



MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Wednesday, 20 October 2021
(7.30 - 9.24 pm)

Present:

Councillor Damian White (Leader of the Council), Chairman

	Cabinet Member responsibility:
Councillor Dilip Patel	Deputy Cabinet Member for Business Recovery
Councillor Robert Benham	Cabinet Member for Education, Children & Families
Councillor Osman Dervish	Cabinet Member for Environment
Councillor Joshua Chapman	Cabinet Member for Housing
Councillor Jason Frost	Cabinet Member for Health & Adult Care Services
Councillor Roger Ramsey	Cabinet Member for Finance & Property
Councillor Viddy Persaud	Cabinet Member for Public Protection and Safety

No Apologies were received for the absence.

10 DISCLOSURES OF INTEREST

There were no declarations of interest.

11 MINUTES

The minutes were agreed as a true and correct record of the meeting held on 7th July, 2021 and authorised the Chair to sign them as such.

12 HOUSING ALLOCATIONS POLICY 2021

Cabinet considered a report on the Housing Allocations Policy 2021.

It was explained that the Housing Act 1996 Part VI required local authorities to publish an allocation scheme that set out their policy for allocating

affordable housing provided by the council or housing associations in the borough. Councils were required to give reasonable preference to certain categories of applicant and have due regard to statutory guidance and the law.

Demand for social housing in Havering significantly exceeded the number of properties available. In the financial year 2019-2020, only one in every 5 households on the Council's Housing Register had a realistic prospect of securing social housing.

The scheme proposed a number of revisions to the current Scheme (dated 2016) to set out how Council housing was prioritised to ensure that it was fairly allocated to households in the greatest need.

Furthermore, it set out how the Council would enable access to other forms of affordable housing, such as shared ownership and intermediate rented housing.

Cabinet:

Approved the Housing Allocation Scheme attached in appendix 1 of the report.

13 UPDATE OF THE COUNCIL'S MEDIUM TERM FINANCIAL STRATEGY (MTFS) AND BUDGET FOR 2022/23

Cabinet considered an update on the Medium Term Financial Strategy (MTFS) and budget for 2022/23.

It was explained that Cabinet and full Council last received a report on the Council's Strategy (MTFS) in March 2021 when the MTFS and balanced budget for 2021/22 was agreed. Since then the lockdown had ended and the Council had resumed many of its services. The post lockdown period had resulted in a significant increase in demand for Council services particularly related to Social Care.

The report set out how that increased demand had affected the 2021/22 position and the steps the Council was taking not only to meet that demand but also to balance the 2022/23 budget.

Updates to Cabinet on the Council's current financial position could be seen in the report and an overview of the national economic and financial environment within which all local authorities were currently developing their financial plans in the medium term was presented. It was explained that the continued uncertainty caused both by the pandemic and the Government's approach to financially supporting local authorities.

The report also set out the Council's approach to achieving a financially balanced budget in 2022/23 and the medium term financial strategy thereafter.

The report included proposals for budget consultation during the autumn and consisted of the following sections:

- Background and strategic context
- Summary of the Council's current financial situation
- Update on the Medium Term Financial Strategy
- Proposals to close the funding gap Page 10
- Cabinet, 20th October 2021
- Risks and uncertainties
- The proposed consultation process

Cabinet:

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

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

14 DECISION TO EXCLUDE THE PRESS AND PUBLIC

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

15 PHISH - PRIVATE HOUSING INVESTMENT FOR SETTLED HOMES PROPOSAL

Cabinet considered a report on Private Housing Investment for Settled Homes Proposal (RHISH).

It was explained that the Council intended to increase its mixed portfolio of accommodation options in the borough in order to prevent homelessness. The Council's wholly owned company, Mercury Land Holdings limited ("MLH"/the "Company") had the means and opportunity to give the Council access to properties that would provide affordable and better quality than was the case in the open private rented sector market.

The report also set out specific Housing Services property requirements associated with rental rates that enabled MLH to begin property acquisition through the Private Housing Investment for Settled Homes (PHISH).

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.
3. 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.

4. 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.

16 **HOUSING ASSET MANAGEMENT STRATEGY**

Cabinet considered a report on the Housing Asset Management Strategy.

It was explained that Havering Council owned and managed circa 11,200 properties (9,200 tenanted and 2,000 leasehold), including 10 tower blocks and around 1,000 medium and low rise blocks.

The high level objectives for the housing assets should be to:

- provide the best quality, safest and cost effective home for our residents which meet their needs
- maximise the value of the assets and ensure a positive impact on the HRA business plan
- address the social impacts housing can have on individuals and communities through investments in estates and environment
- meet the council's zero carbon objectives

Furthermore, the Council had developed a new strategy, to replace the previous 5 year strategy adopted in 2016, which set out its keys aims and action plan to deliver them effectively.

Cabinet:

Adopted the Housing Asset Management Strategy and the associated action plan as set out in Appendix 1 of the report.

Chairman