



Brent

## MINUTES OF THE RESOURCES AND PUBLIC REALM SCRUTINY COMMITTEE

Wednesday 21 February 2018 at 7.00 pm

PRESENT: Councillor Kelcher (Chair), Councillor Kansagra (Vice-Chair) and Councillors Aden, Colacicco, Crane, Ezeajughi, Mashari and Harrison

Also Present: Councillors Butt, Chohan, Mahmood and Tatler

### 1. **Apologies for absence and clarification of alternate members**

Apologies for absence were received from Councillor Stopp. Councillor Harrison was attending in place of Councillor Stopp.

### 2. **Declarations of interests**

For the purposes of transparency, with regard to agenda item 6, 'Employment and employability in Brent, Department for Work and Pensions update', Councillor Mashari advised that she volunteered at a food bank.

### 3. **Deputations (if any)**

There were no deputations.

### 4. **Minutes of the previous meeting**

RESOLVED: that the minutes of the previous meeting held on 9 January 2018 be approved as an accurate record of the meeting.

### 5. **Matters arising (if any)**

There were no matters arising.

### 6. **Order of business**

RESOLVED: that the order of business be amended as set out below.

### 7. **Employment and employability in Brent - Department for Work and Pensions update**

The Chair explained that the committee had requested the update from the Department for Work and Pensions (DWP) in order to explore the immediate and long term impact on Brent's residents of the impending closures of two of the four Job Centres in Brent.

The committee welcomed Anu Bilon, (District Operations Manager, DWP) to the meeting. Anu Bilon advised that she held responsibility for Job Centres in Brent and

Hounslow and drew members' attention to the DWP update report. The report outlined the proposals to close the Willesden and Kilburn Job Centres and merge them with existing sites in Wembley and Harlesden. The committee heard that the closures would come into effect on 2 March 2018.

In the subsequent discussion the committee questioned the purpose of the closures and sought to understand if cost or service redesign was the dominant factor. It was highlighted that of a total 110 closures across England, two closures in one borough appeared disproportionate, particularly given levels of deprivation in parts of Brent. Discussing the measures in place to mitigate transport costs, the committee noted the contradiction between the broadening of the Job Centre offer described, and the assertion that some users were not required to regularly attend the Job Centre. It was queried how accessible the online consultation process had been for vulnerable groups accessing services at the affected job centres.

Members raised questions regarding the outreach projects jointly funded by the council and the DWP. It was queried how long DWP funding was committed for and whether the programmes had been developed in conjunction with the planned closures. A member expressed doubt regarding the success of the project for the St Raphael's estate and highlighted that changes required long-term commitment of funding.

The committee sought clarity regarding the scrutiny mechanisms in place for the DWP and questioned whether the DWP would be open to more local scrutiny and information sharing with Brent Council. Members requested a breakdown of the overall DWP budget for Brent and queried if this exceeded Brent's budget for similar services. Councillor Mashari, as Chair of the Task Group on Food Banks, sought commitment from the DWP to exploring and progressing the recommendations of the task group report.

In response, Anu Bilon advised that the DWP was reviewing its portfolio of properties across the whole of the UK. The number of sites would be reduced from 900 to 790 to create larger sites with a greater concentration of staff. It was confirmed to the committee that no staff were being made redundant as a result of the closures. These changes would enable the DWP to deliver the requirements of the service going forward by ensuring resources were sited in the right location. Equality analysis impact assessments had been completed and included in the update report provided to the committee. Anu Bilon assured members that the closure of the two Job Centres would not result in a reduced level of support to Brent's residents and highlighted that the DWP would be expanding outreach services. The decision had been taken to close the sites at Willesden and Kilburn following a review of a range of evidence including the equality impact assessments, the lease terms and suitability of the buildings for further expansion. It was clarified that different conditions applied for the subsidising of transport costs depending on the benefit being claimed. The online consultation was undertaken nationally but all affected claimants had been kept informed of the proposals.

With regard to the joint funding of outreach programmes, Anu Bilon advised that the aim of the DWP was to ensure that the relevant employment and skills support was provided. It was not possible to anticipate the longer term funding decisions of the government however funding had been committed for the next few years. Commenting on the St Raphael's estate project, Anu Bilon highlighted that it would

take time to build a rapport with the community. Matthew Dibben (Head of Employment, Skills and Enterprise) advised that a lot of positive learning, as well as positive employment outcomes had been achieved from the trial. It was agreed that further information would be shared with the committee to illustrate these positive outcomes. Councillor Tatler (Lead Member for Regeneration, Growth, Employment and Skills) emphasised that the council was working hard to engage residents and build trust.

Anu Bilon confirmed that the DWP was subject to scrutiny from senior managers and the Ministry of Housing, Communities and Local Government. The request to engage further with Brent's scrutiny function was in principal welcomed and would be discussed with colleagues in the DWP. It was confirmed that the DWP's national budget, including benefits, was over £1billion, with £1.7 million spent on employment programmes across London. A breakdown of the DWP's budget for Brent would be provided to the committee following the meeting. It was not possible, however, to compare the budgets of the DWP and the relevant services of Brent Council as these had different remits and responsibilities. The employment programmes jointly funded by the DWP had been developed in response to local need. Councillor Tatler emphasised the council's commitment to meeting the needs of Brent's residents who required employment support.

The Chair thanked Anu Bilon and the officers for their contribution to the meeting.

RESOLVED: That the update report from the DWP and the report from the Strategic Director of Regeneration and Environment regarding employment and employability in Brent be noted.

## 8. **Wembley Regeneration**

The Chair advised that he and another member of the committee, Councillor Crane, had undertaken a tour of one of the new developments in Wembley in preparation for the item.

At the invitation of the Chair, Councillor Tatler (Lead Member for Regeneration, Growth Employment and Skills) introduced the report which provided an overarching view of the work and development being undertaken in Wembley. The committee heard that Wembley was the largest growth area in the borough and regeneration continued to deliver transformational change in the area. The report summarised the vision and planning policy framework for this change and focussed on the physical, economic and social aspects of the regeneration. In concluding her introduction, Councillor Tatler welcomed questions from members of the committee.

During the subsequent discussion it was noted that Quintain's business model for its Wembley Park development had changed from sale to rental of its newly developed properties. Members therefore sought to clarify the landlord classification of Quintain and whether the council had undertaken any additional quantitative analysis for new planning applications from the developer. Further queries were raised regarding the use of Community Infrastructure Levy (CIL) funds. Members questioned; why CIL funds would be spent on replacing the pedestrian way (pedway) between Wembley Park underground station and Wembley Stadium; whether Wembley Stadium had contributed any money to the improvement works;

whether the companies employed for these works had appropriate tax status in the UK; and, the extent of CIL investment in the wider infrastructure in Wembley.

The committee welcomed the community benefits being delivered by the Wembley Park regeneration but questioned whether these matched the council's wider strategic aims. It was further queried to what extent the new developments met the Council's planning guidance regarding height and density and concern was expressed that views of Wembley Stadium were being obscured. Members of the committee questioned why the council had permitted such a mix of architectural styles and queried what was being done to support cultural installations.

In response to members' queries, Aktar Choudhury (Operational Director Regeneration) advised that Quintain was considered a professional landlord, with the necessary institutions and processes to operate above the standard of the average landlord in the borough. Councillor Butt (Leader of the Council) emphasised that Quintain were required to meet the same standards set out for private landlords in the borough. It was confirmed that each planning application from Quintain had been subject to financial viability assessments, which provided a mechanism for financial review.

With regard to CIL funded infrastructure improvements, Councillor Tatler advised that the replacement of the pedway in Olympic Way was part of a wider works programme to improve the public realm of Wembley Park. Wembley Stadium was an iconic global brand and Brent residents would benefit from the improvement works, including through the employment and retail opportunities provided. The decision to fund the works had been made in 2017 but the money had not yet been allocated nor had the planning application been submitted. It was intended that the works would be completed in time for the European Championships in 2020. Aktar Choudhury added that the contract for the works had not yet been awarded. It was also confirmed that Wembley Stadium had not yet committed any funds to the upgrade of Olympic Way. Councillor Tatler emphasised that the council would continue to work to realise its ambition for the Wembley Park area. Wider infrastructure improvements for Wembley were in progress, the funding streams for which included CIL. Aktar Choudhury advised that a map would be shared with the committee outlining the various infrastructure improvements for Wembley for 2019-20, along with anticipated completion dates.

Councillor Tatler explained that the community benefits being delivered by Wembley regeneration met a number of the council's strategic aims including offers around youth employment, improving digital access and provision of affordable workspaces for smaller businesses and community groups. Aktar Choudhury added that the neighbourhood CIL process was responsive to community need and encompassed consultation with residents and ward councillors on which projects to support. Councillor Tatler emphasised that the council worked with developers to negotiate the delivery of community facilities and other benefits but noted that delivery would not always be immediate, nor could it be enforced by the council.

The committee further heard from Councillor Tatler that Wembley had been identified in the London Plan as suitable for the kind of high-density developments underway. There were however, protected views of Wembley Stadium. Commenting on the aesthetics of the new developments, Councillor Tatler noted that this was a subjective matter but that design was considered via the planning

process. Furthermore, it was an established approach to use a mix of designers for different developments in the same area to prevent an overly homogenised result. It was confirmed that there was a good cultural offer being delivered via the regeneration scheme including the provision of a theatre and a park.

During the discussion it was agreed that the following information requested by the committee but not available at the meeting, would be provided outside of the meeting: statistics for the levels of affordable housing provided at 50 and 60 per cent of the market rate. The Lead Member for Regeneration, Growth, Employment and Skills also offered to arrange for a tour of the Network Housing Block for members of the committee.

The Chair thanked the Lead Member and officers for their contribution to the meeting.

RESOLVED: that the Strategic Director of Resources provide a report to a future meeting of the committee on the Business Rates for Wembley Stadium detailing the reasons for the past reduction in rates.

#### **9. Scope for task group on financial viability assessments**

The Chair introduced the report which set out the proposal to establish a task group on financial viability assessments for housing developments. The task group would explore concerns that these assessments acted as a block to building more affordable homes. The scope and terms of reference for the proposed task group were attached as appendix A to the report. The Chair advised that the membership of the task group was currently being finalised.

Councillor Tatler (Lead Member for Regeneration, Growth, Employment and Skills) welcomed the focus of the proposed task group. She noted that viability assessments were not currently published and suggested the task group might want to review whether this practice was beneficial to Brent.

A member questioned whether additional monies could be required of the developer via Community Infrastructure Levy or Section 106 contributions if greater profit was made from a development than initially anticipated. Aktar Choudhury (Operational Director, Regeneration) advised that the planning conditions attached to the approval of a planning application contained a review mechanism. If a development resulted in surplus profit, the council then tried to convert those funds back into affordable housing. It could be that the task group might wish to consider how best to target funds obtained as a result of surplus profit generated by developments.

RESOLVED: that the task group on financial viability assessments be established in accordance with scope and terms of reference provided at Appendix A to the report from the Director of Performance, Policy and Partnerships.

#### **10. Council property and assets**

The Chair welcomed Tony Nixon (Knowledge and Strategy Manager) and James Young (Commercial Portfolio Manager) to the meeting, along with Althea Loderick (Strategic Director of Resources) and Councillor Butt (Leader of the Council). The

Chair reminded members that the committee had received a list of the council's property and assets with the agenda for the meeting.

Tony Nixon and James Young delivered a presentation to the meeting providing a general introduction to the council's property and assets and elucidating the data previously provided. Members heard that the data had been drawn from a data set prepared for the Cabinet Office's Electronic Property Information Mapping Service (epims) – a common property database for public sector mapping. The data excluded council housing property and associated properties such as garages. It was emphasised that the asset value recorded for each property did not represent the market value of the property, rather it represented the value to the council in its current use. The presentation highlighted some of the key categories of buildings and properties owned by the council including operational buildings, its commercial portfolio, parks and leisure assets and community buildings. Comments and questions were welcomed from the committee.

In the subsequent discussion, the committee questioned whether the council's property and assets were being maximised for the council's civic enterprise agenda, including being used as advertising space and how they were being used to meet the council's strategic objectives. The committee further queried whether the council had a strategy for identifying sites from within its own portfolio that would be suitable for development over the next few years. The committee sought clarification regarding the value of a number of specific properties listed at a negligible or nil value and commented that it would be helpful to have details of lease expiry dates, rental income and an explanation of the value for each such property. Further clarification was sought regarding the financial arrangements with academy schools on council owned land.

A member expressed concern that the council was not able to use its existing property portfolio in an innovative manner to address issues of urgent need in the borough such as the provision of homeless shelters.

In response to the queries raised, Althea Loderick confirmed that the council's existing Asset Strategy was due to be renewed and this in part was driven by the wish to maximise value. Councillor Butt advised that income generation was largely focussed on the key assets such as the Civic Centre and libraries. With regard to the renewal of leases, a commercial approach was pursued as far as possible but this was tempered by the council's commitment to supporting community groups. Policies were in place in relation to the use of council assets for advertising space and the council was appropriately cautious when considering both the content of advertisements and the possible location. With regard to development opportunities, Councillor Butt confirmed that all opportunities were being explored and going forward the Asset Strategy would identify the long term development prospects and how these could best be maximised.

James Young clarified that the leasehold had been sold on a number of council properties in the 1990's and the value of these properties was therefore recorded at a nominal sum of £1. With regard to sites for new academy schools, under the Academies Act 2010, the council was required to provide a lease of 125 years to the academy on a peppercorn rent. Tony Nixon clarified that with regard to Ark Academy, the council had recently received the freehold back on the land at the front of the site. Explaining the value of shop units owned by the council labelled

with a £0 value, James Young advised that the leasehold for these had been sold approximately 30 years ago on a long lease of 125 years. As these premises had Housing Revenue Account (HRA) flats above them, it was not possible to dispose of the properties. Members were further advised that, in line with financial reporting requirements, the value of each property had to be evaluated every 5 years. This was undertaken by an external company on a rolling basis for the council.

The Chair thanked officers and the Lead Member for their contribution to the meeting.

RESOLVED:

- i) that the Strategic Director, Resources ensure an updated list of council properties and assets, including details of length of leases and an explanation of asset value, is provided to the committee;
- ii) that the Strategic Director, Resources present the draft, revised Asset Strategy to the committee for pre-scrutiny prior to submission to Cabinet for approval.

**11. Update on Resources and Public Realm Scrutiny Committee 2017-18 Work Programme**

RESOLVED: that the report from the Director of Performance, Policy and Partnerships updating members on the committee's work programme for 2017-18 be noted.

**12. Any other urgent business**

None.

The meeting closed at 9.23 pm

M KELCHER  
Chair