

Scrutiny & Overview Committee

Meeting held on Tuesday, 29 October 2019 at 6.30 pm in Council Chamber, Town Hall,
Katharine Street, Croydon CR0 1NX

MINUTES

Present: Councillor Sean Fitzsimons (Chair), Robert Ward (Vice-Chair), Leila Ben-Hassel, Jeet Bains, Jerry Fitzpatrick and Joy Prince
Also Present: Councillors Stuart King, Paul Scott and Manju Shahul-Hameed

PART A

35/19 Minutes of the Previous Meeting

The minutes of the meetings held on 2, 10 and 17 September were agreed as an accurate record.

36/19 Disclosure of Interests

There were no disclosures of interest made at the meeting.

37/19 Urgent Business (if any)

There were no items of urgent business.

38/19 Delivery of the Growth Zone

The Committee considered a report on the development of the Growth Zone project since its inception along with a presentation giving a high level overview of the Growth Zone project. The following Cabinet Members were in attendance at the meeting to deliver the presentation and answer questioned arising:-

- Councillor Stuart King – Acting Cabinet Member for Environment, Transport & Regeneration (job share).
- Councillor Paul Scott - Cabinet Member for Environment, Transport & Regeneration (job share).
- Councillor Manju Shahul-Hameed – Cabinet Member for Economy & Jobs

During the presentation the following points were noted:-

- The Growth Zone was a £5.2b regeneration initiative for the centre of Croydon. The overall project contained a range of different project within that would lead to the comprehensive regeneration of the area.

This included the provision of 2,800,000 ft² of new Grade A office space, 21 town centre development opportunities including Westfield, 28 new public squares and spaces, a new world class train station, approximately 14,000 new homes and 23,000 new jobs.

- Growth Zone project was due to run until 2034 with a focus on the first five year of major development activity. It was highlighted that much of the development activity was being delivered by developers and as such outside of the control of the Council.
- The Council had borrowed £3.9m to ensure that the public realm aspects within the Growth Zone were joined up. This would be repaid through the growth of business rates and council tax in the town centre as a result of the redevelopment.
- The project originally began in 2013, with the Growth Zone bid accepted by the government in 2015.
- The key themes for the project had been grouped into six themes, which were Transport, Public Realm, Culture, Parking, Social Infrastructure and Smart City.
- A range of smaller projects had been delivered so far and a lot of the current focus was on planning to bring forward significant redevelopment schemes.
- The regeneration strategy had retained a flexible approach to take into account changing circumstances such as uncertainty over when the Westfield development and transport schemes would come forward.
- The Growth Zone included 26 transport projects. Highlights of which included construction and logistics projects winning awards. A priority continued to be keeping road users safe despite the increase in HGV vehicles from the redevelopment.
- Under the social infrastructure theme the Croydon Works job service had helped to support over 1000 people into employment and the Croydon Creative Campus continued to be a priority.
- The primary objective of within the Smart City theme was to ensure that the Council continued to make best use of technology through a range of schemes such as monitoring air pollution.
- Public realm projects included rethinking the old town area, the Clocktower redevelopment, rethinking College Green which would be renaming as Fairfield, with a team appointed to lead the transformation.

Following the presentation the Committee was given the opportunity to ask questions on the content of the report and the information provided during the presentation. The first question concerned the original projects for the project against the current position. It was confirmed that when the Growth zone was

originally set up there had been detailed financial modelling which included the retention of business rates above a base line agreed with the government, which would be protected for sixteen years.

It was also advised that additional income was expected further down the line once the major projects had commenced and at this stage no additional money had been drawn down as initial works had been funded by a £7,000,000 government grant. Cabinet had agreed £166,000,000 of funding that could be drawn down to fund a range of projects, with it expected that the Council would start to draw down on its borrowing in the fourth or fifth year of the Growth Zone project.

It was confirmed that model had accounted for income of £3,000,000 from the business rate uplift, with the majority of the £505,000,000 funding being raised through match funding with partners such as transport providers.

It was questioned whether a significant portion of the funding was dependent on the delivery of the Westfield project. In response it was confirmed that Westfield was a key project because of its size, which equated to 60% of the total Growth Zone project. Representatives from the Council were due to meet with the developers of the Westfield site in the near future, at which it was hoped that clarity would be provided on the timeline for the project. It was likely that original proposed scheme would be amended by the developers in light of the rapidly changing retail environment in the UK.

It was confirmed that planning consent had been granted for the redevelopment of East Croydon railway station with it understood that the developer was looking to start work on this project in the near future. It was cautioned that Brexit had created financial uncertainty which had meant that developments were taking longer to come to fruition, but as mentioned previously, flexibility had been built into the project to allow for changing timescales in any particular element of the Growth Zone.

It was highlighted that a number of shops had left the town centre due to the uncertainty over the Westfield development. To counteract against this the Croydon BID team were working to ensure that the area remained vibrant and the Council continued to provide support to local businesses. Croydon BID had been collecting data on footfall within the town centre which indicated that it had increased.

One proposal for inclusion within the Westfield development was the provision of student accommodation which would be needed once Southbank University located a campus within the town centre in September 2020. Having reviewed the skills gap in the local area, initial courses offered by the University would focus on nursing, hospitality and technology.

There was concern expressed about the low level of employment growth in Croydon over the past twenty years when other boroughs in London had seen significant growth. As such it was questioned how the Growth Zone would help to attract larger employers to the borough. It was advised that research carried out by the Coast to Capital Local Enterprise Partnership (LEP)

indicated that Croydon had a national reach for employers and had the most amount of start-ups within the area covered by the LEP which reached from Brighton on the south coast to Croydon. In the past five years there had been a 45% growth within the technology sector in the borough which had resulted in the creation of 8,000 new jobs.

It was highlighted that there had been a significant reduction in amount of office accommodation in Croydon and as such it questioned whether this would have an impact upon the likelihood of attracting medium to large businesses to relocate to the borough. It was confirmed that the inward investment team was focussed on attracting new businesses to the borough with targeted activity taking place to promote the message that Croydon was open for business. A strategic approach was being taken to ensure that the right companies were being approached and provided with support as required. Other aspects of the Growth Zone, such as improving the public realm, and improving transport links would also help to encourage businesses to relocate to Croydon.

In response to a question about the key risks to the delivery of the Growth Zone it was advised that factors outside the control of the Council such as the economic uncertainty arising from Brexit and many of the developments opportunities within the Growth Zone being in the hands of private developers were key risks to the project. Risks were reviewed at a corporate level on a monthly basis including any mitigation that could be taken. Given the scale of the project the Committee agreed that there should be a specific risk register for the Growth Zone project itself rather than the risks being considered as part of a wider Corporate Risk Register.

Given that the need for flexibility in the project had been highlighted, it was questioned how the change process would be managed. It was confirmed that governance processes were in place that monitored and approved changes to the programme as they happened.

As it was noted that the Growth Zone project would allow the Council to retain business rates raised about a baseline, it was questioned whether the baseline had been met yet. It was confirmed that a small surplus had been achieved above the baseline.

It was also confirmed that compulsory purchase orders had been served on the properties contained within the Westfield development, but not all of them had been handed across to the developer at this stage.

In light of the lease for Box Park being extended for five years, it was questioned how this would impact upon the proposed development on the land it currently occupied. It was highlighted that at present there was other land still to be developed in the vicinity before the Box Park site, so the extended lease was unlikely to impact upon these proposals.

In response to a question about who was providing leadership for the project, it was advised that the leadership of the project was multifaceted and it was not a straightforward approach with a single leader. Local MPs, the Chief

Executive, Cabinet Members and local Councillors all had a role to play in progressing the project.

Given the scale of the project, it was questioned how the competing demands could be managed. It was confirmed that it was challenging to manage such a highly dynamic project with multiple schemes reliant on each other. Work to mitigate against the impact from a project of this scale was difficult, but it was essential to have plans that were flexible enough to respond to issues as they arose in real time.

It was acknowledged that Transport for London (TFL) operated in an environment of continuing financial constraint which made it essential that all their projects were reviewed to ensure that they could be delivered within the available finance. The Council was working with TFL to increase tram capacity through the proposed Dingwall Road Loop extension. The Fiveways project was also progressing with TFL in pre-application discussions with the Council.

It was confirmed that the Cycling Strategy within the Growth Zone reflected that the centre of Croydon provided the greatest opportunity to increase participation through the delivery of the Bedford Park scheme, work at Fairfield Halls and the Green Ways scheme linking local parks. There was a separate Cycling Strategy which had a wider focus across the borough with investment of £20m allocated.

In response to a question about a possible extension of Rail Zone 4 to cover central Croydon, it was acknowledged that there was a case to be made to TFL and the Department for Transport. There was an economic case that could be made which needed to be developed beyond simply making it cheaper for people in Croydon to travel to work. Another potential benefit of expanding Zone 4 would be to de-incentivise people from driving to the Zone 4 trains stations in the north of the borough.

It was confirmed that the Parking Review was currently being finalised and once complete it would be shared with the members of the Committee.

Given that there had been a number of public events organised in the town centre, it was questioned how success for these was measured. In response it was confirmed that as mentioned previously Croydon BID had been measuring footfall during these events. The Council had also prepared an evaluation report on the summer activities which would be used to plan future cultural events. There was also plans to start surveying social reaction to the town centre as the redevelopment projects started to be progressed.

It was questioned whether the possibility of pop ups had been explored to make use of the vacant units. It was advised that a number of spaces had been given to charities to use for free while empty. Box Park was also an example of land being put to good temporary use while waiting for redevelopment.

It was noted that there had been public concern about the removal of greenery outside the Fairfield Halls with an update on the plans for the land requested. It was confirmed that the removal of greenery was not permanent and plans were being developed for the area which would include a mixture of greenery, open space and art.

As it was highlighted that vibrant library usage was important to the social infrastructure of the town centre, it was questioned whether there were any planned improvements for the Central Library. It was advised that improvement to the Central Library was crucial, particularly improving library provision for students. Improvements for the library would be included in the brief that was being prepared for the Clock Tower development and included an expanded and combined entry space more in line with a public square.

Given the potential growth in student population from Southbank University coming to the borough in September 2020 it was questioned whether there had been any needs assessment of the social infrastructure requirements that might be needed. It was advised that from a social infrastructure perspective it was essential that it was right as both a town centre and also for the local community, with spaces such as community centres being made available.

In response to a question about whether there had been a Play Strategy developed for the Growth Zone project, it was advised that within the Delivery Plan Minster Green, Queens Garden and Park Hill had been identified as play spaces with specific briefings for these sites. It was also expected that there would be an investment in indoor play facilities as part of the Clock Tower development.

Given that the Council had recently declared a Climate Emergency it was questioned whether a sustainability theme could be added to the project. It was advised that sustainability had already been incorporated within the project to a certain extent as it operated across the existing work streams. Consideration would be given to how sustainability could be made more explicit within the project.

At the conclusion of this item the Chair thanked the Cabinet Members and officers for their attendance at the meeting and their engagement with the questions of the Committee.

Information Requests

Arising from the discussion of this item, the Committee would like to request the following information be provided:-

1. A breakdown of how the Government grant of £7m had been spent to date.
2. An overview of the anticipated programme over the next couple of years.
3. Confirmation of the baseline for the business rate base profile.

4. The results of the Parking Review (once available).

Conclusions

Following discussion of this item the Committee reached the following conclusions:-

1. The Committee recognised that the Growth Zone was difficult to review in one session given the wide range of projects being delivered.
2. It was agreed that the Growth Zone as a whole would be revisited in two to three years, but in the meantime oversight would be maintained through the Question Time sessions with Cabinet Members and reviews on specific strands.
3. The Committee agreed that Cabinet Members and Officers should be commended for proceeding with any aspects of the Growth Zone project that they can do at the present time.
4. It was agreed that the Streets, Environment & Homes Sub-Committee would be asked to look at the play work stream and the masterplan for the public realm in greater detail.
5. It was noted that there was an item scheduled for 23 April 2020 meeting of the Scrutiny & Overview Committee with Councillor Shahul-Hameed to look at economic development in the borough.
6. Given the scale and importance of the Growth Zone project the Scrutiny & Overview Committee agreed that the potential risks to the delivery of the project should be monitored through a project specific risk register.

Recommendation

The Committee **RESOLVED** to recommend to the Cabinet Members responsible for the Growth Zone project that a risk register be developed and maintained specifically for the risks associated with the Growth Zone project.

39/19

Scrutiny Work Programme 2019-20

The Committee considered a report setting out its work programme along with that of its three Sub-Committees for 2019-20.

The Chair highlighted that it was increasingly likely a General Election would be called for early December. As such it may necessitate moving the date of the next Scrutiny & Overview Committee meeting scheduled for 9 December. At present the items on the agenda for that meeting included a Question Time session with the Cabinet Member for Culture, Leisure and Sport, Councillor Oliver Lewis and Fairfield Halls. It was advised that a tour of Fairfield Halls would be arranged for Members prior to the meeting.

The Chair of the Streets, Environment and Housing Sub-Committee, Councillor Leila Ben-Hassel, confirmed that the Sub-Committee would be looking at the Licensing and Housing Strategies at their next meeting along with a review of the Local Plan.

It was confirmed that 23 April 2020 meeting of the Health & Social Care Sub-Committee would be dedicated to looking at the life course of mental health care in the borough. Arrangements for this were still to be finalised, but it was likely that members of the Children & Young People Sub-Committee would be invited to attend the meeting to provide their insight.

The Chair of the Children & Young People Sub-Committee, Councillor Robert Ward, confirmed that items on the new safeguarding arrangements and data sharing would not now be on the agenda for their next meeting on 5 November 2019 and would instead come to a later meeting.

Finally it was highlighted that members of the Children & Young People Sub-Committee had recently visited the Refugee Council, which had been really helpful in giving Members an insight into the unique circumstances in Croydon. It was suggested that it would be useful if the members of the Scrutiny & Overview Committee could also be invited to future visits.

It was **resolved** that the Scrutiny Work Programme 2019-20 be noted.

40/19 **Exclusion of the Press and Public**

This motion was not required.

The meeting ended at 9.30 pm

Signed:

Date:

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