



MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Wednesday, 22 January 2025
(7.00 - 9.10 pm)

Present:

Councillor Ray Morgon (Leader of the Council), Chair

Councillor Gillian Ford

Councillor Oscar Ford

Councillor Paul McGeary

Councillor Paul Middleton

Councillor Barry Mugglestone

Councillor Natasha Summers

Councillor Christopher Wilkins

Councillor Graham Williamson

Cabinet Member responsibility:

Lead Member for Adults & Wellbeing

Lead Member for Children & Young People

Lead Member for Housing & Property

Lead Member for Digital, Transformation & Customer Services

Lead Member for Environment

Lead Member for Housing Need & Climate Change

Lead Member for Finance

Lead Member for Regeneration

In attendance: Cllr Michael White (CON), Cllr Keith Darvill (Labour), Cllr Martin Goode (EHRG), Cllr David Taylor (CON)

Observers: Cllr Matt Stanton (LAB), Cllr Stephanie Nunn (HRA).

31 ANNOUNCEMENTS

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

32 APOLOGIES FOR ABSENCE

No apologies received, full cabinet in attendance.

33 **DISCLOSURES OF INTEREST**

There were no declarations of interest.

34 **MINUTES**

The minutes of the meetings held on **11th December 2024**, were agreed as a correct record and the Chair signed them.

35 **PERMISSION TO DELEGATE PURCHASE OF FOOD WASTE CADDIES/FOOD WASTE VEHICLES**

Report: Decision to implement domestic food waste collections, and delegate purchasing.

Presented by: Councillor Barry Mugglestone, Cabinet Member for the Environment

Summary:

1. The Environment Act 2021 requires all local authorities to implement weekly collections of food waste from all households by 1st April 2026. This decision report seeks approval for the rollout of food waste collections to residents, and delegate the procurement of vehicles, containers and equipment to deliver the service to the Director for Environment. This will reduce the potential for service delays as vehicle lead times are expected to increase as the year progresses, and will also allow the allocation of as-yet unconfirmed amounts of revenue funding. The service is also currently analysing the results of a customer survey, and this report will enable the results of that survey to feed into the service design and communications planning.
 - 1.1. The initial purchasing of vehicles, containers and equipment is expected to cost £3.2m based on current market rates, however, will be subject to appropriate procurement procedures. Havering Council has received £1.894m of capital funding from DEFRA, with Havering including capital funding of up to £4.650m to cover any shortfall. Officers continue to lobby DEFRA to plug the funding gap accordingly, and any unspent internal capital funds will be released if not needed.
 - 1.2. A contract variation will be required for the Council's waste contractor, FCC to deliver the service, which is anticipated to commence in October 2025 at a cost of £2.7m per annum. This decision also seeks approval for the Director of Environment to carry out all necessary contractual arrangements with FCC to complete the contract variation.
 - 1.2. Whilst the food waste service is a mandatory requirement on the Council to deliver, residents have been surveyed to understand any barriers to participating in the service, and how communications will be

best received, with a summary provided in Appendix 8. The survey is based on proposals, laid out in Appendix 9.

Cabinet:

- 2.1. **Agreed** the draft proposals (Appendix 9 and paragraph 4 below) to implement weekly household food waste collections to all domestic properties in Havering, commencing rollout from October 2025.
- 2.2. **Authorised** delegation of capital spending and the commencement of a procurement process (at an estimated value of £3.2m) to the Director for Environment, to enable the purchase of vehicles, containers, and equipment. This will adhere to the relevant procurement rules as appropriate.
- 2.3. **Authorised** the Director of Environment to take all necessary steps to complete the contract variation with FCC for the delivery of the food waste collection service.
- 2.4. **Delegated** the acceptance of any further funding whether revenue or capital from DEFRA monies to the Director of Environment, in consultation with the Cabinet Member for Environment, Head of Finance and Director of Resources (s151).

36 **TENANCY POLICY**

Report: Housing Services – Tenancy Policy

Presented by: Councillor Paul McGeary, Cabinet Member for Housing & Property

Summary:

This policy outlines our approach to providing a fair and transparent tenancy management service, reflecting our commitment to provide secure, high-quality housing and ensure that our residents have a safe and comfortable home.

The need for a Tenancy Policy is a requirement of social housing reforms set out in the Localism Act 2011 and is a requirement of the Regulatory Framework for Social Housing.

The policy reforms include the introduction of the right to issue tenancies for a fixed length of time and changes to the rights of succession.

This aims to give social housing providers greater flexibility in making best use of their stock and Affordable Rent Tenure Options (affordable rent

means up to 80% of the local market rent) to increase rental income and in turn maximise the supply of homes.

This policy sets out how Havering Council ('the landlord') use the range of options available in the Localism Act to assist in meeting its strategic aims, outlining:

- the use of different tenancy types to ensure the best use of valuable social housing stock
- different tenancy types and the circumstances under which they will be offered
- tenancy management
- the process for starting and ending a tenancy
- ensuring tenancies are sustainable
- how we help our vulnerable tenants

Cabinet:

Approved the Housing Services – Tenancy policy.

37 ACCESS TO HOMES POLICY (2025)

Report: Access to Homes policy (2025)

Presented by: Councillor Paul McGeary, Cabinet Member for Housing & Property

Summary:

This policy explains Havering Council's (the Council) approach to obtaining necessary access to a Council property (including gardens, external storage areas and other outside areas) in order to fulfil its statutory and/or regulatory duties to protect the occupier and/or their neighbours.

It explains how necessary access will be requested and what action will be taken if access is, for whatever reason, denied.

Cabinet:

Approved the Access to Homes Policy (2025)

38 OFFICE TO RESIDENTIAL CONVERSION TO ACCOMMODATE HOMELESS FAMILIES - EASTGATE HOUSE

Report: Office to residential conversion to accommodate homeless families – Eastgate House

Presented by: Councillor Natasha Summers – Lead Portfolio Holder for Living Well Housing Demand

Summary:

1. The Council will look to enter into a 10-year lease with the National Housing Group for the sole and exclusive use of Eastgate House, a 34-unit Office to Residential Conversion by 2026, to meet its Homeless Reduction Act 2017 duty to accommodate homeless families.
2. The scheme will enable the local authority to exit 34 households out of high cost hotel and nightly charged accommodation anticipating a net revenue cost avoidance of circa £1.8 million over the length of the term, as well as £5.3 million in capital receipts. The forecast for inflation is included.

Cabinet:

4.1 **Approved** the proposal to enter into an agreement for lease with National Housing Group for the sole use and occupation of Eastgate House, a 34 unit building in Basildon, under which the Council will be obliged to take a 10-year lease of Eastgate House upon completion by National Housing Group of agreed refurbishment works.

4.2 Upon completion of the lease referred to above, **approved** that the Council may either:

4.2.1 grant a sub-underlease of Eastgate House to a wholly owned subsidiary of the Council (envisaged to be called Queens Letting and Management (“QLM”)) on a back to back basis; or

4.2.2 to manage Eastgate House directly.

4.3 **Approved** deficit grant funding of up to £3.9m in total to QLM to cover the lease period.

4.4 **Delegated** to the Director of Living Well, in consultation with the Strategic Director of Resources, to take all steps, and to enter into all documentation, necessary to deliver the scheme as approved by recommendation (a) above including the discretion to decide which of options (b)(i) and (ii) shall be progressed.

3. **Noted** we have already received cabinet approval to incorporate QLM Community Interest Company (CIC) on the 12 June 2024 – Establishment of a joint venture company to manage properties leased in partnership with Chalkhill.

4. **Noted** Eastgate House is a permitted development scheme where from a planning perspective has already secured prior approval for office to residential conversion.
5. **Noted** the projected costs of leasing the property for the term outlined as well as the projected cost avoidance.

39 **OUTLINE PROPOSALS TO ADDRESS EARLY YEARS, PRIMARY, SECONDARY AND SEND RISING ROLLS – UPDATE TO PHASE 5 EXPANSION PROGRAMME**

Report: Outline Proposals to address Early Years, Primary, Secondary and SEND rising rolls – To implement Phase 5 expansion Programme

Presented by: Councillor Oscar Ford, Cabinet Member for Children & Young People

Summary:

1. The report seeks Cabinet's approval of the projects and associated capital funding to implement Phase 5 of the expansion programme to manage the forecast increase in early years, primary, secondary and SEND pupil numbers, as approved in the Outline Proposals to address Early Years, Primary, Secondary, SEND and AP rising rolls – Update to Phase 5 expansion Programme cabinet report in November 2023.
2. Phase 5 of the Schools Expansion Programme sets out proposals for capital investment of £66m to provide for expansion of school places in those areas where there is clear evidence of sustained growth in need over the next five years. The investment will be funded from a combination of basic needs allocation, unallocated capital budget from earlier phases, SEND capital grant and S106 Housing Development contributions.
3. This rise in demand in Primary, Secondary and SEND means that the Council needs to do two things:
 - Find ways to absorb the immediate extra demand for places, while protecting the Borough's excellent reputation for good schools – which is already well underway.
 - Plan for a longer term growth in pupil numbers to meet demand from new housing and a growing population and establish new schools as and when required.
4. Approval will enable officers to implement the education projects detailed in this report as part of the Council's strategy of ensuring that there are sufficient school places to meet likely future demands.

Cabinet:

1 Agreed

1.1 An increase in Early Years and Childcare Places including

- 1.1.1 Approval of the spend of the £566,841 childcare capital expansion funding grant as set out at para 2.4 of the Report.

1.2 An increase in Primary Places including implementation of:

- 1.2.1 The establishment of one-off bulge classes as an interim measure to increase primary places between 2024/25 and 2027/28.
- 1.2.2 The permanent 1FE expansion of a primary school in the Romford planning area.

1.3 An increase in Secondary Places including implementation of:

- 1.3.1 One-off bulge classes as an interim measure to increase secondary places to meet demand
- 1.3.2 1 FE permanent expansion at one secondary school in the Central planning area in 2026/27

1.4 To increasing SEND Places

1.4.1 Primary SEND places

- **Approved** SEND Units to be implemented for primary children at the following schools:

School name	Number of places	SEND need type	Due to open
Harrow Lodge Primary School	12	Communication and Interaction (C&I)	2026/27
Harold Wood Primary School	12	Communication and Interaction (C&I)	2026/27

- To expand the existing SEND provision at RJ Mitchell Primary School from 21 to 40 places.

1.4.2 Secondary SEND places

Supported the implementation of temporary accommodation to provide SEND unit places at Royal Liberty School from January 2025 - 12 places for pupils (11-16 years) with Communication and Interaction needs.

Approved that the SEND Unit to be implemented for secondary pupils at the following school:

School name	Number of places	SEND need type	Due to open
The Brittons Academy	20	Communication and Interaction (C&I)	2026/27

1.4.3 Special Schools

Agreed the funding to be transferred to Lime Trust in order to increase the capacity at Lime Academy Forest Approach so that the school can increase their pupil numbers from 120 to 150.

END Capital Grant Programme

Agreed to establish a SEND capital grants programme allowing schools and settings to apply for part of the fund that could be used to make adaptations to their building in order to promote better outcomes for children and young people with SEND.

1.4.4 School Houses

Agreed that the net-capital receipts from the sale of the school houses at Scotts Primary School and Newtons Primary School be included in the capital programme to deliver the respective school improvement projects.

1.5 **Increasing Alternative Provision (AP) Places**

1.5.1 **Agreed** to implement a primary AP provision, to operate from the site of and to be run by Olive AP Academy Havering.

2 Delegated the power for Phase 5 of the Expansion Programme to the Cabinet Member for Children & Young People

- To take further decisions regarding the implementation of these projects and the approval of which schools/early years/childcare settings should be expanded including any amendments to the proposals above, such as a decision not to proceed or to expand a different school/early years/childcare setting, in the light of developing circumstances or the results of consultation (subject to the appropriate statutory processes).
- To approve the Executive decision to award the contract to construct and design the new special free school on Balgores Fields.

3 Delegated to the Assistant Director of Regeneration & Place Shaping authority to:

- Submit planning applications after consultation with planning officers, commission all associated surveys/investigations (including transport assessment, soils survey, environmental check etc.) and commence tender processes as required to support the development of options appraisals to deliver Phase 5 expansions required- noting that tender awards will remain the subject of separate Executive Decision(s).

4 Delegated to the Assistant Director of Education authority to:

- Select proposers for new schools and make recommendations to the Secretary of State for Education in respect of free school processes.
- Apply for grant funding opportunities from the DfE
- Accept grant funding from the DfE on behalf of the Local Authority
- Apply for free schools via future free school waves
- Determine that capital receipts from the future sale of school houses be returned to the respective school with funds used to enhance education provision at that school.
- To sign off any statutory proposals needed to implement the projects.

40 **CONTRACT AWARD FOR THE SUPPLY OF TEMPORARY WORKERS**

Report: Contract Award for the Supply of Temporary Workers

Presented by: Cllr Ray Morgon, Leader of the Council

Summary:

5. The report seeks Cabinet's approval of the projects and associated capital funding to implement Phase 5 of the expansion programme to manage the forecast increase in early years, primary, secondary and SEND pupil numbers, as approved in the Outline Proposals to address Early Years, Primary, Secondary, SEND and AP rising rolls – Update to Phase 5 expansion Programme cabinet report in November 2023.
6. Phase 5 of the Schools Expansion Programme sets out proposals for capital investment of £66m to provide for expansion of school places in those areas where there is clear evidence of sustained growth in need over the next five years. The investment will be funded from a combination of basic needs allocation, unallocated capital budget from earlier phases, SEND capital grant and S106 Housing Development contributions.
7. This rise in demand in Primary, Secondary and SEND means that the Council needs to do two things:

- Find ways to absorb the immediate extra demand for places, while protecting the Borough's excellent reputation for good schools – which is already well underway.
 - Plan for a longer term growth in pupil numbers to meet demand from new housing and a growing population and establish new schools as and when required.
8. Approval will enable officers to implement the education projects detailed in this report as part of the Council's strategy of ensuring that there are sufficient school places to meet likely future demands.

Cabinet:

1. **Approved** a contract award for the supply of temporary workers to Adecco (Company number **00593232**) via the Eastern Shires Purchasing Organisation Mstar4 London Collaboration call-off for a duration of two years with the option to extend for two further periods of two years for a total duration of six years.

41 **APPROVAL TO COMMENCE PROCUREMENT FOR FROZEN FOOD AND GROCERY**

Report: Approval to commence procurement for Frozen Food and Grocery

Presented by: Councillor Oscar Ford, Cabinet Member for Children and Young People

Summary:

The current Frozen Food and Grocery Single-supplier framework expires on 31 August 2025. The Council's current call-off contract expires on the same date.

HES Catering Service has reviewed the requirements and seeks to establish a new three year (plus 12-month extension) multi-supplier framework for this provision as soon as possible. The framework will be owned and managed by HES Catering Services and can be accessed by the members of the Procurement Across London (PAL) group. Each participating member is responsible for their respective call-off agreements and will enter into separate call-off contracts.

The Councils who form the PAL group are:

- London Borough of Havering,
- London Borough of Tower Hamlets,
- London Borough of Waltham Forest,
- Thurrock Council

Cabinet:

Approved the commencement of a procurement process to set up a Procurement Across London (PAL) framework for Frozen Food and Grocery for a duration of three years plus 12-month extension (3+1).

The process will be via a Public Contracts Regulations 2015 compliant tender procedure as set out in this report. The indicative value of the new call-off contract across PAL members is c. £6.71m in year 1. The total framework value over the 4-year term of the contract (3 years + 1-year extension) is £28.91m across all PAL members. This includes an estimated 5% annual inflationary increase.

Havering's estimated annual contract value in Year 1 is £2.23m (£9.63m total contract value over the lifetime of the framework duration of four years).

42 **COUNCIL TAX BASE 2025/26**

Report: Council Tax base 2025/26

Presented by: Councillor Chris Wilkins, Cabinet Member for Finance

Summary:

This report is produced to enable the Council to fulfil its statutory role to set a council tax base for 2025/26. The Local Government Finance Act (LGFA) 1992, as amended by the LGFA 2003 & LGFA 2012 requires the Authority to formally calculate the council tax base for 2025/26 and pass this information to precepting authorities by 31 January 2025.

The tax base must be set between 1 December 2024 and 31 January 2025. The regulations stipulate that:

- The appropriate figure must be calculated using the Valuation List and Council Tax records as at 30 November 2024
Calculation of the Tax Base
- The calculation of the Council Tax Base is by way of a statutory prescribed formula, which is set out at Appendix A.

Cabinet:

Agreed a taxbase of 90,151 band D equivalent for 2025/26

Noted the change in estimated collection rate set out in section 3.3 which is a prudent assumption and reflective of current collection levels.

43 **APPROVAL TO EXTEND WINDOWS AND DOORS CONTRACT**

Report: Approval to award 1-year extension of contract for Windows and Doors

Presented by: Councillor Paul McGeary, Lead Member for Housing & Property

Summary:

As part of the Council's responsibility as a landlord, the Council has a duty to undertake repairs and maintenance works to its HRA housing stock. The Council entered into contract with Equans Regeneration Limited to replace windows and doors. The original contract was for 3 years with 2 one-year optional extensions subject to performance.

The Council has been satisfied with the performance and would like to activate an additional one-year extension to the original contract at a value of £7m. Monies have been identified within the HRA 30-year business plan and contract spend will be aligned with business priorities and approved budgets.

Cabinet:

Agreed to extend the contract with Equans Regeneration Limited to deliver windows and doors including fire doors to HRA properties for a period of one year at a maximum value of £7 million.

44 **PROVISION OF TEMPORARY HOMES FOR THE WATERLOO ESTATE**

Report: Temporary Housing for Waterloo and Queen Street site - Meanwhile Use.

Presented by: Councillor Graham Williamson, Cabinet Member for Development & Regeneration.

Summary:

This report seeks Cabinet approval for the installation of 18 modular homes at the Waterloo and Queen Street site as a meanwhile use to address the acute housing shortage.

The modular units will provide temporary accommodation for households at risk of homelessness and help mitigate reliance on unsuitable temporary housing options such as hostels or hotels.

Cabinet:

Approved the installation of 18 modular homes and related accommodation works on part of the Waterloo and Queen Street site by the Havering/Wates Joint Venture Partnership.

Approved expenditure of £6,500,000 from the allocated budget.

Delegated authority to the Strategic Director of Place to progress and complete all relevant applications, consents, legal agreements and ancillary documentation necessary to deliver the project

45 **COMMENTS OF OVERVIEW AND SCRUTINY BOARD**

Report: Comments of Overview and Scrutiny Board

- A. Office to residential conversion to accommodate homeless families – Chesham House

Presented by: Councillor Natasha Summers

Response:

Councillor Summers responded to each of the 12 considerations:

1. **There are concerns over the financial position of National Housing Group with a lack of liquidity and low levels of cash at bank demonstrated in the Cabinet report. The recent departure of three directors of the company, without apparent replacement, is also of concern.**

These concerns are noted.

National Housing Group addresses liquidity concerns and recent director resignations. Last year, we managed three major projects, causing fluctuations in working capital. Now, our financial position is stable, with a consistent six-figure cash balance over the past 9 months and all properties fully let.

Only two directors have resigned, neither involved in daily operations. Duncan Kreeger remains a director of Bryan Lloyd Limited, the ultimate beneficial owner of NHG. The core operational team is intact, ensuring business continuity and stability.

2. **No agreement should be entered into for the site until more detail is known of the precise elements of the scheme or planning permission has been granted.**

This recommendation is accepted.

To guarantee the quality of the proposed development, a detailed minimum standards document will be appended to the Agreement for Lease (AFL). This

document will outline stringent build quality criteria and standards that the development must meet. All construction activities will comply with relevant building regulations and specifications to ensure that the completed project is fit for purpose.

Additionally, necessary collateral and structural warranties will be assigned to the London Borough of Havering. These warranties will provide assurance that the development meets the required standards and will mitigate risks associated with potential non-compliance or structural issues.

- 3. More detail is required on whether the location of the development in an industrial estate is suitable and conducive to the quality of life of residents. In particular, more precise detail should be given of the noise mitigation measures to be taken to reduce disturbance from nearby industrial units. The Board is also concerned that the development may set an unwanted precedent for locating residential units in industrial areas.**

This recommendation is noted.

The location of the proposed development has been evaluated to ensure its suitability and maintain the quality of life for future residents. The detached building is situated at the edge of the industrial estate, near residential houses on Cedar Road and adjacent to the newly constructed residential development, merchant's yard.

To address potential concerns regarding noise and industrial disturbance, comprehensive noise assessments will be conducted. The findings will be reported transparently, and any identified issues will be addressed through mitigation strategies that comply with all necessary standards and regulations. These measures aim to minimize disturbances and ensure a high quality of life for residents. Additionally, the development has been planned to avoid setting an undesirable precedent for residential units in industrial areas by taking into account the specific characteristics and boundaries of the location.

- 4. The Board is disappointed that it was not presented for scrutiny the legal advice received by Cabinet on this matter (this has since been provided) and feels that this significantly hindered the scrutiny process.**

This recommendation is noted.

This appears to have been an administrative error in the publication of the documents. The documents have been provided by Democratic Services on the 8 January 2025.

- 5. Confirmation should be given that the scheme will be solely for Havering residents.**

This recommendation is noted.

The scheme will be used to fulfil the council's duty under the Housing Act 1996, Part VII. All occupants must demonstrate a local connection with Havering before moving in.

6. Further detail should be given on the quality aspects of the scheme and the risk of not reaching these should be established.

This recommendation is noted.

The council requires the conversion to meet detailed property standards before signing the lease agreement.

7. A specific explanation is requested of why Mercury Land Holdings does not have Public Liability Insurance and hence cannot be considered as an option for this scheme.

This recommendation is noted.

Mercury Land Holdings (MLH) has public liability insurance. However, MLH directors who are not council employees will not be covered for any reputational risk associated with housing homeless households.

8. Clarity should be given over whether Stamp Duty needs to be paid for the Chesham House development as the report is unclear on this point.

This recommendation is noted.

NHG must pay SDLT when signing the lease with the Council. According to the council's tax advisors, the sublease to Queens Lettings and Management will be exempt from SDLT, but specific exemption authorization from HMRC is required.

9. It is essential that adequate security arrangements are in place to safeguard tenants at Chesham House, including external and internal CCTV cameras as required.

This recommendation is accepted.

We intend to replicate the security arrangements for our other hostel schemes.

10. The Board requests to see any pre-planning application discussions that may have taken place.

This recommendation is noted.

The Cabinet is not aware of any pre-planning application discussions; however prior approval will be sought in the normal way as a permitted development scheme with all the risk borne by National Housing Group.

11. Briefings on the development should be given as soon as possible to Strategic Planning Committee and to Places Overview and Scrutiny Committee (OSSC). The briefing to Places OSSC to cover compliance with housing law as part of the development.

This recommendation is partially accepted.

Briefings to the Strategic Planning Committee will be carried out by the applicants, NHG, however officers will arrange for future briefing to the Places OSSC on the development, subject to the agreement of the Chair.

12. Details should be provided on the impact of the scheme of the Council's Risk Register.

This recommendation is accepted.

The Council has identified emergency bed and breakfast accommodation as a significant risk to children, families, reputation, and budgets. This scheme aims to mitigate these risks by providing good quality accommodation.

B. Citizens Advice Service and Budget Consultation Response presented by Councillor Chris Wilkins

1. That it be investigated whether S 106 or Community Infrastructure Levy funding from the Angel Way or Como Street developments can be used to support the Citizens Advice Service – either as a replacement for existing grant funding or as a means to provide accommodation for the service on either of these sites.

Cabinet Lead response: This recommendation will be considered at the February Cabinet Budget meeting.

2. That next year's budget consultation be presented to the Overview and Scrutiny Board, in draft form, in order that this can be scrutinised and suggestions made, prior to its going live.

Cabinet agreed to this recommendation

- A. Comments of Overview and Scrutiny Board on Requisition of Cabinet Decision - Office to residential conversion to accommodate homeless families – Chesham House

Cabinet:

Upheld the original decision and responded to the comments of the Overview & Scrutiny Board

- B. Comments of Overview and Scrutiny Board on Citizens Advice Service and Budget Consultation

3. That it be investigated whether S 106 or Community Infrastructure Levy funding from the Angel Way or Como Street developments can be used to support the Citizens Advice Service – either as a replacement for existing grant funding or as a means to provide accommodation for the service on either of these sites.

Cabinet response: This recommendation will be considered at the February Cabinet Budget meeting.

4. That next year's budget consultation be presented to the Overview and Scrutiny Board, in draft form, in order that this can be scrutinised and suggestions made, prior to its going live.

Cabinet agreed to this recommendation

Chairman