



Public Document Pack

Haverling
L O N D O N B O R O U G H

CABINET

7.30 pm	Wednesday 11 December 2013	Council Chamber - Town Hall
----------------	---------------------------------------	--

Members 10: Quorum 5

Councillor Michael White (Leader of the Council), Chairman

	Cabinet Member responsibility:
Councillor Steven Kelly (Vice-Chair)	(Deputy Leader) Individuals
Councillor Michael Armstrong	Transformation
Councillor Robert Benham	Community Empowerment
Councillor Andrew Curtin	Culture, Towns & Communities
Councillor Roger Ramsey	Value
Councillor Paul Rochford	Children & Learning
Councillor Geoffrey Starns	Community Safety
Councillor Barry Tebbutt	Environment
Councillor Lesley Kelly	Housing & Public Protection

Andrew Beesley
Committee Administration Manager

**For information about the meeting please contact:
Andrew Beesley
01708 432437 andrew.beesley@haverling.gov.uk**



**Please note that this meeting will be webcast.
Members of the public who do not wish to appear
in the webcast will be able to sit in the balcony,
which is not in camera range.**

AGENDA

1 ANNOUNCEMENTS

On behalf of the Chairman, there will be an announcement about the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

2 APOLOGIES FOR ABSENCE

(if any) - receive

3 DISCLOSURES OF PECUNIARY INTEREST

Members are invited to disclose any pecuniary interests in any of the items on the agenda at this point of the meeting. Members may still disclose a pecuniary interest in an item at any time prior to the consideration of the matter.

4 MINUTES (Pages 1 - 10)

To approve as a correct record the minutes of the meeting held on 20 November 2013, and to authorise the Chairman to sign them.

5 PROPOSALS FOR BUSINESS AND EMPLOYMENT USES WITHIN INDUSTRIAL AREAS (Pages 11 - 22)

6 COMPULSORY PURCHASE ORDER (Pages 23 - 56)

Public Document Pack Agenda Item 4



MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Wednesday, 20 November 2013
(7.30 - 10.45 pm)

Present:

Councillor Michael White (Leader of the Council), Chairman

Councillor Steven Kelly (Vice-Chair)

Councillor Michael Armstrong

Councillor Robert Benham

Councillor Andrew Curtin

Councillor Roger Ramsey

Councillor Paul Rochford

Councillor Geoffrey Starns

Councillor Barry Tebbutt

Councillor Lesley Kelly

Cabinet Member responsibility:

(Deputy Leader) Individuals

Transformation

Community Empowerment

Culture, Towns & Communities

Value

Children & Learning

Community Safety

Environment

Housing & Public Protection

Councillors Clarence Barrett, Sandra Binion, Keith Davrill, David Durant, Gillian Ford, Linda Hawthorn, Paul McGeary, Pat Murray, Jeffrey Tucker and Lawrence Webb were present for the meeting.

3 Members of the public were also in attendance.

There were no disclosures of pecuniary interest.

The Chairman announced the evacuation procedures in the event of an emergency.

90 MINUTES

The minutes of the meeting of Cabinet held on 16 October 2013 were agreed as a correct record and signed by the Chairman.

91 SHARED BACK OFFICE SERVICES WITH THE LONDON BOROUGH OF NEWHAM

Councillor Michael White, the Leader of the Council, introduced the report.

The report before Cabinet concerned the creation of a Joint Committee with the London Borough of Newham to create a shared back office function.

It was reported that both Newham and Havering Councils had faced considerable financial pressures in recent years, with Havering having to make £40million on savings by 2014. Recognising that reductions in local government funding would continue but, however with little room as individual authorities to make further reductions in support service costs, the two Councils agreed, in October 2012, to work together to fully share back office services. The aim was to drive down costs and make savings which would allow protection for frontline services for residents.

It was noted that both Councils had worked quickly to develop the shared service in order to maximise the savings it could achieve. Go Live was aimed for December 2013, with full redesign and transformation of services completed by 2018/19. The two Councils were also ambitious to market the shared service to other councils, public and third sector organisations, creating a preferred model for support services and generating additional income for both councils.

The report outlined the main benefits of the shared service as:

- Improving the customer experience
- Increasing operational efficiency
- Reducing the costs of support services by sharing staff & assets
- Resilience and flexibility through standard systems and a pool of resources
- Building on best practice service delivery in either Council
- Pooling scarce specialist resources and creating additional capacity
- Savings through common procurement strategies and sharing expertise
- Reducing the cost of transformation for each Council by doing things only once

The proposed shared service would include 21 separate services across the two Councils with a combined cost of shared in scope services of £57m and employing 1,100 people. The back office services include:

- Human Resources
- Payroll
- ICT
- Finance
- Council Tax, Benefits and Business Rates
- Legal Services
- Democratic Services
- Procurement
- Business Improvement
- Property, Asset Management and Facilities
- Health and Safety
- Audit, Insurance and Risk Management
- Transport

Members were informed that the shared service would be delivered through a Joint Committee model, with three members of the Executive from each Council making up the Joint Committee. The Joint Committee had been chosen over other models, such as simply outsourcing all the services, as it enabled retention of all the savings, provided a more flexible approach to developing the shared service and would allow marketing of the service to take place to additional users. The Joint

Committee would go live some time during December once both Councils had given approval.

Under the proposed model for the shared service all of its staff would continue to be employed by one of the two Councils; the shared service itself would not employ anyone. This would negate the need for a TUPE transfer of staff and the impact on the two Councils' pension funds would be negligible. Staff would remain on their existing terms and conditions.

The shared service was anticipated to save the two boroughs £10.6m per annum by 2018/19 with Havering's share being £3.9m.

Reasons for the Decision

To enable the Council to continue to deliver financial savings a shared back office service with the London Borough of Newham has been proposed.

Alternative Options Considered

It was considered that minimal further savings in the back office functions could be made without considering alternative arrangements. The business case considered alternative delivery vehicles to that of a Joint Committee but it was considered that the alternatives did not deliver the same level of savings in the required timescale.

The setting up of a joint committee at this stage did not preclude the two Councils from deciding on another course of action in the future.

It was stressed that the shared back office proposal would not jeopardise the delivery of frontline services. There was however concern raised at the disparity in pay levels between staff in the two Councils.

Cabinet:

- 1. Agreed to create a shared service for back office functions with the London Borough of Newham.**
- 2. Agreed to the setting up of a Joint Committee with the London Borough of Newham as the chosen vehicle to deliver the shared service and to recommend to the Governance Committee that it approves the necessary changes to the Council's constitution to create such a body with an effective date of 1 December 2013. *At its meeting on 13 November, the Governance Committee approved the necessary changes to the Constitution.***
- 3. Agreed that power to determine the management structure of the shared service be delegated to the proposed Joint Committee as from 1 December 2013 and recommends to the Governance Committee that it approves the necessary changes to the Council's Constitution to achieve such a delegation. *At its meeting on 13 November, the Governance Committee approved the necessary changes to the Constitution.***
- 4. Noted that further detailed alterations to the council delegations would be required once the senior management structure for the shared service was known and that a further report will go to the Governance Committee in early 2014.**

5. **Approved the basis of the funding formula as identified in paragraph 7.1 and 7.2 of the report with the recalculation of the funding agreement percentages which are to be finalised later in the financial year once final budgets are known for each council.**
6. **Approved the delegation to the Group Director (Resources) in consultation with the Lead Member for Value the arrangement for the signing of the Joint Committee Agreement.**

92 **OUTLINE PROPOSALS TO ADDRESS PRIMARY RISING ROLLS**

Councillor Paul Rochford, Cabinet Member for Children & Learning, introduced the report.

It was reported that in September 2013, Cabinet had agreed the first phase of Havering's primary school expansion plan. The expansion of 15 primary schools was to provide adequate primary school places given the increasing birth rate in the Borough.

Across the country and London in particular, demand for school places continues to rise, driven by a number of factors. It was noted that the issue was particularly pressing in primary schools.

Havering had not seen the spikes in demand as in other areas of the Capital, but demand for places was threatening to outstrip the supply of primary school places in the Borough. The unprecedented and unforeseeable surge in demand had pushed the Council to:

1. Find ways to absorb the immediate extra demand for places, while protecting the Borough's excellent reputation for good schools – which was already well underway.
2. Plan for a longer term growth in pupil numbers, which meant creating more capacity in the Havering school system.

The report sought Cabinet approval to an approach to managing the forecast increase in primary phase pupil numbers beyond the current Phase 1 of the Council's Programme of Primary School Expansions.

The proposals took account of the Council's agreed *Commissioning School Places Strategy 2012/13-2016/17*, updated pupil forecasts and other related developments in School Organisation.

Approval of the proposals would enable officers to undertake consultation with stakeholders including the encouragement of new Free Schools as part of the Council's strategy of ensuring that there are sufficient school places to meet the best assessment of likely future demands.

Officers would also be authorised to commission detailed feasibility work to assess, appraise and prioritise the capital implications and to firm up specific proposals for final decision by March 2014, subject to the outcome of a Department for Education (DfE) review of school organisation change processes.

Reasons for the decision

The decision was necessary to ensure the provision of sufficient additional primary places to meet the forecast rise in primary pupil numbers projected beyond Phase 1 of the Council's Programme of Primary Phase School Expansions.

Other options considered

A number of options had been identified, each requiring further consideration. So far no option had been rejected.

Not providing any additional places was not an option as it would result in the Council failing to meet its statutory duties.

Cabinet:

1. **Authorised staff to develop Phase 2 of the Council's Primary Expansion Programme based on the following 'three-stranded' approach:**
 - **Potential new Free Schools should be encouraged into Havering coupled with consideration of new 'all-through' provision potentially on existing secondary school sites;**
 - **Expand current primary phase schools by using additional sites adjacent to existing school sites;**
 - **Expand existing primary phase schools on their existing school sites, starting with bulges for 2014/15 and including consideration of expanding existing 3FE primary schools subject to assessment of the impact of such an expansion on standards, effectiveness and performance.**
2. **Agreed that the power to take further decisions on Phase 2 of the Primary Expansion Programme be delegated to the Lead Member for Children and Learning and Lead Member for Value, following consideration of the above and including a preference for expanding existing popular and high-performing schools and inclusion of nursery provision where appropriate and practicable;**
3. **Agreed that it would increase the "primary expansion" allocation within the 13/14 Capital Programme by £4,610,221 to be funded by 14/15 basic need grant (£4,451,633) and extended schools grant 2008/11 (£155,588) noting that although commitments may need to be made prior April 2014, it was unlikely that any grant would need to be physically spent prior to this point.**
4. **Noted that the financial consequences of phase 2 of primary expansion would be addressed as part of the 2014/15 budget setting process and also be reassessed at the point further decisions were taken.**
5. **Noted that plans to address Phase 3 would be the subject of future reports.**

93 **EDUCATION & SKILLS DELIVERY STRATEGY**

Councillor Paul Rochford, Cabinet Member for Children & Learning, introduced the report.

The report sought Cabinet approval for the Education and Skills Delivery Strategy.

The Delivery Strategy sets out and updates in the current context the Council's vision and ambition for education in Havering. The Strategy describes the processes that would be undertaken to achieve this vision and how success would be measured.

It was reported that discussion and consultation had taken place with all education providers, including early years settings, schools and colleges over the last 6 months. Their views and suggestions had been incorporated into the final version of the Strategy.

Reasons for the decision:

The decision was necessary in order to set out the vision, ambition and process whereby all children and young people in Havering would attend good or better education provisions.

Other options considered:

None.

Cabinet approved the Education and Skills Delivery Strategy.

94 **PROPOSAL FOR ADDITIONAL POST 16 PROVISION IN HAVERING FOR YOUNG PEOPLE AGED 16-19 WITH SPECIAL EDUCATIONAL NEEDS AND/OR DISABILITIES**

Councillor Paul Rochford, Cabinet Member for Children & Learning, introduced the report.

The report before Cabinet sought in principle approval to expand post-16 provision for young people with special educational needs and/or disabilities ("SEND"). If granted, further approval would be sought from Cabinet of a final proposal once location and development options have been explored in more detail.

The report explained that demographic trends and changes in the type and complexity of learning difficulties had led the Council to review the size and suitability of its existing post-16 provision. Analysis of current pupils aged 11 to 15 years at the borough's three special schools, and of school/college destinations at age 16 over the last three years had taken place. The results correspond with concern voiced by a small number of parents of children with SEND that the Council was not making sufficient or appropriate provision for their children from age 16.

Discussion and analysis had taken place through a strategy group over the last 18 months, in conjunction with parent representatives. Views had also been

welcomed from head teachers of the borough's special schools, as well as colleagues across Children's Social Care, Learning & Achievement, Adult Social Care and Health. Young people had also been consulted on what they thought post-16 provision should be like.

Providing additional in-borough provision for a small number of 16-19 year olds with high levels of SEND would require significant investment but would have numerous benefits. Primarily, by creating a continuum of appropriate and local provision, young people would be able to remain in their home environment rather than potentially travelling to out of borough provision. By ensuring that these young people maximise their potential for independence, it would not only improve their quality of life and long-term outcomes but it was also anticipated that they would require less support from Adult Social Care in the future as a result.

Reasons for the decision:

The Council has a duty to provide suitable education for young people with SEND. While existing local post-16 provision is very good, it was acknowledged that there were a number of young people whose needs were not profound enough for Ravensbourne to be appropriate but who would not yet be able to access Havering College.

The Council should respond to the changing needs of its young residents with SEND and prepare to meet the demands of demographic predictions.

Out of borough provision for those whose needs could not be met in Havering was costly and could not be guaranteed in future years as those boroughs would meet their own local demand before making places available to other local authorities.

Capital investment would enable future demand to be met appropriately.

Other options considered:

Do nothing: This was rejected for all of the reasons set out above.

Cabinet:

1. **Gave in principle approval to the development of new post-16 provision in Havering for 16-19 year olds with special educational needs and/or disabilities by September 2015.**
2. **Approved the "Post-16 Strategy for young people with special educational needs and/or disabilities"**
3. **Noted that the financial consequences of this proposal would be addressed as part of the 2014/2015 budget setting process.**

95 **CORPORATE PERFORMANCE REPORT - QUARTER 2**

Councillor Michael White, the Leader of the Council, introduced the report.

The report before Member set out the performance of the Council's Corporate Performance Indicators for the first quarter (August-October 2013), against the five Living Ambition Goals of the Corporate Plan:

Y Environment
Y Learning
Y Towns and Communities
Y Individuals
Y Value

Of the 55 Corporate Performance Indicators, 44 were measured quarterly. The remaining indicators were collected on an annual or bi-annual basis only.

The report identified where the Council was performing well and not so well and highlighted what action the Council was taking to address poor performance where appropriate.

Appended to the report was a chart which detailed each of the 55 Corporate Performance Indicators. Officers provided responses to queries raised by Members in respect of some of the performance indicators.

Reasons for the decision:

To provide Cabinet Members with a quarterly update on the Council's performance against the Corporate Performance Indicators.

Other options considered:

N/A

Cabinet noted the contents of the report.

96 **FUTURE FINANCING MEMBER PROJECT**

Councillor Roger Ramsey, Cabinet Member for Value, introduced the report.

The report explained that at the beginning of this term, ten Strategic Administration Projects were established to help deliver services more effectively and in new ways. The Projects each were driven by a Member of the Cabinet, working with a select team of officers, representing a diverse variety of disciplines within the Council.

The projects were:

Council Effectiveness
Think Family
Open Government
Community Action
Harold Hill Ambitions

Neighbourhood Responsibility
Civic Pride
Future Financing
Rainham Compass
Romford Regeneration

In the last year of this Administration, each Project would report back to Cabinet, to note the achievements attained and the progress made.

The **Future Financing** project was established to better understand the most significant change in Local Government funding in recent history and what implications this would have for Havering.

The project focused on the impact of the following:

- How to maximise Council resources under the new Grant Regime, with the return of Business Rates to Local Authorities.
- The New Homes Bonus and changes to Housing Revenue Account funding.
- Promoting Business Investment.
- The Comprehensive Spending Review & Grant Changes.
- The Corporate Office Property Strategy (COPS), in particular the move from Scimitar House.
- The review of Council Assets.

Cabinet noted the outcomes delivered by the Future Funding project.

97 ROMFORD LEISURE DEVELOPMENT

Councillor Roger Ramsey, Cabinet Member for Value, introduced the report.

The report sought Member approval to finalise negotiations with Morrisons to ensure that the Romford Leisure Development project could proceed, thus securing all the sporting, culture and regeneration benefits that had previously been reported to Cabinet.

The centre would feature a new competition ice rink and competition pool - delivering a boost to sport, health and wellbeing in Havering for generations to come. It would also back the Council's wider aim of supporting the viability and vibrancy of the town centre.

Various costs had increased since the pre tender estimates were reported to Cabinet in June 2011, resulting in a requirement to increase the budget for the Romford Leisure Development project by £2m.

This decision was subject to Council agreeing to an overall increase in the capital funding allocation for the Romford Leisure Development project, and the agreement with Morrisons becoming unconditional.

Reasons for the decision:

The decision to recommend to Council the allocation of additional funding of £2m for the Romford Leisure Development project had been taken to ensure that the project could be delivered as originally envisaged, securing all the benefits to Havering residents that had been set out in previous reports.

Other options considered:

The option of not recommending an increase in the budget of £2m was considered, but rejected, because the project could not proceed as originally envisaged unless this extra money was provided.

The option of changing the design and /or the mix of facilities provided in the new facility was considered, but rejected, because that would undermine the Council's objectives for the project.

Concern was expressed that additional capital would have to be found to underpin the project. Assurances were given that staff had done all they reasonably could do to minimise the cost.

Cabinet:

1. **Noted the effective current approved budget for the scheme of £26.848m.**
2. **Agreed to an increase of £2m to this budget, making a revised capital budget of £28.848m, and referred this £2m increase to Council for final approval, subject to the Agreement with Morrisons becoming unconditional.**

98 **SUSPENSION OF STANDING ORDERS**

During the discussion of the reports Cabinet **RESOLVED** to suspend Committee Procedure Rule 8 in order to complete the consideration of the remaining business of the agenda.

Chairman

CABINET

11 December 2013

Subject Heading:

Proposals for Business and Employment Uses within Industrial Areas

Cabinet Member:

Councillor Robert Benham

CMT Lead:

Cynthia Griffin

Report Author and contact details:

Lauren Gray
 lauren.gray@havering.gov.uk
 01708 433051

Policy context:

Havering Local Development Framework 2008, Havering Business Growth Strategy 2013, London Plan 2011, National Planning Policy Framework 2012,

Financial summary:

There are no financial implications for the Council with regards to preparing and implementing the Advice Note. The intention of the Advice Note is to strengthen the local economy and have positive financial impacts by setting out additional guidance as a material consideration against which proposals for employment generating uses within designated industrial areas may be considered in the course of determining planning applications.

Is this a Key Decision?

No

When should this matter be reviewed?

June 2015

Reviewing OSC:

Towns and Communities

The subject matter of this report deals with the following Council Objectives

- | | |
|--|-----|
| <i>Ensuring a clean, safe and green borough</i> | [] |
| <i>Championing education and learning for all</i> | [] |
| <i>Providing economic, social and cultural activity in thriving towns and villages</i> | [x] |
| <i>Valuing and enhancing the lives of our residents</i> | [x] |
| <i>Delivering high customer satisfaction and a stable council tax</i> | [] |

SUMMARY

This report seeks Member approval for a non-statutory Planning Advice Note which sets out the key considerations that will be taken into account when determining planning applications for (non-industrial) business and employment uses within the Borough's Industrial Areas.

The purpose of the note is to demonstrate the Council's 'in principle' commitment to responding positively to proposals which have the potential to grow the Havering economy.

The report makes clear that the policies of the Havering Local Development Framework will continue to provide the formal policy context for the consideration of such proposals and will retain the statutory pre-eminence afforded by Section 38(6) of the Planning and Compulsory Purchase Act 2004.

RECOMMENDATIONS

That Cabinet:

(1) approve the Planning Advice Note (as set out in Appendix 1) for use by the Regulatory Services Committee as 'good practice' guidance to demonstrate the Council's commitment to economic growth;

(2) approve publication of the Note on the Council's website; and

(3) notwithstanding (1) and (2), recognise that the current national planning legislation will continue to afford the policies in the Havering Local Development Framework (as the statutory Development Plan) greater weight than the Advice Note in the formal planning decision making process.

REPORT DETAIL

The Advice Note in Appendix 1 sets out the proposed approach to proposals for business and employment uses (non-industrial) within the Borough's designated industrial areas.

The Note has been prepared to recognise the importance of Havering providing a positive climate for economic growth. It establishes a more flexible approach to the type of development permitted within designated industrial areas than is currently

set out in Havering's adopted planning policies. This is in recognition of the Council's commitment to supporting business growth and developing a strong and prosperous economy which provides employment opportunities for our residents and the right climate for businesses to invest.

It is intended that this note will provide helpful advice to businesses and developers by setting out the considerations that will be taken into account by officers and Regulatory Service Members when providing informal pre-application advice and determining planning applications for business uses within the Borough's designated industrial areas.

The note reaffirms existing local planning policy as set out in the adopted Havering Local Development Framework and will be a material consideration. It sets out considerations that the Council may take into account which require supplementary evidence to be provided by the applicant in support of their application.

The note broadly reflects the National Planning Policy Framework (NPPF) 2012 which places significant weight on the need to support economic growth through the planning system which should operate to encourage and not act as an impediment to sustainable growth. To help achieve economic growth the NPPF expects local planning authorities to plan proactively to meet the development needs of business and support an economy fit for the 21st century.

Members should note, however, that the policies of the Local Development Framework will remain the primary planning policy context for the consideration of planning applications and must carry greater weight in the formal planning decision making process.

Officers consider that the Advice Note is the most effective and time efficient way of the Council showing its business commitment without preparing a formal alteration to the Local Development Framework because the Advice Note could be in place as soon as it has been approved by Members.

REASONS AND OPTIONS

Reasons for the decision:

To set out the type of evidence that may be considered in respect of proposals in designated industrial areas and to reflect Havering's broad support for measures that promote economic growth.

To assist officers and Regulatory Service Members when considering applications for non-industrial business uses with designated industrial areas by clearly setting out the considerations that may be taken into account.

Other options considered:

The option of continuing to apply the Council's planning policies as set out in the Local Development Framework and London Plan without this additional Advice Note has been rejected as it may have an adverse impact on business growth in Havering for the reasons set out in the report. The adoption of the Advice Note enables the Council to demonstrate its commitment to a prosperous local economy more quickly than formal alteration to the Local Development Framework.

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no financial implications for the Council with regards to preparing and implementing the Advice Note.

The intention of the Advice Note is to strengthen the local economy and have positive financial impacts by setting out additional guidance against which proposals for employment generating uses within designated industrial areas will be considered when determining planning applications.

As reported, the note reflects the National Planning Policy Framework, in supporting economic growth. Under the current financial regime, the Council can be seen to keep 30% of any increased business growth yield.

Legal implications and risks:

The legal weight afforded to the Advice Note in determining planning applications is limited as it is not part of the formal Havering Local Development Framework.

Only adopted Development Plan Documents which fall within Regulation 5(1)(a)(iv) of the Town and Country Planning (Local Planning) (England) Regulations 2012 can be used as "*development management and site allocation policies, which are intended to guide the determination of applications for planning permission*".

The Advice Note cannot lawfully set out the Council's policies relating to the development and use of land unless formally adopted as a Development Plan Document in compliance with Section 17(3) of the Planning and Compulsory Purchase Act 2004.

However, the Council is nevertheless entitled under its ancillary powers under Section 111 of the Local Government Act 1972 to produce research documents and analysis, including good practice guides (for example for shop fronts and trees) without the need to include the guidance as a Development Plan Document.

If the Council were to consider the preparation of a Supplementary Planning Document under Regulation 8(3) of the Town and Country Planning (Local Planning) (England) Regulations 2012 to deal with these issues it would have to be in conformity with the relevant policy in the Development Plan. Regulation 8(3)

states; *“Any policies contained in a supplementary planning document must not conflict with the adopted development plan”.*

Human Resources implications and risks:

None specific to this report, the Advice Note can be prepared and implemented using existing staff resources.

Equalities implications and risks:

The application of the guidance will follow as appropriate the statutory requirements of the Equality Act 2010 and in particular the requirements set out in Section 149 of the Equality Act 2010.

BACKGROUND PAPERS

Havering Local Development Framework 2008
Business Growth Strategy 2013
London Plan 2011
National Planning Policy Framework 2012

This page is intentionally left blank

Planning Advice Note: Havering is 'open for business' - proposals for business and employment uses within industrial areas

Purpose:

This advice note sets out the Council's approach to proposals for business and employment uses (non-industrial) within the Borough's designated industrial areas.

The good practice guidance establishes a more flexible approach than is currently set out in Havering's adopted planning policies in recognition of the Council's commitment to supporting business growth and developing a strong and prosperous economy which provides employment opportunities for our residents and the right climate for businesses to invest.

It is intended that this note will provide helpful advice to businesses and developers by setting out the considerations that will be taken into account by the Council when providing pre-application advice and considering planning applications for business uses within the Borough's Industrial Areas. The advice note will be considered alongside adopted planning policies set out in the Havering's Local Development Framework and the London Plan which remain the primary policy context.

Background:

Supporting business growth and being a 'business friendly' borough is a key priority for the Council. Havering's 'Living Ambitions' strategy (set out in the Council's Corporate Plan 2011-2014) demonstrates the Council's commitment to the business community through its goal for Towns and Communities; to provide economic, social and cultural opportunities in thriving towns and villages. The Strategy recognises that a strong business community is a prerequisite to creating new jobs and achieving a better quality of life for Havering residents.

The recent Business Growth Programme approved in Havering (March 2013) actively seeks to grow the business base and create jobs by promoting investment in Havering, encouraging existing businesses to grow and transforming customer services for the business community. The Council's on-going commitment to business and economic growth firmly reflects the priority of central government to build a strong, competitive economy in particular their intention for the planning system to do everything it can to support economic growth. Other Havering initiatives such as business to business networks, the Leader's Networking Event, shop front improvement schemes and the Love Romford Campaign all evidence how important the growth of the business economy is.

The National Planning Policy Framework (NPPF) 2012 places significant weight on the need to support economic growth through the planning system which should operate to encourage and not act as an impediment to sustainable growth. To help achieve economic growth the NPPF expects

local planning authorities to plan proactively to meet the development needs of business and support an economy fit for the 21st century.

The Mayor's London Plan (2011) seeks to ensure that London remains an attractive place to do business and has a strong and diverse economy. Specific policy relating to the control of uses within designated industrial areas is set out in the London Plan and Havering's Local Development Framework (2008). Further details of relevant policies are set out in Annex 1.

Planning guidance:

This section sets out a number of considerations that will be taken into account by the Council when considering a planning application for a business use within a designated industrial area (The Borough's designated industrial areas are set out in Annex 2). In some cases, clearly outlined below the applicant will be expected to provide supplementary evidence in support of their application. The considerations set out below will be taken into account in addition to the policies referred to above and set out in Annex 1. The policies in the Local Development Framework and the London Plan will remain the primary planning policy context for the consideration of planning applications and will carry greater weight in the formal planning decision making process.

This guidance applies to applications for new development and change of use under 2,500sqm.

1. *The proposed development will be expected to make a positive contribution to the local economy and provide local employment opportunities.*

Type of evidence required

Applicants should clearly demonstrate:

- The number of jobs created by the proposal and their status (i.e. Full-time/ part-time, permanent/temporary) and where employees will come from
- The training opportunities available to employees
- A commitment to employing Havering residents

The Council is particularly keen to encourage apprenticeships for local residents together with a commitment to demonstrating the outcomes achieved. This would be secured through a Section 106 legal agreement.

2. *There should be clear demonstration and evidence of vacancy*

Type of evidence required

Applicants should provide evidence in support of their planning application to demonstrate that the site has been vacant and actively marketed within the local property market for B1 (b+c), B2 and B8 uses for a period of 12 months (A description of the B uses is set out in Annex 3)

Applicants should provide documentation which demonstrates:

- The appointment of a property consultant/ estate agent to handle the marketing of the site

- Where and how the site has been marketed
- That the price and terms of the sale/lease are reasonable in comparison to others that have been marketed locally during the 12 months.
- An indication of the type of interest that has been expressed in the site / premises whilst marketing was taking place

3. The planning application must be for a known and specified end user and the permission will be granted personally to the applicant only through the use of appropriate conditions.

4. Secondary Employment Areas (SEAs) are more appropriate locations than Strategic Industrial Locations (SILs) for non-industrial employment uses.

Type of evidence required

- The Council recognise the importance of industrial uses and their value to the local economy and the services that they offer to our residents. In line with the approach in the London Plan, the Council considers Strategic Industrial Locations are London's main reservoirs of industrial and related capacity, applicants should therefore demonstrate that they have considered sites within the Boroughs SEAs before they consider sites within the Borough's strategic Industrial Locations (SIL).
- The Council is committed to ensuring that the Borough's town centres are vital and viable and therefore in line with the NPPF and regional and local policy applicants will need to demonstrate that they have followed the sequential approach for town centre uses. Main town centre uses are defined in the NPPF as retail, leisure, entertainment facilities, offices and arts, culture and tourism development.

5. The proposal should not result in an unacceptable impact on amenity, parking or highway or the operation and viability of the wider industrial area.

Applicants would need to consider the existing industrial uses in the areas and the impact of these on their proposed development scheme particularly in relation to noise, dust, traffic movements and other environmental considerations. This will also be a consideration where the proposal would be in close proximity to residential uses (for example, if the proposed activity adjoins a residential area). Applicants should not assume that the Council would seek to improve environmental conditions for new occupiers, if that would result in the loss of existing industrial uses.

Implementation:

In the light of the Council's commitment to demonstrating that Havering is 'open for business', potential applicants are strongly advised to discuss their proposals with planning officers before preparing their planning application. This will enable officers to better understand the proposal and to provide positive and constructive advice on how the issues identified above may be addressed to secure a beneficial outcome.

ANNEX 1 – Current Planning Policy

- National Planning Policy Framework 2012
[Click here to view the National Planning Policy Framework \(NPPF\)](#)
- The London Plan 2011
[Click here to view the London Plan](#)

Policies of particular relevance:

- Policy 2.7: Outer London Economy
- Policy 2.17: Strategic Industrial Locations
- Policy 4.1 Developing London's Economy
- Policy 4.4: Managing Industrial Land and Premises

- Land for Industry and Transport Supplementary Planning Guidance (SPG) 2012
[Click here to view the Land for Industry and Transport SPG](#)
- Havering Local Development Framework 2008
[Click here to view Havering's Local Development Framework \(LDF\)](#)

Policies of particular relevance:

Policy CP3: Places to work

Policy DC9: Strategic Industrial Locations

Policy DC10: Secondary Employment Areas

ANNEX 2 – Designated Industrial Areas

Designated industrial areas comprise of Secondary Employment Areas and Strategic Industrial Locations, which are set out in the London Plan 2011 and Havering's Local Plan.

Secondary Employment Areas (SEA) (referred to as Locally Significant Industrial Sites (LSIS) in the London Plan)

- Crow Lane, Romford (three sites)
- Harold Wood Industrial Estate
- Hillman Close (Stafford Industrial Estate)
- Lyon Road, Romford
- The Seedbed Centre, Romford

Strategic Industrial Locations (SIL)

- Rainham Employment Area
- Harold Hill Industrial Estate
- King George Close Estate

ANNEX 3 – B use classes

B1 Business

- (a) Offices (not within A2).
- (b) Research & Development, studios, laboratories, high-tech.
- (c) Light industry appropriate in a residential area.

B2 General Industrial - (other than classified in B1)

B8 Storage or distribution - Wholesale warehouse, distribution centres, repositories (including open air storage)

This page is intentionally left blank

CABINET

11 December 2013

Subject Heading:

Compulsory Purchase Order Report

Cabinet Member:

Cllr. Lesley Kelly
Lead Member for Housing and Public Protection

CMT Lead:

Joy Hollister – Executive Director Children, Adults and Housing Services

Report Author and contact details:

Christopher Vincent – Empty Property Unit
extn. 2987

Policy context:

Housing Strategy; Empty Homes Strategy 2009 – 2012

Financial summary:

Draft Housing Strategy 2013-2016
The recommendation is to compulsorily purchase 5 named properties; no capital outlay is required for this. Some small budgeted expense would be borne by the Council. The sale proceeds will be passed on to the previous owners or if unclaimed within 12 years, retained by the Council.

Is this a Key Decision?

Yes

Is this a Strategic Decision?

No

When should this matter be reviewed?

Not to be reviewed

Reviewing OSC:

Towns and Communities Overview and Scrutiny Committee

The subject matter of this report deals with the following Council Objectives

Ensuring a clean, safe and green borough	[x]
Championing education and learning for all	[]
Providing economic, social and cultural activity in thriving towns and villages	[x]
Valuing and enhancing the lives of our residents	[x]
Delivering high customer satisfaction and a stable council tax	[x]

SUMMARY

- 1.1 This report seeks permission to proceed with the making of a Compulsory Purchase Order (CPO) in relation to selected empty properties across the Borough, as part of the empty property enforcement programme.
- 1.2 This approach is in accordance with the aims agreed by Members when approving the Empty Homes Strategy 2009-2012 at Cabinet on 18th November 2009 and most recently the 2013 – 16 Draft Housing Strategy at Cabinet on 16th October 2013.
- 1.3 The Housing Needs and Strategy section of Homes and Housing deals with empty properties in the Borough. 5 properties have been identified by Council officers as being high risk, long term empty properties.
- 1.4 In each of the cases described in this report, negotiations between Officers and the property owners have failed to return the properties to occupation.
- 1.5 Officers now consider that making a CPO over each of the properties listed below is the most appropriate and expedient method of bringing the following properties back into occupation:
 - (a) 11 Wolseley Road, Romford
 - (b) 82 Ravensbourne Crescent, Harold Wood
 - (c) 106 Frederick Road, Rainham
 - (d) 78 Winchester Avenue, Upminster
 - (e) 58 Dominion Drive, Romford
- 1.6 With regard to empty properties (d) and (e) which were originally submitted to cabinet on 10th July 2010 and approved for CPO, officers feel that as there have been changes to the properties which still remain empty, it would be appropriate to seek the Cabinet's further approval to pursue CPOs against these two properties.
- 1.7 The details of the correspondence and interactions with the individuals involved are included in Exempt Appendices A - E. The reason why the Appendices are exempt is that they include confidential details of individuals.

RECOMMENDATIONS

2.1 That approval be given to the making of the following Compulsory Purchase Orders in accordance with section 17 of the Housing Act 1985, and the Acquisition of Land Act 1981, to acquire all legal interests in the relevant properties:

- (a) London Borough of Havering (11 Wolseley Road) Compulsory Purchase Order 2013
- (b) London Borough of Havering (82 Ravensbourne Crescent) Compulsory Purchase Order 2013
- (c) London Borough of Havering (106 Frederick Road) Compulsory Purchase Order 2013
- (d) London Borough of Havering (78 Winchester Avenue) Compulsory Purchase Order 2013-10-16
- (e) London Borough of Havering (58 Dominion Drive) Compulsory Purchase Order

2.2 In relation to each of Compulsory Purchase Orders authorised by paragraph 2.1 above authorise the Assistant Chief Executive, Legal and Democratic Services to alter the Compulsory Purchase Order so as to exclude any land/interests acquired prior to the sealing of the Order.

2.3 In relation to each of Compulsory Purchase Orders authorised by paragraph 2.1 above authorise the Assistant Chief Executive, Legal and Democratic Services to seal the Order and take all necessary steps, including the publication of all statutory notices, to secure confirmation of the Order.

2.4 In relation to each of the Compulsory Purchase Orders authorised by paragraph 2.1 above, authorise the Assistant Chief Executive, Legal and Democratic Services (in the event that the Secretary of State notifies the Council that it has been given the power to confirm any of the Compulsory Purchase Orders) to confirm the Order and take all steps necessary to secure possession of the property, including the making of a General Vesting Declaration if he or she is satisfied that it is appropriate to do so.

2.5 In relation to each of the Compulsory Purchase Orders authorised by paragraph 2.1 above, authorise the Assistant Chief Executive, Legal and Democratic Services to suspend the Compulsory Purchase procedure if the Private Sector Housing Manager, Homes & Housing is able to reach an agreement with Owners of these properties with regard to repair, refurbishment and reoccupation of any of the properties.

REPORT DETAIL

- 3.1 Members approved the current Empty Homes Strategy for 2009-2012 November 2010. This strategy set out twin aims:
- (a) to reduce the number of long term empty homes and so increase the supply of affordable decent homes; and
 - (b) To prevent as far as is reasonably practical, further homes becoming long term empty homes.
- 3.2 This approach has been endorsed within the draft Housing Strategy 2013 – 2016 agreed at Cabinet in October this year. The approach and proposals set out within this report is entirely consistent with these strategies
- 3.3 Each of the properties for which authorisation to commence compulsory purchase proceedings are sought is in poor condition and/or has been unoccupied for a long period of time.
- 3.4 Council officers have made concerted efforts to contact the owners of each of the properties and encouraged each of the owners to bring the premises back into use.
- 3.5 A brief history, description, and photographs for each property are contained in appendices A-E.
- 3.6 The Office of Deputy Prime Minister Circular 06/2004 requires an acquiring authority to have a clear idea of how it intends to use the land or interests which it is proposing to acquire under a Compulsory Purchase Order.
- 3.7 Each of the properties is in poor condition, and despite the best efforts of Officers, no conclusive progress has been made to bring these properties back into beneficial use.
- 3.8 Should Cabinet resolve to seek a compulsory purchase for each of the subject properties, it is the intention that each will be sold to either private developers or individuals for renovation and reoccupation.
- 3.9 Subject to the approval of Cabinet to seek a compulsory purchase order on each of the subject properties, it is intended that the Council becomes the freehold owner at the time of possession of the property under a General Vesting Declaration. This enables the Council to dispose of the property to a third party, with compensation payable to the present owner settled at a later date.

3.10 It is intended that the properties acquired by the Council under the proposed compulsory purchase orders will be passed to Strategic Property Services for auction sale. The costs of Strategic Property Services and the estate agents fees will be deducted from the proceeds of sale, thus causing no cost to the Council.

3.11 The key benefits of the use of compulsory purchase orders are:

- (a) an increase in the availability of good quality private sector accommodation for purchase or rent;
- (b) assistance with the regeneration of areas and town centres;
- (c) a reduction in squatting by removing the opportunity at an early stage;
- (d) a reduction in eyesores by tackling empty property and land;
- (e) a reduction in anti-social behaviour associated with empty properties, including rubbish dumping, vandalism, arson, drug taking, and other nuisances;
- (f) an increase in the number of private sector homes brought up to a decent standard;
- (g) an improvement in community sustainability and cohesion;
- (h) an improvement in the look and feel of the built environment;
- (i) the recovery of any unpaid Council tax and other debts that have accrued through the years where the council has been unable to collect by other means;
- (j) a reduction in the level of demand on a number of Council services
- (k) an increase in the level of private investment in Havering by forcing refurbishment of dilapidated properties;
- (l) The provision of clear evidence to Borough residents that the Council will not tolerate empty properties, thus reducing the likelihood of properties being left empty in the first place.

3.12 If the Homes and Housing service is not empowered to utilise the statutory compulsory purchase regime, the Council's ability to effectively intervene to address empty properties would be seriously undermined.

3.13 Residents living next to or near empty properties could not be offered assurance that the problems associated with these locations would be ultimately removed.

- 3.14 It is also likely that the deterioration of the property would further detrimentally impact upon the local environment or community. This would hinder regeneration efforts; reduce market confidence and slow economic and social development in the Borough.

REASONS AND OPTIONS

Reasons for the decision:

- 4.1 All attempts to bring the subject properties back into occupation by working cooperatively with the owners have failed.

Other options considered:

- 4.2 Empty Dwelling Management Orders (EDMOs) have been considered, however are not considered suitable as the owners of the properties have not cooperated with the Council's efforts to have the properties reoccupied. Also many of the properties require extensive work. Under an EDMO the Council recovers the costs of any works undertaken by letting the properties. Given most of these properties require significant work; there would be a lengthy delay before the cost of the works could be fully recovered, and the use of EDMOs in these cases is therefore considered unfeasible.

IMPLICATIONS AND RISKS

Financial implications and risks:

- 5.1 The Council will not have to outlay any capital resources towards the purchase price to acquire the properties.
- 5.2 Properties subject to compulsory purchase orders will be vested in the Council by way of a General Vesting Declaration (GVD). A GVD is a declaration authorised by statute which, when executed by the Council, vests title in the property with the Council for the purpose of on selling the property, and allows compensation to be made to the owner of the property at a later date once the property is sold by the Council. The Council does not have to provide any finance, to enable the properties to be vested in the Council.
- 5.3 The sale proceeds will be passed on to the previous owners or, if unclaimed within 12 years, retained by the Council. The owner has a right to request an advance payment of compensation once the vesting date has passed. This amount is 90% of agreed compensation or 90% of Council's estimate of the compensation. Once requested, this amount must be paid to the owner within

90 days. Council should therefore aim to dispose of acquired properties within 90 days of acquisition.

- 5.4 Interest is payable on the compensation sum from the vesting date. The actual date of completion of sale may be a number of months later. There would be an interest component for which Council is liable. Once funds are received they will be held in an interest bearing account until compensation is paid.
- 5.5 Any outstanding Council tax that is registered as a charge over the relevant land will be deducted from the sale proceeds before the balance is paid to the owner of the property. Any other charges, such as costs of enforcement works may also be recovered.
- 5.5 Compensation for the acquired property will be paid to the owner from the sale proceeds of the property. The compensation payable is determined by valuation at the date of taking possession of the property.
- 5.6 If the owner objects to the level of the compensation offered by Council and the matter proceeds to the Lands Chambers for determination, there is a small potential for Council to be forced to absorb a shortfall if the sale price is less than the determined value. Council would also incur further costs (est. £2,500) in conducting a compensation assessment hearing.
- 5.7 If the dispossessed owner incurs costs such as conveyancing fees and stamp duty in acquiring a new property within 12 months of the acquisition, then Council may be liable for those costs. In the case of each of these properties this is considered highly unlikely.
- 5.8 As the properties are unoccupied, no disturbance or re-housing costs are payable.
- 5.9 The identified costs are budgeted for in the ELRP Empty Property Program.
- 5.10 When these empty properties are reoccupied the costs incurred by Council will be partially offset if not recouped via increased Council Tax revenues, and a reduction in expenses associated with complaints and problems caused by empty properties.

EXPENSE	ESTIMATE
<i>In all cases</i>	
Legal notices in Romford Recorder	£1,000-£1500
Land registry filing charges	£200
Estate Agent's costs	£500
Surveyor/valuers fees of Council	£500
Surveyor/valuer fees of owner	£500
<i>If the order is objected to and proceeds to public inquiry then some or all of the following costs may be payable by Council</i>	
Costs of briefing Counsel to appear at enquiry on Council's behalf	£2500
The Secretary of State's costs for conducting the inquiry	£5,000
The objector's costs of participating in the enquiry in the event that the Council is unsuccessful at the public enquiry	£2500

Legal implications and risks:

- 6.1 The Compulsory Purchase Orders will be subject to confirmation by the Secretary of State.
- 6.2 Office of Deputy Prime Minister Circular 06/2004 provides that there must be; A compelling case in the public interest for the Compulsory Purchase Orders, given the interference with the property rights of those affected. It will be necessary to demonstrate the public interest in the Statement of Reasons which will accompany the Compulsory Purchase Order.

Human Resources implications and risks:

- 7.1 There are no human resource implications and risks relating to this report

Equalities implications and risks:

- 8.1 Whilst empty properties are distributed through out the Borough, people from low income households often have limited options in terms of the quality and type of housing they can afford to live in.
By producing better quality housing and increasing the number of housing units available for purchase or rent, low income households will be provided with more choice in selecting suitable accommodation, and the overall standard of housing accommodation in the Borough can be improved.

BACKGROUND PAPERS

- 6.1 Empty Homes Strategy 2009-2012
- 6.2 Draft Housing Strategy 2013-2016

Surveys, correspondence and case records for each property

This page is intentionally left blank

By virtue of paragraph(s) 1, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank