

# **MINUTES OF MEETING Cabinet Member Signing HELD ON Tuesday, 25th April, 2023, 15.30hrs**

## **PRESENT:**

**Councillors: Ruth Gordon**

**ALSO ATTENDING: Peter Exton (Head of Area Regeneration), Lauren Sinclair (Programme Manager) and Felicity Foley (Committees Manager)**

### **1. APOLOGIES FOR ABSENCE**

None.

### **2. DECLARATIONS OF INTEREST**

None.

### **3. APPROVAL TO ENTER INTO GRANT FUNDING AGREEMENT (MEMORANDUM OF UNDERSTANDING - MOU) TO SUPPORT DELIVERY OF PHASE ONE OF THE SELBY URBAN VILLAGE REDEVELOPMENT PROPOSALS**

The Cabinet Member for Council Housebuilding, Placemaking and Development considered the report which sought approval for the acceptance of a grant of £20,000,000 from the Department of Levelling Up, Housing and Communities (DLUHC) to support the delivery of phase one of the Selby Urban Village Redevelopment Proposals.

Officers drew the Cabinet Member's attention to paragraph 7.3 of the report which set out the three key elements in the Memorandum of Understanding:

- That the scheme should be essentially the same as that described in the bid documents.
- That the Council agrees to ongoing monitoring.
- That all grant monies are expended by the end of March 2025.

Officers also outlined that the main risks of the project:

- The DLUHC had delayed the programme by 10 months and it could be difficult to spend all of the grant monies by March 2025. However, on meeting with the DLUHC, officers were confident that as long as the programme was progressing and regular updates were provided to the DLUHC, this would not be an issue.
- Architects had already been procured for the programme, however due to the re-scoping of some elements in Phase 1 and most of Phase 2, the original architects fee would likely increase. Should this increase by more than 50% of the original fee, a re-tendering process would need to be carried out. Officers

have asked Government for a waiver should the fee increase by more than 50%.

## **The Cabinet Member for Council Housebuilding, Placemaking and Development RESOLVED**

1. To enter into the Levelling-Up grant agreement with DLUHC, to the value of £20,000,000.
2. To give delegated authority to the Director of Placemaking & Housing and the S151 Officer, after consultation with the Cabinet Member for Council Housebuilding, Placemaking and Development, to agree the final terms and conditions, and finalise the funding agreement if required.

### **Reasons for decision**

The Selby Urban Village project arises from a shared aspiration between Haringey Council and the Selby Trust to deliver a community-focused, mixed-use development on the Selby Centre and Bull Lane Playing Field sites. The proposed development will comprise the re-provision of the Selby Centre's community hub in a new building, and new housing, including Council homes, along with sports and recreation facilities. Both sites are in the ownership of Haringey Council, although the adjacent Bull Lane Playing Fields is located within the administrative area of the London Borough of Enfield.

Following the completion of community engagement and design development, the scheme has been severely impacted by recent changes in the economic environment, including construction cost inflation and rising interest rates. In addition, Greater London Authority (GLA) has changed the grant criteria and potentially the amount available for the proposed 50% affordable housing scheme.

In order to address this deficit, the project team submitted an application to DLUHC's Levelling Up fund in the Summer of 2022 for £20,000,000—the maximum any one bid could request. In January 2023, the Council successfully secured funding for the project. This investment offers a valuable opportunity for the Council to improve social infrastructure in one of the most disadvantaged areas of North Tottenham, effectively addressing a substantial amount of the viability gap caused by macroeconomic factors.

The project team is confident that the scheme can be brought forward to achieve the desired outcomes and objectives. Nevertheless, a funding gap persists despite the substantial funding award. The team is actively collaborating with professional consultants to identify cost-reduction strategies for the project, aiming to make the scheme more affordable whilst preserving the outcomes. Section 6 notes the current approach being taken by Officers to progress the scheme. A subsequent cabinet

report is planned for later this year to offer a comprehensive update prior to submitting a planning application.

**Alternative options considered**

Not to Accept the offer of Levelling-Up grant funding - Officers rejected this option as it would prevent the Council from delivering new, much-needed community assets in North Tottenham, and releasing the Phase B site for new housing.

Postpone the decision until terms with DLUHC have been finalised - This option has been rejected due to programme pressure resulting from DLUHC's delay in sharing the terms of the grant and the LUF2 programme condition to spend the awarded money by March 2023. The impact of this time constraint can be mitigated through this approval which will allow the Council to accept the grant in principle, enabling officers to progress the scheme programme to planning whilst finalising the terms of the grant agreement.

**4. EXEMPT REPORT**

Item 5 is not available for publication as it contains exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); para 3, namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

**5. EXEMPT - APPROVAL TO ENTER INTO GRANT FUNDING AGREEMENT (MEMORANDUM OF UNDERSTANDING - MOU) TO SUPPORT DELIVERY OF PHASE ONE OF THE SELBY URBAN VILLAGE REDEVELOPMENT PROPOSALS**

The exempt information was noted.

CHAIR: Councillor Ruth Gordon

Signed by Chair .....

Date .....