

## Appendix B

Notes of an informal meeting of  
the Housing and Property  
Scrutiny Committee held at  
Kensington Town Hall at 3pm on  
Wednesday 23 August 2017

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### PRESENT

#### Members of the Committee

Councillor Sam Mackover (Chairman)  
Councillor Eve Allison  
Councillor Judith Blakeman  
Councillor David Campion  
Councillor Maighread Condon-Simmonds  
Councillor David Nicholls (Vice-Chairman)  
Councillor Monica Press  
Councillor Linda Wade

#### Others in Attendance

Councillor Kim Taylor-Smith (Deputy Leader and Lead Member for Grenfell Recovery, Housing and Property)  
Councillor Pat Mason (Chairman, Executive and Corporate Services Scrutiny Committee)  
Cllr Robert Thompson (Ward Councillor)  
Barry Quirk (Chief Executive)  
Francis Austin (Group Finance Manager – Corporate Services)  
Diana Barrett (Principal Solicitor)  
Richard Egan (Director for Corporate Property)  
Mark Grant (Head of Investment and Development)  
Tony Hutchinson (Housing programme Director – Grenfell)  
Hideo Ikehara (Strategic Commissioner)  
Tasnim Shawkat (Director of Law)  
Claire Wise (Housing Regeneration Project Manager)  
Heather Wills (Interim Director of Local Services)  
Asha Gupta (Governance Services)

### APOLOGIES

Apologies for absence were received from Councillors Emma Dent-Coad, Daniel Moylan, Matthew Palmer and Andrew Rinker.

### DECLARATIONS OF INTEREST

Councillor Wade declared an interest as a shareholder of Notting Hill Housing Trust. Councillors Blakeman and Condon-Simmonds declared an interest as TMO Board Members.

## **INTRODUCTIONS**

The Chairman welcomed everyone to the meeting. Introductions were made.

### **1. AGENDA OF THE EXTRAORDINARY LEADERSHIP TEAM MEETING**

#### **(i) Item A4 - Proposal to Secure Permanent Accommodation from Registered Providers (KD05106)**

Cllr Taylor-Smith was pleased to report that of the 151 Category A households, 110 had logged on to the Choice-Based Letting system and 50% had expressed interest in the properties. He was pleased with the initial response and work was being done to continue to encourage households to use the system.

Tony Hutchinson introduced the report.

In response to questions on the financial implications of the decision on the Council's reserves, Francis Austin confirmed that Finance were tracking all decisions and keeping a record to ensure the Council was staying within the parameters of its minimum level of reserves. Barry Quirk added that he was working on a properly resourced funding strategy for the Council, which will include borrowing.

Members endorsed the recommendations in the report and:

- Noted that there will be no change to the year on year 1% rent reduction policy.
- Noted that the financial implications were consistent with the Council's existing financial reserves policy.
- Noted that the Governance of the financial reserves policy was with Full Council.
- Requested that Scrutiny Committees be kept informed of the financial implications of all decisions relating to Grenfell on the Council's reserves.

#### **(ii) Item A5 - Housing Options for Resident and Non-Resident Leaseholders Affected by the Grenfell Tower Fire (KD05104)**

Cllr Taylor-Smith and Tony Hutchinson jointly introduced the report and said that the Council was under pressure from some leaseholders to move forward on the housing options available to them. They confirmed that the Council has tried to engage with leaseholders and

has had regular dialogue with the Grenfell Tower Leaseholders' Association. Members were asked if the options set out in the paper were fair and reasonable and if there were any alternatives which needed to be considered?

There was a lengthy discussion on ensuring adequate consultation with the leaseholders and giving them an opportunity to comment on the options.

In response to questions on consultation, Tony Hutchinson said he has been in touch and spoken to more than half of the leaseholders and that with one particular household he has had 10-12 contacts. He confirmed that he had emailed all the leaseholders with mortgages and that the decision provided an opportunity to widen the dialogue. He also confirmed that all the leaseholders were sent an email last Friday by Cllr Taylor-Smith outlining the proposals in the paper. He added that a balance needed to be struck with doing more consultation and on moving forward with those leaseholders that want to go now.

Cllr Wade said that the ward councillors should have been sent a copy of the email from Cllr Taylor-Smith to the leaseholders.

Members felt that the report should be produced as a framework of options and be put to the leaseholders for further consultation and comment. In response, Cllr Taylor-Smith proposed to re-write the paper as a framework of options for agreement by the Leadership Team, to build in a consultation period and to collate the responses for agreement by the Leader/Leadership Team.

Cllr Blakeman said that she was receiving emails from residents asking her why the ward councillors were not aware of the options policy and representing their interests. She added the paper did not make clear what the navigator service was.

In response to a question on the number of years left on the leases, Tony Hutchison confirmed this to be 91 years.

Mark Grant said that he would be commissioning independent valuations on each property. Cllr Taylor-Smith added that the leaseholders will have the opportunity to get their own valuations.

Members:

- Noted that the Council needed to balance the needs of the leaseholders that want to move now and those that required more time to consider their options.
- Recommended that consultation with leaseholders, with ward councillor involvement, was required. The paper was helpful to establish the framework of options, which should be used as a basis for discussion when consulting with the leaseholders,

whether by group or individually, and to seek their comments. The comments should then be collated and put into a further paper for formal adoption by the Leader/Executive.

- Recommended that consultation should be arranged and take place as quickly as possible, so that leaseholders were in a position to decide on which option to proceed with.
- Commented that the consultation process may identify further options for consideration by the Leader/Executive.
- Recommended that the time during consultation should be used to expedite the valuation of properties, which will assist in discussions with the leaseholders.
- Recommended that the definition of 'value' be made clear in the report and noted that the valuation methodology was top condition market value, fully assessed by independent valuers, plus 10%.
- Recommended that the Council keep an audit trail of all discussions and dialogues with individual leaseholders.
- Noted that the report merely flagged up that there may be a case for the Council to use Compulsory Purchase Order (CPO) powers in the future.
- Recommended that the report include clarification on what the Navigator Service is and its independence from the Council.
- Recommended that a specific pre-amble be added to the report to clarify that the framework was an exception and in response to the Fire at Grenfell Tower and did not set a precedent for new Council Policy.
- Recommended that information should not needlessly be contained in Part B (exempt) papers i.e. about inheritance rights, and be restricted to commercially sensitive and/or information which can identify an individual and/or their properties.

**(iii) Item A6 - Acquisition of Residential Properties to Meet Urgent Housing Needs Following the Fire at Grenfell (KD05105)**

Mark Grant introduced the report and said there was a need to acquire permanent one and two bed units, focusing in W10 and W11, for the victims of the Grenfell Tower Fire who were currently still in expensive commercial accommodation. He confirmed the business case behind the proposal as working on the parameters of a 3% return on investment, which will not inflate or distort the housing market.

Cllr Press said that until June 2017 the Council was short of 3 bed properties and had voids on one bed units and expressed concern that we were not buying units we do not need. In response, Claire Wise said that the voids were largely studio flats and that we now have households from Grenfell Tower splitting. Mark Grant added that if the properties were no longer required then we could sell them, but that the main savings was in getting people out of expensive commercial accommodation.

Cllr Taylor-Smith said the Council still has a programme to purchase larger properties, but that these properties were for those residents that want to stay in North Kensington. He added that we were getting indications that some people were happy to move out of Borough and the Council will be looking at this and may need to come back with a request for bespoke purchases.

In response to questions on how many units are required for immediate need and how many units the Council has already purchased, Cllr Taylor-Smith said that we required 188 units for the Category A residents. There were also 171 Category B households in commercial accommodation, which the plan was will return back to the walkways. He estimated a need to purchase about 100 homes. He confirmed the Council has secured 105 units, including 31 in Hortensia Road, 12 in Balby/Treverton/Silchester and 68 at Kensington Row, which was owned by Peabody.

Members endorsed the recommendations in the report and:

- Recommended that the report clarify who will be managing the individual properties purchased; and
- Recommended asking HMRC for exceptional treatment regarding Stamp Duty.

**(iv) Item A7 - Contract Award for Generic Floating Resettlement Support Service for Residents Affected by Grenfell (KD05107)**

Claire Wise introduced the report.

Cllr Condon-Simmonds suggested inviting Family Mosaic to a future Scrutiny Committee meeting.

Members endorsed the recommendations in the report and:

- Recommended that the procurement treatment of the contract be clarified in the report; and
- Recommended that staff quality criteria e.g. maximising staff continuity, was included in the Service Delivery Plan with Family Mosaic, given the sensitivity of the casework.

2. **PROPOSED URGENT KEY DECISION ON THE ACQUISITION OF A PROPERTY FOR A FAMILY FROM GRENFELL TOWER (KD05112)**

Members welcomed the decision.

3. **ANY OTHER BUSINESS**

**Update on Buildings Insurance** - Cllr Press suggested an item on building insurance and a discussion on why payment was so low and our policies in relation to this, at a future Scrutiny Committee meeting.

**Number of Special Urgency Key Decisions** – In response to comments on the number of urgent Key Decisions being taken and when the Council would be moving to a steadier state of Governance to enable adequate scrutiny, Asha Gupta said that Governance Services were in the process of enforcing this.

The meeting ended at 5.30pm

Chairman