

**COMMUNITY & CHILDREN'S SERVICES COMMITTEE**

**Friday, 8 September 2017**

Minutes of the meeting of the Community & Children's Services Committee held at Committee Rooms, West Wing, Guildhall on Friday, 8 September 2017 at 11.30 am

**Present**

**Members:**

|                                       |                             |
|---------------------------------------|-----------------------------|
| Dhruv Patel (Chairman)                | Alderman David Graves       |
| Randall Anderson (Deputy<br>Chairman) | Deputy Catherine McGuinness |
| Tom Anderson                          | Angus Knowles-Cutler        |
| Matthew Bell                          | The Lord Mountevans         |
| Peter Bennett                         | Deputy Joyce Nash           |
| Richard Crossan                       | Barbara Newman              |
| James de Sausmarez                    | Susan Pearson               |
| Mary Durcan                           | Deputy Elizabeth Rogula     |
| Marianne Fredericks                   | Deputy Philip Woodhouse     |
| Prem Goyal                            | Mark Bostock                |
|                                       | Deputy Henry Jones          |

**Officers:**

Neal Hounsell - Community & Children's Services Department  
Gerald Merhtens – Community & Children's Services Department  
Jacquie Campbell - Community & Children's Services Department  
Natasha Dogra - Town Clerk's Department  
Chris Pelham - Community & Children's Services Department  
Sukhjit Gill - Community & Children's Services Department  
Neal Hounsell - Community & Children's Services Department  
Gerald Mehrtens - Community & Children's Services Department  
Mark Jarvis - Chamberlain's Department  
Nick Bodger – Community & Children's Services Department  
Steven Chandler – City Surveyor's Department

**1. APOLOGIES**

Apologies had been received from Caroline Haines, Deputy Stephen Haines, Pooja Tank, Caroline Haines, William Pimlott, Deputy John Tomlinson, Henrika Priest, George Abrahams, Laura Jorgensen, Matt Piper and Tom Anderson.

**2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

Susan Pearson declared an interest in item 8 of the agenda as she was a leaseholder. Ms Pearson took part in the debate but did not vote on the decision.

**3. MINUTES**

**RESOLVED** – that the minutes be agreed as an accurate record.

**4. EDUCATION CHARITY SUB COMMITTEE APPOINTMENTS**

The Committee were invited to appoint four Members to the Education Charity Sub Committee.

**Resolved** – that the following Members be appointed:

Philip Woodhouse  
Randall Anderson  
Rehana Ameer  
Susan Pearson

5. **CITY OF LONDON CULTURAL STRATEGY**

Members noted that the City of London Corporation's current cultural strategy expires at the end of December 2017. It came into effect during the 2012 Cultural Olympiad but no longer reflects the full extent of the organisation's activities across arts, culture, heritage and learning or its new and emerging ambitions.

Following a successful tender process, Global Cities Limited were appointed in May to assist the organisation in developing a new cultural strategy.

**RESOLVED** – that the report be received.

6. **BARBICAN AND COMMUNITY LIBRARIES CUSTOMER SURVEY**

The Committee was informed that in May 2017, two in-depth surveys of the stock and services offered to adults and children by Barbican and Community Libraries were carried out. Responses were received from 2,898 adults and 309 children:

- 99% of Barbican Library adult customers (1,682 respondents) said that overall they were satisfied with Barbican Library (98% in 2014).
- 99% of Shoe Lane Library adult customers (563 respondents) said that overall they were satisfied with Shoe Lane Library (98% in 2014).
- 95% of Artizan Street Library and Community Centre adult customers (269 respondents) said that overall they were satisfied with the library (95% in 2014).

Responses to both surveys and all customer comments have been analysed by the Head of Barbican and Community Libraries and professional staff, a programme of work is being put into place to address concerns and feedback is being given to library customers.

In response to a query it was noted that positive responses to the Children's Library user survey were extremely high, with 100% of customers scoring Barbican, Shoe Lane and Artizan Street Libraries as "Very good" or "Good". This is a clear endorsement of the work plans currently in place.

**RESOLVED** – that the update be received.

7. **QUARTER 1 BUSINESS PLAN UPDATE**

Members noted the progress made during Quarter 1 (April to June 2017) against the refreshed 2017-2022 Department of Community and Children's Services Business Plan

In response to a query it was noted that there is an overspend of approximately £148,000 for Adult Social Care. This budget is very volatile and a small change in client numbers can have a major impact on the outturn. Additional funding of £400,000 for Adult Social Care has been included in the Medium Term Financial Forecast. A paper to the Policy and Resources Committee will request this amount to be drawn down in the year.

**RESOLVED** – that the report be received.

## **8. FINANCIAL SUPPORT WITH MAJOR WORKS FOR LEASEHOLDERS**

Members were informed that the current Five Year Programme of Major Works to City of London estates is much needed, but will result in large service charge bills for a number of our leaseholders.

The highest estimated costs will be for leaseholders in Great Arthur House, on the Golden Lane Estate, where the current project to replace the cladding and windows means that leaseholders will face particularly large bills. The City recognises that it can be difficult for some leaseholders to meet the costs of major works and it is appropriate to review the current range of measures offered.

Discussions ensued regarding the City's duty to striking the correct balance. The Committee agreed that the City has a legal duty to recover these costs. It also has a duty under the Local Government and Housing Act 1989 (Part VI Housing Finance) (the 1989 Act) to keep a housing revenue account (HRA) and a duty to formulate proposals to secure that the account for each year does not show a debit balance (section 76 of the 1989 Act).

In response to a query it was noted that the City already has provision in place to offer financial support to leaseholders in respect of major repairs bills, including payment by instalments, referrals for financial assistance to government departments and leaseholder loans. Under the terms of their lease, lessees can repay major works bills in instalments, effectively mortgaging their property to the City. In July 2010, the City approved a scheme providing a maximum discretionary loan of £41,000, with an interest-free period of up to three years. In addition, in cases of severe financial hardship, the City will consider buying back the tenant's property.

At the same time, the City has certain duties to keep a housing revenue account (HRA) and a duty to formulate proposals to secure that the account for each year does not show a debit balance. Where the City's duty is not compromised by the discretionary loan proposal, the City must still consider its fiduciary position in relation to its council tax payers, tenants and others who benefit from the application of the HRA funds as well as its power to provide discretionary loans to leaseholders, and must reasonably balance the interests of each.

In response to a question it was noted that under the terms of a City of London lease, leaseholders have the option to pay for major works over a ten year

period, with interest. This allows them to spread the whole cost of large service charge bills. (Major works are defined as refurbishment, renewal or repair works that cost more than 2.5% of the valuation for the property when it was purchased.) This means that every City leaseholder has the ability to borrow the full cost of any major works from the HRA, for a ten year term, with interest

Officers informed Members that they cannot recommend a higher level of support for leaseholders, as the cost to the HRA, the impact on the major works programme and the disbenefit to tenants would be too great

The Chairman moved that a vote take place for a final decision to be made. 16 Members voted in favour of Option C, with 2 Members voting against and 4 abstentions.

**RESOLVED** – that Members instructed Officers to progress Option c: Offer discretionary loans to owner-occupier leaseholders at an increased maximum amount of £72,500 with up to three years of interest-free borrowing and charge legal and administrative fees. We would propose that these fees be capped at a maximum of £500. The interest-free periods would result with the maximum amount increased to £72,500 from the existing £41,000. Leaseholders would be expected to pay the first £5,000 of any service charge demand with the loan offer covering any additional amount. The total cost to the HRA in terms of interest foregone based on a 100% take-up at the maximum borrowing limit by all eligible leaseholders on all City estates would be £612,000. A 75% take-up would charge £459,000 to the HRA. While this option does have an increased impact on the HRA, in officers' view the increase is marginal and it does recognise the new demands on leaseholders of the Five Year Major Works Programme.

**9. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

**10. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

The Chairman informed Members that the Assistant Director Neal Hounsell would be retiring in January 2018. The Committee agreed that Neal's extensive contribution during his tenure both as Acting Director and Assistant Director would be missed and wished him all the best for the future.

**11. EXCLUSION OF THE PUBLIC**

**RE SOLVED** – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

**The meeting ended at 12:45pm**

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Chairman

**Contact Officer: Natasha Dogra tel. no.: 020 7332 1434**