

MINUTES OF MEETING Cabinet Member Signing HELD ON Tuesday, 31st May, 2022, 11.30am

PRESENT:

Councillor Peray Ahmet, Leader of the Council

ALSO ATTENDING: Benita Edwards, Ayshe Simsek, Cllr Carlin

10. APOLOGIES FOR ABSENCE

None

11. DECLARATIONS OF INTEREST

None

12. COUNCIL AS OWNER OF HOMES FOR HARINGEY TO APPROVE SPECIAL RESOLUTION, NEW ARTICLES OF ASSOCIATION, MEMBER'S AGREEMENT AND APPOINTMENT OF NEW DIRECTORS - NON KEY DECISION

The Interim Head of Legal Services introduced the report, which noted that the housing management agreement with Homes for Haringey would be terminated by midnight and housing services would be insourced and delivered by the Council on the 1st of June.

The report took forward agreement of Homes for Haringey to exist in a very modified format and to fulfil ongoing management of property leases held directly by HfH and used to provide homeless accommodation.

It was noted that HfH is a company limited by guarantee and the Council is the owner and sole Member of HfH. As such, it was for the Council to authorise adoption of a new Member's Agreement, Articles of Association and appointment of new Directors so that HfH would operate from 1 June 2022 with a new remit as outlined in the report. It was clarified that the new directors were essentially Council officers with responsibilities for Housing and Finance.

The Leader further noted that since the Cabinet report was approved on 7 December 2021 to insource Homes for Haringey, there was number of legacy issues, which would need to be resolved after 1 June 2022. In order to meet this objective, the report also recommended that the Leader approved HfH's ability to continue to provide housing services to the Council as required. In addition to future-proofing HfH, the outlined recommendations also enabled HfH to continue as the counter-party to contracts with third parties, the benefit of which would be for the Council, whilst action was taken to terminate, assign or novate these contracts as required.

The Leader, acting on behalf of the Council in its role as owner and sole Member of HfH:

RESOLVED

1. To approve the Member's Agreement (Appendix C to this Report), which shall apply to HfH with effect from 1 June 2022.
2. To approve the Articles of Association (Appendix B to this Report), which shall apply to HfH with effect from 1 June 2022.
3. To appoint Robbie Erbmman, Josephine Lyseight and Judith Page as Directors of HfH with effect from 00.01am on 1 June 2022.
4. To approve the Special Resolution (Appendix A to this Report) to adopt new Articles of Association, enter the Members Agreement and appoint new Directors in accordance with Recommendations 2.2, 2.3 and 2.4.
5. To approve that with effect from 1 June 2022, the remit and objectives of HfH shall be:
 - a. to provide private sector leases to the Council for the provision of short term tenancies;
 - b. to provide housing services to the Council;
 - c. such other matters as notified by the Council in writing.
6. To delegate authority to the Chief Executive of the Council, in consultation with the Leader and the Lead Member for Housing Services, Private Renters and Planning, to exercise the role of the Council as sole member of HfH in relation to the future appointment and / or removal of Directors of HfH.

Reasons for decision

In accordance with the decision of Cabinet on 7 December 2021, a Termination Agreement between the Council and HfH was completed on 27 May 2022. Some of the key provisions of the Termination Agreement are as follows:

- i. to terminate the current Management Agreement between the Council and HfH with effect from 1 June 2022;
- ii. resignation of the HfH Board of Directors at 00.01am on 1 June 2022;
- iii. transfer of HfH staff to the Council at about 00.01am on 1 June 2022.

Accordingly, in order for HfH to operate as envisaged from 1 June 2022, there is a need for the Council to approve the changes set out in this report. The proposal is consistent with the decision made by Cabinet at its meeting on 7 December 2021, along with the additional legacy issues set out in paragraphs 1.3, 5.2 and 5.3 of this report. This re-structure of HfH reflects its change in purpose from an ALMO (managing the Council's housing stock) to a company holding private sector leases to

provide accommodation to homeless applicants (and such other housing services as the Council may determine).

Alternative options considered

The Council could choose to close Homes for Haringey and take over the leases it already holds

This option was rejected as this would forgo the forecasted future savings. This option would also require renegotiation with landlords to convert the existing HfH leases to Council ownership and to re-sign tenancy agreements with existing tenants.

The Council could choose to allow Homes for Haringey to continue until the current leases end but with new leases taken up by the Council

This option was rejected as although it would allow some limited savings to be maintained until the leases naturally expired, it would still lead to those savings to be lost after that date. This option would also forego future savings.

The Council could choose to allow Homes for Haringey to continue until the current leases end but with new leases taken up by a third party

This option was rejected at this time as there is not currently a viable alternative provider. However, further negotiations may lead to alternative providers in the future as Capital Letters and the Haringey Community Benefit Society evolve.

CHAIR:

Signed by Chair

Date