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30 November 2018

To: All Members of the Overview and Scrutiny Committee

Dear Member,

Overview and Scrutiny Committee - Thursday, 6th December, 2018

I attach a copy of the following reports for the above-mentioned meeting which were not available at the time of collation of the agenda:

- 6. CALL IN - BROADWATER FARM BLOCKS (PAGES 1 - 20)**
  - a. Report of the Monitoring Officer and Section 151 Officer
  - b. Report of the Interim Director for Regeneration, Housing and Planning**

Yours sincerely

Philip Slawther, Principal Committee Co-ordinator  
Principal Committee Co-Ordinator

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**Report for:** Special Overview and Scrutiny Committee 6<sup>th</sup> December 2018

**Title:** Monitoring Officer and Section 151 Officer's Report on the Call-In of a Decision taken by the Cabinet on 13<sup>th</sup> November 2018 relating to the Tangmere and Northolt blocks on Broadwater Farm

**Report authorised by :** Bernie Ryan, Monitoring Officer

**Lead Officer:** Raymond Prince, Assistant Head of Legal Services and Deputy Monitoring Officer

**Ward(s) affected:** N/A

**Report for Key/  
Non Key Decision:** N/A

**1. Describe the issue under consideration**

- 1.1 To advise the Overview and Scrutiny Committee on the call-in process, and in particular whether the decisions taken by Cabinet on 13<sup>th</sup> November 2018 in relation to the Tangmere and Northolt blocks on Broadwater Farm and an associated Rehousing and Payments Policy and Local Lettings Policy, is within the Council's budget and/or policy framework.

**2. Cabinet Member Introduction**

N/A

**3. Recommendations**

- 3.1 That Members note:

- (a) The Call-In process;
- (b) The advice of the Monitoring Officer and Section 151 Officer is that the decision taken by Cabinet was inside the Council's budget and policy framework

**4. Reasons for decision**

- 4.1 The Overview and Scrutiny Committee (OSC) is expected to take its own decision with regard to whether a called-in decision is outside or inside the budget/policy framework when considering action to take in relation to a called-in decision.

**5. Alternative options considered**

N/A

**6. Background information**

**Call-in procedure rules**

- 6.1 Once a validated call-in request has been notified to the Chair of OSC, the Committee must meet within 10 working days to decide what action to take. In the meantime, all action to implement the original decision is suspended.
- 6.2 If OSC Members determine that the original decision was within the policy/budget framework, the Committee has three options:
- (i) to not take any further action, in which case the original decision is implemented immediately
  - (ii) to refer the original decision back to Cabinet as the original decision-maker. If this option is followed, the Cabinet must reconsider their decision in the light of the views expressed by OSC within the next five working days, and take a final decision
  - (iii) to refer the original decision on to full Council. If this option is followed, full Council must meet within the next 10 working days to consider the call-in. Full Council can then decide:
    - to either take no further action and allow the decision to be implemented immediately, or
    - to refer the decision back to the Cabinet for reconsideration. The Cabinet's decision is final.
- 6.3 If the Overview and Scrutiny Committee (OSC) determine that the original decision was outside the budget/policy framework, the Committee must refer the matter back to the Cabinet with a request to reconsider it on the grounds that it is incompatible with the policy/budgetary framework.
- 6.4 In that event, the Cabinet would have two options:
- (i) to amend the decision in line with OSC's determination, in which case the amended decision is implemented immediately.
  - (ii) to re-affirm the original decision, in which case the matter is referred to a meeting of full Council within the next 10 working days. Full Council would have two options:
    - to amend the budget/policy framework to accommodate the called-in decision, in which case the decision is implemented immediately, or
    - to require the decision-maker to reconsider the decision again and to refer it to a meeting of the Cabinet, to be held within five working days. The Cabinet's decision is final.

**The Policy Framework**

- 6.5 The Policy Framework is set out in the Constitution at Article 4 of Part Two (Articles of the Constitution) which I reproduced as follows:

**“Policy Framework**

*These are the plans and strategies that must be reserved to the full Council for approval:*

- Annual Library Plan
- Best Value Performance Plan
- Crime and Disorder Reduction (community safety) Strategy
- Development Plan documents
- Youth Justice Plan
- Statement of Gambling Policy
- Statement of Licensing Policy
- Treasury Management Strategy

*Any other policies the law requires must be approved by full Council.*

*Such other plans and strategies that the Council agrees from time to time that it should consider as part of its Policy Framework:*

- Housing Strategy”

- 6.6 The policy framework is intended to provide the general context, as set by full Council, within which decision-making occurs. In an executive model of local authority, the majority of decisions are taken by the executive – in Haringey’s case this being the Cabinet/Leader/Cabinet member. It is not expected that every executive decision taken should satisfy every individual aspect of the framework, but they should not be outside the framework. Case law also makes it clear that it would not be a proper use of a full Council approved plan or strategy to seek to make it a means for full Council to micro-manage what ought to be executive decisions.

**The Budget Framework**

- 6.7 The budget framework is the 2018/19 Budget and Medium Term Financial Strategy (MTFS 2018 19 – 2022/23) Report approved by Full Council at its meeting on 26<sup>th</sup> February 2018.
- 6.8 The policy and budget framework is intended to provide the general context, as set by Full Council, within which executive decision-making occurs. The general premise is that executive decisions must be within the scope of the policy and budgetary framework and should not be wholly inconsistent with it.

**7. Current Call-In**

- 7.1 On 23<sup>rd</sup> November 2018, a valid call-in request was received in relation to the Cabinet decisions of 13<sup>th</sup> November 2018 in relation to the Tangmere and Northolt blocks on Broadwater Farm. A copy of the Cabinet report dated 13<sup>th</sup> November 2018; the published draft minutes and the call-in request all form part of the published Agenda pack distributed to Members of the Overview and Scrutiny Committee, and so are not reproduced again here as appendices to this report.

7.2 The call-in request asserts that the decision was outside the policy or budget framework.

## **8. Monitoring Officer's Assessment**

8.1 The Monitoring Officer's assessment is that the decision taken by Cabinet does fall inside of the Council's policy framework for the following reasons.

8.2 As detailed at paragraph 6.5 above, the Housing Strategy does form part of the Council's policy framework. However, the Broadwater Farm Rehousing and Payments Policy does not form part of the same framework. Further, and in any event, as the report of the Interim Director of Housing, Regeneration and Planning makes clear, there is no conflict between the two documents.

## **9. The Section 151 Officer's Assessment**

9.1 The Section 151 Officer's assessment is that the decision taken by Cabinet does fall inside of the Council's budget framework for the following reasons.

9.2 The financial implications of the decisions taken by Cabinet were detailed in the November 2018 cabinet report.

9.3 The reason for call-in refers to the potential risk of having to repay GLA funding. Cabinet have not made any decisions relating to drawing down affordable housing grant from the GLA in relation to Tangmere and Northolt. The Council will only be able to access this funding after it has met a number of conditions, which will include it either being granted an exemption from the ballot requirements or it being determined that it has met the ballot requirements. There is therefore no risk that the Council will have to repay any capital funding linked to the ballot requirement, as the GLA will not give the Council any capital funding until this is resolved and this funding only starts to be paid when there is a start on site on the replacement homes.

## **10. Contribution to strategic outcomes**

N/A

## **11. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

### **Finance and Procurement**

The Chief Finance Officer's comments are set out above.

### **Legal**

The Monitoring Officer's comments are set out above.

### **Equality**

N/A

**12. Use of Appendices**

**13. Local Government (Access to Information) Act 1985**

N/A

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Report for: **Special Overview and Scrutiny Committee on 6<sup>th</sup> December 2018**

Title: **Call-in of Cabinet's decisions relating to the Tangmere and Northolt blocks on Broadwater Farm**

Report

Authorised by: **Helen Fisher, interim Director of Housing, Regeneration and Planning**

Lead Officer: **Dan Hawthorn, Director of Housing and Growth**

Ward(s) affected: **West Green**

Report for Key/

Non Key Decision: **Key Decision**

## **1. DESCRIBE THE ISSUE UNDER CONSIDERATION**

- 1.1. The purpose of this report is to provide further information to support the Overview and Scrutiny Committee's consideration of the issues raised in the 'call-in' of the Cabinet decisions of 13<sup>th</sup> November 2018 in relation to the Tangmere and Northolt blocks on Broadwater Farm.

## **2. CABINET MEMBER INTRODUCTION**

- 2.1. My introduction to the original report considered by Cabinet on 13 November 2018 set out the case as I see it for that decision. This report deals with the specific points raised in the call-in, and I would simply and clearly confirm my view that nothing raised in the call-in or set out in this report changes my view that the decision taken on 13 November 2018 was the right one.

## **3. RECOMMENDATIONS**

- 3.1. It is recommended that the Committee take into account the information in this report when considering its decision on this matter.

## **4. Background**

### The decision and the call-in

- 4.1. At its meeting on 13<sup>th</sup> November 2018, Cabinet made a number of decisions relating to the Tangmere and Northolt blocks on Broadwater Farm. The decisions and the report are published on the Council's website and are accessible at the link provided in paragraph 10 below.
- 4.2. Following the publication of the draft minutes of the meeting on 16th November 2018, a 'call-in' of the decision was received and deemed valid in line with the criteria set out in Part Four, Section H of the Council's Constitution. Accordingly, the matter is now to be considered by the Overview and Scrutiny Committee.

Reasons for the call-in

- 4.3. The call-in form states that *“The decision by the Cabinet to reject a pre-demolition ballot of residents of Broadwater Farm falls outside the financial and policy framework”* and lists four primary reasons in support. The form also lists five additional reasons for call-in, and lists two proposed variations to the action taken by Cabinet. This report provides an officer response to reasons for call-in, and the proposed variations. The report of the Monitoring Officer and Section 151 Officer which is also presented as part of this item makes recommendations around whether any of the decisions fall outside the financial and policy framework.

Primary Reason 1

- 4.4. *“It does not appear that at the time the Cabinet took its decision, the Council had yet secured an exemption from the GLA’s requirement to hold a ballot. The GLA capital funding guide states in order to apply for an exemption on the grounds that a demolition is “required to address concerns about the safety of residents”, the applicant authority must demonstrate there are “safety issues that cannot reasonably be resolved through other means.” As the Cabinet report from July 2018 demonstrates this was not the case, as strengthening was actively considered as an alternative. Given this, the risk of having to repay GLA capital funding needs to be considered and the fact that this was not, places the decision outside the budget framework.”*

Response

- 4.5. It is accepted that as at the date that Cabinet took its decision on 13<sup>th</sup> November 2018, no exemption from the GLA requirement to hold a ballot had been secured. However, it is not accurate to suggest that there is a consequential risk that funding will have to be repaid for the following reasons.
- 4.6. Cabinet have not made any decisions relating to drawing down affordable housing grant from the GLA in relation to Tangmere and Northolt. The Council will only be able to access this funding after it has met a number of conditions, which will include it either being granted an exemption from the ballot requirements or it being determined that it has met the ballot requirements. There is, therefore, no risk that the Council will have to repay any capital funding linked to the ballot requirement, as the GLA will not give the Council any capital funding until this is resolved and this funding only starts to be paid when there is a start on site on the replacement homes.

Primary Reasons 2 and 3

- 4.7. *“Section 8.4 of the Housing Strategy says that the Council “will work with residents at all times to make sure we are offering something that people genuinely want and that will make a real difference.” The failure to hold a pre-demolition ballot represents a failure to fulfil this obligation”.*
- 4.8. *In addition, expectations of resident engagement and empowerment have been raised to a new and higher level by the Mayor of London’s ballot requirement for estate regeneration schemes. Ballots have been introduced because softer methods of consultation have been perceived to be inadequate when making*

*decisions to demolish people's homes and to transform neighbourhoods. Therefore, the decision is out of line with the aspirations described in paragraph 4.3 of the Housing Strategy, 'Engaging and Enabling People'.*"

Response

- 4.9. It is accepted that the Council did not hold a pre demolition ballot with residents before Cabinet took its decision on 13<sup>th</sup> November 2018. However, the Council is confident that the decisions taken by Cabinet were preceded by an appropriate degree of resident consultation, and in compliance with the Housing Strategy for the following reasons.
- 4.10. Section 4.3 of the Housing Strategy sets out the Council's broad aims in terms of engaging and enabling residents regarding housing. This includes ongoing community engagement to improve local services and environments. The section concludes "*We are promoting community participation in shaping new development and, in Tottenham Hale and North Tottenham, the council is engaging users and residents in the design of new homes and places. We will continue to ensure residents are closely involved in council-led housing initiatives, improvements and regeneration schemes, and this is set out in 8.4 below.*"
- 4.11. Section 8.4 of the Housing Strategy then sets a number of ways in which the Council will seek to give residents a stake in growth. In relation to engagement in council-led housing initiatives, this section says: "*As we pursue [existing estate renewal schemes] and other initiatives, we will work with residents at all times to make sure we are offering something that people genuinely want and that will make a real difference – this is absolutely central to our growth priorities.*" It is worth noting that the Housing Strategy was adopted before the Mayor's Estate Regeneration Guidance, including ballots, was published and that the new Strategy that is now being developed will be able to reflect as appropriate the content of that guidance.
- 4.12. In terms of how the Council has engaged and consulted residents in the decision-making process to date, the Council has carried out a detailed consultation of the residents of Tangmere and Northolt on the options for the two blocks, as well as on the associated rehousing policy and local lettings policy. This form of consultation allowed the Council to ask a range of questions to get an in-depth understanding of what residents thought, and why. The findings of this consultation were considered by Cabinet as part of the decisions it took at its meeting in November. As that report set out, the consultation found an overwhelmingly high level of support for the Council's preferred option as regards both Tangmere and Northolt. The Council does not consider this type of consultation to be a 'softer' method of consultation – the Council has a statutory duty under section 105 of the Housing Act 1985 to consult secure tenants who are likely to be substantially affected by a matter of housing management, such as its proposals relating to Tangmere and Northolt.
- 4.13. One of the advantages of this type of consultation is that it allows the Council to gain a richer understanding of residents' views and priorities. For example, a number of respondents to the consultation from Tangmere mentioned the leaks the block suffers from, and when asked which out of a number of considerations they thought was most important, the most frequent response from residents of both blocks was improving the quality of the homes on the Tangmere and Northolt sites.

As the consultation explained, the strengthening works would not address all the issues with these two blocks, some of which are caused by the design of the blocks. For example, the leaks Tangmere suffers from are because the design of the block is that water drains internally through its structure and this has led to water ingress problems which are extremely hard to identify and address. Such ingress leads to premature deterioration of other structural components. It is therefore very difficult – if not impossible – to address the concerns residents highlighted with the leaks and the general quality of the block without demolishing and then rebuilding the homes. This also means that Tangmere would also likely need ongoing and costly works to try to address the leaks even after strengthening works are done. This level of detail on residents' views could never be extrapolated from a simple yes/no ballot.

- 4.14. Another consideration residents told us they thought was important was the size of the homes provided. Residents said they wanted a higher number of larger homes than those currently in the blocks (Northolt is all one bed homes and Tangmere has a high proportion of one beds compared to local housing need). The decisions taken at November Cabinet will allow these residents to be rehoused in alternative accommodation that is the right size for them and their household (as defined by the Council's Allocations Policy). They will then have the right to return to the estate, including the right to a newly built home on the estate which will be the right size for them and their household.
- 4.15. Accordingly, as stated above, the Council is therefore confident that the decisions taken by Cabinet in November were preceded by an appropriate degree of resident consultation, and that they reflect as much as possible what residents genuinely want based on the findings of this consultation.
- 4.16. Importantly, resident engagement will continue throughout the process of providing new homes on the estate. As paragraph 6.63 of the November Cabinet report states, there will be detailed resident engagement on developing the proposals for new homes and the housing principles that will determine the number of homes and the types of design that could be considered.
- 4.17. It is accepted that the Mayor's guidance – and indeed the commitments of the new Haringey administration – see a role for ballots in typical estate regeneration schemes. And as stated above, a ballot will take place on the redevelopment proposals at Broadwater Farm. However, the Mayor's guidance recognises that some situations do not allow full compliance with its requirements, including for reasons of health and safety, and it is the judgement of this administration that this is just such a situation.
- 4.18. In addition to the formal consultation undertaken with the residents of Tangmere and Northolt on the futures of these blocks, there has also been a significant programme of resident engagement in relation to the structural issues identified on the Broadwater Farm estate. This was set out in detail in paragraphs 6.35 to 6.39 of the June Cabinet report.

#### Primary Reason 4

- 4.19. *“Finally, the Broadwater Farm Rehousing and Payments Policy does not comply with Paragraph 4.2 of the Housing strategy, ‘Supporting the development of strong mixed communities’, because:*

- a) *There is no guaranteed right to return for resident leaseholders who ‘no longer reside in the borough’. Many of these leaseholders may need to move out of the borough due to reasons of cost.*
- b) *The equity loans scheme for resident leaseholders should be amended to include succession for immediate family members, rather than partners only.*
- c) *Rent and service charge arrears are being deducted from Home Loss payments. This is a cause of hardship to indebted households, and the deductions should be waived where the resident is adhering to an existing agreement to reduce the arrears.”*

Response

- 4.20. It is not accepted that the Broadwater Farm Rehousing and Payments Policy does not comply with Paragraph 4.2 of the Housing Strategy for the following reasons.
- 4.21. Section 4.2 of the Housing Strategy provides a narrative on the wide range of homes the borough needs to meet current and future housing need and “*to obtain the mix in our communities that lies at the heart of our vision for housing in the borough*”.
- 4.22. The Council’s commitments to residents affected by estate renewal proposals were further developed in the Estate Renewal Rehousing and Payments Policy (ERRPP) which was approved by Cabinet in October 2017. The ERRPP is not part of the Council’s policy framework in the way the Housing Strategy is, but it does set out commitments the Council has made to residents affected by estate renewal proposals. The ERRPP does not automatically apply to Tangmere and Northolt as the demolition proposals are based on health and safety issues rather than estate renewal proposals. However, a number of the commitments contained in the ERRPP have been offered to the residents of Tangmere and Northolt through the Broadwater Farm Rehousing and Payments Policy (the policy), which was approved by Cabinet in November 2018 following resident consultation. The policy aims to be consistent with the ERRPP as far as possible in these circumstances.
- 4.23. The policy sets out two stages of a rehousing offer for resident leaseholders – initial rehousing to allow the resident leaseholder to move out of Tangmere or Northolt, and then a right to return to a new build property when they are built. It is important that the policy commitments for both stages are considered together, for the reasons set out below.
- 4.24. In terms of initial rehousing, the policy seeks to enable resident leaseholders to remain in the borough, if they wish to. The Council will provide financial assistance to enable residents to stay in the borough. This will take the form of an equity loan from the Council to help fund the cost of a replacement home. Generally loans will be able to fund up to 40% of the leaseholder’s new home in the borough, though as set out in section 6.51 of the November 2018 Cabinet report the Council also has in place a procedure to show discretion where appropriate. This includes cases where a leaseholder requires an equity loan higher than 40% in order to remain in the borough or to return to the estate.
- 4.25. The second part of the offer for resident leaseholders – as referred to in the reason for call-in – is the right to return. The policy says that former resident leaseholders of Tangmere and Northolt will be offered a property with the same number of

bedrooms as their previous Broadwater Farm home. The policy does recognise that there may be changes in leaseholders' circumstances between the time they move out of their current home and the time when new build homes are available. This could include changes to the leaseholder's household size or their financial circumstances. The policy says that where there have been significant changes, the circumstances will be considered by the Broadwater Farm discretion panel. The panel will make decisions in line with the general principles guiding the Council's rehousing policies (ie both the ERRPP and the policy ). This includes the aim to allow current resident leaseholders to return to the estate to a newly built leasehold property which is similar to their current home.

- 4.26. The policy does not say that resident leaseholders who no longer reside in the borough will not have a right to return. Because the policy envisages that those resident leaseholders who wish to stay in the borough will be able to for the reasons summarised in paragraph 4.24 above, the assumption is that these resident leaseholders will still be resident in the borough when the new homes are built and ready to move in to. The reference in the policy to any leaseholder who no longer resides in the borough therefore refers to a leaseholder choosing to leave the borough because they wish to, rather than because of their financial circumstances.
- 4.27. If a resident leaseholder has chosen to leave the borough, but wishes to exercise a right to return, this will be considered by the discretion panel. It should be noted that if the resident leaseholder has retained demonstrable links to the borough and/or to the estate, then the panel would confirm that they retain a right to return.
- 4.28. To summarise, the policy envisages that those resident leaseholders who wish to remain in the borough when they leave Tangmere or Northolt will be able to do so. It then envisages that they will be given a right to return to new homes on the estate when they are built. In view of the fact that some years will have elapsed between the two moves, the policy also sets out a discretion procedure to consider any cases where there have been significant changes to a leaseholders' circumstances.
- 4.29. It should be noted that the ERRPP states that "where a resident has chosen to move to a new home out of the borough, the Right to Return would no longer apply" (section 4.3 of that policy). The policy is, therefore, entirely in line with existing policy on this point.
- 4.30. In regards to inheritance of an equity loan, the policy – again in line with the ERRPP – limits inheritance to the leaseholder's spouse, civil partner or a person living with them as their husband or wife. This means that the partner may succeed to the property without having to repay the Equity Loan, so long as the partner resided at the home with the leaseholder at the time of the leaseholder's death. Any requests for an equity loan to be inherited by someone who does not meet these criteria would be considered by the discretion panel, who would seek to make a decision in line with the general principles guiding the Council's rehousing policies, as well as the financial implications to the Council of further extending the duration of the loan.
- 4.31. It should be noted that where an equity loan arrangement is not inherited and needs to be paid back to the Council, any increase (or decrease) in the value of the property will be apportioned between the leaseholder and the Council in line with their original contributions and any further contributions.

4.32. In regards to deducting arrears from Home Loss payments, it is existing Council policy to deduct any debts owed to the Council from such payments (see section 5.1 of the ERRPP). Any cases where the resident thinks that this could cause hardship can be referred to the discretion panel. It should be noted that separate payments will be made to residents to cover the cost of moving home (disturbance payments). As these cover expenses that the resident would otherwise incur, no debts will be deducted from these payments. Paragraph 4.2.2 of the policy sets out costs which may be covered by disturbance payments, including:

- Removal costs from the current home to the new home.
- Redirection of mail for each authorised surname living at the address.
- Telephone and internet disconnection and reconnection.
- Disconnection of any television aerials or satellite dishes
- Washing machine, cooker, dishwasher and plumbed fridge disconnection
- Any extra costs of new school uniform if moved to a different area
- Dismantling and re-fitting of fitted resident owned furniture (such as kitchen units and wardrobes
- Reimbursements for wage or salary loss on the day of the removal

#### Additional Reason 1

4.33. *“There is an unaddressed contradiction between the stance taken in the July 2018 report that strengthening was an alternative to demolition, and the stance taken by the Cabinet in November 2018, that a lack of an alternative precluded holding a pre-demolition ballot.”*

#### Response

4.34. It is not accepted that there is a contradiction as alleged for the following reasons.

4.35. Both the June 2018 and November 2018 Cabinet reports are concerned with the options for rectifying the structural defects with the two blocks. The June report identified the options for the blocks, which were to either carry out strengthening works or to demolish the blocks and then build new homes to replace those that would be demolished in this scenario. At the June meeting Cabinet agreed, having considered these options and the information provided in the report, that its preferred option was to demolish both blocks and then build new homes. In June, Cabinet also decided – in line with the Council’s statutory duty under section 105 of the Housing Act 1985 – to consult the residents of Tangmere and Northolt on the options. The November report set out the results of this consultation and recommended further decisions in light of the findings of the consultation.

4.36. The consultation documentation set out the options for the blocks, and explained why demolition and rebuilding was the Council’s preferred option. The consultation asked (among a number of other questions) whether they agreed with the Council’s preferred option and, if they did not, to state which of the other options they supported.

4.37. The November report does not state that there was no alternative to demolition, and section five summarises the alternative options and refers to the June report where these options were set out in greater detail. The November report explains that the

consultation found strong support for the Council's preferred option from the residents of both Tangmere and Northolt.

- 4.38. In view of the fact that the proposed demolition of Tangmere and Northolt is due to the serious structural issues to both blocks that were identified in early 2018, it is not possible to hold a ballot which is fully compliant with the GLA ballot requirements introduced in July 2018.
- 4.39. The GLA guidance envisages that prior to a ballot, the Council will have developed a 'Landlord Offer' which sets out in some detail its proposals for the future of the estate. The GLA guidance the Landlord Offer must include:

*"The broad vision, priorities and objectives for the estate regeneration, including information on:*

- o Design principles of the proposed estate regeneration.*
- o Estimated overall number of new homes.*
- o Future tenure mix.*
- o Proposed associated social infrastructure."*

- 4.40. In view of the fact that the focus to date has been on how to most appropriately address the risks associated with the structural issues with the two blocks, the only work that has been commissioned relating to new homes are some initial high-level capacity studies to determine how much housing could be built on the estate and where. Developing the vision, objectives and design principles for an estate regeneration project is something that needs to be developed in close consultation with residents of the estate over a period of time. This is not something that should be rushed, but nor should it delay the decisions needed now on how to address the structural issues with the Tangmere and Northolt blocks.
- 4.41. The GLA guidance also states that a ballot should take place before residents are rehoused. Again, this is not possible with these two blocks, where, in response to the pressing and serious health and safety concerns, rehousing is already underway in Tangmere and will soon start for Northolt.
- 4.42. The GLA ballot guidance recognises that there will be occasions where the requirement cannot apply in the manner set out. Exemption 2 concerns demolition required to address concerns about the safety of residents. This exemption states that an exemption may be granted *"where demolition is necessary as a result of resident safety issues that cannot reasonably be resolved through other means."*
- 4.43. It should be noted that the GLA's requirement to hold a ballot is only a condition of receiving funding from the GLA towards the cost of building new homes to replace those which are demolished. This does not affect the Council's ability to make decisions on the futures of Tangmere and Northolt within its own decision-making framework.
- 4.44. While the Council is not in a position to hold a GLA-compliant ballot before decisions need to be taken on the futures of Tangmere and Northolt, it has committed to holding a ballot of the whole estate on the development proposals when these are developed. This will include the objectives and design principles outlined in paragraph 4.39 above. In line with the GLA guidance, this ballot will be of



all eligible residents on the estate and will include residents of Tangmere and Northolt, who have a right to return to the estate.

- 4.45. If, for any reason, the Council is not granted an exemption by the GLA it would then need to consider the next steps based on the circumstances at the time in discussion with the GLA. Note that the Council could pursue the scheme without using GLA grant and instead use its own resources to fund the cost of new homes such as Right to Buy receipts.
- 4.46. For the reasons set out above the Council does not believe it is possible to hold a fully compliant ballot, and any non-compliant ballot could leave the Council and/or GLA open to legal challenge, which could only further delay the replacement of the demolished homes.

Additional Reason 2

- 4.47. *“There is clearly a view amongst Broadwater Farm residents, as evidenced by the petition noted in the Cabinet report, that the assurances given in the consultation are inadequate and cannot be relied on.”*

Response

- 4.48. It is not accepted that this is a concern for the following reasons.
- 4.49. The most effective way for the commitments made by the Council to the residents of Tangmere and Northolt to be honoured is to adopt them in formally approved Council policy. The commitments as regards rehousing are reflected in the Broadwater Farm Rehousing and Payments Policy which was approved by Cabinet at its meeting in November 2018. This sets out a number of commitments, including:
- Tenants will move to an alternative council home that is the right size for them and their household
  - Tenants can stay in the home they have moved to, but will retain Band A priority to bid for a different home if they wish to move again (a second move)
  - All Tangmere and Northolt tenants will have a right to return to a new build home on the estate once they are built
  - Resident leaseholders will be given financial assistance to find a new home in the borough, and will have a right to return to newly built homes on the estate
- 4.50. The other commitment the Council has made is that all council homes which are demolished will be replaced with the same number of new council homes on the estate. The Council has been clear about this commitment from the outset, and the work done on the comparative costs of the options was done on this basis. As well as the commitments given at Cabinet and in the consultation documentation, it should also be noted that the draft London Plan (which is likely to come in to force in mid 2019) will require the replacement of any social housing which is demolished as part of the redevelopment of an existing housing estate. Policy H10 of the draft London Plan states that:

*“Where loss of existing affordable housing is proposed, it should not be permitted unless it is replaced by equivalent or better quality accommodation, providing at least an equivalent level of affordable housing floorspace, and generally should produce an uplift in affordable housing provision.”*

It goes on to say that *“the existing affordable housing floorspace should be replaced on an equivalent basis i.e. where social rented floorspace is lost, it should be replaced by general needs rented accommodation with rents at levels based on that which has been lost, and the delivery of additional affordable housing should be maximised.”*

- 4.51. The assurances given in the consultation have therefore not only been repeated throughout the process to date, they have also been adopted into council policy. Further, both our Local Plan and the Mayor’s emerging plan both require full re-provision of any social rented homes that are demolished.
- 4.52. While the petition received by the Council called for a ballot on demolition or strengthening, it did not say that one of the reasons for petition was that residents didn’t believe the Council’s assurances.
- 4.53. It should be noted that a ballot would not make the commitments outlined above any more or less guaranteed than they will be once they form part of the Council’s policy framework.

#### Additional Reason 3

- 4.54. *“There is a possibility that these sites could be left in ‘limbo’ if a decision to demolish is taken and a post-demolition ballot leads to proposals for rebuilding being rejected.”*

#### Response

- 4.55. It is not accepted that this is a concern for the following reasons.
- 4.56. The Council would seek to mitigate this risk by working closely with residents on the estate to develop proposals that have their support. The decision to hold a ballot on the proposals for new homes could slow down the process, but this needs to be balanced against the council’s long-standing commitment to ballot residents of the estate at the most appropriate time – which is when proposals for replacement Council homes have been developed.
- 4.57. The risk that that the new homes could be delayed by a resident ballot does not change the case for demolishing Tangmere and Northolt due to the serious structural issues present in the blocks.

#### Additional Reason 4

- 4.58. *“That the Cabinet report referenced the decision having “significant financial implications” as a reason not to hold a ballot prior to demolition. The same could be said of almost any major redevelopment, therefore this appears to create a precedent that could be used not to hold ballots at any point in the future.”*

Response

- 4.59. It is not accepted that this is a concern for the following reasons.
- 4.60. The paragraph in the November Cabinet report states: “[The petition] will be responded to in line with the Council’s procedure on petitions, explaining that the Council’s position is that it is not appropriate to hold a ballot on this question, as it concerned a health and safety issue with significant financial implications. The response explained that a ballot would be held on proposals for new homes. Only one of the responses to the section 105 consultation mentioned a ballot.”
- 4.61. The paragraph is therefore referring to the financial implications of the health and safety issues, as outlined in the Cabinet report and summarised above. It is not the case that all redevelopment proposals involve serious structural issues like those present in Tangmere and Northolt. For the avoidance of doubt, the Council supports the use of ballots on estate renewal proposals and would foresee them being used for any future estate renewal proposals other than in the small number of cases where an exemption applies. It also does not consider the decision to not hold a pre-demolition ballot on Tangmere and Northolt to set a precedent for future estate renewal proposals. The Council will be holding a resident ballot for its proposals for the High Road West scheme in 2019.

Additional Reason 5

- 4.62. *“There are reports that some residential leaseholders are having to move into the private rented sector.”*
- 4.63. It is not accepted that this is a concern for the following reasons
- 4.64. As outlined above, the Broadwater Farm RPP sets out how the Council will enable resident leaseholders to buy a new home in the borough, including with financial assistance from the Council if needed. Given the particular circumstances affecting Tangmere – where the vast majority of tenants have now been rehoused and the gas to the block has been switched off– the Council is extending the offer of rented accommodation to resident leaseholders to allow them to move out of the block more quickly. This is because it takes time for the Council to agree and then complete on the buyback of their property, and then more time for them to identify and purchase a new home that meets their needs. The offer of rented accommodation allows them to complete this process without having to remain in the Tangmere block if they don’t wish to. The Council will meet the cost of this accommodation up to a certain level. It is not expected that leaseholders will remain in private rented accommodation long-term unless they choose to under their own arrangements.
- 4.65. If a resident leaseholder wishes to remain in their Tangmere property until the Council buys it back from them, they have a right to. As gas to the block has now been switched off, the Council is providing temporary radiators and immersion heaters if their flats do not already have them.

Variation of Action Proposed

- 4.66. The call-in proposes to variations, which are responded to below.

- 4.67. Variation of Action proposed 1: *“That an additional ballot should be held of the residents of Broadwater Farm on the principle of demolishing and rebuilding Tangmere and Northolt with strengthening the two blocks as the alternative.”*
- 4.68. The proposed variation is not accepted for the following reasons
- 4.69. The Council has carried out a detailed consultation on the options for Tangmere and Northolt with the residents of the two blocks. This consultation was considered by Cabinet at its meeting in November and provided a significant amount of information to allow Cabinet to properly understand residents’ views in relation to the options before it made its decisions. It is not clear, now that a consultation has been held with a very clear outcome, what further information a ballot would provide to Cabinet as part of its decision making.
- 4.70. As also explained further above, a ballot of all residents on the estate will be held once the more detailed proposals for new homes are developed.
- 4.71. Variation of Action proposed 2: *“The Broadwater Farm Rehousing and Payments Policy should be amended to deal with the points raised above.”*
- 4.72. It is not accepted that a need to amend the policy arises for the following reasons.
- 4.73. The responses provided above are intended to reassure Overview and Scrutiny Committee that the Broadwater Farm Rehousing and Payments Policy has considered the matters identified in the call-in. In particular, the responses above clarify the ways in which resident leaseholders will be enabled to stay in the borough. They also clarify how the Council will use the discretion procedure to ensure equitable outcomes for residents in line with the aims of the Council’s rehousing policies.

## **5. CONTRIBUTION TO STRATEGIC OUTCOMES**

- 5.1. The contribution of the decision in question to strategic outcomes was set out in the report to 13 November Cabinet.

## **6. STATUTORY OFFICER COMMENTS**

### **Finance**

- 6.1. The Section 151 Officer has been consulted in the preparation of this report.
- 6.2. The financial implications of the decisions taken by Cabinet were detailed in the November 2018 cabinet report.

### **Legal**

- 6.3. The Assistant Director of Corporate Governace has been consulted in the preparation of this report, and his views are as set out in his Monitoring Officer report.

### **Equalities**

N/A

## 9 USE OF APPENDICES

### 10. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Report to 26<sup>th</sup> June Cabinet regarding the results of the structural reports on the Broadwater Farm blocks, and minutes of Cabinet's decisions:

<https://www.minutes.haringey.gov.uk/mgAi.aspx?ID=58198>

Broadwater Farm structural reports and cost estimates:

<https://www.homesforharingey.org/your-neighbourhood/safety-estates/broadwater-farm/broadwater-farm-reports-june-2018>

Housing Allocations Policy 2015 as amended 1 May 2017 & 14 March 2018

[http://www.haringey.gov.uk/sites/haringeygovuk/files/haringeys\\_housing\\_allocations\\_policy\\_2015\\_amended\\_14\\_march\\_2018.pdf](http://www.haringey.gov.uk/sites/haringeygovuk/files/haringeys_housing_allocations_policy_2015_amended_14_march_2018.pdf)

Estate Renewal Rehousing and Payments Policy:

[http://www.haringey.gov.uk/sites/haringeygovuk/files/estate\\_renewal\\_rehousing\\_and\\_payments\\_policy\\_2017.pdf](http://www.haringey.gov.uk/sites/haringeygovuk/files/estate_renewal_rehousing_and_payments_policy_2017.pdf)

Draft London Plan:

[https://www.london.gov.uk/sites/default/files/draft\\_london\\_plan\\_chapter\\_4.pdf](https://www.london.gov.uk/sites/default/files/draft_london_plan_chapter_4.pdf)

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