering services with handover arrangements in place for each of the identified elements supported by planned preventative maintenance programmes to mitigate the risks and reduce the level of responsive repairs.
- 6.40 The Executive Member went on to say that there were examples of good quality TRA facilities on some estates but there are facilities on others where facilities are not being adequately managed and run. The Council needs to ensure there is more of a level playing field across the Council's estates and this work will be part of the audit to ascertain whether a particular facility is being well used or if there are duplications of facilities close by. It is important to ensure that there is good investment in community halls, that they are safe and accessible and are regularly used; some are not being used frequently and this was thought to be a waste of resources. Also, there was an example of space being used for TA meetings in terrace house. This was not deemed a good use of public funds, and alternatives needed to be found with similar cases going into the hidden homes process.

7. INFORMING THE SOUTHWARK FOOD STRATEGY.

- 7.1 Graham Neale – former Chair of the Vegan Society gave the committee a general view of the variety of people who work for a large Council such as Southwark. Mainly he advocated a level playing field for all when it came to catering with for all tastes. Hinduism, Islam, Sikhism, Chinese, Rastafarianism and Judaism are some of the religions which can have very specific dietary regulations. Most religions, for example have some strongly held views on the preparation and eating of meat. Individuals can have intolerances to nuts, gluten and wheat. Graham Neale felt that the only way to ensure that there was a good and accessible choice for all was to promote a vegan diet as the way forward for all.
- 7.2 The committee were informed that the food we give to our children has a profound effect on their health and ability to learn. Some foods will have a negative effect on health and it is essential that schools start to understand the problems that can be attributed to certain foods. For instance, it is understood that African children are between 70 – 90% lactose intolerant and schools need to be sensitive to the problems that may cause. As a society we need to be looking at diet from with a world view in mind and not exclusively from any particular group.
- 7.3 To further illustrate this point, it was acknowledged that providing Halal meat upset more people than it satisfied: Halal meat for instance does not meet high welfare standards and therefore poses an ethical dilemma. Therefore the most sensible way forward would be not to provide meat at all. This would then widen the possibilities of promoting harmony between all groups, no matter what their beliefs or views may be.

- 7.4 If food is to be sustainable ecologically and economically then we need to take all meat off the menu. Everyone can eat vegan food, no matter what their cultural differences and beliefs.
- 7.5 In closing Graham Neale wanted to draw attention to the fact that maintaining the demand for meat had a substantially negative impact on the earth. Most notably for example, the use of soya in cattle feed which is taken from the disappearing rainforests, contributing significantly to global warming.

Members of the Committee made the following recommendations:

- There must be separate plates for meat and vegetarian food.
 - There must be clear labelling of products detailing all additives.
 - There must be the promotion of a diet that everyone can access and eat.
- 7.6 Members wanted to know what, if anything was being done to encourage local food production. Simon Bevan told the committee that there had been quite large developments of new homes in Southwark which were being built on high density brown field. This meant that there was not a great deal of open space to use for anything but the provision of sustainable homes and this was now at the forefront of the thinking in planning and development. There were no current plans or policies for promoting more open spaces around housing developments.
- 7.7 Members felt that under the sustainable communities act, planners and developers should start to think more seriously about integrating open spaces within new developments. Residents could then make time for enjoying community activities such as growing vegetables amongst others. It seemed that increasingly there is always a fight for space and Members felt very strongly that planners must start balancing the demand for homes with the needs for outside space.
- 7.8 Members wanted to know if it was possible to increase the current amount of allotments if space could be found. Simon Bevan informed the committee that to put allotments on to open spaces would not constitute a 'change of use,' however the viability of putting allotments on to publicly owned space was questionable. Public land meant everyone would have access to it, the only way to ensuring the safety of allotments would be to invest in fences, gates and locks which would then require planning permission.
- 7.9 Members asked about best practice in Barking and Dagenham and Waltham Forest where both Councils had stopped fast food outlets opening close to schools. Simon Bevan responded that Southwark were not currently following that trend because it would be very difficult to ascertain what type of food was going to be sold at these locations and so restrictions would not be possible. It was difficult to draw a boundary between what is 'good' food and what is 'bad' and so there were no plans to follow suit.
- 7.10 With regard to food growing on waste or temporary vacant land, the committee

were informed that there may be some development control issues. However, if someone had decided place a number of growbags on disused land with the Council's permission the Council would not intervene. The Council may put growbags on its land without restrictions. If tenants were to do the same, as long as it was Council land and there were no objections this also would be permitted. It would be unusual for the planning department to be involved in these cases.

- 7.11 Members said that they were concerned that local markets were now under threat and wanted to know if it was going to be possible for the Council to attempt to double the size of existing markets by way of compensation. Simon Bevan said that he thought some extensions may be possible. If the site of the market stretched along the pavement the planning department would have to be involved, if it encroached on to the road, it would be the concern of the highways department.
- 7.12 Simon Bevan said that it was possible for the planning department to prevent supermarket extensions if those extensions were deemed unreasonable.
- 7.13 Members wanted the Council's planning department to be more imaginative when planning and developing new dwellings and to think more about developing community gardens and open spaces to help enhance the quality of life for the communities taking up residence in new builds.
- 7.14 The committee then heard from Ann Baker, Waste and Strategy Manger, regarding the issues of Food Waste.
- 7.15 Currently the Council do not collect domestic household waste for recycling. There are logistical problems associated with this type of collection along with the difficulty of not having an 'end market' – a place to take the waste. Dealing effectively with domestic waste needs a little more care than with other forms of waste. It needs specialist equipment (high temperatures) to ensure that it is successfully and hygienically broken down. At present, the Council encourage people to use other forms of waste processing such as wormaries. Wormaries will compost food waste very effectively. The Council is offering wormaries to households for a period of 6 years at a cost of £10 each. The uptake is high with around 300 in use to date.
- 7.16 In 2015 contractors will be expected to start a domestic food waste collection, assuming that an end market has been found. If an end market can be found sooner then collections will commence as soon as possible. It was acknowledged that Southwark doesn't have the facilities to cope with the recycling of food waste at this present time.
- 7.17 To date, Southwark's efforts with recycling have been limited to campaigns to encourage people to do more themselves. There is a current initiative which advocates more thought regarding the quantity of food purchased and how much might go uneaten and have to be thrown away (Reduce the Waste Campaign). Ann Baker said that people needed to be aware of and try to steer away from excessive packaging. They need to consider whether the packaging is recyclable or ideally, whether food can be purchased without

packaging at all.

- 7.18 'Veolia' is the company who is currently contracted by the Council to collect domestic refuse and they are trying to find ways to increase the levels of recycling. It was reported that there are difficulties recycling the different forms of domestic waste. For instance, garden waste must be treated in a different way to food waste and at present, there isn't the infrastructure to deal with these demands.
- 7.19 Members felt that Southwark might undertake some best practice work to help speed up improvements. Members suggested Islington would be a good starting point.
- 7.20 Ann Baker said that there had been a scheme in operation in Lordship Lane, to encourage commercial outlets to think about recycling by offering them free collections for 3 months. It was acknowledged that more of these types of schemes might be useful. It was also acknowledged that Tooley Street should lead the way in waste recycling.

8. MORE POWERS FOR COMMUNITY COUNCILS

To be discussed at the next meeting.

The meeting finished at 9pm.