

London Borough of Havering Record of Decision of Cabinet held on 17 March 2021

1. TITLE: **Adoption of the Statement of Licensing Policy 2021 - 2026**

2. DECISION MADE Cabinet

BY:

3. DECISION:

Cabinet:

Adopted the Statement of Licensing Policy 2021-2026.

4. REASON FOR DECISION

It is a legal requirement under Section 5 of the 2003 Act for all Licensing Authorities to prepare and publish a Statement of Licensing Policy that they propose to apply in exercising their functions under the Act during the five year period to which the policy applies. The current policy expired in January 2021 and we are legally required to adopt a new policy.

5. ALTERNATIVE OPTIONS CONSIDERED

No other option was considered as the authority is required by law to have a Statement of Licensing Policy under the 2003 Act.

6. DOCUMENT CONSIDERED: CABINET0417-1 180121
Draft Statement of Licencing policy 2020 FINAL
DRAFT with BPS comments 16022021.docx
Updated
Statement of Licensing Consultation Report
Final with BPs comments 16022021
EqHIA-Licensing Policy FINAL DRAFT
19112020

1. TITLE: **EXCLUSION OF THE PRESS AND PUBLIC**

2. DECISION MADE

BY:

3. DECISION:

Cabinet resolved to exclude the press and public at this point and the meeting continued in closed session.

4. **REASON FOR DECISION**

5. **ALTERNATIVE OPTIONS CONSIDERED**

6. **DOCUMENT
CONSIDERED:**

1. **TITLE:** **Havering & Wates Joint Venture Business Plan Update
- 2021/22**

2. **DECISION MADE** Cabinet
BY:
3. **DECISION:**

Cabinet:

1. **Agreed** to the inclusion of a budget of up to £102.3m equity for the 12 Sites and Chippenham Road scheme together with a budget of £58.7m for potential land acquisition/CPO costs within the proposed HRA capital programme, noting that the HRA capital programme recommended by Cabinet on 17 February 2021, and approved by Full Council on 3 March 2021 includes the necessary capital funding to progress the regeneration.
2. **Approved** the Havering and Wates Regeneration Joint Venture Business Plan dated January 2021, as contained in exempt Appendix 3.
3. **Agreed** to further forward funding for the remainder of phase 1 of the 12 Site Programme up to £9.7 million; for the development of Solar, Serena and Sunrise Courts (£1.6 million [to total £17.5m]) and the Waterloo and Queen Street Estate (£8.1 million [to total £22.7m]) **and delegated authority to** the Director of Regeneration to enter into the necessary forward funding agreements.
4. **Approved** the removal of the Farnham and Hildene estate from the 12 site regeneration programme, **noting** that the scheme would be subject to a future approval by Cabinet to be taken forward under a Council-led approach.
5. **Approved** the budget of up to £0.6 million to fund the remediation works on the Solar Serena Sunrise Estate and **delegated authority to** the Director of Regeneration in consultation with the Director of Legal and Governance to enter into contract with the Havering and Wates JVLLP to carry out the remediation works on the site, **noting** that the HRA capital programme recommended by Cabinet on 17 February 2021, and approved by Full Council

on 3 March 2021 includes the necessary capital funding to progress the works.

6. **Delegated authority to** the Director of Regeneration in consultation with the Director of Housing and Director of Legal and Governance to enter into a contract with the Havering and Wates JVLLP to provide a longstop arrangement, where the Council would acquire any open market units on the Solar Serena Sunrise estate, which remain unsold after 18 months from practical completion of the development for a value equivalent to 75.0 per cent of open market value for units earmarked for private sale and 61.6% per cent of open market value for units earmarked for shared ownership, **noting** that any acquisitions would be funded from the existing affordable housing HRA capital budget set aside for the scheme.
7. **Approved** the budget of up to £7.0 million to fund the offer to purchase family homes (3 bed or larger) from prospective buyers on the Solar Serena Sunrise Estate, **noting** that the HRA capital programme recommended by Cabinet on 17 February 2021, and approved by Full Council on 3 March 2021 includes the necessary capital funding to fund the acquisitions.
8. **Delegated authority to** the Director of Regeneration to enter into variations of any of the existing joint venture documentation, which is required to implement any of the recommendations, contained in the report.
9. **Delegated authority to** the Director of Regeneration to consider the appropriation of land at the appropriate time at Waterloo and Queen Street Estate from the Housing Revenue Account (HRA) to the General Fund, for planning purposes and to consider the appropriation of land at the appropriate time at Waterloo and Queen Street Estate back to the HRA.
10. **Approved** the budget of up to £5.0 million to fund the cost of compensation of Appropriation linked to the Waterloo and Queen Street Estate, noting that the HRA capital programme recommended by Cabinet on 17 February 2021, and approved by Full Council on 3 March 2021 includes the necessary capital funding to fund the compensation.
11. **Delegated authority to** the Director of Regeneration to make all further changes to the documentation consequent on the recommendations in this report that the Director considers necessary or in his opinion appropriate from time to time

4. **REASON FOR DECISION**

- To incorporate revised assumptions and an updated programme into the Business Plan for the period 2021-22.
- To continue to secure the Council's regeneration objectives for the 12 Site Regeneration Programme.
- The optimisation of affordable housing provision to be purchased by the HRA,

on advantageous terms via a Joint Venture vehicle, to help sustain the HRA long term.

- To maximise the level of family housing and retirement provision in the borough.

5. ALTERNATIVE OPTIONS CONSIDERED

The adoption of the Business Plan is a consent matter. Without the Council's approval, as a Member of the LLP, the revised Business Plan could not be adopted, and the current approved Business Plan would be maintained. The Council is in contract with Wates as a commercial partner for the delivery of the regeneration of sites within work package one and share the associated costs. These commitments will need to be upheld.

Not approving the revised Business Plan may have a negative impact on the Council's ability to continue funding land acquisition which in turn will have implications with delivery targets including affordable housing delivery and achieving targets agreed with GLA in the Overarching Borough Intervention Agreements.

Not adopting the revised Business Plan would result in a pause to the scheme while the JV Partners reviewed their options. This would in effect delay the programme resulting in additional costs for both JV Partners. Suspending planned construction works at this time would adversely impact on jobs and growth in the local economy. It may also give rise to negative market sentiment with a consequential impact on the wider development market that this scheme would otherwise seek to stimulate

The Council could agree to reduce its ambitions for the level of affordable housing on the programme and convert some affordable units to private sale to improve overall scheme viability. This would go against the Council's stated policy aims by reducing the provision of affordable housing available to households in need. Reducing the level of affordable would have several indirect impacts, including an increase in the numbers on housing waiting lists and increased cost of homelessness prevention.

Also, given the current uncertainty in the market linked to the COVID-19 pandemic, it is not clear flipping units to private sale would achieve the desired impact. Increasing the quantity of private sale units in times of economic uncertainty could increase the levels of sale risk. As a result, this option has been discounted.

The Council could also consider withdrawing one or more sites from the programme and look to develop directly or with a new developer. Withdrawing the Phase 1 sites has been discounted based on the significant delays and disruption that would arise. It is unlikely that withdrawing the Phase 1 development and taking it via forward via a new delivery structure would yield savings accounting for the significant investment and acknowledging the advanced stage the sites have reached in terms of planning and design. As a result, this option has been rejected.

However, given the WP234 sites are at an early stage (except for Chippenham Road), the Council retains the discretion to consider alternatives, should delivery by

HWR not be possible in accordance with the existing terms and anticipated level of returns enshrined in the existing JV documents.

6. **DOCUMENT
CONSIDERED:** PUBLIC Havering Wates Joint Venture Buisness
Plan 21.22 March Cabinet 20...
EXEMPT Report Havering Wates Residential
Joint Venture Business Plan Update March
Cabinet (00000002)
Appendix 2 - HWR Movement Schedule
Appendix 3 EXEMPT Mar 21 JV Business Case
- Draft (00000002)
ANNEX A EXEMPT 1. JV Business Case risk
register Feb 21 (00000002)
ANNEX B EXEMPT 2. JV RIBA Guide
(00000002)
ANNEX C 3. Cashflow
ANNEX D 1 EXEMPT Havering Wates LLP
Phase 1 v0073 LBH (00000002)
Appendix 4 - Dashboard 12 Estates EXEMPT

1. **TITLE: To agree the delivery method for the Regeneration of
the Hilldene, Farnham, Chippenham and Hostel site**

2. **DECISION MADE** Cabinet
 BY:
3. **DECISION:**

Cabinet:

(Please note the amended recommendation 4 from that shown in the report)

1. **Approved** the strategy to deliver three sites under a single design vision, the considered sites include Farnham and Hilldene district town centre District Centre, Chippenham Rd and the Abercrombie Hostel sites and the former Library site ("the Combined Scheme") as noted in Fig 1 where the red line boundary is edged at Appendix 1.
2. **Approved** the Council-led funding and direct delivery of the regeneration of Farnham and Hilldene district town centre Farnham and Hilldene district town centre, as detailed in paragraphs 10.16 to 10.34 of the exempt Report.
3. **Approved** the Council-led funding and direct delivery of the Family Welcome Centre and Medical Centre at the Abercrombie Hostel Site as detailed in paragraphs 10.01 to 10.38 of the Report.
4. **Approved** the closure of the existing Abercrombie Hostel prior to the development of the Family Welcome Centre and the closure of the existing Will Perrin Hostel after the development of the new Family Welcome Centre.

(Amended from recommendation 4 shown in the report as agreed by Cabinet)

5. **Noted** the update on the projected costs to deliver the regeneration of Chippenham Road via the existing arrangements with the Havering and Wates Regeneration LLP as detailed in paragraphs 10.01 to 10.27.
6. **Noted** a HRA capital budget of £45.139 million has been included within the proposed HWR 2021/22 budget to progress the Chippenham Road scheme.
7. **Agreed** to endorse and recommend the budget of £192.817 million to progress the Council-led regeneration of the Farnham and Hilldene district town centre Farnham and Hilldene district town centre and the Abercrombie Hostel Site, **noting** that the HRA capital programme approved by Cabinet on 17 February 2021, and ratified by Full Council on 3 March 2021, includes the necessary capital funding to progress the regeneration.
8. **Agreed** to endorse and recommend the inclusion of a budget of £4.602 million to progress the regeneration of a Medical Centre at the Abercrombie Hostel Site and £17.051 million for the development of a new commercial offering on the Farnham and Hilldene district town centre Farnham and Hilldene district town centre within the proposed General Fund Capital programme, **noting** that the General Fund capital programme approved by Cabinet on 17 February 2021, and ratified by Full Council on 3 March 2021 includes the necessary capital funding to progress the regeneration.
9. **Agreed** to delegate to the Lead Member for Housing, after consultation with the Director of Housing and Director of Regeneration, the authority to approve the Farnham and Hilldene district town centre and Chippenham Road ballot (if required) including any ballot communication plan.
10. **Noted** the continuation of the extensive stakeholder engagement and consultation programme identified within the body of this report.
11. **Noted** officers are in the process of preparing an executive decision seeking approval to make application to the GLA for the provision of grant funding to support the delivery of affordable homes on the Farnham and Hilldene district town centre Farnham and Hilldene district town centre and Chippenham Road. In order to accept any funding offer and enter into the necessary formal contract(s), a full cabinet report will be brought forward for consideration.
12. **Authorised** the Director of Regeneration after consultation with the s151 Officer and the Director of Housing to consider the appropriation between the general fund and HRA accounts of the Council and to implement such appropriation as necessary to develop Farnham and Hilldene district town centre, Chippenham Road and Abercrombie Hostel sites.
13. **Authorised** the Director of Regeneration after consultation with the S151 Officer and the Director of Housing to consider and implement the appropriation of land for planning purposes, subject to the agreement of the Secretary of State, to facilitate the development of Farnham and Hilldene district town centre, Chippenham Road and Abercrombie Sites and **approve** an application

to the Secretary of State for appropriation under section 19(2) of the Housing Act 1985 (the precise areas of land to be appropriated to be decided).

14. **Noted that** the Director of Regeneration will undertake soft market testing to establish main interest in the project and a detailed non-key decision on procurement commencement post checkpoint 1 will be provided for formal approval in line with the Constitution and Contract Procedure Rules.

4. **REASON FOR DECISION**

To continue to secure the Council's regeneration objectives for which would deliver the following benefits to the Council and community: -

- Increase the number and quality of Council affordable homes, which would also maximise the level of family housing provision in the borough.
- Improve the sustainability and quality of the sites and provide significant social benefits to the local community.
- Provide an improved retail environment for the local community, which would enhance the rental income and value of the retail element to the Council.
- To reduce future cost exposure by developing a modern, fit for purpose commercial space with associated build guarantees.
- Improve the homeless provision by developing a new Family Welcome Centre integrated with a Medical Centre.

5. **ALTERNATIVE OPTIONS CONSIDERED**

As set out in the restricted part of the paper.

6. **DOCUMENT CONSIDERED:**
- PUBLIC Cabinet Report Farnham Hildene Chippenham Rd and Abercrombie Hostel March 2021 Cabinet Report (00000002)
EXEMPT Report Farnham Hildene Chippenham Rd and Abercrombie Hostel Cabinet Report
Public Appendix 1 - Redline Boundary
Exempt Appendix 2 Savills Report
Public Appendix 3 Ballot Requirements
Exempt Appendix 4 - Financial Dashboard
Exempt Appendix 5 HB Design Document
Capacity Study
Exempt Appendix 6 Farnham & Hildene Delivery Options
Exempt 7 Further Legal Implications Farnham & Hildene Chippenham Road and Hostel HRA advice

