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MINUTES OF A CABINET MEETING **Council Chamber - Town Hall** **Wednesday, 28 January 2026** **(7.00 - 8.10 pm)**

Present:

Councillor Ray Morgon (Leader of the Council), Chairman

Cabinet Member responsibility:

Councillor Gillian Ford (Vice-Chair)

Lead Member for Adults & Wellbeing

Councillor Oscar Ford

Lead Member for Children & Young People

Councillor Paul McGeary

Lead Member for Housing & Property

Councillor Natasha Summers

Lead Member for Housing Need & Climate Change

Councillor Christopher Wilkins

Lead Member for Finance

Councillor Graham Williamson

Lead Member for Regeneration

In attendance: Councillor David Taylor (CON), on behalf of Councillor Michael White, Councillor Keith Darvill (LAB), Councillor Martin Goode (EHRG)

73 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.

74 APOLOGIES FOR ABSENCE

Apologies received from Councillor Paul Middleton and Councillor Barry Mugglestone.

75 DISCLOSURES OF INTEREST

There were no disclosures of interest.

76 MINUTES

The minutes of the meetings held on **14th January 2026**, were agreed as a correct record and the Chair signed them.

77 RAINHAM AND BEAM PARK BUSINESS PLAN UPDATE 20206/27

Report Title: **Rainham and Beam Park Business Plan Update 20206/27**

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

Summary:

- 1.0 This Business Plan considers short and medium term measures appropriate for managing the assets acquired by Havering Council from its original regeneration partner, Notting Hill Genesis, in accordance with the Cabinet decision granted on 19th July 2023.
- 2.0 The long-term aim remains to facilitate delivery of a scheme of residential led regeneration across 9 comprehensive development sites along the A1306 New Road corridor in Rainham. The sites, largely in industrial use, are in multiple ownerships and often in poor environmental condition; residential development values in the area are very challenging.
- 3.0 The Business Plan considers scope to prepare specific sites for potential development pending approval of the new Beam Park Station by the Mayor of London. The investment in this station, and subsequent improvement in rapid transport options for the neighbourhood is expected to make a positive contribution to the local area and its economy, helping to stimulate demand for new homes and an improvement in the market for new homes.
- 4.0 In the meantime, the Plan seeks to improve utilisation and revenue income from existing sites and to improve the appearance of key frontages as part of the Council's place-making role.
- 5.0 The sites are in varying states of condition. The majority have occupiers in situ and generate an ongoing rental stream. Nine of the properties are residential and have now been repaired or will soon be repaired and brought into use in support of the Councils emergency housing programme.
- 6.0 The remaining properties are commercial. The majority are occupied and generating rental income for the council. Some commercial properties are vacant but being marketed for new occupiers or are being considered for interim uses, including short term residential.
- 7.0 The Council and the RBPR LLP are now seeking to use these landholdings to influence local placemaking whilst the station decision is in abeyance and economic conditions return. The proposed property strategy is set out in Exempt Appendix A.

- 8.0 The investment to date and the funding envelope is provided in Exempt Appendix C.

Cabinet:

1. **Noted** the current status of Rainham and Beam Park Regeneration LLP in the context of the delayed regeneration plans for Rainham and Beam Park.
2. **Noted** and **approved** the management strategy for the commercial and residential sites now owned by the Council as detailed in this report and in Exempt Appendix A.
3. **Noted** and **approved** the placemaking strategy as detailed in this report and Exempt Appendix A, so as to allow Rainham and Beam Park Regeneration LLP and the Council to influence the development plan for Rainham and Beam Park.
4. **Noted** that schemes that might be considered suitable for further investment, including detailed design and planning, will be the subject of further reports and recommendations.
5. **Approved** the proposed financial support necessary to deliver recommendations 2, 3 and 4 above, details of which are contained within Exempt Appendix C.
6. **Authorised** the Strategic Director of Place and the Assistant Director of Regeneration & Place Shaping to take any action necessary to bring into effect recommendations 2-3 above including, but not limited to, instructions to legal officers and the appointment of architects, surveyors, engineers, planning advisors and agents.

78 **MERCURY LAND HOLDINGS (MLH) BUSINESS PLAN AND BUDGET UPDATE 2026/27**

Report Title: **Mercury Land Holdings (MLH) Business Plan and budget update 2026/27**

Presented by: **Councillor Ray Morgon, Council Leader**

Summary:

This report seeks Cabinet approval for the updated MLH Business Plan 2026/27 and its associated financial commitments. The Business Plan includes an update to the development programme and re-profiles the existing approved funding envelope, which was previously provided by the Council, to projects set out in the Exempt Report & Appendices. The updated Business Plan does not seek any additional funding commitment from the previously agreed funding envelope.

Cabinet should note that the updated MLH Business Plan 2026/27 will, if approved, provide a funding envelope within which MLH can operate. Proposals for individual scheme funding are supported by the production of a satisfactory business case at the appropriate time, which is then subject to further examination and additional governance, before the Council can place MLH in funds. This, in turn, is regulated by legally binding funding agreements between the Council as lender and MLH as borrower. Several schemes within the Business Plan already benefit from approved Business Cases.

MLH was formed as Cabinet resolved to establish a commercially focused company that would deliver housing for private rent and sale in May 2015. Mercury Land Holdings Limited (MLH) was subsequently incorporated in November 2015. MLH is wholly owned by the Council. Since its formation, MLH has established and manages a portfolio of private rented sector (PRS) homes. It has also developed and sold properties for private sale and affordable rent.

The MLH Business Plan seeks to reaffirm MLH's commitment to significant schemes that are critical for the long-term success of the company including sale and rental opportunities that would support the continued growth of the company.

Sites within the company's programme include those where the Council has disposed of assets (land/buildings) to MLH at market value. Subject to satisfying appropriate financial criteria the Council will provide finance to MLH through a combination of equity investment and loans for their future development. This will constitute capital expenditure for the Council within its approved Capital Programme to be financed through Council reserves and/or borrowing. The overall financing arrangements will be subject to an assessment of Subsidy Control regulations, long-term affordability, risk and return on investment by the Council.

The reallocated funds have been modelled and their impact on the Medium-Term Financial Strategy (MTFS) is addressed in the exempt part of this report. This seeks to inform Cabinet of the expected outputs from MLH, as well as advising of any changes in the financial position of MLH and the Council's financial commitments to MLH as an investor.

Cabinet:

1. **Approved** the Mercury Land Holdings Limited Business Plan Update (see Exempt Appendix 3).
2. **Agreed** to delegate authority to the Cabinet Member for Regeneration & Development, in consultation with the Strategic Director of Resources, the Strategic Director of Place and the Monitoring Officer, 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 Feb 2025/26 Business Plan to MLH, up to a maximum of £270.1 million, is re-profiled to projects as updated in the Exempt Agenda, through a combination of equity investment and Subsidy Control compliant loans.
4. **Agreed** to increase the MLH Working Capital Facility by £900,000 and to extend the term for a period of up to 5 years, as appropriate, commencing February 2026, and to delegate authority to the Strategic Director of Resources, 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.
5. **Agreed** to delegate authority to the Strategic Director of Resources to agree, after consultation with the Director of Legal and Governance, the completion of all relevant agreements and appointments of relevant professionals relating to the provision of debt finance by the Council to MLH
6. **Noted** that the individual schemes are subject to detailed business cases to be approved under delegated authority, as set out in Recommendation 2.
7. **Agreed** to delegate to the Strategic Director of Resources, in consultation with the Assistant Director of Regeneration and Place Shaping, 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.

79 **BRIDGE CLOSE REGENERATION LLP BUSINESS PLAN REFRESH 2026/27**

Report Title: **Bridge Close Regeneration LLP Business Plan Refresh 2026/27**

Presented by: **Councillor Graham Williamson, Cabinet Member for Development and Regeneration**

Summary:

- 1.1 The Council established a joint venture development vehicle, Bridge Close Regeneration LLP ('BCR LLP', 'Joint Venture' or 'JV') to bring forward the proposed regeneration of the site known as Bridge Close (see plan with red line at Appendix A). BCR LLP was until October 2020 jointly owned between the Council and a private sector partner. On 16th September 2020, Cabinet approved the proposed

acquisition by the Council of the private sector interest in BCR LLP and on 29th October 2020, the Council entered into a purchase agreement to acquire the interest in BCR LLP that it did not already own from the private sector partner.

- 1.2 In light of the Council acquiring full control of Bridge Close Regeneration LLP, on 16th December 2020, Cabinet considered a number of recommendations relating to the future funding and delivery of the scheme. Approval was granted for the Council to deliver the regeneration of Bridge Close directly, funding the development entirely through Council resources, predominantly using the Housing Revenue Account. Cabinet approved a budget with referral to and subsequent agreement by Full Council on 3rd March 2021. Subsequently, the Bridge Close Regeneration LLP Business Plan 2022/2023 was approved by Cabinet on 16th February 2022 and thereafter adopted by the Bridge Close Regeneration LLP.
- 1.3 The Business Plan forms part of a comprehensive suite of project documents, including the Members' Agreement, the Land Agreement, the Land Acquisition Strategy, the Security Agreement and the Loan Note Instruments, which amongst others, set out the strategy and the terms and conditions for provision of funding by the Council as principal Member of the Joint Venture (noting that a wholly owned company of the Council acts as second member of the JV). The Business Plan is a suite of strategy and policy documents, including a budget and financial model with detailed forecasts, which provides a management framework for delivering the vision and objectives for the regeneration of Bridge Close.
- 1.4 In accordance with the Members' Agreement, the Board of Bridge Close Regeneration LLP must prepare, issue and agree a draft Business Plan to the Council as Member. Once agreed, the draft Business Plan would replace the then current Business Plan as the formal Business Plan adopted by the Bridge Close Regeneration LLP.
- 1.5 This report provides an update of the Business Plan and a review of key work streams underpinning the delivery of the Council's vision for Bridge Close. It provides an update of the budget and financial model approved by Cabinet in December 2020 and recommends that the updated Business Plan be agreed, noting the significant benefits to the regeneration of Romford town centre, the contribution towards Havering's target for housing delivery, including affordable housing, and the expected financial returns anticipated in the plan.

Cabinet:

1. **Approved** the draft Bridge Close Regeneration LLP Business Plan 2026-2027 (the Business Plan) as attached at Appendix B.
2. **Agreed** the provision of a budget to enable the funding and delivery of the regeneration of Bridge Close as required and detailed within the exempt Financial Implications and Risks section; this budget to be included within the proposed HRA Capital Programme that will be

considered by Cabinet in the Housing Revenue Account Business Plan update.

3. **Agreed** that the Leader of the Council, after consultation with the Strategic Director of Place, the Strategic Director of Resources the and the Deputy Director of Legal and Governance, approve detailed business cases, funding arrangements and legal agreements as may be required to deliver the regeneration of Bridge Close as per the Business Plan 2026-2027.
4. **Noted** that the Strategic Director of Place will continue discussions with the Havering Islamic Community Centre (HICC) with a view to relocating the HICC to a suitable alternative site elsewhere.
5. **Noted** that the Strategic Director of Place will continue discussions with the London Ambulance Service (LAS) with a view to acquiring a minor proportion of Romford Ambulance Station land to facilitate the delivery of the school and an emergency fire access route to the rear of the new school.
6. **Authorised** the Strategic Director of Place, acting in consultation with the Strategic Director of Resources and the Deputy Director of Legal and Governance, to negotiate, finalise and enter into all necessary legal agreements as may be required, and to do anything incidental to bring into effect the proposed arrangements set out in Recommendations 1-5 inclusive.

80 **HAVERING WATES REGENERATION JOINT VENTURE BUSINESS PLAN**

Report Title: **Havering Wates Regeneration Joint Venture Business Plan**

Presented by: **Councillor Graham Williamson, Cabinet Member for Development and Regeneration**

Summary:

This report provides an update on the 12 Estates Regeneration Programme. Financial data within this paper utilises the most current information available, for the purpose of informing the HRA Business Plan refresh.

This update outlines the latest position on:

Work Package One

- Park Rise - Completion, sales, and marketing.
- Waterloo & Queen Street – update on scheme phasing and viability.

Work Package Two

- Chippenham Road – design development, planning submission and demolition of Phase 1

- Farnham & Hilldene – Planning update, design development and consultation

Later Phases

It is noted that work is currently paused on the following sites:

1. Oldchurch Gardens
2. Maygreen Crescent
3. Delderfield House
4. Dell Court
5. Brunswick Court
6. Royal Jubilee Court

Cabinet:

1. **Approved** the Havering/Wates JV LLP Business Plan for 2026/27
2. **Delegated** authority to the Strategic Director of Place, in consultation with the Cabinet Member for Development and Regeneration, to enter into Pre-Construction Services Agreements (PCSAs), where appropriate, for relevant regeneration schemes once the necessary land, funding and planning requirements are in place. This will enable design development, surveys and contractor pricing to progress within approved budgets ahead of subsequent main contract awards
3. **Delegated** authority to the Strategic Director of Place, in consultation with the Cabinet Member for Development and Regeneration, to enter an overarching framework contract to facilitate early contractual arrangements necessary to support programme delivery.
4. **Delegated** authority to the Strategic Director of Place, in consultation with the Cabinet Member for Development and Regeneration, to enter a demolition contract for Phase 1 of the Farnham and Hilldene regeneration, where appropriate, within the approved budget and subject to completion of land assembly.
5. **Delegated** authority to the Strategic Director of Place, in consultation with the Strategic Director of Resources and Cabinet Member for Development & Regeneration, to progress any land appropriation required to support delivery of the regeneration programme, including appropriation between the Housing Revenue Account and the General Fund for planning purposes, where appropriate. This delegation builds on prior Cabinet authority for land appropriation under the Havering and Wates Regeneration LLP Business Plan (Cabinet 12 February 2020 and Cabinet 8 February 2023).
6. **Delegated** authority to the Strategic Director of Place, in consultation with the Deputy Director of Legal Services, Strategic Director of Resources and Cabinet Member for Development & Regeneration, to agree terms and acquire all outstanding property interests required

for the scheme, including progression of the proposed land swap with St Andrew's Church Hall as set out in paragraph 2.3. This authority extends to acquisition by private treaty or, where necessary, through the approved Compulsory Purchase Order, and to taking all legal and procedural steps needed to secure vacant possession.

7. **Delegated** authority to the Strategic Director of Place, in consultation with the Strategic Director of Resources and Cabinet Member for Development & Regeneration, to prepare, submit, accept, and utilise external grant-funding bids, and to enter into any related funding or forward-funding agreements required to support delivery of the Havering and Wates Regeneration LLP programme and the wider 12 Sites regeneration programme, provided such agreements remain within previously approved budgets.
8. **Noted** the updated viability assessments and financial implications set out within the Havering and Wates Regeneration LLP Business Plan 2026/27, and delegate authority to the Strategic Director of Place, in consultation with the Strategic Director of Resources, to make adjustments within approved Cabinet budgets as required to maintain programme viability, with any material variances brought back to Cabinet for consideration.
9. **Noted** that work on the later phases (i.e. beyond Work Package 2) is currently paused and likely to remain so over the next 12 months, as referenced in Paragraph 4 of this report

81 **HRA BUSINESS PLAN UPDATE BUDGET 2026/27 AND CAPITAL PROGRAMME 2026/27 - 2030/31**

Report Title: **HRA Business Plan Update Budget 2026/27 and Capital Programme 2026/27 - 2030/31**

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

Summary:

This report sets a budget for the Council's Housing Revenue Account (HRA) and HRA Major Works and Capital Programme. Cabinet approved the Housing Asset Management Plan 2021-2051 in October 2021 and the budgets and projections of expenditure required to maintain the stock to a good standard have been used in the preparation of the capital programme in this report. A summary is provided of the HRA Business Plan 2025/26-2054/55.

The HRA is a ring-fenced account that is used to manage and maintain the Council's own housing stock. The Council is legally required to set a balanced budget. The proposed budget will enable the Council to manage and maintain the housing stock to a good standard and provide funding for

an appropriate acquisition, new build and estate regeneration programme. It further sets rents, service charges and other charges for Council tenants and leaseholders for the year 2026/27.

As part of the new regulatory framework for local government housing services, councils are now subject to the Regulator of Social Housing's (RSH) Rent Standard. This has introduced the CPI + 1% increase arrangement, based on the published rate for September 2025 making an increase for 2026/27 of 4.8%. This is the standard rent increase that the Government expects all councils with social housing to apply.

In order to change any HRA rent liability, the local authority must notify tenants and give 28 days' notice of any change after the authority has made a properly constituted decision of that change. This means that, following a Cabinet decision on rent levels to be charged in any year, the local authority must write to all tenants to advise them of the new rent liability for the following 12 months.

Should the Cabinet approve the recommendations, a notification will be sent to tenants the first week of March 2026, to make the new charge effective from the first week of April 2026.

Cabinet:

- 1 **Approved** the Housing Revenue Account Budget as detailed in paragraph 3.5.
- 2 **Agreed** that the rents chargeable for tenants in general needs Council properties owned by the London Borough of Havering be increased by 4.8% from the week commencing 6th April 2026.
- 3 **Agreed** that the rents chargeable for tenants in supported housing Council properties, such as sheltered housing and hostels, owned by the London Borough of Havering, are increased by 4.8% from the week commencing 6th April 2026.
- 4 **Agreed** that the rents chargeable for existing occupants of temporary accommodation are increased by 4.8% from the week commencing the 6th April 2026.
- 5 **Noted** the full annual rental charge will be billed over 48 weeks of the financial year and to agree the four weeks when rents will not be collected during 2026/27 are: the week commencing of 24th August 2026; 14th December 2026; 21st December 2026 and 29h March 2027.
- 6 **Agreed** that service charges and heating and hot water charges for 2026/27 are as set out in Section 2 of this report.

- 7 **Agreed** that charges for garages should be increased by 4.8% in 2026/27 as detailed in Section 2 of this report.
- 8 **Agreed** that the service charge for the provision of intensive housing management support in sheltered housing for 2026/27 shall be as detailed in Section 2 of this report.
- 9 **Agreed** the Supported Housing Charge for HRA Hostels as detailed in Section 2 of this report.
- 10 **Agreed** that the rent charge to shared ownership leaseholders is increased in line with current lease conditions as detailed in Section 2 of this report relating to income.
- 11 **Agreed** that the Care-line and Telecare support charge should be increased by 4.8% for 2026/27 as detailed in Section 2 of this report relating to income.
- 12 **Approved** the HRA Major Works Capital Programme, as detailed in Appendix 1a of this report and refer it to full Council for final ratification.
- 13 **Approved** the HRA Capital expenditure and financing for the 12 Estates Joint Venture and other acquisition and regeneration opportunities as detailed in Section 4.3 – 4.16 and Appendix 1b of this report and refer it to Full Council for final ratification.

82 **COMMENTS FROM PLACE OVERVIEW & SCRUTINY ON MLH AND BUSINESS PLANS**

Report Title: **Comments from Place Overview & Scrutiny on MLH and Business Plans**

Presented by: **Councillor David Taylor – Chair of Place Overview & Scrutiny Sub-Committee**

Summary:

Places Overview and Scrutiny Sub-Committee – Comments to Cabinet following pre-decision scrutiny of Mercury Land Holdings (MLH) and Regeneration Business Plans, 27 January 2026

The Place Overview and Scrutiny Sub-Committee submitted the following comments for response by Cabinet at its meeting on 28 January 2026:

Mercury Land Holdings Business Plan - Recommendations

1. An explicit commitment should be given in the MLH Business Plan that MLH will not sell units direct to another Council. **RESPONSE:**

The Leader rejected the rumour that MLH was selling units to other councils.

- A press release had been signed off that week to publicly refute it.
- Emphasised that the Council has never engaged in this practice.

2. Further information should be provided to Members on the impact of MLH developments on lowering the demand for temporary accommodation. The Sub-Committee supports the intention of officers to develop a dashboard to illustrate this. **RESPONSE:** The new dashboard will include a greater emphasis on housing demand figures and will be a dynamic system which can be adapted to the requirements/requests from members.

3. The commitment of MLH to support the Council's Social Values Strategy should be stated more explicitly in the MLH Business Plan. **RESPONSE:** the cabinet confirmed that there is broad agreement on all recommendations, including Social Values statements.

All Business Plans - Recommendations

4. Given their length and complexity, the Sub-Committee requests that the Business Plans are in future brought for scrutiny at an earlier stage with drafts presented in December if possible. The Subcommittee appreciates however the pressures on officers and that elements of this timescale may be outside of officers' control. **RESPONSE:** Senior Officers will endeavour to produce future reports as early as possible. Noting earlier submissions of plans is an aspiration that officers will work towards.

Chairman