

Crawley Borough Council

Council-owned Neighbourhood Parades Scrutiny Panel

Agenda for the **Council-owned Neighbourhood Parades Scrutiny Panel** which will be held **Ashurst Main Hall - The Charis Centre**, on **Wednesday, 23 June 2021 at 6.30 pm**

**PLEASE NOTE THE LOCATION FOR THIS MEETING.
PLEASE USE THE REAR CAR PARK.**

WI-FI CODE = cc378BCX

Nightline Telephone No. 07881 500 227



Chief Executive

Membership:

Councillors M L Ayling, R A Lanzer, T Lunnon, Sue Mullins, M Mwangale and D M Peck

Safety Protocol

The safety of councillors, council officers, the public, and venue staff is paramount. Consequently social distancing measures will be in operation and face masks will be worn (unless speaking) at all times. Hand sanitising will also be required on entry to the venue. Please follow any one-way system that may be in operation. Please be aware that the capacity of the venue has been decreased as a result of social distancing. As a result public attendance numbers may need to be reduced.

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The order of business may change at the Chair's discretion

Part A Business (Open to the Public)

	Pages
1. Apologies for Absence	
2. Disclosures of Interest & Whipping Declarations	
In accordance with the Council's Code of Conduct, councillors are reminded that it is a requirement to declare interests where appropriate.	
Councillors must also declare if they are subject to their party group whip in relation to any items under consideration.	
3. Minutes	5 - 8
To approve as a correct record the minutes of the meeting of the Council-owned Neighbourhood Parades Scrutiny Panel held on 11 March 2021.	
4. General Updates and Information	
To receive any relevant updates and information from Panel members and officers.	
5. Results of Consultation	9 - 18
To receive the results of the Council-owned Neighbourhood Parades Survey and note the comments made by respondents, and decide what action, if any, the Panel would like to take.	
The consultation ran between 13 May 2021 and 11 June 2021 and received 364 completed responses, 23 of which were from current parade shop tenants.	



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The responses received from tenants are attached as **appendix A**.

The responses received from the public will be published as a supplementary agenda in due course.

6. Witness Sessions

The Panel has invited the following witnesses to attend the meeting to help inform the review:

- A representative of Crawley Borough Council's Neighbourhood Services team to offer their experiences of the neighbourhood parades as part of day-to-day duties.
- Current tenants of Council-owned neighbourhood parade shops (individuals to be confirmed).

Whilst these individuals are anticipated to speak at the meeting, this may change subject to availability and at the discretion of the Chair. Further witnesses may be called in addition to, or instead of, those listed above.

7. Date of Next Meeting

To confirm the date of the next meeting of the Panel.

8. Supplemental Agenda

Any urgent item(s) complying with Section 100(B) of the Local Government Act 1972.

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Agenda Item 3

Council-owned Neighbourhood Parades Scrutiny Panel (13)
11 March 2021

Crawley Borough Council

Minutes of Council-owned Neighbourhood Parades Scrutiny Panel

Thursday, 11 March 2021 at 6.30 pm

Councillors Present:

R A Lanzer (Chair)

M L Ayling, T Lunnon, M Mwangale and D M Peck

Officers Present:

Sue Bader

Asset Manager

Karen Hayes

Head of Corporate Finance

Adam O'Sullivan

Corporate Consultation and Research Officer

Jess Tamplin

Democratic Services Support Officer

Also in Attendance:

Councillor P C Smith

Cabinet member for Planning and Economic Development

1. Disclosures of Interest & Whipping Declarations

No disclosures of interest or whipping declarations were made.

2. Minutes

The minutes of the meeting of the Council-owned Neighbourhood Parades Scrutiny Panel held on 2 February 2021 were approved as a correct record and signed by the Chair.

3. General Updates and Information

The following updates were given regarding the actions from the previous meeting of the panel on 2 February 2021.

The extent of CCTV coverage at the neighbourhood parades

Panel members noted that this information had been provided by the Head of Community Services and circulated via email.

The publicity/guidance given to shop tenants about how to report crime

It was heard that parade shop tenants were not actively supplied with tailored guidance on how to report crime and anti-social behaviour.

The Chair outlined the reporting process, of which there were several channels:

- Dial 999 if a crime is in the process of taking place.

Agenda Item 3

Council-owned Neighbourhood Parades Scrutiny Panel (14)
11 March 2021

- Call the police on 101 for all other incidents.
- Contact a local Police Community Support Officer online at <https://www.sussex.police.uk/contact/af/contact-us/>.
- Contact the Council's Community Wardens team 7 days a week between 0800 – 2130hrs on 07884 492324 or at community.wardens@crawley.gov.uk.

The status of plans for a neighbourhood parade in Forge Wood

Following the receipt of information from the Planning Case Officer and Deputy Chief Executive, the Panel heard that the masterplan for Forge Wood included a 'local centre' area comprising of shops with flats above. The area also proposed a multi-use community building, a school, and a health facilities building. The detailed application for the shops and community building was approved under planning application CR/2014/0061/ARM. In terms of the status of the plans, the panel heard that it was believed that the trigger for the commercial units was approaching and that discussions between the developer and the Local Planning Authority may be underway in the near future.

A Panel member requested that the Cabinet member for Planning and Economic Development establish whether the shopping parade will be privately run or Council-owned.

The following information was given in light of the topics explored at the previous meeting of the Panel on 2 February 2021.

Advice/signposting by the Council's Business and Economic Development team

Following previous discussion regarding the extent of business advice offered to parade shop tenants by the Council, the Panel heard that the Economic Development team supports local businesses in a variety of ways including:

- Access to expert information and advice about business rates
- Support with planning and licensing enquiries (for example if a business owner wishes to apply for a change of use to their premises)
- Commercial property search – able to create bespoke reports that show the latest available commercial properties to buy/rent in Crawley
- Grant information – access to the [Small Business Grant Scheme](#)
- Covid-19 Business Support Grants – access to various government [support grants](#) in response to the Coronavirus pandemic
- Signposting/partner organisations – support and information from a variety of local business organisations including Coast to Capital Growth Hub, Chamber of Commerce, etc
- [Inward Investment Programme](#) – supporting businesses looking to invest in or relocate to Crawley.

The Economic Regeneration Manager had confirmed that, recently, the most common enquiries received by the Business and Economic Development team were about business support grants and access to funding, but that only a handful of these enquiries were from parade businesses. It was heard that the team considered there to be very little direct contact with parade tenants, but any queries were generally referred to the Asset team.

It was noted that information about the Business and Economic Development team's offering was not provided to new tenants when taking up a shop lease. The Economic Regeneration Manager had confirmed that the team would be open to contributing to the provision of this information in the future, if so requested by the Panel. The Chair noted that this could be further considered at a future meeting of the Panel.

Agenda Item 3

Council-owned Neighbourhood Parades Scrutiny Panel (15)
11 March 2021

Further information on Knowsley Council's Management of Council Owned Neighbourhood Shopping Parades Policy

In light of the Panel's previous discussion, Knowsley Council's Senior Estate Surveyor had been contacted to provide further details on the 2011 scrutiny review. The following information was relayed to the panel:

- The occupancy rate of parade shop units in Knowsley was very high.
- The review was undertaken due to concerns around crime and community safety, as well as public health issues such as high levels of gambling addiction, obesity, and usage of tanning beds. As a result the Council did not grant new leases or changes of use to bookmakers or premises with tanning beds. As a whole this policy was deemed to have generated positive results.
- When assessing offers made on vacant units, a scoring process was used to determine potential strengths and weaknesses of the businesses. It was heard that the Council may accept a lower offer from a business deemed to have high community value, in favour of a higher offer from a business deemed to have low community value.
- Knowsley Council's lease calculations are based on market rent.

Panel members discussed the information received and sought clarification from the Asset Manager regarding the property letting process. The Asset Manager confirmed that Crawley Borough Council had a similar approach to Knowsley Council regarding the need to seek a balance between community value and rate of offer when letting a unit. The Panel also noted that public health issues in Knowsley were not as prevalent in Crawley.

Actions:

- That the Cabinet member for Planning and Economic Development be asked to investigate whether the proposed neighbourhood shopping parade at Forge Wood will be privately run or Council-owned.

4. CBC Online Business Directory Update

Panel members received a relevant update regarding two new webpages on the Crawley Borough Council website.

The 'It's Local' business directory (www.itslocalcrawley.co.uk) was created in January 2021 and listed details of local businesses and services throughout the borough. It was heard that the directory was publicised via the Council's social media channels.

The Communications team had also specifically approached parade tenants with an invitation to provide information about their business for a neighbourhood shops webpage (www.crawley.gov.uk/culture/shopping/neighbourhood-shops). The Panel noted that communication with the tenants was difficult, on occasion, due to national Covid-19 restrictions; however it was assured that tenants would be approached again after restrictions were due to ease. It was also heard that business owners were appreciative of the publicity offered via this webpage.

Panel members discussed the content of the webpages and the channels through which the webpages could be further publicised.

Actions:

Agenda Item 3

Council-owned Neighbourhood Parades Scrutiny Panel (16)
11 March 2021

- That the Council's Communications team be asked to monitor engagement with the It's Local directory and 'Neighbourhood Shops' web page (such as number of hits).
- That all councillors be updated via the Councillors' Information Bulletin regarding both the directory and the web page, and be encouraged to publicise them.
- That it be explored as to whether the directory and the web page can be publicised via Crawley Live magazine or the community noticeboards across the borough.

5. Public Consultation Arrangements

Panel members discussed the draft consultation questions (appendix A to the agenda). It was agreed that there would be two strands of consultation; one for parade tenants, and one for all Crawley residents.

Following advice from the Corporate Consultation and Research Officer, the Panel agreed that, rather than open questions, closed questions with pre-set answers may encourage a greater number of responses. It was agreed that the majority of questions would be closed with an option for the respondent to provide further details if desired. It was also agreed that recent and current consultations should be checked to ensure that no questions are repeated.

The Panel noted that due to the upcoming pre-election period of sensitivity, it was recommended that no new consultations be published before the election date of 6 May 2021. It was provisionally agreed that the consultation begin soon after this date.

Actions:

- That the draft consultation questions be amended as discussed and sent to panel members with an invitation to make further minor changes, if desired, before the consultation's start date.

6. Dates of Future Meetings

Panel members considered the content of, and proposed dates for, future meetings of the Panel. It was confirmed that none of the suggested dates clashed with other formal meetings of the Council.

Actions:

- That a reminder regarding the Council's calendar of meetings for 2021/22 be sent to Panel members.
- That Panel members agree the date of the next meeting via email.
- That witness sessions be organised for the next meeting – suggested witnesses included an officer or councillor from Knowsley Council, Crawley's shopping parade tenants, and Council staff that regularly visit the neighbourhood parades.

Closure of Meeting

With the business of the Council-owned Neighbourhood Parades Scrutiny Panel concluded, the Chair declared the meeting closed at 7.40 pm

R A Lanzer (Chair)



COUNCIL-OWNED NEIGHBOURHOOD PARADES SURVEY (PARADE TENANT SECTION)

JUNE 2021

Introduction

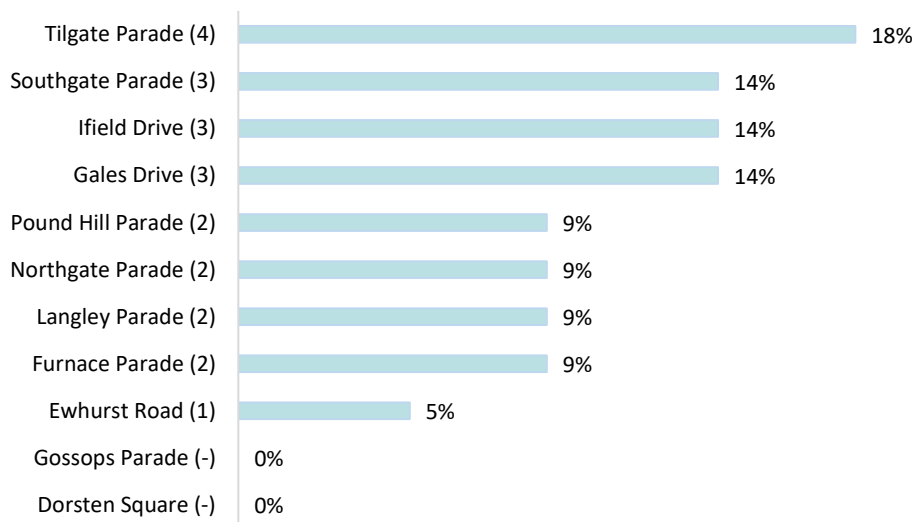
The survey was made available from 13th May until 11th June 2021 with data being gathered using an online survey hosted on the council's consultation page.

The quantitative and qualitative data for each question is contained under the corresponding question headings, along with the verbatim comments respondents gave within the survey where applicable.

Out of the 364 overall responses to the survey, 23 were from respondents stating that they were a parade tenant, equivalent to 6.3% of responses. Neighbourhood parade tenants were asked some additional questions to the public survey, the results of which are contained in the survey results section below.

Survey results

1. On which Crawley neighbourhood parade is your premises situated?



2. How long have you been a tenant of a Council-owned parade unit?

The table below breaks down, by location, the average number of years that respondents stated they have been a tenant of a parade unit. The combined average tenancy length across all locations is 16.38 years.

Neighbourhood parade	No. of years as tenant of a Council-owned parade unit (average)
Tilgate Parade	11
Gales Drive	14
Ifield Drive	11

Agenda Item 5

Southgate Parade	25
Furnace Parade	21
Langley Parade	9
Northgate Parade	14
Pound Hill Parade	24
Ewhurst Road	20
Dorsten Square	-
Gossops Parade	-

3. Did you have experience of owning your own business before taking on a parade unit?

Did you have experience of owning your own business before taking on a parade unit?	
Yes	No
39%	61%

The 39% of respondents who indicated that they had previous experience owning their own business, had an average of 16.1 years of experience.

Please briefly outline your previous experience owning your own business

9 comments

- I was operation manager for RHM in charge of more than 20 units .
- Rented a barbers section in another Crawley Parade shop at Gossops Green for 3 years
- I was running the same business without owning the lease
- Restaurant in Ealing
- Have owned multiple business prior to tilgate . In West Croydon and Surbiton area . In total 5 businesses.
- Owned newsagent shop previously.
- I have been in the pet trade for 25 years before taking no 7 Tilgate parade
- I have been in my business field for many years, working in the industry and then owning my own. Business used to be very fulfilling, however now it feels like we are paying money just to survive.
- Owner of W king motors behind fouled shops

4. Before taking on a parade unit, were you given any business support advice by the Council?

Before taking on a parade unit, were you given any business support advice by the Council?	
Yes	No
5%	96%

Please briefly describe the business support advice were you given

1 comment

- About the health and safety of food.

5. Are there any elements of your approach to running your business (e.g. accounting), that would benefit from extra guidance or information?

13 comments

- Yes. I had attended several management courses.
- I had a clear plan for the shop when i took it on and consulted with my Accountant fully and showed and discussed my plan with my Bank Manager to gain funds to pay the premium required to purchase and reassign the lease. This should be done by all incoming tenants.
- Some help with retail stats and help market the parade and business with shop local theme will help us getting more consumers.
- No
- Promote the parade business
- No I have been running my own business for 45 years
- Any tax relief opportunities.
- Yes definitely marketing skills / Council supporting the businesses like Horsham council through their dedicated economic development unit working with small businesses and supporting them through council run events /trade fairs and festivals such as the "Big Nibble" event
- No
- Yes , I think making sure that the tenant is aware of other financial implications regarding repairs and other insurance payments and accounting .
- No
- Not yet
- Marketing - I have for many years asked for help from the council to have access to my target market, such as OAPs that live alone that would benefit from our service.

6. What is your experience of the operation of Council rent reviews?

What is your experience of the operation of Council rent reviews?		
Positive	Neutral	Negative
13%	22%	65%

Please provide any further comments in relation to your answer

18 comments

Positive

- No any at the moment.

Neutral

- Yet to experience a rent review
- I guess the rents are to high as we have got two units closed one the Chinese which has been closed for ages.

Negative

- Exorbitant rent&we get full repairing lease as wel.
- Surprised rent reviews is a negotiation and expected it to be standardised. Expected the process to be more transparent.
- Over the years i have negotiated many times with different people from the council or their appointed representatives and have found a common approach from all of them of a THIS IS WHAT WE WANT, TAKE IT OR LEAVE approach, and then use a market rent from rents attained from their other properties who may not have paid a premium, and just tendered a rent for the unit, if they have not paid a premium then they can offer a higher rent, this still does not mean they will be successful as a business but their bid effects all of us tenants when our review comes up. I have also found that the Council have constantly been moving the goal posts over how they break down the rent between the shop and the flat, when i took out my last new lease i had the option of giving the flat back to the council, at the time there was a nominal fee for the flat because of the introduction of VAT on the shop, so i kept the unit together, but when it came to the next review suddenly the rent for the flat doubled with out any warning. on the next review it went up again to be the same as a three bedroom council rent. this was used for the next review but on my new lease renewal in 2018 yet another new formula was used with a commercial rent used and a discount of 35% given off the amount. this was not used on the previous review but the council negotiator seemed to think it had and produced a formula for me to show how it was worked out the last time but i was never shown this formula at the review, he also showed my neighbor a different formula to arrive at his rent for the flat on her previous review. The formula used now gives the Council a guaranteed high income from the flats but does not take into account the cost to the lease holder of updating the property from the 1950s state it was in when i took it on or the fact that the lease holder has to do all repairs and maintenance to the property. We also take all the risks of a rogue tenant, which can cost thousands of pounds to get evicted and repair damage done, this is not taken into account in the new formula used by the Council. To be honest the Flat can be a lot of risk for what is now a very small return.
- This should be calculated by retail price indexed rent reviews, which is the norm all over the country and will not cause any issues on the way forward
- Council only wants to increase the rent no matter what and this not a realistic approach. Its like the council is holding us as tenants for ransom and they are very quick to say if

you don't agree with us leave the shop(leaving shop means leaving our livelihoods)so thats an extortion in other way.

- Not thinking how one can save their business after 5-10 years if they keep on putting the rent up by 30-40% a year, not thinking about the future of the parade
- The council fail to understand the realities of the financial climate. They accept lower rent from the bakery on the parade, a year later offer us a substantial higher amount. Mr [REDACTED] has his selection of favourite business on the parade and seems to harass the others. Another example , coral betting shop. The rear of their unit is a mess, broken fence,broken gates . [REDACTED] will harass us threatening us to fix these issues . Coral store has not been touched since I have been on the parade . They have let the Co op return the upstairs property to the council but will not let the other businesses do the same . This leaves us all on a unfair disadvantages. The parade is riddled with drugs and crime. Mr [REDACTED] has not once come down to try fix the issue . The council just hide and do not actively come and talk to the businesses to make it a better atmosphere
- Rent increase is terribly high.
- Should consider the type of business,ie. one band man or big organisations co op. Domino's and openings hours.
- I have had a great deal of experience dealing with landlords in the past but never dealt with such a difficult and intransigent group of people over this rental negotiation. In answer to the next question a questionnaire would be a wast of time as they don't listen to anything the tenants say.
- There is no negotiation. Inly the council's option is presented. Any counter offers are not considered.
- The Council is running a monopoly whereby they are only comparing the rent with other neighbourhoods which are also run by themselves . The private sector rents have not gone up for the last 15years in Crawley yet the council is putting it up by 20%. How is this sustainable ???
- I believe the rent to be too high for the volume of customers that we get. People in Crawley have had their household incomes badly affected, which causes them to spend less. As a result, this has impacted income massively and to have such high overheads is worrying, to say the least.
- The Council makes a habit of demanding unreasonable increases at evrey review
- With covid not helpful

7. What would be your view of receiving a regular questionnaire regarding the Council's running of the neighbourhood parades?

82% of respondents indicated that they supported receiving a regular questionnaire regarding the Council's running of the neighbourhood parades. Respondents opposed to the proposal totalled 5%, with the remaining 14% of respondents neither in support nor in opposition.

Preferred regular questionnaire frequency				
Every month	Every three months	Every six months	Every year	Every two years
11%	6%	22%	56%	6%

8. What is your view of the balance between the Council’s maintenance responsibilities and your own?

What is your view of the balance between the Council’s maintenance responsibilities and your own?		
Well-balanced	Neutral	Not well-balanced
-	26%	74%

Please briefly describe the reasons for your answer, along with any further suggestions

19 Comments

- Council asking for maximum money & we are responsible for everything. Security of the parade none existing. Too many breaking in the parades. Unsociable behaviour is too high.
- The current lease is full maintenance and repair including structural liabilities. The council have no liability what so ever we even pay council insurance which covers nothing.
- On Southgate Parade we have had one make over in 60 years, it may have cost 300k at the time but this is not much compared to the amount of rent received over that 60 years period. we have flat roof area's that have not been replaced for over 30 years and are starting to leak. We are made to keep the Shops and Flats up to a standard, but the Council are slow to reinvest in their own properties which the majority are now well over 60 years old. we have had some work done over the last couple of years to the guttering which was very welcome.
- The Council made the tenants take out building insurance with them, which is more expensive and any issues are not passed to the insurance company to resolve, yet the surveyor at CBC will come and attend to give a recommendation, surely if we are paying an insurance firm, they should send a surveyor.
- Every rent review council gives us the list of dilapidations to sort out.(within the set time). Whereas for them to keep the building’s outside and inside they only do when there is an issue not to maintain.
- Council don’t maintain the properly it’s very dirty I run a restaurant and from where my customer sitting you can see the pillars they haven’t been painted for a good 5-10 years they got chewing gum on the pavement is very dirty always there is rubbish everywhere on parade
- The parade is filthy, full of drug dealers and crime . The parade is not well illuminated in the evenings and does not feel safe . The council have neglected this parade and put it on the businesses to look after the parade . Again Mr [REDACTED] is not approachable and he himself has said he will try try make it as difficult as possible for us here until we sign new rent contract .
- They should do repairs in and out but they never do. E.g. Toilet repairs/Plumbing roof repair. They took no responsibility for this.

Agenda Item 5

- Full maintenance lease as well as hi insurance is very unfair
- Wouldn't it be a good idea if they had some parade meetings to discover if there is some mutual agreement that could be reached.
- Most of the Both parties take care of their maintenance responsibilities.
- The council was doing the external maintenance previously but now its has been put to the tenant . I think if the council takes the maintenance of the external work then the parades would look much cleaner as some tenants are not doing the external work as they should.
- Far too much falls on the tenants shoulders, not proportionate to the amount of rent charged. In addition there seems to be some confusion amongst tenants regarding standards of upkeep in particular with the flats e.g. some flats have broken and boarded up windows and rubbish everywhere, others are in a good state of repair.
- I have completely refurbished the flat above as it was inhabitable for rental . I also have refurbished the salon .
- Not any at the moment.
- It feels as if we are paying rent, doing all the maintenance, and not getting any support from to council in return. Usually, the landlord should be in charge of maintenance and repairs, however, we are paying a high rent value for nothing in return, we're paying rent to have the right to do business.
- The council seem to expect all maintenance to be carried out by the tenant
- Amount of up keep
- We pay more out

9. Does your parade unit include a flat or maisonette?

A total of 77% indicated that their unit included a flat or maisonette. These respondents were then asked a supplementary question on how the included flat or maisonette was being utilised.

Flat or maisonette is currently...		
Occupied	Rented out	Used for business purposes
47%	41%	12%

10. Would you be interested in attending a meeting of the Council-owned Neighbourhood Parades Scrutiny Panel?

Would you be interested in attending a meeting of the Council-owned Neighbourhood Parades Scrutiny Panel?	
Yes	No
61%	39%

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