



CITY OF WESTMINSTER

# MINUTES

## Cabinet

### MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Cabinet** held on **Monday 9th July, 2018**, Room 3.1, 3rd Floor, 5 Strand, London, WC2 5HR.

**Members Present:** Councillors Nickie Aiken (Chairman), Ian Adams, Richard Beddoe, David Harvey, Tim Mitchell and Rachael Robathan

**Also Present:** Councillors Angela Harvey, Gotz Mohindra, Andrea Mann (Item 6), Shamim Talukder (Item 6) and Murad Gassanly (Item 6)

**Apologies for Absence:** Councillor Heather Acton and Councillor Andrew Smith

#### 1 WELCOME

1.1 The Leader welcomed everyone present.

#### 2 DECLARATIONS OF INTEREST

2.1 There were no declarations of interest.

#### 3 MINUTES

3.1 **RESOLVED:** The Chairman, with the consent of the members present, signed the minutes of the meeting held on 19 February 2018 is a true and correct copy of the proceedings.

#### 4 ANNUAL ACCOUNTS AND OUTTURN 2017-2018

4.1 Steve Mair, City Treasurer, introduced a report that presented the Statement of Accounts for the Council and its Pension Fund for 2017/18 and provided a narrative as to the outturn position for the financial year ending 31<sup>st</sup> of March 2018.

4.2 The City Treasurer advised that the Council's accounts had received a clean audit opinion and clean value for money opinion. The auditors had certified that the accounts presented a true and fair view and had been properly prepared in accordance with all statutory requirements. He explained that the public inspection period had ended and no objections to the accounts had

been received. As with most audits a few issues had been identified but none were of a material nature and had been addressed.

- 4.3 Councillor Rachael Robathan, Cabinet Member for Finance, Property and Regeneration, congratulated the City Treasurer and his team for the successful delivery of the closure of accounts process and the continual improvement in its financial management. This was supported by the Leader of the Council who asked Mr Mair to extend this thanks to his team.

- 4.4 **RESOLVED:** That the audited 2017/18 Annual Accounts be noted.

## **5 FEES AND CHARGES REVIEW**

- 5.1 Steve Mair introduced the report which set out the outcome of an annual review of fees and charges for 2018/19. He explained that fees and charges contribute a number of benefits to the Council. They help manage demand and cover the costs of providing services whilst contributing to the Council's medium term planning (MTP) savings.

- 5.2 Councillor Rachael Robathan commended the report and its recommendations. She then informed Cabinet that this was the City Treasurer's last attendance at Cabinet prior to his retirement in August. She thanked him for the service that he has provided to the City of Westminster.

- 5.3 The Leader of the Council also extended her thanks to Mr Mair for his service in steering the Council through the difficult financial challenges arising from the reduction in government funding for local authorities and for leaving the Council on a sound financial footing.

- 5.4 **RESOLVED:**

1. That Appendix 2 and Appendix 3 be exempt from public disclosure by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended – information relating to the financial and business affairs of the authority; and
2. That Cabinet:
  - a) Approved changes to fees and charges as outlined in Appendix 3 of this report
  - b) Noted changes already approved by other committees/members for 2018/19 highlighted in Appendix 2 of this report.
  - c) Noted fees for which no increase is proposed for 2018/19. Detail of these fees are included in Appendix 2 of this report.
  - d) Noted overall proposed contribution from fees and charges to the Medium Term Plan (MTP) for 2018/19 and 2019/20 as highlighted in table 2 of section 7 of this report
  - e) Agreed that all areas of fees and charges work towards alignment of date of approval and that this is coordinated on an annual basis as part of an annual Fees and Charges report
  - f) Noted the fees and charges policy

3. That the information set out in Appendix 2 of the report be noted.

## **Reason for Decision**

To agree the Council's fees and charges position and changes for the coming year.

## **6 EBURY BRIDGE ESTATE RENEWAL**

- 6.1 Councillor Rachael Robathan introduced the item. She stated that it had been almost one year since she and the Leader of the Council had addressed a meeting of residents on the Ebury Bridge estate where they made a commitment to provide a long term solution for the regeneration of the estate and come up with new proposals. This included re-consulting with residents. It was made clear at the meeting that the Council would look at all available options. Councillor Robathan advised that over the last year a significant amount of work had been undertaken which included engaging with local residents and businesses. She stated that the Council has always been clear about what it wants to achieve from any proposal, which is a significant uplift in the provision of affordable housing. A desirable scheme would need to address the long term physical, economic and social needs of the area including providing more spacious homes for those families living in overcrowded accommodation.
- 6.2 Councillor Robathan explained that from the outset the Council was clear that any scenario involving redevelopment would have to deliver on a set of key pledges, which were set out in paragraph 4.5 of the report and this remained unchanged. She thanked the Community Futures Group (CFG), formed of representatives of residents across all tenures, for its work in helping the Council to identify how to engage more effectively with residents. She believed that the engagement process had been incredibly thorough with 80% of all households and 90% of all leaseholders engaged. She advised that active, ongoing engagement will be vital and she looked forward to working with the CFG as the regeneration process moves forward.
- 6.3 Councillor Robathan explained that eight scenarios emerged from the engagement process. The financial viability of all the options were tested. The scenarios ranged from total refurbishment of the estate with no new homes to total regeneration providing in excess of 800 new homes. She advised that scenario 7 emerged as the preferred option and would provide 750 homes of which 414 would be new homes providing 46% affordable to 54% leasehold properties. The entire estate, however, would be tenure blind. All existing 198 social homes would be replaced on site but to a much higher standard than exists presently. 144 additional affordable units including family sized homes would be provided.
- 6.4 With regards to the formal consultation on option 7, Councillor Robathan advised that of the 93 tenants that responded, 56 were in favour, 33 did not comment either negatively or positively whilst 4 were against. Of the 6 leaseholders that responded, 3 were in favour and 3 were against.

- 6.5 Councillor Andrea Mann then addressed the Cabinet in her capacity as a Ward Councillor for Churchill and on behalf of her fellow Ward Councillor, Shamim Talukder. On the issue of meaningful resident engagement, she contended that there was a disparity between the positive comments expressed in the Cabinet report and the views expressed directly to her by residents. She advised that those residents did not believe that the consultation had been well undertaken. She further advised that there was no evidence that the majority of residents supported the preferred development scenario. Only 59 residents out of 217 households on the estate had indicated support. In light of this she believed that meaningful engagement with residents and a full resident ballot is required. Councillor Mann commented that a residents ballot was held on the Council's previous proposals in 2013 and 63% voted in favour.
- 6.6 Councillor Mann expressed concern that to date £30m had been spent on the regeneration without any building work commencing. She referred to the fact that the estate had first been earmarked for regeneration in 2010 and that residents had been living with uncertainty for the last 8 years. She explained that 30% of the estate is vacant due to the requirement to re-house residents in preparation for the regeneration. This, she contended, has led to the breakdown of the existing community. The Equalities Impact Assessment has revealed that many of the estate's households are vulnerable or in need and she requested that appropriate support for residents to meet the challenges presented by the regeneration process are put in place. Councillor Mann then went on to express concern that the new recommended proposals will result in a reduction in social housing on the estate. She stated that at present, 57% of housing is made up of social tenants. Under the current proposals this will reduce to between 34% to 38%. Even if intermediate housing is included it will deliver no more than 45%. She contended that this will result in the make up of the community changing for ever. She requested that if the proposals are agreed that the Residents Association should lead and guide future consultation with residents.
- 6.7 Councillor Murad Gassanly then addressed the Cabinet in his capacity as a Churchill Ward Councillor. He advised that he had been sceptical at the time about the 2013 scheme on the basis that it was financially unviable and had offered few new homes including new social homes. He believed that the new proposals provide an opportunity to deliver a financially viable scheme that includes hundreds of new homes, many of which will be of intermediate tenure. It also provides replacement properties for existing tenants and new and exciting retail and public realm.
- 6.8 Councillor Gassanly stated that whilst he understood the concerns expressed by some residents, many that he had spoken to over the last 12 months had spoken positively about the engagement with the Community Futures Group. He advised that a number of residents had expressed their desire to see the regeneration accelerated so that they could return to the estate, an issue that he had presented a petition on to the Council last year. He contended that after years of delay it was time to deliver and at speed. He had been impressed by the Regeneration Base which is sited on the estate and thanked the Regeneration team for their hard work.

- 6.9 Barbara Brownlee, Executive Director for Growth, Planning and Housing, then addressed the Cabinet. In response to comments from Ward Councillors regarding slippage of major works on the estate over time, she advised that CityWest Homes has been tasked with the Regeneration Lead to progress necessary works.
- 6.10 Barbara Brownlee acknowledged that due to the need to re-house residents, some on the estate feel that the community has been broken up. She advised that the regeneration team supports the community through a range of measures including providing weekly phone calls and visits to those residents who have moved off the estate.
- 6.11 The Executive Director for Growth, Planning and Housing explained that it had been important to consider and assess all of the options for regenerating the estate. She stated that it had also been important to investigate all scenarios to discover those which are financially unviable so that residents understood why certain options were not being put forward. Some leaseholders had indicated that they would prefer a refurbishment of the existing estate until they understood the cost and limitations that this scenario would have both for them and in terms of providing much needed new housing. Councillor Robathan agreed that it would have been wrong not to show residents all of the scenarios and the implications of delivering them.
- 6.12 Councillor Ian Adams, Cabinet Member for Public Protection and Licensing, sought further reassurance on the engagement with stakeholders. Councillor Robathan advised that the CFG has and would continue to play a vital role in engaging Ebury Bridge residents and businesses over the future of the estate. She explained that it is an independently chaired resident led steering group that was formed to provide strategic direction, challenge and support to the project team. She welcomed any ideas that Councillor Mann wished to put forward on how the Council can further improve the engagement process.
- 6.13 Councillor Angela Harvey, Licensing Committee Chairman, asked for further information about the proposed local lettings policy. Councillor Robathan stated that there will be a local lettings policy for the estate. In consultation with the CFG the Council will determine what is appropriate and the area to be included. Those in priority need such as families in overcrowded accommodation will have priority for homes on the estate.
- 6.14 Councillor Tim Mitchell, Cabinet Member for Environment and City Management, referred to the fact that there had been difficulty in finding a delivery partner for the previously agreed scheme. He asked how confident the Council was in attracting a prospective developer for the current preferred development scenario. Barbara Brownlee stated that the preferred development scenario is based on a very conservative set of assumptions and includes built-in contingencies such as the prospect of delays. She explained that in conjunction with the Procurement team a presentation on the recommended scenario was provided to a gathering of 70-80 developers. This generated significant interest with the Council undertaking individual discussions with between 30-40 developers. She was confident that the

Council now has a scheme which is considered to be viable from the perspective of a developer. She advised that unlike the previous scheme, the Council will let the delivery partner lead on submitting any future detailed planning application.

**6.15 RESOLVED:**

1. That Appendix D be declared as exempt from publication as this involves the disclosure of information as prescribed by paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972, as amended, in that they contain information relating to the financial or business affairs of any particular person (including the authority) as per paragraph 2.1 below.
2. That Cabinet:
  1. Agreed to take forward Scenario 7 as the preferred development scenario.
  2. Agreed to conclude the Outline Business Case (Part 1).
  3. Agreed to extend the re-development boundary to the area needed by the preferred scenario. Please note this land is held freehold by the Council.
  4. Authorised Officers to enter into voluntary negotiations with residents and retailers to acquire all interests in scenario 7 by agreement at open market value together with compensation commensurate with that payable under compulsory purchase provisions.
  5. Agreed to extend rehousing commitments to both tenants and leaseholders contained in new development boundary.
  6. Authorised determination/future agreement of commercial leases in line with retail strategy.
  7. Agreed to voids no longer being let on residential secure tenancies.
  8. Authorised tender and commencement of enabling and demolition works including initial demolition notices on void properties to de-risk unknowns and accelerate a start on site in dialogue with Community Future Group (CFG).
  9. Authorised the implementation of a Meanwhile Use strategy in partnership with the CFG for temporary uses on cleared areas.
  10. Agreed for a Cabinet Member decision in October 2018 to select a preferred delivery route that will be supported by the Outline Business Case (Part 2).
  11. Agreed to the need for external procurement, property and legal advice associated with the delivery of the overall project.

## **Reasons for Decision**

1. The Ebury Bridge Estate is one of the five priority estates identified in the Council's Housing Renewal Strategy (2010) as needing significant improvement and investment. In line with the Council's City for All objectives, the overarching objective of regenerating Ebury Bridge Estate is to create a comprehensive renewal that brings about physical, economic and sustainable change that creates additional homes and improves the lives of residents, businesses and visitors alike.
2. Scenario 7 is viewed as the preferred approach following the extensive resident consultation. It brings about the most beneficial changes when judged against the developed scenario assessment (see summary matrix at Appendix C). This assessment incorporates an evaluation of Viability, Desirability and Deliverability across the eight scenarios and is supported by:
  - The wide-ranging consultation process with residents and businesses;
  - Soft Market testing within the development market,;
  - The feasibility work completed by the Council led design team and the review; of the five cases within the Outline Business Case (Part 1).
3. Scenario 7 provides a compelling case in the public interest for regeneration after a period of resident consultation including a 6 week consultation on the preferred scenario. This scenario will involve comprehensive estate renewal through the creation of 750 homes, including 342 affordable homes, community facilities, retail accommodation and improved public realm, subject to planning. Further design work will involve further consultation with residents and the wider community.

## **7 OXFORD STREET DISTRICT - PROJECT APPROACH**

- 7.1 Barbara Brownlee, Executive Director for Growth, Planning and Housing, introduced a report that set out the City Council's approach to developing a district wide solution for the area spanning Tottenham Court Road to Marble Arch, and including the surrounding neighbourhoods to the north and south. The area will be referred to as the Oxford Street district.
- 7.2 Barbara Brownlee explained that the City Council will develop a place based strategy for the Oxford Street district. The new approach will build on the evidence base compiled to date by the Council and Transport for London (TfL) and when necessary supplement it. A key part of the evidence base is the feedback from residents, both formally and informally. The Council will consult those in the four affected wards referenced in the report. She advised that the project development will comprise of four stages and will take place in conjunction with the development and implementation of the Oxford Street safety scheme, which will look at traffic calming and other measures, to mitigate the impact of increased footfall following the opening of the Elizabeth Line.

- 7.3 The Executive Director for Growth, Planning and Housing tabled an amendment to the recommendation in the report that related to the revenue funding for the project. She explained that contrary to officers' initial understanding which was based on historic assumptions, the 2018/19 Local Implementation Plan Allocation did not include funding for Oxford Street. She advised that the Council was able to fund fully the development of a set of feasibility/concept options for the district through a reallocation of revenue funding.
- 7.4 Councillor Richard Beddoe, Cabinet Member for Place Shaping and Planning, stated that the two previous public consultations on the transformation of Oxford Street West had been insightful. The Council could have implemented the previously proposed full-scale pedestrianisation of Oxford Street West despite not having the support of local residents. However, the proposals would have only ever provided a partial solution to a small section of Oxford Street whilst ignoring wider issues. He believed that the new district wide approach would provide a more holistic solution.
- 7.5 The Leader of the Council hoped that the development of a district wide solution will be supported by the Mayor of London as she believed that it would respond to his objectives for Oxford Street as well as those of the City Council.

7.6 **RESOLVED:**

That Cabinet:

1. Endorsed the new approach for the Oxford Street District Project as detailed in the report;
2. Agreed the Governance outlined in the report;
3. Approved the revenue funding of £727,000, made up of a reallocation of the council's own revenue for the development of a place based solution and a set of feasibility/concept options for the district; and,
4. Noted plans to bring forward necessary safety works and governance associated with the development and implementation of the specific Oxford Street safety scheme ahead of the opening of the Elizabeth Line and during 2019, which will be subject of a separate Cabinet Member Report.

**Reasons for Decision**

1. The Leader of the City Council on 7<sup>th</sup> June announced that there is a need to be hugely ambitious to ensure the district's long-term success by future proofing Oxford Street and the surrounding area so it remains the pre-eminent, retail focused, outdoor shopping destination in the UK.



2. In December 2017, the Leader and Deputy Leader issued eight pledges to residents, created to assure residents that the City Council would safeguard their amenity by insisting that no scheme would be approved that failed to meet their concerns. Feedback from residents in the consultation report, confirmed that 61% of Westminster residents did not support the partial pedestrianisation of Oxford Street (Orchard Street to Oxford Circus). Subsequent statements from the City Council, made clear that the scheme consulted upon had not achieved a local consensus.
3. In these circumstances, the City Council considers it necessary to devise other solutions that will transform the district and meet concerns expressed.
4. The previous project structure to devise a solution for Oxford Street was developed within a joint team with Transport for London. This produced a significant body of information about the district. Going forward, the City Council will lead the project and consequently a new governance and operational structure is needed as outlined. We will continue to liaise and work closely with residents, stakeholders and partners (Mayor/Greater London Authority, TfL and New West End Company) to develop new solutions.
5. Resources are needed to provide staffing and commissions to facilitate work to devise a new solution(s).
6. Work on the options to ensure a safe street and district prior to the opening of Elizabeth Line is currently being progressed and will be presented for decision to the Cabinet Member for Environment and City Management in July 2018. This will advise the Cabinet Member of any required works aimed at ensuring the street and district is safe given the increase in forecast passengers associated with the gradual impacts of the Elizabeth Line opening.

## **8 ANY OTHER BUSINESS THE CHAIRMAN CONSIDERS URGENT**

The Meeting ended at 7.54 pm

**CHAIRMAN:** \_\_\_\_\_

**DATE** \_\_\_\_\_