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MINUTES OF A CABINET MEETING Council Chamber - Town Hall Wednesday, 15 June 2016 (7.30 - 9.40 pm)

Present:

Councillor Roger Ramsey (Leader of the Council), Chairman

Councillor Damian White

Councillor Robert Benham

Councillor Wendy Brice-Thompson

Councillor Osman Dervish

Councillor Clarence Barrett

Councillor Joshua Chapman

Councillor Jason Frost

Cabinet Member responsibility:

Housing

Children & Learning

Adult Social Services and Health

Environment, Regulatory Services
and Community Safety

Financial Management

Deputy Cabinet Member assisting
Cabinet Member for Housing

Deputy Cabinet Member assisting
Cabinet Member for Environment,
Regulatory Services & Community
Safety

Apologies were received for the absence of Councillors Melvin Wallace and Ron Ower.

Councillors Ray Morgon, Michael Deon Burton, David Durant, Keith Darvill and Patricia Rumble also attended.

There was a member of the press present.

There were no disclosures of interest. Unless otherwise indicated, all decisions were agreed unanimously with no Member voting against.

53 **MINUTES**

The minutes of the meeting held on 13 April 2016 were agreed as a correct record and were signed by the Chairman.

54 **OVERVIEW & SCRUTINY BOARD - DEBT RECOVERY TOPIC GROUP REPORT**

Councillor Clarence Barrett, Cabinet member for Financial Management, introduced the report

Cabinet was informed that the report contained the findings and recommendations which had emerged after the topic group scrutinised the subject selected by the Overview & Scrutiny Board in May 2015.

Members' attention was drawn to the statement in the report which identified an outstanding debt in excess of £19 million. They were reassured that this was not irrecoverable but contained a complex structure of debts which were being addressed on an on-going basis.

Whilst Cabinet accepted the report, it was somewhat critical of a lack of detail and the length of time the topic group had taken to complete its work, though it confirmed that oversight and management of scrutiny was a matter for the Overview and Scrutiny Board alone.

The work of the Debt Recovery Board was acknowledged and Cabinet accepted the findings of the topic group, though it noted that in future reports from any standing review topic group should refer its findings to the Debt Recovery Board not Cabinet.

Reasons for the Decision

Under the Local Government and Public Involvement in Health Act 2007, s. 122, Cabinet is required to consider and respond to a report of an Overview and Scrutiny Committee within two months of its agreement by that Committee or at the earliest available opportunity. In this case, Cabinet was required to do this at its meeting on 15 June 2016 as the scheduled meeting on 11 May 2016 was cancelled. Cabinet was also required to give reasons for its decisions in relating to the report, particularly in instances where it decided not to adopt one or more of the recommendations contained within the report.

Alternative Options Considered

There were no alternative options.

Cabinet:

1. **Noted** the report of the topic group.
2. **Authorised** the creation of a task force focussed solely upon recovering Council Tax debts over one year old.
3. **Agreed** to the continuation of the Topic Group to maintain a review of Council Tax and, progressively, other Council debts for an indefinite period.

55 **LOCAL LONDON INTER-AUTHORITY AGREEMENT**

Councillor Roger Ramsey, Leader of the Council, introduced the report

Cabinet was informed that the report before it sought Cabinet approval for the Local London Inter Authority Agreement, as agreed by the Local London Partnership Members. The Local London Inter Authority Agreement was appended to the report.

Members were reminded that “localism” was a real factor in the manner in which local authorities managed their shrinking budgets in a way which produced economies of scale and consequently benefits for local residents. There had been a number of precursors to the current agreement – the “*East London Solutions*” being one such alliance of groups of authorities. The creation of “*oneSource*” was another option conceived and developed by Havering – this time initially in partnership with the London Borough of Newham – but designed to ensure services were delivered in a new and efficient manner. The current alliance was simply a further step in the constant drive to find efficiencies.

Part of the Agreement was to approve a funding contribution to provide a Director of Local London who would provide strategic leadership to the Local London sub-region in developing joint programmes of work, identify opportunities and develop a case for greater devolution to Local London on behalf of the Joint Executive Committee which would be established to co-ordinate the work of the Alliance.

Reasons for the decision:

It was necessary for Cabinet to approve the arrangements set out in the Local London Inter Authority Agreement in order that Local London members could collaborate on and coordinate a range of activities and opportunities that would arise through a greater devolution of powers from central government.

At the Local London Leaders, Mayors and Chief Executives Strategy Group meeting on 15th March, members committed themselves to formally approving the Local London Inter Authority Agreement through their respective governance mechanisms.

Other options considered:

The alternative option available to the Cabinet was not to approve the arrangements set out in the Local London Inter Authority Agreement. This would mean that Havering would not formally be a Local London member, which would limit the opportunities presented to the borough through devolution at a sub-regional level. This option was not recommended.

Cabinet:

1. **Approved** the Local London Inter Authority Agreement and the agreements proposed.
2. **Agreed** to the creation of the Local London Partnership Unit headed by the Director of Local London, who would lead on the development and management of Local London's programme of work.
3. **Agreed** to the creation of the Local London Joint Committee and **agreed** to the delegation of functions to this joint committee to discharge executive functions on behalf of the London Borough of Havering and other Local London Members as outlined in the Schedule of Appendix A to the report.
4. **Approved** the London Borough of Redbridge's role as the Accountable Body of Local London, and any duties and responsibilities that were assigned to this role.
5. **Nominated** one representative for the Local London Joint Committee, which would enact executive functions (set out in paragraph 3.1 of the report). This would usually be the Leader of the Council.

56 **AMENDMENTS TO HOUSING ALLOCATIONS POLICY, REVIEW OF THE TENANCY STRATEGY AND POLICY & INTRODUCTION OF A PLACEMENTS POLICY**

Councillor Damian White, Cabinet member for Housing, introduced the report

Members were informed that the report before them sought approval for a revised Housing Allocations Scheme and the introduction of a Homelessness Placements Policy following a period of consultation which had concluded on 4 April 2016.

There was a statutory requirement for local authorities to publish an Allocations Scheme that set out how households were prioritised for social housing. The Localism Act 2011 provided local authorities with considerable discretion in constructing the scheme. The fully revised draft Allocations Scheme covered the eligibility and qualification for, and letting of, social housing in the borough.

Reasons for the decision:

Havering was a popular place in which to live and the revised Housing Allocations Scheme and the proposed Placements Policy would provide a more efficient housing service with better outcomes for residents in high housing need as well as enable the Council to discharge its duty to homeless households into the private rented sector housing.

In addition, welfare reform meant that households who were not working would not be able to receive more in benefits than the average wage of those in work. This would mean that some households might be offered homes in more affordable areas outside of the borough. The Homeless Placements Policy clarified what the Council would take into account when it discharged its homelessness duty to households applying under Part VII of the Housing Act 1996.

Other options considered:

Significant freedoms existed in devising the Allocations Scheme, following the enactment of the Localism Act 2011 and statutory guidance from the Department of Communities and Local Government. Therefore one of the options explored was to extend the residency criterion to up to 8 years. This was rejected as it would have had a disproportionate adverse impact on black and Minority ethnic communities.

To maintain the existing Allocations Scheme and not to introduce the Homeless Placements Policy was rejected because there would potentially be further increased costs to the Council as it would have to consider providing a subsidy for households placed in the private sector locally as a result of the introduction of the welfare benefit cap from August 2013 (which meant that the rents charged in Havering and other parts of London for temporary accommodation and private rented sector homes would be unaffordable).

Cabinet:

1. **Approved** the revised draft Housing Allocations Scheme attached as Appendix 2 to the report.
2. **Approved** the new draft Homeless Placements Policy attached as Appendix 3 to the report.
3. **Delegated** to the Leader of the Council and the Cabinet Member for Housing authority to make any minor amendments to the revised Allocations Scheme and the Homeless Placements Policy, necessitated by any future guidance, further legal advice, national government or operational requirements, unless these would have a significant financial impact in which case a further report would be brought to Cabinet.
4. **Delegated** to the Head of Housing authority to review the circumstances of every household on the Housing Register to enable a reassessment of their priority for housing as part of the implementation of the revised Allocation Scheme and new Homeless Placements Policy.
5. **Approved** the transitional implementation period of six months for the revised Housing Allocations Scheme in order to give existing households on the housing register who would no longer qualify for

housing time to secure alternative accommodation before they were removed from the housing register.

6. **Approved** full implementation of the new Homeless Placements Policy as soon as was practicable.

57 **REVIEW OF THE HOUSING REVENUE ACCOUNT (HRA) 30 YEAR BUSINESS PLAN**

Councillor Damian White, Cabinet member for Housing, introduced the report

Members were reminded that the Housing Revenue Account (HRA) remained a ring-fenced account that was used to manage the Council's own housing stock. The proposed budget would enable the Council to manage the stock to a reasonable standard and to maintain the stock to the Decent Homes standard. It furthermore set rents, service charges and other charges for Council tenants for the year 2016/17.

The report before Members was a follow-up report to the annual budget and rent setting report which had been presented to Cabinet on the 10 February this year. One of the recommendations agreed in that report was for a full review of the HRA Business Plan (BP) to be carried out and an update provided to Cabinet by September 2016. The report complied with that recommendation. The reason for the review was to take account of various government initiatives announced since the General Election in May 2015 and up to the Comprehensive Spending Review announced in November 2015. Officers had also taken account - where possible - of announcements made in the Chancellor's Budget of March 2016.

Many of the initiatives which had emerged since May 2015 had been enshrined within the Housing and Planning Bill. Royal Assent had been given on the 12 May 2016. The Act had various commencement dates for the relevant clauses contained within it up to April 2017. Prior to commencement, some of the clauses which impacted on the HRA BP would need to go through a period of "determination" involving formal consultation, or the drafting of Regulations. Until this happened, the exact nature of the financial impact on the HRA finances will remain uncertain. The Business Plan provided to Cabinet therefore provided a prudent assessment of the projected resources available and would undergo constant review and report back to Cabinet as details of changes became known.

The key changes impacting on the financial situation were:

- Social rent setting policy in the years following the four years of 1% reduction.
- Any capping of Local Housing Allowance (LHA) levels.
- Rent policy regarding supported housing rents.
- Higher value sales levy.
- Pay to stay initiative.

Other expenditure areas had also been fully reviewed. The key areas of expenditure were:

- Planned maintenance to existing stock.
- Responsive repairs costs to existing stock.
- Staffing costs.
- Financing costs of the borrowing in the HRA.
- Losses from bad debts, voids etc.

The impact of each of the items detailed was identified in the body of the report and had been built into the 30 year Business Plan. An update to the 10 year HRA Business Plan was provided in Appendix 1 to the report.

Reasons for the decision:

The Council was required to set the housing rent, service charges and a budget in accordance with the Local Government and Housing Act 1989.

Other options considered:

There were no alternative options in-so-far as setting a budget was concerned. However there were options in respect of the various elements of the budget. These were considered in preparing the budget and covered such areas as the rent and service charge increase, budget growth and major works programme proposals.

Cabinet:

1. **Approved** the Housing Revenue Account Business Plan as detailed in Appendix 3 to the report.
2. **Agreed** the HRA Major Works Capital Programme, detailed in Appendix 2 to the report and **referred it to full Council** for final ratification.
3. **Agreed** the proposed development of new council housing as detailed in Appendix 4 to the report and instructed officers to start consultation and initiate the procurement of preferred partners for the delivery of the enhanced development programme and the service of demolition notices where appropriate. All would be the subject of future reports to Cabinet as the detail of specific sites and sites included would change following detailed financial and planning feasibility.

58 **OVERARCHING BOROUGH AGREEMENT WITH THE GLA TO SUPPORT THE REINVIGORATION OF ROMFORD TOWN CENTRE (ROMFORD HOUSING ZONE)**

Councillor Damian White, Cabinet member for Housing, introduced the report

Cabinet was reminded that on 8 July 2015 it had approved the Romford Development Framework which set a vision for Romford Town Centre as a place for an inclusive and sustainable community which would build on the existing historic context of Romford and capitalise on the opportunity to enhance the town along with the new Crossrail development.

The Framework set out potential new developments and improvements to the environment and physical infrastructure. Cabinet had also agreed that the Council should take a proactive role to bring these forward.

With the Framework in place, and in the light of the demonstrable progress being made by the Council on the Rainham & Beam Park Housing Zone programme, the Greater London Authority (GLA) invited the Council to submit a proposal for Romford to be granted Housing Zone status. With the agreement of the Leader, the Council had submitted a proposal and the former Mayor of London announced in March this year that Romford had provisionally been granted Housing Zone Status. The GLA subsequently confirmed that funding of £34.9m had been earmarked for Romford subject to the process set out in the report before Members.

The Romford Development Framework (RDF) supported residential led schemes providing high quality urban living for a new economically active community alongside enhanced infrastructure to serve existing and new residents. Housing Zone status and funding would enable the Council to unlock or accelerate the delivery of three residential led schemes in Romford, to improve access from the west of the town, and also encourage investment by the private sector. The Romford Housing Zone programme would make a substantial contribution to meeting the London Plan target of an average of 1,170 new homes in Havering each year in the decade 2015 and 2025.

As with the Cabinet report for the Rainham Housing Zone considered by Members last year, the current report sought Cabinet approval to enter into an Overarching Borough Agreement with the GLA for the Romford Housing Zone. Cabinet was also asked to support the principle of development at Bridge Close, the Waterloo Road Estate and Angel Way subject to future Cabinet reports.

To improve the environment and access to the Town Centre and in line with the Romford Development Framework, Cabinet was asked to support the preparation of detailed proposals to create an 'east- west' pedestrian and cycle access linking Waterloo Road with Romford Station, together with improved access points across the ring road.

The Council had a longstanding policy commitment through its adopted planning and regeneration policies to enhance Romford's status as a metropolitan centre and improve the retail and leisure offer. Increased residential living would support this objective. The Council recognised community infrastructure would need to be delivered alongside housing and the Housing Zone governance arrangements would monitor and support that intent as well as the Housing Zone programme.

Reasons for the decision:

The Housing Zone programme gave access to significant investment to accelerate the delivery of Members' objectives set out in the Romford Development Framework.

Other options considered:

Not entering into the Overarching Borough Agreement – REJECTED. The Council had satisfied the GLA that the housing schemes within the Romford Housing Zone would not come forward as outlined without financial support. These schemes would make a significant contribution to meeting housing need and the target set for Havering in the London Plan. Not to proceed with these schemes would increase the pressure for housing elsewhere in the Borough. Not to proceed with plans for the construction of the pedestrian and cycle link from Waterloo Road to Romford Station and the town centre would be a missed opportunity to enhance access for existing residents as well as the occupiers of new developments.

Cabinet:

1. **Agreed** to the borough entering into the Overarching Borough Agreement with the Greater London Authority in respect of the Romford Housing Zone.
2. **Delegated** to the Leader, Cabinet Member for Housing and the Section 151 Officer the authority to approve individual funding agreements.
3. **Agreed** to the establishment of the Romford Housing Zone Delivery Board and governance arrangements as set out in Section 6 of the report, and requested officers to arrange twice-yearly briefings for all Members to include consideration of the overall programme of development and the implications for Council services.
4. **Agreed** to the principle of repaying recoverable grant to the GLA through S106, Community Infrastructure Levy contributions and receipts from the sale of land arising from developments in the Housing Zone. The terms of any repayment to be delegated to the Cabinet Member for Housing and the Section 151 Officer
5. **Agreed** to the principle of new development at Bridge Close noting that the business rationale is subject of a separate report.

6. **Requested** the Head of Economic Development in conjunction with other services to prepare a report for Cabinet on future parking arrangements for the town centre to meet the requirements of businesses and visitors and, subject to that, report on options for the redevelopment of the Angel Way Car Park and adjacent land.
7. **Authorised** the Director of Neighbourhoods and the Director of Housing, in conjunction with the Cabinet Member for Housing, to evaluate options for new residential development and community facilities within the Waterloo Road estate and take the necessary action to prepare a Masterplan, initiate procurement and formulate proposals for consideration by Cabinet.
8. **Authorised** the Head of Economic Development to prepare, in conjunction with other services, detailed plans and business cases for a new pedestrian and cycle route from Waterloo Road to Romford Station, enhancement of the entrance to the southern entrance to the Station, and other linkages connecting the west of Romford to the Station and Town Centre. The approval of proposals and any funding applications are to be delegated to the Cabinet Member for Environment, Regulatory Services and Community Safety.
9. **Confirmed** the Council's commitment to consult with those who might be affected by the Housing Zone proposals and officers were to include the outcome of consultation in reports to Members.

59 **HOUSING SERVICES ASSET MANAGEMENT STRATEGY**

Councillor Damian White, Cabinet member for Housing, introduced the report

Cabinet was informed that the Housing Services Asset Management Strategy (AMS) set out a framework within which the Council was proposing to manage, maintain and invest in its housing stock. The strategy outlined how capital investment, cyclical maintenance and repairs service would be managed to ensure that homes were safe, secure and well maintained for the benefit of residents.

The report before Cabinet was to outline the policy aspects of managing and maintaining the Council's housing stock and was aligned to the detailed review of the HRA Business Plan. This had previously been considered by Members in February 2016 and this was a follow-on report. The report presented the criteria and proposals for investment in the Council's housing stock that were used to support the business plan assumptions.

The revised strategy was attached to the report as an appendix to it.

Reasons for the decision:

As a large-scale owner of built assets it was essential for the Council to have an Asset Management Strategy (AMS) to provide a structure and

rationale to direct and inform the decisions and assumptions used for the Business Plan. The AMS also set out the parameters for the physical management of the buildings (housing) owned by the Council in its capacity as a landlord. It was also intended to reference the Housing Service's position with regard to growth and regeneration.

Other options considered:

To continue with the existing asset management strategy: **REJECTED** – The existing asset management strategy related to the regime associated with the Decent Homes programme which had now come to an end. Changes in funding assumptions within the HRA had led to a significant reduction in available resources therefore investing on the basis of a predetermined life cycle was unsustainable.

Cabinet:

- 1 **Approved** the Housing Services Asset Management Strategy as detailed in Appendix 1 to the report.
- 2 **Delegated** to the Interim Director of Housing authority to make any revisions to the strategy that might be deemed necessary following resident feedback
- 3 **Noted** the HRA Major Works Capital Programme detailed in the HRA Budget for 2016/2017 and the HRA Major Works Capital Programme 2016/17 – 2018/19 which would be subject to full Council final ratification.

60 **ROMFORD BRIDGE CLOSE- VISION AND WAY FORWARD**

Councillor Osman Dervish, Cabinet member for Environment, Regulatory Services and Community Safety introduced the report

The report before Cabinet sought its approval for Bridge Close, including the houses fronting Waterloo and Oldchurch Roads, to be taken forward as a comprehensive development site.

Cabinet was asked to endorse a vision for Bridge Close to be a new residential neighbourhood which was a vibrant riverside quarter providing a high quality place to live with well-designed buildings, environmental improvements to the River Rom, a new riverside walkway and including public space.

Cabinet was also being invited to endorse planning guidance for Bridge Close to support the comprehensive development of the site with a focus on new residential development, a new east-west route linking the site to the station, ecological improvements to the River Rom, and the re-provision of the Islamic Cultural Centre as well as either the provision of on-site or off-site relocation of the ambulance centre. This guidance would form part of the evidence base for the emerging Local Plan.

The report furthermore sought approval for the Council to enable the delivery of a scheme by firstly acquiring sites by private treaty then - if necessary - consider and begin to undertake all appropriate steps to obtain land by compulsory acquisition.

Funding received by the Housing Zone would enable the Council to initiate the proposed actions detailed in the report. It was noted that the Council would require any development partner(s) to deliver a comprehensive scheme.

Working with a development partner would reduce the amount of capital required from the Council in the short to longer term and allow the Council to utilise the skills, experience and resources of private sector partners and, ensure high quality design and the mix of tenures and social infrastructure.

Reasons for the decision:

By supporting the vision for the comprehensive development of Bridge Close and agreeing to the acquisition of sites through private treaty and thereafter - where necessary - considering and beginning to undertake the necessary steps to obtain land by compulsory acquisition, would ensure that the Council's vision for the site was adhered to. This would prevent ad-hoc development delivering poor quality housing development that did not support the economic development of the Town. Further, ad-hoc development would not facilitate the development of key linkages across the site, which would be necessary for further western Romford estates to link into the town. Housing Zone funding provided the opportunity for the Council to support the comprehensive development of Bridge Close and ensure that the vision and design principles were embedded in any development.

Other options considered:

Not implementing the comprehensive development of Bridge Close—**REJECTED**. Without the Council's intervention there would be fragmented development and the site could come forward in a piecemeal fashion. Piece-meal development would fail to deliver the required mix, tenures or typology necessary to meet the objectives of the Council's vision for the site and ensure the delivery of the important east-west link. Only a comprehensive development could provide high quality residential living in the Town Centre to support the economic growth of the Town and promote an economically active and sustainable community

Cabinet:

1. **Endorsed** the vision (as set out in section 3 of the report) that Bridge Close should be a new residential led neighbourhood and endorsed the proposals for comprehensive development of Bridge Close and the design principles for the site outlined in this report.

2. **Endorsed** the planning guidance (as set out in section 4 of the report) as a material planning consideration and **noted** that this would form part of the evidence base for the emerging Local Plan.
3. **Agreed** to the Council entering into direct negotiations with land owners to purchase sites on Bridge Close by private treaty as the opportunities arose and **noted** that an external chartered surveying firm would be appointed to professionally assist with negotiation, valuation and acquisition of the land interests.
4. **Delegated** to The Leader, Portfolio Holder for the Romford Housing Zone and the Head of Property oneSource, the authority to approve the terms of acquisition of sites by private treaty and any financial arrangements for relocation of current land owners or tenants.
5. **Delegated** authority to the Portfolio Holder for the Romford Housing Zone and Leader in conjunction with the Director of Legal and Governance oneSource and the Interim Director of Neighbourhoods to take any reasonable necessary steps to identify land which could not be acquired by negotiation and appoint the relevant consultants in order to assess the need for the use of CPO. Cabinet also **noted** that a report would be brought to Cabinet when preparation of the order and heads of terms had been agreed with developer(s).
6. **Authorised** officers to negotiate suitable arrangements with appropriate developers including Mercury Land Holdings, who would be acting in a commercial capacity, to deliver the Council's vision and **delegated** approval of the terms of such arrangements to the Portfolio Holder for the Romford Housing Zone in consultation with the Director of Legal and Governance oneSource.

Chairman

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