

MINUTES OF THE MEETING OF THE CABINET HELD ON TUESDAY, 11TH DECEMBER, 2018, 6.30pm

PRESENT:Councillors: Joseph Ejiofor (Chair), Emine Ibrahim (Vice-Chair), Charles Adje, Peray Ahmet, Patrick Berryman, Mark Blake, Zena Brabazon, Kirsten Hearn, Noah Tucker and Elin Weston

Also Present - Councillors: das Neves, Gordon, Morris, Carlin

25. FILMING AT MEETINGS

The Leader referred to agenda item 1, as shown on the agenda in respect of filming at the meeting and Members noted this information.

26. APOLOGIES

There were no apologies for absence.

27. URGENT BUSINESS

The Leader advised that the Overview and Scrutiny Committee had decided at its meeting of the 6th of December to refer the decision taken by Cabinet on 13th of November "Broadwater Farm", back to Cabinet. The recommendations of the Overview and Scrutiny Committee would therefore be dealt with at Agenda item 7 as a late item of urgent business.

According to the Call-in Procedure in the Council's Constitution (Part 4 Section H), the Cabinet had five working days to reconsider the key decision before taking a final decision.

28. DECLARATIONS OF INTEREST

The Leader put forward a personal, non-pecuniary and non-beneficial interest in item 9, Medium Term Financial strategy (2019/20 to 2023/24) by virtue of being a parent of children at Fortismere secondary school.

Cllr Berryman, put forward a personal, non-pecuniary and non-beneficial interest in item 9, Medium Term Financial strategy (2019/20 to 2023/24) by virtue of being a parent of children at Fortismere secondary school.

Cllr Mark Blake, put forward a personal, non-pecuniary and non-beneficial interest in item 9, Medium Term Financial strategy (2019/20 to 2023/24) by virtue of being a parent of children at Fortismere secondary school.

Cllr Brabazon, put forward a personal, non-pecuniary and non-beneficial interest in item 9, Medium Term Financial strategy (2019/20 to 2023/24) by virtue of being a school governor at Seven Sisters Primary School and Rowland Hill School nursery. This interest was being put forward as the report contained the Council's capital spend proposals and these schools maybe recipients of this funding in the future.

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

There were no representations received at the agenda publication stage in relation to the exempt items on the agenda.

30. MINUTES

The minutes of the Cabinet meeting held on the 13th of November 2018 were agreed as an accurate record.

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

The Leader set out the process for considering the Overview & Scrutiny recommendations and reconsidering the key decision on Broadwater Farm. The Cabinet would first consider the recommendations of the Overview and Scrutiny Committee, set out in the second pack of papers, at page 5, and Councillor Ibrahim would provide a verbal response to the recommendations.

After Cllr Ibrahim's response to the recommendations, Cabinet would then move to reconsideration of the key decision, which was contained in the minutes, agenda item 6, at section 9, pages 5 &6 of the original pack.

The Leader invited Councillor das Neves to report on the outcome of the Special Overview and Scrutiny meeting, held on the 6th of December 2018 which had considered the Broadwater Farm report following the call-in of this decision.

Councillor das Neves, Chair of Overview and Scrutiny, introduced her report, indicating that the Committee had considered representations from Jacob Secker and Paul Burnham of Haringey Defend Council Housing and the call-in lead signatories Cllr Barnes and Cllr Palmer. She drew attention to the key issues considered by the Committee as outlined in the attached report.

The Overview and Scrutiny Committee agreed that they had received no evidence to suggest that the decisions taken on Broadwater Farm on the 13th of November were outside the budget Framework nor Policy Framework. The Committee, subsequently, unanimously, agreed that the decisions taken were inside the Budget Framework and further agreed that the decisions were inside the Policy Framework.

Taking account of the key role of Overview and Scrutiny as the advocate for community engagement and the changes required to the Broadwater Farm Rehousing and Payments policy, a Cabinet document, the Committee proceeded to agree to refer

the matter back to the Cabinet, as the decision maker, to reconsider its decision of 13th of November 2018 before taking a final decision with six recommendations.

The Cabinet Member for Housing and Estate Renewal continued to respond to the Overview and Scrutiny recommendations and the Cabinet noted the following:

- a) That section 3.3 of the Broadwater Farm Rehousing and Payments policy is clarified to reflect the right of Tangmere and Northolt resident leaseholders to return to the Broadwater Farm Estate, following a move outside of the borough for rehousing purposes.**

The Cabinet Member accepted this recommendation and proposed that Cabinet agree to delegate authority to the interim Director of Housing, Regeneration and Planning to amend the policy accordingly.

- b) That consideration is given to increasing and strengthening the voice of residents on the discretion panel to support confidence in this process and provide a sense that their representations will be fully considered. This will further involve considering the governance around the discretion panel to enable this.**

The Cabinet Member commented that the Broadwater Farm discretion panel played an important role in the rehousing process, so it was important that residents had confidence that their case was being properly and fairly considered and therefore accepted this recommendation. She committed to consider the governance process of the Broadwater Farm discretion panel to ensure that this was sufficiently robust.

- c) To consider extending the succession arrangements of equity loans provided to leaseholders beyond its current provision to partners of leaseholders.**

This recommendation was not accepted. The Cabinet Member re – iterated, for the record, that the current policy did extend succession arrangements of equity loans to partners of the leaseholder. It was important to note that the loan would be received in addition to the market price for the home which the leaseholder would have bought at a significant discount. Of course, this discount would vary according to how long the leaseholder had lived at the property .In relation to leaseholders of Tangmere and Northolt Blocks , they would have also got a market price for their property on what would have been the price of the property before the issues were identified with the blocks. This equity loan funding was to enable them to buy a home within in the borough and would extend to a partner. However, the Cabinet Member could not accept a blanket policy of extended provision as this would mean that the loan would not be payable in the lifespan originally agreed. Furthermore, this was HRA money, which was made up of money collected from all Council tenant's. Therefore, having a blanket policy would not be fair to tenants who were unable to buy their homes as they could, in essence, be funding another residents' opportunity to have access to this loan.

Although there could not be a blanket policy, the discretion panel could consider very special cases, according to special circumstances.

d) For Cabinet to commit to a fully participative process for engaging residents and leaseholders in the future consultation on the master plan and its future consultation for Broadwater Farm.

This recommendation was accepted. Cabinet noted that the engagement and consultation process would start in January 2019. It was expected that the details of how residents will be involved would be agreed very early in the process between the Council and residents in a 'Residents Charter', which had been successfully used in other estate redevelopment schemes.

e) To increasing communication about the Council's commitment to replacing the Council homes demolished in Tangmere and Northolt with the same number of Council homes at Council social rent and to make clear that rents will not increase.

This recommendation was accepted. The Cabinet Member had always made a commitment to replacing the Council homes demolished in Tangmere and Northolt and this was also a key issue for Cabinet. The Council would still keep reiterating this message so residents were continually assured. The consultation made clear that "all the Council homes that were demolished would be replaced with at least the same number of new Council homes at Council social rents on the estate. The Cabinet shared the same view as the deputation on this matter,

f) To make clear the Council's policy on ballots in relation to regeneration schemes in the borough.

This recommendation was also accepted. The Cabinet Member made clear that this was not a regeneration scheme and the demolition was taking place due to identified health and safety issues at these two blocks. The Council had been clear that they would offer a ballot on regeneration schemes and would be taking this forward for Love Lane Estate. The Cabinet Member re-iterated that there would be a ballot on the master plan for Broadwater Farm.

Following further questions from the Chair of Overview and Scrutiny to the Cabinet Member for Housing and Estate Renewal, the following information was noted:

- The Cabinet Member agreed that it was important to continue to engage with the residents that had been decanted from Broadwater Farm Estate. It was important to note that these residents had remained within the borough. The Cabinet Member commended Homes for Haringey staff for their work on decanting most of residents from Tangmere. Homes for Haringey staff were working in very challenging circumstances and there was always room for suggested improvements to engagement activity. The Council were already working on identifying the best ways to remain in contact with these residents and to make sure they were part of the future of Broadwater Farm. It was important to understand that some residents, may in the future, choose not to return, but this did not mean that they did not currently have a say on the future of the estate and their involvement would be factored in engagement plans.
- There were 13 households still within Tangmere block. These households had received offers of alternative accommodation, which had not been accepted. It was important for the Council to deal with these residents in a sensitive manner

and not take forward any heavy-handed tactics. The households had particular unique circumstances, and there was no pattern to consider. The Cabinet Member advised that it was not appropriate, at this meeting, to provide further information as this could make the households easily identifiable. The Cabinet Member provided assurance that there was a process or leave date in place for these residents. The interim Director for Housing, Regeneration and Planning added that the Council were working with these residents and had identified additional support. They were considering these cases on a daily basis to support and understand the actions that need to be taken.

In accordance with the Call in procedure, and having heard the responses to the Scrutiny recommendations, the Leader asked Cabinet to refer to the key decision, which was contained in the Cabinet minutes at agenda item 6, at section 9, resolutions 1 to 9, pages 6&7 of the main agenda pack.

Cabinet proceeded to agree the additional recommendation, as set out by Cllr Ibrahim in response to recommendation [a],

After re-considering the matter, **Cabinet RESOLVED:**

1. To note and considers the outcome of the consultation carried out with Council tenants living in Tangmere pursuant to section 105 of the Housing Act 1985, and the non-statutory consultation with the Council leaseholders of Tangmere, as summarised in section 6.20 – 6.26 of this report and set out in detail in appendix 1.
2. Having regard to the results of this consultation, to agree that Tangmere should be demolished and authorises the Director of Housing, Regeneration and Planning to serve the initial demolition notice on the secure tenants of Tangmere and to decide the timing of any final demolition notice that needs to be served.
3. To note and considers the outcome of the consultation carried out with Council tenants living in Northolt pursuant to section 105 of the Housing Act 1985, and the non-statutory consultation with the Council leaseholders of Northolt, as summarised in section 6.27 – 6.33 of this report and set out in detail in appendix 1.
4. Having regard to the results of this consultation, to agree that Northolt should be demolished and authorises the Director of Housing, Regeneration and Planning to serve the initial demolition notice on the secure tenants of Northolt and to decide the timing of any final demolition notice that needs to be served.
5. Having considered the results of the consultation on the Broadwater Farm Rehousing and Payments Policy as set out in section 6.40, to approve the final Broadwater Farm Rehousing and Payments Policy attached at appendix 2.

6. Having considered the results of the consultation on the Broadwater Farm Local Lettings Policy as set out in section 6.52, to approve the Local Lettings Policy attached at appendix 3.
7. To agree that the rehousing of tenants and leaseholders from Northolt should commence as soon as practicable, and delegates authority to the Director of Housing, Regeneration and planning to determine the exact date that the rehousing of Northolt commences. The rehousing will be carried out under the Rehousing and Payments Policy recommended to Cabinet in 3.5 above.
8. To approve as required by Section 1 – Financial Regulations paragraph 5.23 (b) within the Housing Revenue Account a virement of £1.2m from the HRA Building Regulations Review budget to a new budget ‘Northolt Rehousing Costs’.
9. To delegate authority to the Director of Housing, Regeneration and Planning to amend the Rehousing and Payments Policy to allow all tenants who moved out of Tangmere and Northolt under the Policy or the Tangmere Priority Rehousing Scheme to be eligible for a second transfer with Band A priority following their first move out of the block. This would be regardless of whether their first move was through choice based lettings or through a direct offer, and this second move could be made at any time until either the tenant was offered one of the new replacement homes on the estate or he/she decides he/she does not wish to return.
10. To delegate authority to the interim Director for Housing, Planning and Regeneration to strengthen and update the wording contained in the Broadwater Farm Rehousing and Payments Policy to reflect the right of return for resident leaseholders to Broadwater Farm, following a move outside the borough for rehousing purposes.

Reason for decision

The Council has identified risks in a number of blocks on Broadwater Farm. Surveys have identified that Tangmere and Northolt have failed both the tests relating to Large Panel System (LPS) buildings, which means that there is a risk of progressive collapse caused by a force equivalent to a vehicle strike or bottled gas explosion. These risks have been mitigated through the introduction of measures set out in section six of this report, including:

- In Tangmere, which has piped gas, the replacement of gas cookers with electric cookers and the installation of gas interrupter valves, which will switch off the gas if a leak is detected. Northolt does not have piped gas.
- In both Tangmere and Northolt, a 24-hour concierge and a programme of home visits to reduce the risk that items such as bottled gas are taken into the building.

These mitigations reduce the risks, but do not remove them entirely. Further decisions are needed on how to address the structural problems identified in both blocks so that

there is no risk of progressive collapse. In June Cabinet agreed, having considered the options that its preferred option was to demolish both blocks and replace them with high quality, new Council homes built on the estate. It further agreed that officers should consult residents of Tangmere and Northolt on the options for both blocks. This consultation took place between 12 September and 10 October and in the case of Council tenants was a statutory consultation under section 105 of the Housing Act 1985. The results of the consultation are set in sections 6.18 to 6.33 of this report, and show clear support for the Council has preferred option. Cabinet can therefore now make a decision on the future of both blocks in light of the results of the consultation alongside consideration of the technical and financial information presented in this report and the report to Cabinet of 26th June.

Because the Council was already aware of the requirement to rehouse residents of both Tangmere and Northolt (as all options to address the structural issues required each building to be emptied), in June Cabinet also agreed a draft Rehousing and Payments Policy for consultation. This consultation has now taken place, and a final Rehousing and Payments Policy is presented for approval. The key commitments of the policy include:

- Guaranteed rights of return to the estate for all Council tenants and resident leaseholders who need to move out of Tangmere or Northolt.
- This includes a right to return to new build homes on the estate when they are built.
- Equity loans for resident leaseholders, to enable them to buy a new home in the borough with financial assistance from the Council.

In order to give residents who move out of Tangmere and Northolt the ability to return to Broadwater Farm more quickly if they want to, it is also proposed that a Local Lettings Policy is adopted. This will prioritise future lets on Broadwater Farm to these residents. The Council consulted on this proposed policy, and found clear support.

If Cabinet agrees that one or both blocks should be demolished, then demolition notices under Sections 138A and 138B of the Housing Act 1985 will need to be served on the secure tenants in those blocks.

Alternative options considered

The alternative options for rectifying the structural defects in Tangmere and Northolt were considered in detail in the report considered by Cabinet in June, and were explained in the consultation with residents.

Doing nothing is not an option, as both blocks have failed structural tests. The risks posed by the structural defects have been mitigated, but the blocks cannot remain occupied long-term as they are.

The main alternative option considered was to carry out major strengthening works to both blocks. Retrospective strengthening works would require the joints where walls, floors and ceilings meet to be strengthened. Windows would need to be removed to allow the strengthening materials to be fitted. The cost of these works to Tangmere is

estimated at £13m while the cost of these works to Northolt is estimated at £12.5m. The works cannot be done while the residents remain in occupation.

In June, Cabinet decided, having considered the technical feasibility and the cost of the strengthening work that its preferred option is to demolish both blocks and replace them with high quality, new Council homes built on the estate. The consultation shows that a clear majority of residents agree with the Council's proposals.

32. DEPUTATIONS/PETITIONS/QUESTIONS

There were no deputations, petitions or questions submitted to the meeting.

33. MEDIUM TERM FINANCIAL STRATEGY 2018/19-2022/23

The Cabinet Member for Finance introduced this report which outlined the 2019/20 budget and the Medium Term Financial Strategy (MTFS) for 2019/20 – 2022/23. This was due to go out to consultation and be considered by the Overview and Scrutiny Committee from the 17th December. It was anticipated that the revenue gap for 2019/20 would be £6.5m. The overspend reflected the impact of austerity and the reduction in one budget leading to an overspend in another area. Examples such as the cuts to children's centres impacting on the budgets for children's social care, and cuts to youth services leading to increases in costs in the criminal justice system illustrated this.

The Cabinet Member outlined the difficulty in cutting services where the demand was constant, such as in Adults Services and Children Services. Other local authorities shared the Council's situation across the country and the Cabinet Member acknowledged the tough situation officers found themselves in when being instructed to make cuts in vital service areas, without creating negative consequences for residents.

The draft budget and MTFS would seek to reduce the Council's spending in a way that increased income fairly and delivered efficiency savings, but the Cabinet Member acknowledged this was getting harder to achieve. Nevertheless, the majority of the proposals would be trying to achieve this and change the way in which the Council delivered its services.

The Cabinet Member highlighted the administration's manifesto priorities which the budget sought to incorporate. This included certain changes such as increasing support for the delivery of youth services as it was recognised the importance of investing more Council resources into youth services programmes. There was a proposal to invest in a school meals pilot scheme. It was also a commitment of the administration to become a London Living Wage employer as everyone should be in receipt of a decent wage. The budget also reflected the commitment to extend the Council Tax Relief Scheme (CTRS) to 100% for the boroughs least well-off families, which would significantly assist single mothers. Finally, the recent announcement to remove the Housing and Revenue borrowing cap by the government was welcomed as it would support the administration in delivering its commitment to deliver at least 1,000 new council homes at council rents by 2022. This would help reduce the Council's reliance on temporary accommodation which would save on costs.

The Cabinet Member concluded by accepting the difficult pressures faced by services with households coming to the Council with more needs as a result of welfare reduction and the rising housing costs.

Following questions by Cllr Morris, the following was noted:

- The Cabinet Member advised that Councils do not traditionally spend money on police and the Flexible Police resourcing scheme was a GLA scheme which the council signed up to and ends in March 2019. The reason for proposed discontinuation was that the government had indicated it would grant permission for the GLA to raise more funding through taxes for the police. This was thought to be approximately £24 per household. There had also been an extra £10m put into police services in Haringey via the mayor's precept. In 2018 so additional funding has been put into Haringey since 2018 for policing
- It was not known if there would be referendum caps in 2019. All options were on the table as set out in the report.
- Regarding the increased budget allocation for 'Non Service Revenue' in 2019 to £36 mil (up from £13m in 2018), Officers noted this related to non-controllable costs such as pay/non-pay inflation costs, treasury management costs, pensions costs relating to retired/deferred members of the pension fund and payments due to levying bodies. This was the part of the budget where these increase costs manifested themselves. The Director for Finance advised that some of these services costs in this category would be subsequently moved to other service categories during the course of the year. It was also noted the need to show one off grants in a particular year which also increased the budget allocation. The Director of Finance referred Cabinet to paragraph 9.1 which discusses the unavoidable budget growth to the extent that can be afforded, and that it was in the service category 'Non Service Revenue' which further reflected how these costs manifested themselves
- The Director of Finance provided an explanation of paragraph 14.9. This outlined the formation of the capital programme which was an important aspect of the Council's financial planning, and provided Members clarity on what is in the capital programme and likely to be financed from the Council's revenue or projects that will form the basis of a business plan that are self-financing. This information was important to consider so that the capital spend impact on the Council's revenue account can be at a minimum.

RESOLVED

1. To note the initial budget proposals and financial planning assumptions set out in this report and note that they will be refined and updated after the provisional Local Government Finance Settlement is published on 6th December and also to incorporate further budget changes as required;
2. To consider and note the draft 2019/20 budget/5 year MTFs (2019/20 to 2023/24) detailed in this report.

3. To note that an updated Draft 2019/20 Budget/5 year MTFS (2019/20 – 2023/24) will be put to Cabinet on 12th February 2019 to be recommended for approval to the Full Council meeting taking place on 25th February 2019.
4. To consider and note Draft Budget Reductions proposals summarised in section 8 and Appendices 2 and 3;
5. To consider and note the Draft General Fund Capital Budget for 2019/20 – 2023/24 as set out in Appendix 4;
6. To agree to commence consultation with residents, businesses, partners, staff and other groups as necessary on the draft revenue proposals for 2019/20-2023/24;
7. To note that the results of the consultation on the Draft Revenue Proposals will be considered by Cabinet on 12th February 2019 and recommendations made to Full Council at its meeting on 25th February 2019 for the Council's formal budget setting for 2019/20;
8. To note that the detailed proposals will be submitted to Overview and Scrutiny Committees/Panels in December 2018 and January 2019 for scrutiny and comments;
9. To note proposed changes to fees and charges in respect of executive functions will be considered by Cabinet on 12th February 2019 and those requiring approval by the Regulatory Committee to be considered at its meeting on 21st January 2019;
10. To note that the Housing Revenue Account (HRA) budget will be considered by Cabinet on 12th February 2019 and recommendations made to Full Council at its meeting on 25th February 2019 for the Council's formal budget setting for 2019/20.
11. To note the proposed changes to the draft Dedicated Schools Budget (DSB) set out in section 16 and that the final agreed budget will be presented to Cabinet on 12th February 2019.

Reasons for decision

The Council has a statutory requirement to set a balanced budget for 2019/20 and this report forms a key part of the budget setting process by setting out the likely funding and expenditure for that year. Additionally, in order to ensure the Council's finances for the medium term are put on a sound basis, this report also sets out the funding and expenditure assumptions for the following four years in the form of a Medium Term Financial Strategy.

Alternative options considered

The Cabinet must consider how to deliver a balanced 2019/20 budget and sustainable MTFS over the five-year period 2019/20 to 2023/24, to be reviewed further at Cabinet

in February, and ultimately adopted at the final budget meeting of Full Council on 25th February 2019.

Clearly there are options available to achieve a balanced budget and officers have developed the proposals contained in this report for determining levels of both income and service provision in this report. These take account of the Council's priorities, the extent of the estimated funding shortfall and the Council's overall financial position. The February report will include the outcome of the local government finance settlement, other potential grants and any other development and further proposals required to achieve a balanced budget.

These proposals are subject to consultation both externally and through the Overview & Scrutiny process and the outcomes of these will inform the final budget proposals.

34. BUDGET MONITORING - QUARTER TWO

The Cabinet Member for Finance introduced this report which set out budget variances, including those arising as a result of the forecast non-achievement of Cabinet approved MTFS savings.

The Cabinet Member outlined that the budget was a projection of the Council's finances for the end of 2018/19. It was projected there would be an overspend of £9.3m which was mainly due to the non-delivery of previously agreed savings in the Adults and Children services. This was also after applying use of the Council's reserves within the year to account for £7m of overspend. The Cabinet Member noted the difficulty delivering savings on necessary services and that savings should now be written off as the demand and cost of services meant these savings could not be delivered. The Cabinet Member noted the demoralising effect on officers/staff delivering a service with the pressures of saving money. Attempting to make savings in areas such as the Adults and Children services was not realistic as the Council could not turn away from the most vulnerable and high need members of society.

Following questions from Cllr Blake, Cllr Das Neves and Cllr Morris, the following was noted:

- There was no update from the central government on the funding for local authorities, following events at Westminster on 11 December 2018. This was now due to be provided before 25 December.
- The Cabinet Member acknowledged that writing off those previously agreed savings was about accepting the reality of the situation. More money was due to be provided to Adults and Children services for 2019 and 2020. This would require reviewing the budget and identifying areas where it was possible to raise income or change service delivery to save on costs.
- The Cabinet Member noted it was absolutely the intention, in line with legal requirements, for the Council to deliver a balanced budget in 2019 and 2020.
- Regarding changes to the previous administrations commitments, the Cabinet Member noted the change in the commercial portfolio, such as the ending of the Haringey Development Vehicle. The Council also now had rental income from commercial assets it owned for which it was seeking to maximise the

- income for the Council. Where possible, services that the Council felt it could better deliver in-house and save on costs were being explored.
- Regarding how long the Council would be able to maintain a budget gap, the Cabinet Member responded that many councils were in the same position and this would depend on reserves available to Councils which was likely to be only a few years.
 - Regarding the frequency of the monitoring reports to Cabinet, Officers noted that the quarterly reports were in line with the practice of most local authorities. Additionally, the corporate process of the Council had a regular internal budget review. This review outside of Cabinet allowed for constant monitoring of the budget through reports. Officers stressed there was a balance that needed to be made between the formulation of reports and the action time needed to address the issues within them. The Cabinet Member for Finance was also meeting with Adults and Children's services on a fortnightly basis to monitor and discuss the budget overspend.
 - The Cabinet Member would provide a written answer to the question on which previous commitments of the last administration that the current administration no longer wished to pursue.

RESOLVED

1. To note the forecast revenue outturn for the General Fund (GF), including corporate items, of **£9.3m overspend** post mitigations of £6.4m and the need for remedial actions to be implemented to bring closer to the approved budget (Section 6, Table 1, and Appendix 1).
2. To note the HRA forecast of £3.6m underspend. (Section 6, Table 2, and Appendix 2).
3. To note the net DSG in-year forecast of £3.0m overspend and projected DSG Reserve deficit of £2.1m and the actions being taken to seek to address this. (Section 7 and Table 3).
4. To agree the permanent £9.82m downwards adjustment of the agreed 2018/19 MTFS savings post Qtr2 and note that the impact of this on the 19/20+ budget is being addressed in the financial planning report also on this agenda. (Section 8, Table 4 and Appendix 4).
5. To note the latest capital forecast expenditure of £174.0m in 2018/19 which equates to 76% of the approved budget. (Section 9, and Table 5).
6. To endorse the measures in place to reduce overspend in service areas; and
7. To approve the budget virements as set out in Appendix 3.

Reason for Decision

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

Alternative Options Considered

The report of the management of the Council's financial resources is a duty of the Interim Director of Finance (Section 151 Officer), helping members to exercise their role and no other options have therefore been considered.

35. ACQUISITION OF THE WELBOURNE SITE TO MAXIMISE THE DELIVERY OF AFFORDABLE HOMES IN TOTTENHAM HALE

The Leader introduced the report which was to seeking a Cabinet resolution to acquire 131 homes and a commercial unit, to be constructed on the Welbourne Site as part of its redevelopment being carried out by Argent Related under the Development Agreement dated 21st March 2017, between the Council and TH Ferry Island Limited. This transaction would provide Council homes on Council land, within the context of the existing Strategic Development Partnership (SDP) Development Agreement.

The proposed delivery of 131 council homes on the Welbourne Site represented 13% of the overall Council homes target and, subject to planning, would be delivered in the lifetime of this administration.

In response to questions from Cllr Gordon, the following information was noted:

- The Council homes at the Welbourne site would be managed by Homes for Haringey and the specifications applied to the homes would not be lower quality. The expectation for the fit out of the new homes had been set out and there were specific suppliers in place to deliver the specifications. There would be different suppliers used for different aspects of the new homes. For example, a different supplier would be used for bathroom fit out and a dissimilar contract supplier used to fit out door entry system, meaning that there would be different costs according to the fittings purchased.
- In relation to the fit out of the bathrooms and flooring, it was noted that there would be consideration of the lifecycle costs and the durability when purchasing materials. Therefore, there was a value difference but not a quality difference.
- In relation to the standards and cost of the fittings in the council homes at Welbourne being lower than that of other Council homes, it was clarified that this was not the case and this was about the Council and homes for Haringey specifying what was in place for housing stock. The Council would factor in the repair and maintenance, further considering how easy it would be to source replacements when considering the fit out costs.
- A written answer in response to the question on the Tottenham Hale strategic Development plan would be provided to Cllr Gordon in seven days.

Further to considering exempt information at item 19,
RESOLVED

1. To agree (subject to the council's budget setting meeting in February 2019) to the in-principle acquisition by the council for housing purposes of 131 homes and a ground floor non-residential space to be constructed at the Welbourne

- site for a maximum total sum as set out in the exempt part of the report and based on the draft Heads of Terms attached in the exempt part of the report.
2. To agree to note that a further Key Decision will be taken at a later date to agree the final purchase price and the final contract for the acquisition.
 3. To agree that (subject to the council's budget setting meeting in February 2019) the unallocated General Fund capital receipts, as set out in the exempt part of the report, are retained corporately.

Reasons for decision

The acquisition of the residential premises on the Welbourne Site will allow the council to secure the rapid delivery of council owned homes utilising the existing Strategic Development Partnership with Argent Related as the delivery agent.

Critically, it also supports the delivery of the district health centre, which offers a once in a generation opportunity to enhance the way in which local primary health care services are delivered.

This responds to local aspirations to see an increase in the amount of new affordable homes delivered. In so doing it meets a key commitment of the new Administration; to deliver council homes at council rents. It delivers an improved mix of affordable housing in Tottenham Hale, which better meets the needs of local people.

The emerging Borough Plan prioritises the delivery of safe, stable and affordable homes for everyone, whatever their circumstances. This deal represents 13% of the council's objective to deliver 1,000 council homes at council rents over the lifetime of the current administration.

Alternative options considered

A series of options were considered which would materially improve the affordability of homes to be delivered at the Welbourne Site. These were:

Option A: The council acquires the Welbourne site in its entirety. This is the preferred option as it allows the council to control the tenure for all homes, set the rent levels, and negotiate an appropriate specification for affordable homes and service charges. This option achieves the most affordable outcome for the homes to be delivered. This option also results in a surplus land receipts of £12.25m being returned to the General Fund.

Option B: The council could provide grant funding to a Housing Association in order to deliver more genuinely affordable homes on-site. This option would involve the council providing grant funding to secure the delivery of lower cost affordable housing. This option was discounted on the basis that the council is moving towards a position of prioritising the delivery of council owned homes on its own land, in order to maximise the delivery of safe, stable and affordable homes.

Option C: The council could decide not to proceed with either acquiring the Welbourne site in whole or in part, or funding a third party at this or other locations in Tottenham Hale to increase the amount of affordable housing delivered. This would result in the Argent Related scheme proceeding with 25% Shared Ownership homes on the basis of its SDP affordable housing contribution.

36. RAPID ELECTRIC VEHICLE CHARGING POINTS

The Cabinet Member for Environment introduced this report which sought Cabinet's approval to award a contract to Chargemaster Plc, a Rapid Electric Vehicle Charging Point (EVCP) provider and operator, to install, manage and operate 5 rapid EVCP's in the borough. The Cabinet Member informed this would be at no cost to the Council.

The Cabinet Member highlighted the damaging effect pollution had on residents and stated air quality must be improved within the borough. It was the Council's policy to promote the uptake of electric vehicles through the implementation of charging infrastructure wherever possible. Therefore, it was important that an extensive electric vehicle charging network was installed in order to reduce the barriers to the uptake of electric vehicle.

Following questions from Cllr Carlin and Cllr Morris, the following was noted:

- Officers acknowledged the cost of charging an electric car should be cheaper than if it were to be filled with gas or petrol to encourage the uptake of electric vehicles. However, the rapid EVCP was a high quality product, quick charge, and it had been intended to primarily be used for electric taxis and fleet vehicles and because of this there would be a slightly higher price. Other charging points were due to be installed in the borough under the blue point scheme which were for domestic car use and would be considerably cheaper.
- All funds derived from the scheme would be ring-fenced to be reinvested into local transport infrastructure.
- If, after 8 years, the Council did not wish to extend the contract, then the rapid EVCP's would be returned to Chargemaster Plc. If the Council did seek to continue with the scheme then it could extend the contract for 2 years and then renegotiate with Chargemaster Plc 2 years after that.
- Officers accepted there was a financial risk, as with all new technology and emerging markets. The Council would have preferred to bring such services in-house but the cost to install initially, manage and maintain the rapid EVCP's was deemed to be too great a risk at this time.

Further to considering the exempt information at item 20,

RESOLVED

1.To approve the award of a concession contract to Chargemaster Plc, pursuant to a call off from a framework agreement set up by Transport for London as allowed under

CSO 7.01(b), for eight (8) years with an option for a two (2) year extension exercisable at the Council's sole discretion, to carry out site enablement, installation, operation and maintenance of Rapid EVCPs and associated infrastructure at the following locations/sites in the borough:

- Crouch Hall Road Car Park, N8 – 2 points
- Summerland Gardens Car Park, N10 – 2 points
- Gladstone Avenue, N22 – 1 point for black taxis only

2. To note that under the proposed concession contract:

- i. All costs for the installation of the charging points will be covered externally by Transport for London (TfL) and Chargemaster Plc and all ongoing maintenance and operating costs of the charging points will be met by Chargemaster Plc over the contract term;
- ii. The charging points will be available for use on a pay as you go basis and the average charge for customers will be £0.22p (exl. VAT) per KW/h and may increase in the future in line with inflation; and
- iii. Chargemaster Plc will commit to paying to the Council: a site charge in an amount, set out in paragraph 8.1.2 of the Exempt report, per annum per site for each of the three (3) sites payable on a quarterly basis and totalling the amount set out in the same paragraph of the Exempt report over the maximum ten (10) year contract term; and, a percentage amount, set out in paragraph 8.1.4 of the Exempt report, of the turnover generated from the rapid charge points payable on an annual basis over the contract term; and
- iv. There will be no cost to the council.

3. To note that the income the Council derives from the concession contract will be used to develop and deliver traffic and parking solutions in line with the Council's various Transport and Air Quality strategies.

4. To delegate to the Assistant Director of Environment and Neighbourhoods, after consultation with the Assistant Director of Corporate Governance, authority to approve the terms of all licences, leases and/or agreements as necessary to facilitate the apparatus being installed and maintained on the Council's land and public highway pursuant to the Call-off contract.

Reasons for decision

The contract is being awarded to ensure that more charging points are installed to assist in establishing and expanding a network of EVCPs that will meet the demands of residents and businesses and encourage the uptake of electric vehicles in the borough.

Alternative options considered

Option 1 – Do nothing

Pursuing this option would not deliver the business and residential needs of the borough for rapid recharging. Additionally it would not enable the delivery of local air quality improvements from vehicles. Demand for a rapid recharging service will increase when the Ultra-Low Emission Zone (ULEZ) starts. This London charge (the

ULEZ charge) on emitting vehicles will start in 2019 and require all emitting vehicles (not electric vehicles) to pay an annual charge to drive in Greater London - including Haringey. The rapid recharging networks will primarily deliver business needs (including taxis) as these vehicles need to be moving to deliver a return on investment for operators and therefore they will be willing to pay extra for rapid recharging. The lack of forward planning and no network would impact on the local businesses and residents in urgent need for a quick recharge, or could discourage them from investing in electric vehicles. This option is not recommended.

Option 2 – Council invests in its own infrastructure

To deliver a network of approx. 5 posts would require an upfront capital investment of at least £250,000 and over a period of 10 years is likely to require at least £300,000 to deliver ongoing management and replacement of equipment. While expected returns are envisaged to be attractive under a high uptake of electric vehicles scenario, with a low uptake the returns drop off considerably. It is noted that the size of the Haringey network (which is small) would make it expensive to manage, maintain and operate as it is only covering the Haringey area, when compared to a pan-London network. The risk around the Council successfully delivering this service would also be high as this is not an area where the Council has the resources to deliver and manage.

Alongside this to undertake the procurement exercise to deliver this equipment would require an EU procurement which would take at least 6 months to appoint a contractor and then an extra 6 months to design and install equipment. Again this option is not recommended.

Option 3 – Partnership investment arrangement

The Council could seek out an investment partner to operate in a joint venture (JV) for the network. But given the scale of investment and the number of points, it is unlikely to attract any serious investors. Soft market testing in this area has indicated that there is little appetite for a JV in this market place at a borough level given the small scale of this opportunity. This option is not recommended.

37. AWARD OF CONTRACT FOR SUPPLY OF FURNITURE AND FITTINGS FOR TEMPORARY ACCOMMODATION PROPERTIES

The Cabinet Member for Housing Estate and Renewal introduced this report which sought approval to the award of the Framework agreement for the supply of furniture and white goods for a 4 year period at a total value not exceeding £1.5m to three providers.

The Cabinet Member stressed it was important that residents lived in homes that were well equipped and comfortable, and that included residents who were currently living in temporary accommodation. The framework would ensure that homes used for temporary accommodation were equipped with furniture and white goods, which would help make them appropriate places to live for families and other households who became homeless.

Following questions from Cllr Brabazon and Cllr Gordon, the following was noted:

- Officers would confirm whether the furniture contract would be charged to the General Fund or the Housing and Revenue Account. It was suspected to depend on the property so if in a council owned lodge it would be the HRA but if Temporary Accommodation then the general fund.
- Officers would confirm where the three suppliers were located. They were well known to the Council and it had been using their services for 10 years.

Further to considering exempt information at item 20,

RESOLVED:

To approve the award of the Framework agreement for the supply of furniture and white goods for a 4 year period at a total value not exceeding £1.5m (one million and five hundred thousand pounds) to the following three suppliers:

- MFD Limited
- Myers Ideal Suppliers Limited
- Elegance Furniture Suppliers Limited

Reasons for decision

The Framework that was granted in August 2016 for a 4-year period has been exhausted. An interim contract that was awarded in July 2018 will expire in January 2019. Therefore, a new contract is required for another 4 years.

The new Framework will address the ongoing demand for furniture and white goods within Homes for Haringey and the Council.

This report seeks approval for the award of the Framework for a total value of £1.5m which will be split equally between MFD, Elegance, and Myers. Two of the three suppliers have worked with the Council for over 10 years and have provided white goods and furniture in a timely and economic way. The third supplier currently supplies several London Boroughs with similar products. This Framework represents continuity and value for money for the Council.

The proposed award to MFD, Elegance and Myers is based 70 per cent on price and 30 per cent on quality.

If the Council fails to secure the service of dedicated suppliers with fixed prices, it may have no choice but to consider ad hoc purchases which will be more expensive in both the short and long term. Any delay in engaging these suppliers will also have a resulting adverse effect on void costs.

The option to use MFD, Elegance and Myers represents value for money for the Council. In addition, the Council will have more options with a third supplier joining the Framework. They are all relatively local to the Council and will be in a position to respond to emergency situations very quickly.

The new Framework award to MFD, Elegance and Myers will be for four years.

Alternative options considered

Do nothing

The Council has a statutory duty to provide temporary accommodation to households who are owed a homelessness duty. The Council is required to ensure that the accommodation provided is suitable for occupation, which includes providing basic furnishings if the household requires this.

Source furnished accommodation

If the Council were unable to secure furnishings through this Framework, they would need to procure accommodation that is already furnished. This form of accommodation is most often available on a nightly paid basis and has a far higher cost than other forms of temporary accommodation, therefore placing increased pressure on the temporary accommodation budget. In addition, the current preferred approach of providing temporary accommodation in Council-owned lodges gives an additional level of oversight and quality control. The decision not to award this new Framework would prevent the third proposed conversion of a Council-owned building to a lodge from going ahead.

38. EXTENSION AND VARIATION OF SINGLE HOMELESS PATHWAY CONTRACTS

The Cabinet Member for Adults and Health introduced this report, which sought Cabinet to vary and extend three of the Council's existing contracts for the provision of housing related support in the Single Homeless Sector, each for a period of 2 years. Cabinet's permission was also sought to approve a clause in the contract variations to allow a provision to claim back funding from providers who do not fulfil their staffing requirements in their contract.

The Cabinet Member noted the ongoing developments and changes in this area, such as the decision to invest in a single homeless hub, which was due to open in early 2019. Whilst such development and changes were taking place, Cabinet were asked to approve a decision for those contracts to be extended to allow a review to take place.

RESOLVED

To approve, in accordance with Contract Standing Order (CSO) 10.02.1(b), the extension and variation of the following single homeless contracts as outlined below

- 1) The extension of the contract with St Mungo's Community Housing Association Ltd for the provision of an Assessment and Engagement Service and an Engaged and Planning Service for a further period of 2 years at a total additional cost of £876,186 with variations to the contract to reduce the number of Assessment and Engagement units from the current 25 down to 21 and the number of Engaged and Planning units down from 87 to 58 for which the

- contractor would need to discontinue its subcontracting arrangement with the North London Young Mens Christian Association (NYMCA);
- 2) The extension of the contract with St Mungo's Community Housing Association Ltd for the provision of a Specialist Substance Misuse and Offender Service at an additional cost of £372,190 per annum and of a Complex Needs Service at an additional cost of £319,240 per annum for a further period of 21 months resulting in an overall additional cost of £1,210,002.36 to cover the extension period with a variation to reduce the units used in the Specialist Substance Misuse and Offender Service from 52 to 50;
 - 3) The extension of the contract with St Ignatius Housing Association Ltd for the provision of a Moved Through Service for a further period of 2 years from 12th Jan. 2019 with a variation to discontinue service provision in relation to Young People after 28th Feb. 2019 and retain it only in relation to Adults at an additional cost of £287,648 to cover the extension period (consisting of £280,510 for the extended service in relation to Adults and £7,138.10 in relation to Young People).

Reasons for decision

It is in the Council's overall interest to agree to the variations and extension of the current contracts whilst a redesign process is completed. The contracts were awarded for a period of four years with an option to extend for a further period of up to two years until 2021 in order to facilitate this.

Performance has been evaluated as good throughout the contract period. Performance returns are completed and submitted on time and targets are met. However, following a comprehensive review, it is proposed to address increasing demand for supported housing and improve service utilisation and delivery by varying the existing contracts to create new capacity in the interim period.

As a result of the sale of Dial House by owner Metropolitan Housing Association, the relocation of the Assessment Centre to 332 High Road Tottenham was approved by Cabinet on 11 September 2018 as part of the creation of a new single homelessness hub. The new property is in Tottenham Green and is comprised of nine flats with 21 rooms in total. To facilitate the effective implementation of this new service, the current contract needs to be varied and extended before the move to the new building takes place, which will be before April 1st 2019.

Alternative options considered

Procurement of new contracts was considered, however this would not facilitate sufficient time to draw on recent service reviews to redesign the service and then engage with the market to identify best value and best practice.

There is only a statutory requirement to provide housing for single homeless people where they are identified as vulnerable and in priority need under Section 189 of the Housing Act (1996 amended 2002). However, Haringey like all London boroughs

recognises the human, social and economic costs associated with homelessness and the need to ensure that people are adequately supported to recover from it and prevent future instances. Therefore, it is not deemed in the best interests of homeless individuals or the Council to cease the current contracts for the provision of supported housing services.

In order to deliver the priorities set out in the Supported Housing Review (2017), Homelessness and Rough Sleeping Strategies (2018), Single Homelessness Pathway Review (2018), short term transitional arrangements are required to facilitate a robust redesign and recommissioning process.

39. PLEVNA CRESCENT

The Cabinet Member for Housing and Estate Renewal, introduced this report to Cabinet which sought its approval to acquire 14 affordable homes as part of the 'Gate of Eden' development to the rear of Plevna Crescent, N15.

The Cabinet Member highlighted the acquisition was a small but significant step towards the administration's ambitious target to deliver 1,000 new Council homes, and illustrated the variety of opportunities it could take to meet that target. Although this scheme achieved planning permission several months ago, the Council had now ensured that these new homes were more in line with the Council's vision and better met the needs of residents by negotiating a different mix of tenures. 10 of the properties would be social rent homes at Council rent levels and 4 would be shared ownership. This was important as it meant the Council had more homes available to permanently house households with the most serious need. This decision and the other acquisitions that will follow in due course ensured that new housing developments in the borough offered housing to those who needed it most.

Following questions from Cllr das Neves, the following was noted:

- The aforementioned 10 social rent homes would be comprised of – 1 x 1 bedroom 1 person, 1 x 1 bedroom 2 person, 5 x 2 bedroom 3 person, 2 x 3 bedroom 5 person (1 is a duplex home), and 1 x 4 bedroom 6 person.
- The Cabinet Member recognised comments that there were too many 1 bedroom properties in Haringey but noted they were necessary, particularly for young people leaving care who fell into Band A and required priority housing. In addition, with the impending demolition of Northolt, this would reduce the number of 1 bedroom properties available.
- The Cabinet Member informed the Council had worked with the developer to change the status of some of the properties, decreasing the number of shared ownership homes and increasing the number of social rented homes.

Further to considering exempt information at item 21,

RESOLVED

- i. To agree the acquisition, for housing purposes and therefore held in the Housing Revenue Account, of the 14 affordable homes as part of the 'Gate of Eden' development to the rear of Plevna Crescent, N15 [the rest of this sentence is exempt] and as part of the acquisition to grant two rights of way over the part of Council land shown in red on the plan attached at Appendix 1. The acquisition will be based on the draft Heads of Terms attached at Appendix 2 [exempt] of this report.
- ii. To give delegated authority to the Director of Housing, Regeneration and Planning and the S151 Officer, after consultation with the Cabinet Member for Housing and Estate Renewal, to agree the final contract in line with the draft Heads of Terms in Appendix 2 of this report.

Reasons for decision

The emerging Borough Plan pledges that the Council will deliver 1,000 new Council homes at Council rents by 2022. One of the methods of delivering new council homes at council rents is by acquisitions of s106 affordable units from developers.

The Council has the first opportunity to acquire the s106 affordable homes adjacent to the Plevna Crescent council housing estate. Officers have negotiated a preferred mix of ten homes for Council rent and four shared ownership homes, rather than the Planning Permission mix of ten intermediate and four Affordable Rent homes.

Alternative options considered

The alternative option would be not to acquire the properties. This option is not recommended as the Council has been able to negotiate an improved tenure mix and the homes identified for social rent include family sized homes and duplex accommodation, with the majority of the homes having a large Gross Internal Area. The acquisition of these homes will deliver ten Council homes towards the 1,000 target in the Borough Plan.

40. NEW ITEMS OF URGENT BUSINESS

None.

41. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded from the remainder of the meeting as the items below contain exempt information, as defined under paragraph, 3 and 5, Part 1, schedule 12A of the Local Government Act 1972.

42. ACQUISITION OF THE WELBOURNE SITE TO MAXIMISE THE DELIVERY OF AFFORDABLE HOMES IN TOTTENHAM HALE

As per item 35 and the exempt minutes.

43. RAPID ELECTRIC VEHICLE CHARGING POINTS

As per item 36.

44. AWARD OF CONTRACT FOR SUPPLY OF FURNITURE AND FITTINGS FOR TEMPORARY ACCOMMODATION PROPERTIES

As per item 38.

45. PLEVNA CRESCENT

As per item 39 and the exempt minutes.

46. NEW ITEMS OF EXEMPT URGENT BUSINESS

None.

CHAIR: Councillor Joseph Ejiofor

Signed by Chair

Date