



MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Wednesday, 19 July 2023
(Times Not Specified)

Present:

Councillor Ray Morgon (Leader of the Council), Chairman

Cabinet Member responsibility:

Councillor Oscar Ford

Lead Member for Children and Young People

Councillor Paul McGeary

Lead Member for Housing

Councillor Paul Middleton

Lead Member for Corporate, Culture and Leisure Services

Councillor Barry Mugglestone

Lead Member for Environment

Councillor Christopher Wilkins

Lead Member for Finance and Transformation

Councillor Graham Williamson

Lead Member for Development and Regeneration

Apologies were received for the absence of Councillors Keith Darvill and Gillian Ford.

95 **ANNOUNCEMENTS**

Members were advised of the Fire Safety procedures in the Council Chamber.

96 **APOLOGIES FOR ABSENCE**

Apologies received from Councillor Gillian Ford and Councillor Keith Darvill.

97 **DISCLOSURES OF INTEREST**

There were no disclosures of interests.

98 **MINUTES**

The minutes of the meeting held on **14th June 2023**, were agreed as a correct record and the Chair signed them.

99 **EAST LONDON WASTE AUTHORITY (ELWA)**

Cabinet was presented with the **East London Waste Authority (ELWA) – Outline Business Case**

Report was introduced by **Councillor Barry Mugglestone**, Cabinet Member for Environment

The Cabinet **agreed** to the East London Waste Authority (ELWA) – Outline Business Case

2.1 Cabinet **agreed** to support the East London Waste Authority's (ELWA) Outline Business Case (OBC) included at Exempt Appendix A.

2.2 Cabinet **agreed** in principle to the future use of Gerpins Lane (RRC), Gerpins Lane, Upminster, RM14 2XR being made available as a site on the future procurement by way of a property agreement and delegate authority to the Director of Asset Management to enter into the relevant property arrangements.

2.3 Cabinet **noted**:

2.3.1 **Noted** that the OBC is necessary to deliver the aims and objectives of the Joint Strategy, as adopted by Cabinet at its meeting on 16th February 2022 and so that ELWA can commence the procurement of the waste treatment and disposal services to be in place at the expiry of the Integrated Waste Management Services Contract (IWMS Contract).

2.3.2 **Noted** that subject to all Constituent Councils agreeing to the recommendation in 2.1, ELWA Authority Members will then be asked to approve the OBC at the ELWA Authority Meeting to be held on 29 September 2023.

2.3.3 **Noted** that ELWA will be the contracting authority for the procurement of the new service arrangements and, at the completion of the procurement process, ELWA will develop a Full Business Case (FBC) which will be subject to further confirmation of support by each of the Constituent's Councils Cabinet.

2.3.4 **Noted** that the OBC is not seeking to set a budget for the years following the expiry of the IWMS Contract. There will be a future Cabinet report to formalise new levy arrangements from 2028/29 onwards. The timing will need to be considered alongside that of the FBC.

2.3.5 **Noted** that there is a programme of work that ELWA is preparing to undertake in relation to the expiry and demobilisation of the IWMS Contract.

100 **MERCURY LAND HOLDINGS- UPDATE TO BUSINESS PLAN 2022/23**

Cabinet was presented with the **Mercury Land Holdings (MLH) Business Plan and Budget Update 2023-2026**.

Report was introduced by **Councillor Graham Williamson**, Cabinet Member Development and Regeneration

Cabinet **approved** the Mercury Land Holdings (MLH) Business Plan and Budget Update 2023-2026.

1. **Approved** the Mercury Land Holdings Limited Business Plan 2023 to 2026 (see Exempt Appendix 3).
2. **Agreed** to delegate authority to the Cabinet Member for Development & Regeneration, in consultation with the S151 Officer, the Strategic Director of Place and the Deputy Director of Legal and Governance, to approve the detailed business cases, related viability assessments and funding requirements for the individual schemes noted within the Business Plan as they may be presented during the business plan period, including the authority to enter into all relevant agreements to give effect to the schemes.
3. **Agreed** that the previously allocated funding in the November 2019 Business Plan to MLH, up to a maximum of £228.4 million, is reallocated to updated projects in the Exempt Agenda, through a combination of equity investment and Subsidy Control compliant loans. Note that the individual schemes are subject to detailed business cases to be approved under delegated authority, as set out in Recommendation 2.
4. **Authorised** additional capital funding of £42.7million for Mercury Land Holdings Limited, via the 2024/25 budget cycle, in order to fully fund the MLH Business Plan.
5. **Agreed** to delegate to the S151 Officer, in consultation with the Director of Asset Management, and the Deputy Director of Legal and Governance, the authority to determine the principles and processes by which any assets shall be disposed of and the terms of disposal to MLH.
6. **Agreed** to increase the MLH Working Capital Facility by £2m and to extend the term for a period of up to 5 years, as appropriate, commencing January 2024, and to delegate authority to the S151 Officer, in consultation with the Strategic Director Place and the Deputy Director of Legal & Governance to enter into the relevant agreements to give effect to this decision.
7. **Agreed** that the Cabinet Member for Development & Regeneration will replace the Leader at MLH shareholder meetings, including the MLH AGM, as appropriate.

101 **PROCUREMENT OF HIGHWAYS AND STREET LIGHTING CONTRACT**

Cabinet was presented with the **Procurement of Highways and Street Lighting contracts**

Report was introduced by **Councillor Barry Mugglestone**, Cabinet Member for Environment

Cabinet **approved** the Procurement of Highways and Street Lighting contracts

1. **Agreed** the procurement strategy and the commencement of the procurement procedure as set out in this report and Business Case
2. **Agreed** the scope of services to be included in the procurement, as set out in the Business Case at Appendix 1.
3. **Waived** Contract Procedure Rule 18.4 and allow the tender to be evaluated against 60% price and 40% quality.
4. **Approved** funding for provision to be made, for up to £100k to fund external legal advisers for the procurement and contract completion.
5. **Delegated** authority to the Assistant Director of Public Realm to finalise and agree all associated arrangements, documents and contracts necessary to effect the procurement of these services.

102 **OPTIONS FOR THE RAINHAM AND BEAM PARK JOINT VENTURE**

Cabinet was presented with the **Rainham and Beam Park Regeneration LLP – Review of Delivery Options and Selection of a preferred option** report

Report was introduced by **Councillor Graham Williamson**, Cabinet Member for Development & Regeneration

The Cabinet **approved** the following:

1. **Approval** was given for the Council to acquire the Notting Hill Commercial Properties (**NHCP**) interest in the Rainham and Beam Park Regeneration LLP (**LLP**) via entering into a Member Interest Purchase Agreement, as set out in the Exempt Agenda and summarised in the Heads of Terms at Exempt Appendix A for a full and final consideration at the appropriate time;
2. **Approval** was given for the Council to provide a budget as set out in the Exempt Agenda for the Council to undertake the acquisition of assets assembled by Notting Hill Genesis (NHG) on behalf of the LLP as set out in this report;
3. **Authority** was given for the Strategic Director Place, acting in consultation with the Section 151 Officer and Monitoring Officer, to negotiate and complete the acquisition of the assets following conclusion of the necessary due diligence within the budget set out at Recommendation 2.

4. **Approval** was given by the Council (acting as Member of the LLP) for the termination by the LLP of the following agreements:
 - a. Development Management Agreement;
 - b. Administrative Services Agreement; and
 - c. Strategic Land Agreementas set out in as set out in the Exempt Agenda and summarised in the Heads of Terms at Exempt Appendix A, at the appropriate time;
5. **Approval** was given by the Council (acting as Member of the LLP) for the LLP to enter into the Member Interest Purchase Agreement as set out in the Exempt Agenda report and summarised in the Heads of Terms at Exempt Appendix A at the appropriate time;
6. **Approval** was given for the termination by the Council of:
 - a. the Strategic Land Agreement; and
 - b. the CPO Indemnity Agreement,as set out in the Exempt Agenda report and summarised in the Heads of Terms at Exempt Appendix A, at the appropriate time;
7. **Authority** was given for the Strategic Director Place, acting in consultation with the Monitoring Officer and Section 151 Officer, to finalise and enter into all necessary legal and commercial agreements, to bring into effect the proposed arrangements in Recommendations 1-6 inclusive.
8. **Authority** was given for the Strategic Director Place, acting in consultation with the Lead Member for Development & Regeneration to enter into such documents and do such acts as necessary to resolve any existing disputes under the CPO Indemnity Agreement in order to allow the CPO Indemnity Agreement to come to a natural end following the purchase of NHCP's member interest.
9. **Authority** was given for the Strategic Director Place, acting in consultation with the Section 151 Officer and Monitoring Officer, to establish a new Nominee Company prior to the completion of the acquisition referred to in Recommendation 1, in order to support the continuation of the LLP (such Nominee Company to be the second member in the LLP with the Council after the exit of NHCP) and to enter into all necessary legal and commercial agreements in order for that Nominee to be established as a Member in the LLP;
10. **Authority** was given for the Strategic Director Place, acting in consultation with the Director of Property (new structure), the Monitoring Officer and the Section 151 Officer, to complete the review of the options for the long-term funding and delivery of the regeneration of Rainham and Beam Park, including interim uses of the sites transferred subject to Recommendation 2, and to produce a further report for Cabinet consideration.

103 **ALLOCATIONS POLICY 2.0**

Cabinet was presented with the **Housing Allocation Policy 2023**

Report was introduced by **Councillor Paul McGeary**, Cabinet Member for Housing

The Cabinet **approved** the Housing Allocation Policy 2023

1. **Approved** the request to go to consultation on this Housing Allocation Scheme.
2. **Noted** that the outcome of the consultation will inform and shape the final policy before approval is sought from Cabinet.

104 **UPDATE OF THE COMPLAINTS POLICY AND PROCESS**

Cabinet was presented with the **Complaints and Compliments Policies and Procedure**

Report was introduced by the Leader of Havering Council, **Councillor Ray Morgon**

Cabinet **approved** the Update of the Complaints and Compliments Policies and Procedure as contained in the Supplementary report.

105 **FINANCE UPDATE REPORT**

Cabinet was presented with the **Finance Update Report**

Report was introduced by **Councillor Christopher Wilkins**, Cabinet Member for Finance & Transformation

Cabinet **noted** the financial position set out in this report.

Chairman