

RBKC & TMO Joint Management Meeting - 23rd April 2014

Present:

RBKC

Laura Johnson, Director of Housing
Celia Caliskan
Amanda Johnson, Head of Housing Commissioning
Steve Mellor, Group Finance Manager
Ruth Angel, Head of Strategy and Regeneration, Housing
Robert Shaw

KCTMO

Robert Black, Chief Executive
Yvonne Birch, Executive Director of People and Performance
Sacha Jevans, Executive Director of Operations
Peter Maddison, Director of Assets & Regeneration
Jane Clifton, Executive Office Manager

1. Lancaster West EMB

An update was given on the EMB. The termination notice would expire on 31st May, and a joint letter would be sent to residents from the Council/TMO just before the end of May. The Leader had also been briefed as he had been approached by Francis O'Connor.

The TMO would not be making immediate changes from the beginning of June although the signboards would have to be changed at some point. A project group was being established for the works at Grenfell Tower. The EMB management team would eventually be moved back to Neighbourhood Management (North), but there would be no hurry to do this because of the works. We are now planning to convert the current office at Grenfell Tower into two bed flats, and would be making a decision on the location of the office for the next two years while the works took place. An option was to have a temporary office, and monitor how much it is used. The handy person was also due to retire in one year, so consideration would have to be given to the future of that service. Consultation would have to be carried out on the change of use for the office since there would no longer be a permanent office in Grenfell Tower. However, better use of the space could be made as the office was going to be on three levels, and would have

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required an internal staircase.

2. Disposals

Amanda Johnson was considering four properties for disposal, and was working with Peter Maddison and David Burns. We would be considering transferring them into a COCO. RBKC would retain the assets, and get the works done which was in line with Cllr Feilding-Mellen's targets. The remaining issues were being worked on, and an options' paper would then be presented to Cllr Feilding-Mellen.

Legal advice had been obtained, but there was no clear understanding of the COCO which was an evolving concept. There were also constraints on the setting of rent levels as social or affordable. RBKC to come back on this when a clear political steer was received. The four properties being considered included Billing Street, St Luke's and St Helen's. There were also two commercial properties being considered for disposal.

3. Asset Management update

The HRA business plan was being prepared for the autumn on the spend for the next five years, and a more proactive approach would be taken on getting it through the formal decision making process. This included formal approval for the underlying budgets.

Cllr Feilding-Mellen had asked for an update on the Asset Management Strategy as he had been on holiday when it went to Scrutiny Committee. The HRA business plan would be going to Scrutiny Committee in January as well as the rent report.

It was queried what would be happening next on the Asset Management Strategy. A resident panel had been set up for consultation on the standard, the five year plan, and how we approached the priorities, which would be completed by the autumn. The consultation would cover the basics of what people liked, and did not like about where they lived.

There would also be additional money for investment from commercial initiatives i.e. Acklam Road, and the TMO was in dialogue with Cllr Mason about this. At a consultation meeting on Acklam Road, the majority of residents had been in favour of the proposals with 2 or 3 people against who had lock up garages. The proposal would be going to Cabinet on 1st May.

It was acknowledged that Nick Rendle was making a lot of progress on the commercial portfolio, but a few issues were

coming up such as no consultation on the granting of leases, and rents not being raised. Amanda Johnson had proposed that Internal Audit look at the management of the portfolio although it was acknowledged that we are establishing a good relationship with the new Corporate Property staff. In principle, the TMO had no objection to this, but the political implications were queried, and what Nicholas Holgate's views were. Laura Johnson undertook to discuss this with him. It was queried whether reports should also go to the TMO Board when they went to Cabinet if the report concerned HRA property. It was a standard process for these reports to go to Scrutiny Committee as well as Cabinet.

It was agreed that an audit would be useful to flush out any remaining anomalies in the relationship, and also some individual leases could be looked at. However, the new SLA set out the relationship between the TMO and Corporate Property more clearly, and it was suggested that the audit take place in quarter 4 which would give more time for the SLA to settle down. The SLA had previously been reviewed 18 months' ago. Laura Johnson would discuss with John Barnett and Nicholas Holgate.

4. Council Projects

Laura Johnson would be meeting Savills next week on the COCO project. Savills had done a first draft on how it would work, and were looking at the practicalities. It was aimed to get a proposal to the Leader's Group in July. The long list being considered for estate regeneration included:

- Silchester
- Lancaster West
- Kensal New Town
- Convent Estate

Planning had carried out capacity studies, and papers were going to the Leader's development board on 23rd April.

Cremorne Estate was now being considered by TFL for Crossrail (2), which would involve demolition of some of the estate. There would be consultation in June about plans for 15 years' time, but it was hoped to push this back to the autumn. Until the outcome was known, this estate could not be considered for regeneration. Laura Johnson would report on progress.

Following a capacity study, and looking at the figures, RBKC would be going ahead with Treverton which was linked to a school site, and consideration would then be given to either Kensal or Lancaster West.

Cllr Feilding-Mellen needed to have more understanding of our capacity to decant tenants, as recently he had wanted Laura's department to suspend lettings from the autumn when a decision was due to be made about the regeneration project. He did recognise that the practicalities of decanting were a major obstacle to any project, but we needed to proceed with a more considered approach.

RTB was another consideration, and also the TMO Board needed to be updated.

Michael Clark had wanted to go ahead with Cremorne because of the high land values, but this was now postponed because of TFL. Laura Johnson's team wanted to start with a scheme in the north of the borough where it would have more impact.

Laura Johnson would commission a paper on the costs of carrying out a regeneration project, and would aim to push back a decision until the autumn so that the right decision was made. It was queried whether a decision could be reached in the autumn, and there was some uncertainty, as although Cllr Feilding-Mellen was keen, it was not clear whether other members would support it.

The Pembroke Road re-development was taking much longer than anticipated, but was affordable, and the decanting was feasible. It would go ahead after the local elections, but there may be an issue about the blocks being listed.

Cllr Feilding-Mellen wanted to decant Trellick Tower, as if the tower was sold, we would obtain the money to develop Kensal New Town. There was potential for 70 social housing units. It was queried whether people could be forced to move. Any potential for the project to go wrong was a risk with such a high profile block. Laura Johnson's preference was to start with Treverton where planning permission could be obtained next year, and we could be on site in the next 18 months. Decanting was feasible, but there would have to be investment before any financial return.

On the sheltered projects, Runcorn and Hesketh were first on the list, and would go ahead. In addition there was a small blocks' programme, including Oxford Gardens, which would be done before the autumn. It was thought that the costs for Oxford Gardens would be around £50m, but more work had to be done on the financial model before it was shared with Cllr Feilding-Mellen and other members. Corporate Property would also want to look at all the options before going ahead. The costs of the COCO would be charged to the General Fund rather than the HRA.

5. Residents Conference - Saturday, 13 September

A draft agenda had been drawn up for this event, and the venue this year would be the Royal Garden Hotel. Cllr Feilding-Mellen was the guest speaker, and also Cllr Paget-Brown would be holding one of his Ask Nick sessions as a workshop. Peter Maddison would be holding his own question time, and there would be activities in the afternoon such as gardening and IT inclusion, which would also be picked up by the next series of roadshows. At this new venue we had capacity for 250 – 300 residents to attend. Another theme at the conference would be the TMO's 18th birthday which had been celebrated with staff recently. RBKC to have a stand on mutual exchanges.

6. Any other business

6.1 Whistler Walk hidden homes' project - this was going to Cabinet for approval of the funding in June/July so we can get on site. It would not be going to the Leader's Group.

6.2 Grenfell Tower - funding would also be approved in June by Cabinet. Sample materials were being looked at this week before going to Planning. There would probably be an adjustment on the budget, which would be discussed with Cllr Feilding-Mellen.

6.3 End of year performance on rent collection - arrears were under £1m, which was the best performance for 18 years. Debt levels were also being driven down on leaseholder charges. The rent collection outcome had been helped by the Discretionary Housing Payments, and the work of the two welfare officers. This outstanding performance would be covered by RBKC's annual review in June/July. Voids' performance was also 21 days. Repairs Direct was carrying out repairs to voids, and there had been concern that performance could be affected by this change.