

MINUTES OF THE MEETING OF THE CABINET HELD ON TUESDAY, 14TH JUNE, 2016, 6.30pm

PRESENT:

**Councillors: Claire Kober (Chair), Peray Ahmet, Jason Arthur,
Alan Strickland, Bernice Vanier and Elin Weston**

19. FILMING AT MEETINGS

The Leader advised that the meeting was taking place in Committee rooms 1 and 2 as the election team required the Council Chamber for the statutory duties of postal vote counting. On this occasion, the meeting was not being webcast by the Council, but this did not preclude any members of the public from recording, filming or reporting on the meeting as set in the statement, on the agenda, at item 1.

20. APOLOGIES

Apologies for absence were received from Councillor Goldberg, Cllr Demirci and the Chief Executive. There were also apologies for lateness from Councillor Ayisi.

21. URGENT BUSINESS

There are no new items of business to consider, but there was an addendum to be considered with item 9, Financial Outturn 2015/16, which had been circulated prior to the meeting and was also tabled.

22. DECLARATIONS OF INTEREST

There were no declarations of interest put forward.

23. NOTICE OF INTENTION TO CONDUCT BUSINESS IN PRIVATE, ANY REPRESENTATIONS RECEIVED AND THE RESPONSE TO ANY SUCH REPRESENTATIONS

No representations had been received and there was no private business to consider at this meeting.

24. MINUTES

The minutes of the Cabinet meeting held on the 17th of May 2016 were agreed as an accurate record of the meeting.

25. DEPUTATIONS/PETITIONS/QUESTIONS

There are no deputations, petitions or public questions to consider.

The Leader advised that a response to the petition, put forward by the Friends of Wolves Lane group, at the meeting on the 17th of May, was set out in the minutes at part 7.

26. MATTERS REFERRED TO CABINET BY THE OVERVIEW AND SCRUTINY COMMITTEE

There were no matters put forward by Overview and Scrutiny Committee.

27. FINANCIAL OUTTURN 2015/16

The Cabinet Member for Finance and Health introduced the report which set out the final financial outturn position for 2015/16, the impact on the Council's General Fund and earmarked Reserves, and the movement from the provisional outturn provided to Cabinet on the 15th of March 2016.

Cabinet noted that the current overspend stood at £6.8m which was a £4.3m improvement from the position reported in the provisional outturn report in March. This would mean less of a draw down from reserves, than expected, but there was still work to do on reducing expenditure. This would include focus on the speed of the transformation in demand led areas of Adult Services, Children Services and Temporary accommodation to avoid significant overspends in 2016/17.

The Cabinet Member was pleased to report a £4m surplus in Council Tax collection as a result of the growth in the Council Tax base. However the £3m deficit in business rates collection fund highlighted the types of risks to be held by the Council with the devolution of business rates and the need to have a robust process in place for business rate appeals.

In response to a question from Cllr Engert on the Council's commitment to building new homes, the Cabinet Member for Finance and Health highlighted the challenges of the Government's housing policy and the government interventions which were stretching the capacity of Councils to meet their housing commitments. The Council would try hard to achieve its commitments to building new homes but the national context also needed to be recognised.

The Cabinet Member referenced the Council's work in procuring a development vehicle partner to support building homes in the borough with a decision on an appointment likely in the spring of 2017.

RESOLVED

1. To note the report and the Council's 2015/16 Final Outturn position in respect of net revenue and capital expenditure;

2. To note the principle that the carry forward of resources will only be permitted once agreed by the Chief Finance Officer and where the expenditure is backed by an approved reserve or external funding source; and
3. To note the risks and issues identified in this report in the context of the Council's on-going budget management responsibilities.
4. To agree the revenue carry forwards, at appendix 1, and capital carry forwards at appendix 2.

Reasons for decision

A strong financial management framework, including oversight by Members and senior management, is an essential part of delivering the Council's priorities.

Alternative options considered

This is the 2015/16 Final Outturn report, as such there are no alternative options.

28. CAPITAL STRATEGY

The Leader of the Council introduced the report which provided a long term view of the assets required to deliver its Corporate Plan Priorities and to support its Medium Term Financial Strategy. The 10 year capital programme had been considered by Overview and Scrutiny at their meeting on the 6th of June and had been noted. The Capital Programme would next go forward to full Council in July for approval.

In response to Cllr Engert's question, the Leader provided the reasoning behind the Council's indicative allocation of capital funding to future Council headquarters which took account of the type of sites likely to be available, together with their likely cost, and needing to consolidate the workforce to a site that cost less to run in the long term. It was important to note that these were indicative figures, contained at appendix 1, for what would happen if the council developed large amounts of Council land for much needed housing as part of the regeneration of Wood Green, but there was no specific proposal on the Council's headquarters.

In response to Councillor Engert's second question, the Leader outlined that the Greenman site was included at Appendix 2 [schemes that require further business case] because, importantly , there was a current consultation exercise on this site and the outcome of this consultation exercise could not be pre -determined. The Leader provided assurance that the Greenman site had not been excluded from the capital programme but the business case would likely need further work and refinement as other sites included at appendix 2.

RESOLVED

1. To recommend to full Council the approval of the 10 year capital programme (Appendix 1) which replaces the current capital programme.
2. To note the programme of schemes being developed for future Business Case approval through the Capital Board (Appendix 2).
3. To note the affordability position and proposed capital financing arrangements.

4. To note the proposed Governance and role of Capital Board in developing scrutinising and challenging the programme.

Reasons for decision

To update approved capital programme aligned to the Capital Strategy.

To set out governance arrangements for future development of programme and strategy.

Alternative options considered

The Council could continue to determine and approve an annual Capital Programme based on its immediate needs; however this approach had been discounted as it would tend to prioritise those projects which can be developed quickly rather than those that support a more strategic view of the Council's needs and supports the Corporate Plan. It would also potentially be limited by short-term decisions on funding options which may not be the most effective approach.

There were a number of funding approaches that had also been considered ranging from restricting expenditure to the extent to which capital receipts can continue to be generated, to a longer-term view based on leveraging additional external resources and anticipating revenue streams in support of borrowing. There was a need to keep under review the balance between the Council's ambition and the risks associated with borrowing in a challenging financial climate. By taking a longer-term view these risks could be mitigated and managed over time. The Council's MTFS would continue to be updated with the on-going revenue effects of capital decisions.

29. SEVEN SISTERS REGENERATION - APEX HOUSE (APPROPRIATION OF LAND FOR PLANNING PURPOSES)

The Cabinet Member for Housing, Regeneration and Planning introduced the report which was presented solely to ensure that decisions previously taken by Cabinet were upheld in light of the Housing and Planning Bill becoming an Act of Parliament (law). Members were asked to support the recommendation in the report to safeguard the progression of the Apex House redevelopment against any legal impediments that might be caused by the replacement of this clause with a similar provision.

RESOLVED

That its resolution made at the 15th July 2014 Cabinet meeting (Seven Sisters Regeneration, Tottenham – Apex House & Wards Corner Report) to approve the appropriation of the Apex House site for planning purposes, pursuant to Section 122 Local Government Act 1972 and subject to the powers provided by Section 237 Town and Country Planning Act 1990, is intended to attract the application not only of Section 237, but also the replacement provisions contained in Section 203 of the Housing and Planning Act 2016.

Reasons for decision

The reason for the recommendation is that the Housing and Planning Bill has been progressing through Parliament and received Royal Assent on the 12th May 2016. The new Act contains Section 203 and will repeal Section 237.

The new section also applies “where—

- (a) there is planning consent for the building or maintenance work,
- (b) the work is carried out on other qualifying land,
- (c) the qualifying authority in relation to the land could acquire the land compulsorily for the purposes of the building or maintenance work, and
- (d) the building or maintenance work is for purposes related to the purposes for which the land was vested in, or acquired or appropriated by, the qualifying authority in relation to the land” and therefore should capture appropriation of land that occurred prior to coming into force of the new Act.

It was felt however that the Council should in any event resolve that its resolutions under Sections 122 of the Local Government Act 1972 to appropriate and to dispose under Section 233 of the Town and Country Planning Act 1990 are intended to attract the application not only of Section 237 but also its replacement under Section 203. Similar decisions have been made in other recent cases in Haringey, for example in the case of Tottenham Hotspurs Stadium redevelopment and Olympia Trading Estate.

Alternative options considered

The alternative option to consider would be not to resolve that the Cabinet’s original decision of the 15th July 2014 to appropriate the land for the Apex House site is intended to attract the application not only of Section 237, but also the replacement provision under Section 203 of the Housing and Planning Act 2016 .

This could lead to uncertainty over the Council’s intentions, given the changes to the legislation and it has been advised by legal counsel in other similar cases in Haringey to clarify the Council’s position on the issue. There would be an increased risk of challenge through judicial review process if the recommended resolution is not made, on the basis that the Cabinet’s intention on the 15th July 2014 was that only Section 237 should apply and this has now been repealed.

30. N17 DESIGN STUDIO: MEMORANDUM OF UNDERSTANDING 2016/17

The Cabinet Member for Housing, Regeneration and Planning introduced the report which sought to formalise the arrangements between the Council and JMP [John McAslan and Partner architects] for their continued operation at the vacant shop premises at 451-453 Tottenham High Road until November 2016.

This arrangement had started in November 2014 and had allowed JMP, an internationally recognised architectural firm, to utilise the building and provide a traditional architecture office on Tottenham High Road whilst also providing an educational and community outreach programme which had included apprenticeships, work experience, field trips, and workshops with local schools.

The Cabinet Member for Housing, Regeneration and Planning referred to the review of the arrangements, the community outreach work with schools, and felt JMP had made a difference to the local community.

Cabinet noted that JMP were committing to the Tottenham base until November and would continue their education and employment programme whilst paying the market rent for use of the premises.

In response to Councillor Engert's question, the Cabinet Member acknowledged the challenges with filling apprenticeship positions and this involved identifying young people with the right skills match to take forward and feel the employment benefits of this type of technical apprenticeship position. This also involved, generally, schools encouraging the take up of this vocational option with students. Cllr Engert could further be provided with more details of the Council's work on improving the take up of apprenticeships.

The Cabinet Member further clarified that the figures contained at paragraph 6.1.2.2 both of the references to the £12,400 figure should instead refer to a figure of £18,400 (which corresponds with the accompanying text and the table directly above it).

RESOLVED

1. Following the pilot project review, the 2016 arrangements for the N17 Design Studio project as set out in this report and the revised Memorandum of Understanding (MoU) are agreed.
2. To let the N17 Design Studio space to JMP at commercial rent, and to let out the remainder of the ground floor of the building, not let to JMP, as a commercial property, subject to the consent of the freeholder being secured.
3. That a decision will be made, and publicised, in November 2016 as to whether the project will continue from December 2016 onwards.

Reasons for decision

The project review recognised the successful elements of the pilot project as being; engagement with Tottenham schools by providing focused education workshops, field trips and interview skills and training, apprenticeships, work experience and the use of the studio as a host venue for community events and talks. It was proposed that these continue in the current year under a new MoU.

Given the expenditure so far, as set out in section 6.1.2, it was recommended that no additional funding be allocated to the Design Studio project other than already spent, and required in the future under Council's responsibility as lessee of the building. No further funding will be provided to JMP.

JMP lease approximately 60% of the total space available in the building from the Council. The rear ground floor is also suitable for occupation, albeit no refurbishment works have been carried out to this space. However it was considered it may be suitable for let and opportunities to maximise the value of the space should be explored. The upper floor is not suitable for occupation due to structural issues that would require further capital investment.

Alternative options considered

To stop the N17 Design Studio project altogether and to let the space out to another operator. This was not recommended as some of the positive elements of the pilot

project identified in the review have scope to be continued and developed in 2016 to have a positive impact on the regeneration of Tottenham, particularly on providing education and training opportunities for young people. In addition JMP had committed to paying full market value rent for the premises under current occupation, and to cover all of their costs. Therefore there was no further financial commitment required from the Council other than in its capacity as head leaseholder of the building.

To allocate additional funding into the N17 Design Studio project. This was not recommended due to the fact that the pilot project has already received Council funding.

31. VARIATIONS TO THE APPROVED PRIORITIES IN THE HOUSING CAPITAL PROGRAMME 2016/17

The Cabinet Member for Housing, Regeneration and Planning introduced the report which sought agreement to including 80 homes in Tamar Way in the Housing Capital programme.

Tamar Way was previously excluded from the Housing Capital Programme to allow consideration on whether this estate could be included in the estate renewal programme. These considerations had now been concluded, and it was recommended to include homes in the mainstream Housing capital programme.

RESOLVED

1. That homes on Tamar Way (80 homes in the Tottenham Hale ward) be included in the Housing Capital Programme and improvements undertaken in-line with the approved Haringey Standard. Works are in addition to the priorities previously agreed through the July 2015 Housing Investment Cabinet report. Works will be undertaken using existing framework arrangements for consultancy services (CRCS) and contractors (Major Works framework) which have previously been approved by Cabinet.
2. That approval of the detailed scheme budget, following survey work, be delegated to the Director of Planning, Regeneration and Development in consultation with the Lead Members for Regeneration and Housing and Resources and Culture.

Reasons for decision

Tamar Way was previously excluded from the Housing Capital Programme through the 2013 Estate Renewal Strategy to allow for further considerations around possible re-development and investment. These considerations have now been concluded, and it is recommended to include homes in the mainstream investment programme.

On the basis that the homes were excluded from investment by Cabinet in 2013, a decision is required to allow for investment to go ahead.

Alternative options considered

Do nothing – this option was discounted on the basis that stock condition information indicates that investment is required. The required investment is comparable with unit

costs for other homes across the borough who have received investment under the Decent Homes Programme.

Redevelopment – this option was discounted on the basis that there are greater priorities for the Council elsewhere in the borough. Feedback from residents indicated that a significant number felt strongly that Decent Homes investment was necessary and important.

32. MINUTES OF OTHER BODIES

RESOLVED

To note the minutes of the following meetings:

- Cabinet Member Signing on 06 May 2016
- Leader's Decision on the 20th of May 2016

33. SIGNIFICANT AND DELEGATED ACTIONS

RESOLVED

To note the significant and delegated actions taken by directors in April/May 2016.

34. NEW ITEMS OF URGENT BUSINESS

There were no new items of business to consider.

35. EXCLUSION OF THE PRESS AND PUBLIC

No applicable to this meeting.

36. NEW ITEMS OF EXEMPT URGENT BUSINESS

None