

# London Borough of Havering Record of Decisions taken by Cabinet on 20 October 2021 at 7.30pm

## 1. **DECISION: Minutes**

### **Cabinet:**

Agreed the minutes as a true and correct record of the meeting held on 7<sup>th</sup> July, 2021 and authorised the Chair to sign them as such.

## 2. **REASON FOR DECISION**

## 3. **ALTERNATIVE OPTIONS CONSIDERED**

## 4. **DOCUMENT CONSIDERED:** July Cabinet Minutes

## 1. **DECISION: Update of the Council's Medium Term Financial Strategy (MTFS) and budget for 2022/23**

### **Cabinet:**

1. **Noted** the financial context and position set out in the report

2. **Agreed** the proposed consultation process and associated timetable as set out in section 6 of the report.

## 2. **REASON FOR DECISION**

The Council has a statutory obligation to consult on its budget proposals. The Cabinet report set out the proposed method to be used for the 2022/23 budget and MTFS. The Council strongly values the opinion of its residents and key stakeholders and welcomes their input into the budget process.

## 3. **ALTERNATIVE OPTIONS CONSIDERED**

No other options were suitable or considered.

## 4. **DOCUMENT CONSIDERED:** Budget Update - October 2021 - cabinet

## 1. **DECISION: Housing Allocations Policy 2021**

**Cabinet:**

1. **Approved** the Housing Allocation Scheme attached in appendix 1 of the report.
2. **REASON FOR DECISION**

The recommendations throughout the report have been made so that the Council's Housing Register more accurately reflects the level of housing need in the borough, ensuring that those with the greatest need continue to be prioritised.

The reasons for the decision are fully set out at length in the Cabinet report.

3. **ALTERNATIVE OPTIONS CONSIDERED**

No changes to the Scheme.

In this case, the Scheme would not comply with the relevant case law and would be subject to challenge through the courts and the Judicial Review process, ultimately at the expense of the local authority.

4. **DOCUMENT CONSIDERED:** Housing Allocations Scheme 2021 V10 Final - Cabinet report (011021)  
Housing Allocation Scheme 2021 Final - (300921)  
Housing Allocation Scheme 2021 - Public Consultation & Feedback report Final  
Housing Allocation Scheme 2021 - EqHIA v5 (011021)

1. **DECISION: Housing Asset Management Strategy**

**Cabinet:**

1. **Adopted** the Housing Asset Management Strategy and the associated action plan as set out in Appendix 1 of the report.
2. **REASON FOR DECISION**

It is essential that Registered Providers can demonstrate a strategic approach to managing their properties and how they will meet the Regulator for Social Housing's consumer standards. A fully developed and implemented AMS is therefore essential to meet this obligation.

The HRA assets also represent a significant financial value to LBH and it is important that we protect and grow the value of those assets, the AMS is the key document which helps determine how we achieve this.

**Consultation:**

The resident engagement panel, which included both tenants and leaseholders, has been consulted as part of the development of the strategy. The Cabinet Member for Housing has been consulted on this strategy and relevant changes incorporated.

### 3. ALTERNATIVE OPTIONS CONSIDERED

To continue with the previous AMS.

This was rejected because the previous strategy did not reflect on the new changing agendas and legislative changes and therefore no longer reflected our duties as a landlord and property owner.

4. **DOCUMENT CONSIDERED:** CABINET Housing Asset Management strategy final  
6314 Housing Asset Management Strategy STAGE2  
V5  
EqHIA - Asset Management Strategy (220921)

### 1. DECISION: To Exclude the Public and the Press

Cabinet agreed to exclude the public and the press at this stage.

### 2. REASON FOR DECISION

### 3. ALTERNATIVE OPTIONS CONSIDERED

### 4. DOCUMENT CONSIDERED:

### 1. DECISION: PHISH - Private Housing Investment for Settled Homes Proposal

For the reasons set out in this report and its appendices **Cabinet agreed** that the Council:

1. Acting as Shareholder to MLH, approve the Company Business Case with heads of terms attached at exempt Appendix 1 of the report.
2. Enters into a service contract with MLH for the acquisition of assets to house homeless families delegated to the Director of Housing in consultation with Lead Cabinet Member for Housing.
2. Enters into loan agreements at market rate with the Company of up to £62,319,000 including delegating to the Chief Finance Officer, the ability to authorise drawdowns, refinance against the loan facility and approve the terms in consultation with the Lead Cabinet Member for Finance. This is to be in place throughout the duration of the loan in line with the agreement including ensuring appropriate secure charges are registered to protect the Council's interest as lender against each asset purchased.
3. Enters into agreements with MLH whereby the Council HRA provide the

relevant support services associated with the management of the assets delegated to the Director of Housing in consultation with Lead Cabinet member for housing.

#### **4. REASON FOR DECISION**

1. The Council is short of accommodation alternatives and although new demand has been effectively managed through prevention of homelessness, there is an ongoing need for accommodation to continue to meet the housing need of existing homeless households.
2. Currently, the regeneration short-life properties are being used to fill the gap between supply and demand when PSL landlords cancel their lease arrangements with the Council. However, many of the short-life units will be required for redevelopment over the next 5-6 years. Therefore, the supply sought of PSL properties is needed to continue to meet the housing need of existing households.
3. In order to reduce the reliance on PSL properties with landlords terminating leases at any time, the Council should seek to diversify the sources of supply of both temporary and settled accommodation for homeless households by developing a mixed portfolio of properties at local housing allowance rent levels. Officers should look into different scheme options and develop costed proposals in order to create sufficient alternative supply.
4. The arrival of mix of portfolio properties will also enable households who are either over-crowded or under-occupying their current PSL accommodation to be moved on in order to alleviate overcrowding as well as release much needed larger accommodation for other families who need it.
5. Their support needs should be taken into account when decisions are made about the type of alternative accommodation that is suitable for them in order to keep residents near their support network.

#### **Pre-Localism Act households**

6. The Council previously identified 145 Pre-Localism Act households who have lived in PSL temporary accommodation for more than 6 years. Those households in the original cohort will be excluded from the MLH scheme with the intention for the Council to continue to offer those remaining PSL residents a social tenancy. Officers will continue to monitor and report back on how this has progressed and when this is complete. The non-duty households should continue to be accommodated in their current accommodation until suitable settled accommodation is secured for them.

#### **5. ALTERNATIVE OPTIONS CONSIDERED**

##### **Other options considered and rejected**

1. MLH to purchase and subsequently lease properties to the Council to be used

as temporary accommodation

2. We considered the use of these properties as temporary accommodation however, the council have already assessed that the rental value and the housing benefit subsidy deficit would lead to the Council losing out financially.
  3. The Council to purchase properties and use them as temporary accommodation
  4. This was not a viable option for the Council as it conflicts with the existing Right to buy-back (RTB) programme which is also part of the balanced portfolio on schemes.
  5. The Council to work with other investors who provide options to supply accommodation
  6. The Council still consider this as a viable option in order to further increase the mixed portfolio profile it requires to meet the housing need and will carry out its due diligence of these offers as and when they arise.
6. **DOCUMENT CONSIDERED:** PHISH Cabinet Report Final 11.10.21  
MLH Business Case Final 04.10.21