

NOTICE OF MEETING

HOUSING AND REGENERATION SCRUTINY PANEL

**Monday, 16th December, 2019, 7.00 pm - Civic Centre, High Road,
Wood Green, N22 8LE**

Members: Councillors Khaled Moyeed (Chair), Dawn Barnes, Ruth Gordon,
Bob Hare, Yvonne Say, Daniel Stone and Sarah Williams

Co-optees/Non Voting Members:

Quorum: 3

1. **FILMING AT MEETINGS**

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The chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual or may lead to the breach of a legal obligation by the Council.

2. **APOLOGIES FOR ABSENCE**

3. **URGENT BUSINESS**

The Chair will consider the admission of any late items of urgent business (late items will be considered under the agenda item where they appear. New items will be dealt with as noted below).

4. **DECLARATIONS OF INTEREST**

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct.

5. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

To consider any requests received in accordance with Part 4, Section B, Paragraph 29 of the Council's Constitution.

6. MINUTES (PAGES 1 - 10)

To approve the minutes of the previous meeting.

7. SCRUTINY OF THE 2020/21 DRAFT BUDGET / 5 YEAR MEDIUM TERM FINANCIAL STRATEGY (2020/21-2024/25) (PAGES 11 - 88)

To scrutinise the revenue and capital proposals relating to the 2020/21 Draft Budget and the Medium Term Financial Strategy for 2020/21 to 2024/25.

8. HIGH ROAD WEST SCRUTINY REVIEW - SCOPING DOCUMENT (PAGES 89 - 92)

To amend if necessary and agree the scoping document, including the terms of reference, for the forthcoming scrutiny review on the High Road West redevelopment scheme.

9. NEW ITEMS OF URGENT BUSINESS

To consider any items admitted at item 3 above.

10. DATES OF FUTURE MEETINGS

- 3rd Mar 2020

Dominic O'Brien, Principal Scrutiny Officer

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Bernie Ryan

Assistant Director – Corporate Governance and Monitoring Officer

River Park House, 225 High Road, Wood Green, N22 8HQ

Friday, 06 December 2019

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**MINUTES OF THE MEETING OF THE HOUSING AND
REGENERATION SCRUTINY PANEL HELD ON MONDAY 4TH
NOVEMBER 2019, 7.00 - 9.35pm**

PRESENT:

**Councillors: Khaled Moyeed (Chair), Dawn Barnes, Ruth Gordon,
Bob Hare, Yvonne Say and Daniel Stone**

23. FILMING AT MEETINGS

The Chair referred Members present to agenda Item 1 as shown on the agenda in respect of filming at this meeting, and Members noted the information contained therein'.

24. APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Sarah Williams.

25. URGENT BUSINESS

None.

26. DECLARATIONS OF INTEREST

None.

27. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

None.

28. MINUTES

Referring to Item 16 of the minutes of the previous meeting, Cllr Gordon proposed that the topic of High Road West, which had been raised through the deputation, be taken on by the Panel as a full scrutiny review. Cllr Moyeed confirmed that this would go ahead and that the current intention is for the terms of reference will be submitted to the next meeting of the Overview & Scrutiny Committee on 25th November and that site visits to the Peacock industrial estate and the Love Lane Estate would take place within the next couple of weeks.

Referring to Item 18 of the minutes of the previous meeting, Cllr Hare said that comments made by Cllr Williams regarding the way that the content of planning applications are determined before being considered by the Planning Committee should be reflected in the minutes. The scrutiny officer said that the recording of the meeting could be checked and this detail added to the minutes. **(ACTION)**

Cllr Gordon referred to the response from an action point arising from the last meeting about the expected schedule for the redevelopment by Argent in Tottenham Hale. The response noted that there had been an archaeological find on the Welbourne site and that works have halted pending further investigations. Cllr Gordon asked what impact this delay is expected to have on the schedule for the redevelopment. Dan Hawthorn, Director for Housing, Regeneration & Planning, said that further details would be provided in writing. **(ACTION)**

AGREED: That the Panel proceed with a scrutiny review on High Road West with terms of reference for the review to be submitted to the Overview & Scrutiny Committee on 25th November 2019.

AGREED: That, following a minor amend to Item 18 of the minutes of the meeting held on 12th September 2019, the minutes can be approved as an accurate record.

29. UPDATE - REVIEW OF MANAGEMENT PROCESS FOR CIL

Rob Krzyszowski, Head of Planning Policy, introduced the report on this item which had been deferred from the previous meeting of the Panel in September 2019 due to lack of time. An overview of the Community Infrastructure Levy (CIL) had been provided to a meeting of the Panel in January 2019 during which it was noted that a review of the management process of CIL was due to be carried out by a specialist consultancy in February 2019.

He said that the review was subsequently carried out by the independent planning consultancy Citiesmode in February and March 2019 which included workshops with senior Council officers and a review of policy and procedure documents. The final report was provided in May 2019 and the Council followed that up with an Action Plan. The report concluded that the Council has *“systems in place which align with the principal legislative and regulatory requirement”*, that *“there are elements of good practice in the Council’s approach”*, that the AD for Planning *“maintains a good oversight of the systems”*, but that *“there are a number of deficiencies that reduce the efficiency, effectiveness and resilience of the service”*.

In response to questions from the Panel, Rob Krzyszowski said:

- Asked about whether the Council had lost money as a consequence of not recording land charge data, he explained that the Council has a statutory role

to keep land charges information so that when properties are bought/sold, a land search can identify whether there are any outstanding payments relating the property. CIL on a development is a land charge so anyone buying the land would have this outstanding charge flagged to them. The CIL report found that the CIL wasn't always recorded directly onto the land charges so were not coming up in the searches, although it was always picked up later in the process. There was no financial loss to the Council as a consequence of this. The process has now been tightened up so the CIL is registered correctly and that this is picked up earlier through the searches.

- With regards to the RICS CIL index, CIL is indexed for inflation so that, in the time lag from when the CIL charge is set and the planning permission is granted, the value is retained. The BCIS index previously used had been problematic as it was not publicly available but the Government has recently replaced this with the RICS CIL index which is publicly available and will be simpler to use. Cllr Gordon asked about inflationary costs relating to the bus station in Tottenham Hale and Dan Hawthorn said that this is likely to be because the scheme is taking longer than originally anticipated rather than because of any miscalculation of inflation but that he would follow up with further detail on this. Cllr Gordon requested that this include details of full costings on what funds have been put into the Tottenham Hale redevelopment overall. **(ACTION)**
- On the back-up of CIL and S106 files, the previous process was to manually copy and paste the database to a separate folder which the CIL report found to be unacceptable. However, IT service colleagues have since confirmed that there is a full daily back-up across the Council so there is in fact a satisfactory back-up procedure for CIL and S106 files.
- Recruitment to a second and more senior S106 and CIL post is ongoing to complement the existing S106 and CIL post. The statutory requirements for S106 and CIL are growing which requires more capacity in the team to do that work. In terms of budgetary implications there should be a neutral cost as the Council can spend up to 5% of CIL receipts on administrative expenses/staff costs. While there had been some minor slippage in the timescale for recruitment to the new post this was not expected to have any significant impact.
- The main objectives of the report and the action plan are to meet the statutory requirements but also to be able to do more work on spending the strategic and neighbourhood CIL elements on the key outcomes of the Council and the community.
- On unspent S106 receipts and future CIL receipts, a summary of the money collected and spent/unspent is published each year in the Authority Monitoring Report (AMR). Additional detail will be published in future, due to new government requirements, through an Infrastructure Funding Statement and the first of these will be published in December 2020. Cllr Moyeed requested

that the link to the most up to date AMR report be circulated to the Panel.

(ACTION)

- Enforcement of S106 agreements, including non-financial monitoring, is part of the review including by ensuring that procedures and training is up to date.

Asked about the Planning review of the S106 agreement relating to the Wards Corner, Dan Hawthorn confirmed that this was close to being finished.

30. SOCIO-ECONOMIC PROGRAMME - HIGH ROAD WEST REGENERATION SCHEME

Dan Hawthorn, Director of Housing, Regeneration & Planning, introduced the report on this item which had been deferred from the previous meeting of the Panel in September 2019 due to lack of time. He said that, in the context of the wider development agreement between the Council and Lendlease for the High Road West scheme, there was a commitment from Lendlease to commit £10m to a programme of socio-economic interventions in the local area in acknowledgement of the disruptions and opportunities associated with the scheme. This programme is structured around five thematic headings set out in paragraph 2.9 of the report. However, as the development scheme is currently being reworked, the work on the socio-economic programme has been paused so a greater level of detail on how the £10m will be spent is not yet available.

In response to questions from the Panel, Dan Hawthorn said:

- That the use of the funding is expected to spread out over the life of the scheme at roughly £1m per year over 10 years.
- That as this work is paused the Council does not want to make assumptions about what the scheme will look like as the scheme could change.
- That as with any major development scheme there would typically be both significant S106/CIL contributions as well as direct investments in infrastructure and this additional £10m is part of the bidding approach from the developer as well as a recognition of the complex social and economic problems in Tottenham that would benefit from additional investment. It is important that this investment is spent in a way that aligns with the Council's priorities and vision for the area and Lendlease have been happy to accept this.
- The status of the scheme is that the development agreement between the Council and Lendlease has been formally agreed by Cabinet.
- That he was determined that the £10m from the programme shouldn't be used as part of the funding requirement for the extra Council homes on the site and that it should be kept for the purposes for which it was originally intended. That would be to mix the two things up and so the need for new Council homes should be met through the grant from the Mayor of London.

- That it is a fundamental principle of the Council's approach to the scheme is that it should be based on and constantly refined as a result of engagement with residents and the wider stakeholder community while being balanced with the Council's priorities as defined in the Borough Plan. This is a long-term commitment to recognise a range of different perspectives with the 'stakeholder community' including people who are resident in the area, people running businesses in the area and people who use services and businesses in the area.
- That it is reasonable to look at the scheme in the context of the Council's approach to business support and community wealth building and this will need to be an element of the work to ensure that the Council's priorities are reflected in the scheme.
- On how the membership High Road West Community Impact Group was selected he said that details about this would be provided to the Panel in writing. **(ACTION)**

Cllr Barnes commented that the Enabling Healthy Lives theme in paragraph 2.13 of the report refers to the STEM subjects (science, technology, engineering and mathematics) and entrepreneurship to build self-esteem but should also include cultural subjects. Dan Hawthorn said that he would take this point away to consider.

Cllr Stone said that the Physical Changes theme in paragraph 2.15 of the report refers to setting out the aspiration to ensuring that delivering better socio-economic outcomes is embedded into the to the physical design of the scheme. He commented that these outcomes should be part of the design anyway and questioned what additional benefits the socio-economic programme would bring. Dan Hawthorn said that theme included initiatives such as the refurbishment of the Grange but said that it was a helpful challenge to make sure that this theme is genuinely contributing something additional and that he would take this back to the team.

In response to a question about the low level of CIL (£15 per sq/m) that Lendlease would be required to pay, Rob Krzyszowski, Head of Planning Policy, said that a proposed increase in the CIL rate in the east of the Borough, from £15 per sq/m to £50 per sq/m, was reported to the Regulatory Committee on 15th October 2019. It would then be submitted to Cabinet on 12th November 2019. The proposal would also have to go out to consultation. Dan Hawthorn added that it is unlikely that the High Road West planning application would not be subject to the new CIL rate.

31. CABINET MEMBER QUESTIONS - HOUSING AND ESTATE RENEWAL

Cllr Emine Ibrahim, Cabinet Member for Housing & Estate Renewal, responded to questions from the Panel on issues relating to her portfolio:

- In response to a question from Cllr Hare about the ongoing problems with maintenance on social housing estates in Borough, Cllr Ibrahim said that she recognises the challenges. Up to last year only 75% of Haringey's social housing met the Decent Homes standard and the communal areas are also a huge challenge. There is a financial commitment to bring 95% of homes up to the decent homes standard by 2022 and also funding has been made available through the Housing Revenue Account (HRA) to go a step further to work towards Decent Homes Plus which covers the area from the kerb to the property so that communal areas are covered. Members should receive emails about major works that take place within their wards. Members who wish to receive more information about work in their ward can also write to Cllr Ibrahim as Cabinet Member. Cllr Hare requested a written briefing for all Panel Members from Cllr Ibrahim on Decent Homes Plus including details of the expected timescales. **(ACTION)** Cllr Gordon requested that Decent Homes Plus be added as an agenda item to a future Panel meeting. **(ACTION)** Cllr Ibrahim said that she was well aware of the challenges and historic perception about the issue of repairs and that the funds in the HRA must be used responsibly. Some cases come to the attention of Members because a resident has raised it directly with them but it was also important to be conscious of the cases that do not get directly raised with Members or that affect the most hard to reach residents. This includes residents for whom English is not their first language and local authorities do not have the same resources for translation services that they used to. Recently the Council retendered the floating support contracts for local community organisations with a focus on independent housing related advice including those that deliver services for communities identified as having a high level of need. Asked by Cllr Hare how these services are monitored for performance, Cllr Ibrahim said that this falls under the remit of Gill Taylor and a briefing on this could be requested for a future Panel meeting. **(ACTION)**
- On a request from Cllr Gordon for an update on the Broadwater Farm estate, Cllr Ibrahim said that all 90 secure tenants have now moved from Tangmere block and accepted alternative accommodation. With regards to the 24 leasehold properties, 12 properties have been acquired from Newlon Housing Trust, there are sales of 6 further properties expected to complete by November and negotiations are ongoing with the remaining 6 leaseholders. Of those 6 leaseholders, only 3 still live in the block. In Northolt block there were 83 secure tenants of which 54 have now moved. A further 9 have accepted an offer and are expected to move out in the next few weeks. The remaining secure tenants were being supported to bid for alternative properties as they become available. Of the 14 leaseholders there has been 1 completed sale, offers accepted on 3 others with 10

remaining. The decant of the blocks in Broadwater Farm have obviously had a negative impact on the availability of accommodation for others on the waiting list, most notably on the availability of 1-bedroom properties as most of the properties in Northolt block were 1-bedroom properties. With regards to longer-term plans for the Broadwater Farm estate, a report on this is expected to go to Cabinet in December on the procurement of the architects.

- Asked by Cllr Gordon about the delay to the work on the Red House site in Tottenham, Cllr Ibrahim said that the originally anticipated timeframe had been to have everything ready to go by the end of this year and this is still on target.
- Asked by Cllr Barnes about the inefficiencies that could arise through HfH customer services included cases raised with Members such as repeated problems for residents in registering their details, which end up wasting Member and officer time, Cllr Ibrahim said that she is happy to raise that concern and response by email in more detail. **(ACTION)**
- Asked by Cllr Moyeed about the high cost of temporary/emergency accommodation and whether savings could be made, Cllr Ibrahim said that this is a big challenge and that what temporary/emergency accommodation looks like has changed over the last 30 years. In the 1980s this meant homeless families being placed in B&B accommodation but in later years there had been examples of landlords charging a nightly rate and describing the accommodation provided as bed and breakfast although it was actually just a flat or house with breakfast items being delivered once a week. The experience of residents also varies depending on whether they are housed within the private sector or within publically owned temporary accommodation such as those on the Love Lane estate where are certain repair standards. The Council's participation in the Capital Letters scheme, a pan-London programme involving 13 boroughs, should help to improve the quality of temporary accommodation and also reduce costs. The scheme helps to reduce competition between boroughs for accommodation thereby preventing prices from being driven up. The Cabinet had also agreed about a year ago to set up a Community Benefit Society as an independent charity in which the Council is a minority shareholder. The Council will lease former Right to Buy properties that the Council is acquiring to the charity for seven years for them to be repaired and managed as temporary accommodation and then returned to the Council after which they can be used as Council housing.

32. HOUSING STRATEGY UPDATE

Alan Benson, AD for Housing, presented the reports for both items 10 and 11 together as they were linked. He said that the Council's current Housing Strategy had been published in December 2016 and had been due to run until 2022.

However, there have since been changes in national housing policy, in regional policy from the Mayor of London including funding to build Council housing, and in local priorities as the Housing Strategy still refers to the Haringey Development Vehicle and does not include the housing targets that are included in the new Borough Plan. The Housing Strategy will therefore be rewritten with the top priority being the target to build 1,000 new Council homes and will also include homelessness, rough sleeping and the quality of the existing housing stock. There is a Members engagement process which takes place before publishing a draft of the new Housing Strategy, and this involves a Members steering group chaired by Cllr Ibrahim which has met three times already. The aim is currently to bring the draft Housing Strategy to Cabinet early in the New Year, which will then be published for consultation.

On the delivery of new Council homes, Alan Benson said that the report focuses on the Council's progress towards delivering its target of 1,000 new Council homes. Council housing hasn't been built on this scale in Haringey since the later 1970s/early 1980s when there were around 22,000 Council homes. There are now only 15,000 Council homes in Haringey as a result of the Right to Buy programme. However, the Mayor of London has recently allocated funding to enable the building of new Council homes across London. The new Haringey Cabinet agreed in 2018 to set up a Wholly Owned Company (WOC) to deliver new Council homes as this would enable borrowing outside of the government restrictions imposed on Housing Revenue Account (HRA) borrowing. However, later that year, the Government lifted the cap on HRA borrowing so the WOC route was rendered unnecessary.

Alan Benson continued by saying that the report covers the three main areas required for the delivery of Council housing which are land, funding and capacity within the Council's team. There are 60 sites that have been identified for development in the first stage and work on these is underway. Another group of sites will soon be identified and reported to Cabinet, probably in January. Significant funding of £62.8m has been provided to Haringey from the Mayor of London although this is not enough in itself to finance the building programme and so further funding will be required through HRA borrowing. There has been extensive staff recruitment to support the programme and there are now 18 people in the Housing delivery team. The Council is currently on track to deliver to its milestone target which is for 500 Council homes to have planning approval and for 350 Council homes to have started on site by May 2020.

In response to questions from the Panel, Alan Benson said:

- That most of the 60 sites are quite small, the smallest with only one unit on it but with 190 units on the largest but the majority are in the range of 20 to 50 units. There are some larger sites which are expected to be brought into the programme in future.

- That growing the team of staff in future makes sense as there is an assumption that after the first 1,000 Council homes are built the Council will want to continue building more in order to work towards recovering the 7,000 Council houses that were lost through Right to Buy.
- That with regards to the two sites on the Appendix 1 list showing zero for the estimated number of Council homes, on the Muswell Hill site this is because it is a historic scheme which is designated for shared ownership, and on the Bounds Green site this is because there has not yet been an calculation made of how many Council homes could be built on the site.
- Asked about Islington Council's presentation of its Council housing schemes in a clear way on their website, some boroughs are further ahead and Islington started their programme a few years ago although their target for building Council homes is lower than Haringey's. There are plans to improve this part of the Haringey website.
- With regards to the environmental standards of the new Council homes, the Council is aiming to ensure that they are all carbon neutral, have exemplary quality of design and that the mix of units will include family sized-homes and not just 1-bedroom flats.

In response to questions from the Panel, Rob Krzyszowski, Head of Planning Policy, said:

- That the draft London Plan has been going through its process for some time and was recently examined by the independent Planning Inspectorate. The recommendations are now public and is awaiting a response from the Mayor and then from the Secretary of State before approval by the London Assembly which would lead to the new London Plan being formally adopted. This is likely to happen sometime early or in the spring of next year.
- The draft London Plan specifies that Council's should set affordable housing tenure targets of a minimum of 30% low cost rented homes (which can include affordable rent and social rent), a minimum of 30% intermediate products (which can include London living rent and shared ownership) with the remaining 40% being left to the discretion of the individual Borough.
- Haringey Council's Local Plan would have to be in conformity with the London Plan and a consultation on the Local Plan will begin in the spring of next year which will include questions on the affordable housing target and affordable housing tenure. Evidence on need is required to justify any future affordable housing targets.
- That the Council's self-build register, which is required by law, had around 300 people who had indicated an interest in delivering self-build or custom-build properties. There are now criteria recently approved by Cabinet that have to be met to be on the register including a £144 administration fee as well as a financial resources test and a local connection test. This has reduced the number of people on the register from 300 to just 1. However,

the register is just an indicator of demand for self-build properties and, with 300 on the register, the planning service would have had to allocate enough land to meet the demand that could otherwise be prioritised for affordable housing. However, this doesn't prevent anyone from going ahead with self-build development on private land.

In response to questions from the Panel, Cllr Emine Ibrahim said:

- That Community Land Trusts are an innovative way of delivering affordable housing. Cllr Ibrahim said that she will always prioritise Council Housing at Council rents. She said that security of tenure is important as well as the rent levels and Council tenancies are the most secure form of tenure.
- That consultation is key and there has been some confusion about plans for the Crownwood site so there have been some issues with communications. She said that she is planning to meet with some of the tenants soon to help improve this.

33. COUNCIL HOUSING TEAM CAPACITY BUILDING

See item 32. The Housing Strategy item and the Council Housing Team capacity building item were taken together.

34. DATES OF FUTURE MEETINGS

- 16th Dec 2019
- 3rd Mar 2020

CHAIR: Councillor Khaled Moyeed

Signed by Chair

Date

Report for: Budget Scrutiny Panels

- Housing and Regeneration Scrutiny Panel, 16th December 2019
- Environment and Community Safety Scrutiny Panel, 17th December 2019
- Children and Young People Scrutiny Panel, 19th December 2019
- Adults and Health Scrutiny Panel, 6th January 2020
- Overview and Scrutiny Committee, 14th January 2020

Title: Scrutiny of the 2020/21 Draft Budget / 5 Year Medium Term Financial Strategy (2020/21-2024/25)

Report authorised by: Jon Warlow, Director of Finance and Section 151 Officer

Lead Officer: Frances Palopoli, Head of Corporate Financial Strategy & Monitoring

Ward(s) affected: N/A

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

1. Describe the issue under consideration

1.1 To consider and comment on the Council's 2020/21 Draft Budget / 5-year Medium Term Financial Strategy (MTFS) 2020/21 – 2024/25 proposals relating to the Scrutiny Panels' remit.

2. Recommendations

2.1 That the Panels consider and provide recommendations to Overview and Scrutiny Committee (OSC), on the 2020/21 Draft Budget/MTFS 2020/21-2024/25 and proposals relating to the Scrutiny Panel's remit.

3. Background information

3.1 The Council's Overview and Scrutiny Procedure Rules (Constitution, Part 4, Section G) state: "The Overview and Scrutiny Committee shall undertake scrutiny of the Council's budget through a Budget Scrutiny process. The procedure by which this operates is detailed in the Protocol covering the Overview and Scrutiny Committee".

3.2 Also laid out in this section is that "the Chair of the Budget Scrutiny Review process will be drawn from among the opposition party Councillors sitting on the Overview and Scrutiny Committee. The Overview and Scrutiny Committee shall not be able to change the appointed Chair unless there is a vote of no confidence as outlined in Article 6.5 of the Constitution".

4. Overview and Scrutiny Protocol

- 4.1 The Overview and Scrutiny Protocol lays out the process of Budget Scrutiny and includes the following points:
- a. The budget shall be scrutinised by each Scrutiny Review Panel, in their respective areas. Their reports shall go to the OSC for approval. The areas of the budget which are not covered by the Scrutiny Review Panels shall be considered by the main OSC.
 - b. A lead OSC member from the largest opposition group shall be responsible for the co-ordination of the Budget Scrutiny process and recommendations made by respective Scrutiny Review Panels relating to the budget.
 - c. Overseen by the lead member referred to in paragraph 4.1.b, each Scrutiny Review Panel shall hold a meeting following the release of the December Cabinet report on the new Draft Budget/MTFS. Each Panel shall consider the proposals in this report, for their respective areas. The Scrutiny Review Panels may request that the Cabinet Member for Finance and/or Senior Officers attend these meetings to answer questions.
 - d. Each Scrutiny Review Panel shall submit their final budget scrutiny report to the OSC meeting in January containing their recommendations/proposal in respect of the budget for ratification by the OSC.
 - e. The recommendations from the Budget Scrutiny process, ratified by the OSC, shall be fed back to Cabinet. As part of the budget setting process, the Cabinet will clearly set out its response to the recommendations/proposals made by the OSC in relation to the budget.

5. 2020/21 Draft Budget / 5 year Medium Term Financial Strategy (MTFS) 2020/21 – 2024/25

- 5.1 The MTFS agreed by Council in February 2019 recognised a budget gap of £13.1m in 2020/21 that would need to be closed through further budget reductions. The proposed 2020/21 new budget reductions required to help close this gap of £5.5m in 2020/21 (rising to £10.4m by 2024/25) are now presented for scrutiny.
- 5.2 The reason that the required level of budget reduction for 2020/21 has reduced compared to the February forecast is partly due to the announcements in the Spending Round 2019 (SR19). This confirmed social care funding at 2019/20 levels for 2020/21 as well as circa £5m additional funding. This level of Government funding had not been assumed in the last MTFS presented to Cabinet in February 2019. The Live Budgeting approach also contributed, as the Cabinet meeting in July 2019 approved a package of Invest to Save proposals put forward by the Children's service. This contributed budget reductions of £1.3m to the 2020/21 gap.
- 5.3 Even with the budget reduction options set out in Appendix C being approved when the budget is finalised in February, the draft 2020/21 Budget presented to Cabinet on 10th December 2019 still has a gap of £0.6m. Work continues to identify options to bridge this before the final Budget/ MTFS is submitted to Cabinet and Council in February 2020.

- 5.4 Based on the draft 2020/21 Budget/MTFS 2020-2025, further budget reductions of £23.2m will need to be identified across the period 2021/22-2024-25 as highlighted in Appendix B.
- 5.5 This meeting is asked to consider the proposals relating to the services within its remit and to make draft recommendations to be referred to the Overview and Scrutiny Committee on 23rd January 2020 for discussion, prior to approval and referral to Cabinet for consideration in advance of the Full Council meeting on 24th February 2020. For reference the remit of each Scrutiny Panel is as follows:
- Housing & Economy Priorities - Housing and Regeneration Scrutiny Panel
 - Place Priority - Environment and Community Safety Scrutiny Panel
 - People (Children) Priority – Children and Young People Scrutiny Panel
 - People (Adults) Priority – Adult and Health Scrutiny Panel
 - Your Council Priority – Overview and Scrutiny Committee
- 5.6 As an aide memoire to assist with the scrutiny of budget proposals, possible key lines of enquiry are attached at **Appendix A**. This report is specifically concerned with Stage 1 (planning and setting the budget) as a key part of the overall annual financial scrutiny activity.
- 5.7 **Appendix B** provides a summary of the draft General Fund 2020/21 Budget / MTFS 2020/2025 by priority area.
- 5.8 **Appendix C** provides details of the new revenue and capital budget proposals. A summary is provided, followed by detailed information for each proposal. Any invest to save revenue proposal dependent on capital or flexible use of capital receipts for successful delivery has been clearly identified in the summary.
- 5.9 The then then Secretary of State for the Department for Communities and Local Government issued guidance in March 2016, giving local authorities greater freedoms over how capital receipts can be used to finance expenditure. The direction allows for the following expenditure to be financed by utilising capital receipts:
- “Expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.”*
- 6. Contribution to strategic outcomes**
- 6.1 The Budget Scrutiny process for 2020/21 will contribute to strategic outcomes relating to all Council priorities.

7. Statutory Officers comments

Finance

- 7.1 There are no financial implications arising directly from this report. Should any of the work undertaken by Overview and Scrutiny generate recommendations with financial implications then these will be highlighted at that time.

Legal

- 7.2 There are no immediate legal implications arising from this report.
- 7.3 In accordance with the Council's Constitution (Part 4, Section G), the Overview and Scrutiny Committee should undertake scrutiny of the Council's budget through a Budget Scrutiny process. The procedure by which this operates is detailed in the Protocol, which is outside the Council's constitution, covering the Overview and Scrutiny Committee.

Equality

- 7.4 The draft Borough Plan sets out the Council's overarching commitment to tackling poverty and inequality and to working towards a fairer Borough.
- 7.5 The Council is also bound by the Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share those protected characteristics and people who do not
 - Foster good relations between people who share those characteristics and people who do not.
- 7.6 The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 7.7 The Council has designed the proposals in this report with reference to the aims of the Borough Plan to reduce poverty and inequality. The Council is committed to protecting frontline services wherever we can and the budget proposals have focused as far as possible on delivering efficiencies or increasing income, rather than reduction in services.
- 7.8 As plans are developed further, each area will assess the equality impacts and potential mitigating actions in more detail. Final EQIAs will be published alongside decisions on specific proposals.
- 7.9 Any comments received will be taken into consideration and included in the Budget report presented to Cabinet on 11th February 2020.

8. Use of Appendices

Appendix A – Key lines of enquiry for budget setting

Appendix B – 5-year Draft General Fund Budget (2020-21) / Medium Term
Financial Strategy (2020/21 – 2024/25) - Cabinet 10th
December 2019

Appendix C – 2020 (New) Budget Proposals

9. Local Government (Access to Information) Act 1985

Background papers: 2020/21 Draft Budget / 5-year MTFS (2020/21 –
2024/25) -Cabinet 10th December 2019

Financial Scrutiny: Understanding your Role in the Budget Process

This document summarises issues and questions you should consider as part of your review of financial information. You might like to take it with you to your meetings and use it as an aide-memoir.

Overall, is the MTFS and annual budget:

- A financial representation of the council's policy framework/ priorities?
- Legal (your Section 151 Officer will specifically advise on this)?
- Affordable and prudent?

Stage 1 – planning and setting the budget

Always seek to scrutinise financial information at a strategic level and try to avoid too much detail at this stage. For example, it is better to ask whether the proposed budget is sufficient to fund the level of service planned for the year rather than asking why £x has been cut from a service budget.

Possible questions which Scrutiny members might consider –

- Are the MTFS, capital programme and revenue budget financial representations of what the council is trying to achieve?
- Does the MTFS and annual budget reflect the revenue effects of the proposed capital programme?
- How does the annual budget relate to the MTFS?
- What level of Council Tax is proposed? Is this acceptable in terms of national capping rules and local political acceptability?
- Is there sufficient money in “balances” kept aside for unforeseen needs?
- Are services providing value for money (VFM)? How is VFM measured and how does it relate to service quality and customer satisfaction?
- Have fees and charges been reviewed, both in terms of fee levels and potential demand?
- Does any proposed budget growth reflect the council's priorities?
- Does the budget contain anything that the council no longer needs to do?
- Do service budgets reflect and adequately resource individual service plans?
- Could the Council achieve similar outcomes more efficiently by doing things differently?

Stage 2 – Monitoring the budget

It is the role of “budget holders” to undertake detailed budget monitoring, and the Executive and individual Portfolio Holders will overview such detailed budget monitoring. Budget monitoring should never be carried out in isolation from service performance information. Scrutiny should assure itself that budget monitoring is being carried out but should avoid duplicating discussions and try to add value to the process. Possible questions which Scrutiny members might consider –

- What does the under/over spend mean in terms of service performance? What are the overall implications of not achieving performance targets?
- What is the forecast under/over spend at the year end?
- What plans have budget managers and/or the Portfolio Holder made to bring spending back on budget? Are these reasonable?
- Does the under/over spend signal a need for a more detailed study into the service area?

Stage 3 – Reviewing the budget

At the end of the financial year you will receive an “outturn report”. Use this to look back and think about what lessons can be learned. Then try to apply these lessons to discussions about future budgets. Possible questions which Scrutiny members might consider –

- Did services achieve what they set out to achieve in terms of both performance and financial targets?
- What were public satisfaction levels and how do these compare with budgets and spending?
- Did the income and expenditure profile match the plan, and, if not, what conclusions can be drawn?
- What are the implications of over or under achievement for the MTFS?
- Have all planned savings been achieved, and is the impact on service performance as expected?
- Have all growth bids achieved the planned increases in service performance?
- If not, did anything unusual occur which would mitigate any conclusions drawn?
- How well did the first two scrutiny stages work, were they useful and how could they be improved?

Appendix B – Haringey Draft General Fund and Medium Term Financial Plan

| | 2019/20 Budget | Movement | 2020/21 (Draft) Budget | Movement | 2021/22 Projected | Movement | 2022/23 Projected | Movement | 2023/24 Projected | Movement | 2024/25 Projected |
|---|-------------------|----------------|------------------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|
| Priority Area | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Housing | 19,067 | (816) | 18,251 | (709) | 17,542 | (136) | 17,406 | (136) | 17,270 | (136) | 17,134 |
| People - Children | 59,293 | (2,942) | 56,351 | (619) | 55,732 | (9) | 55,723 | 400 | 56,123 | 300 | 56,423 |
| People - Adults | 83,535 | (7,390) | 76,145 | (2,091) | 74,054 | (1,724) | 72,329 | 3,174 | 75,503 | 3,102 | 78,605 |
| Place | 26,954 | (2,505) | 24,449 | (2,061) | 22,388 | (1,053) | 21,335 | (64) | 21,271 | 6 | 21,277 |
| Economy | 1,479 | (390) | 1,089 | (120) | 969 | (130) | 839 | (120) | 719 | - | 719 |
| Your Council | 37,811 | (1,509) | 36,302 | (1,088) | 35,214 | (790) | 34,424 | (6) | 34,418 | - | 34,418 |
| Non-Service Revenue | 18,530 | 11,070 | 29,600 | 10,144 | 39,744 | 10,785 | 50,529 | 9,540 | 60,069 | 6,266 | 66,335 |
| Further Savings to be Identified | - | (612) | (612) | 125 | (487) | (1,209) | (1,696) | (6,946) | (8,642) | (3,766) | (12,409) |
| Council Cash Limit | 246,669 | (5,094) | 241,575 | 3,580 | 245,156 | 5,734 | 250,889 | 5,842 | 256,731 | 5,772 | 262,503 |
| Planned Contributions form Reserves | (5,487) | 5,487 | - | - | - | - | - | - | - | - | - |
| Total General Fund Budget | 241,182 | 393 | 241,575 | 3,580 | 245,156 | 5,734 | 250,889 | 5,842 | 256,731 | 5,772 | 262,503 |
| Funding | | | | | | | | | | | |
| Council Tax | (101,981) | (5,130) | (107,111) | (3,224) | (110,335) | (3,321) | (113,656) | (3,421) | (117,077) | (3,524) | (120,600) |
| Council Tax Surplus | (3,850) | 1,700 | (2,150) | - | (2,150) | - | (2,150) | - | (2,150) | - | (2,150) |
| RSG | 0 | (22,030) | (22,030) | (441) | (22,471) | (449) | (22,920) | (458) | (23,378) | (468) | (23,846) |
| Retained Business Rates | (33,484) | 11,664 | (21,820) | (1,339) | (23,158) | (418) | (23,576) | (416) | (23,992) | (480) | (24,472) |
| Top up Business Rates | (65,196) | 7,525 | (57,671) | (5,089) | (62,760) | (1,133) | (63,892) | (1,126) | (65,018) | (1,300) | (66,319) |
| NNDR Growth | (3,084) | 2,684 | (400) | 400 | - | - | - | - | - | - | - |
| Total (Main Funding) | (207,595) | (3,586) | (211,181) | (9,692) | (220,873) | (5,321) | (226,194) | (5,421) | (231,615) | (5,772) | (237,387) |
| New Homes Bonus | (2,540) | 341 | (2,199) | - | (2,199) | - | (2,199) | - | (2,199) | - | (2,199) |
| Public Health | (19,677) | (551) | (20,228) | (405) | (20,632) | (413) | (21,045) | (421) | (21,466) | - | (21,466) |
| Other core grants | (11,370) | 3,403 | (7,967) | 6,517 | (1,450) | - | (1,450) | - | (1,450) | - | (1,450) |
| TOTAL (Core/Other External Grants) | (33,587) | 3,193 | (30,394) | 6,112 | (24,282) | (413) | (24,694) | (421) | (25,115) | - | (25,115) |

MTFS Budget Reduction Proposals - Housing

| REF | Priority | Category | Title | Description | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | Savings Total £'000 | Capital Investment £'000 |
|------------------------|----------|--------------------|---|---|------------------|------------------|------------------|------------------|------------------|---------------------------|--------------------------------|
| 20/25- HO01 | Housing | Service redesign | Transferring PSLs to the CBS | Private Sector Leasing properties are leased by the Council from private landlords for between one and five years with a guaranteed rent for the term of the lease. Leases are mainly based on 90% of the 2011 LHA plus a £40 a week management fee (the latter being a transfer from FHSG). The CBS has been established to lease properties purchased by the Council to use them as TA or to discharge homelessness. Unlike the Council, the CBS can charge the current (2019) Local Housing Allowance (LHA) for the area the property is located in. Therefore moving these leases could mean total additional rental income of £1.19m if all leases were transferred. This would require, in each case, the landlords agreement to do so and additional incentives may be required. A reduction in savings of 25% has thus been included to account for this and additional costs | 68 | 136 | 136 | 136 | 136 | 612 | - |
| 20/25- HO02 | Housing | Increase in income | HfH and Council Housing Programme-funding for Carbon Management team time | The Carbon Management Team undertakes a significant amount of work for Homes for Haringey and the Council housing delivery team. This proposal would make provision for the Carbon Management Team to recharge the Housing Revenue Account for this work. This work is undertaken by staff funded through general fund revenue budgets, and as such an equivalent saving can be made to the general fund revenue budget through recharge from the HRA. | 40 | - | - | - | - | 40 | - |
| TOTAL - HOUSING | | | | | 108 | 136 | 136 | 136 | 136 | 652 | 0 |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

It is calculated that moving these leases from the Council to the CBS could generate savings of up to £1.19m per annum (including the savings on the £40 per week from the FHSG) - were every single lease transferred. This could be recovered by the Council through reduced weekly payments from the FHSG and/or through a one-off or annual arrangement fee paid by the CBS. But it is clear that not every lease could or would be transferred and the transfers cannot be started immediately. The transfer of a lease would require, in each case, the landlord's agreement to do so. Not every landlord would agree and additional landlord incentives may be required to persuade others. In addition, it is not the intention to transfer any lease where, because of the operation of the welfare benefits system, households would end up themselves facing increases in rent. And finally, leases will only be transferred as they come to an end, so these savings must be staggered over the coming five years. A reduction in savings to £605k over the five years has been calculated as a conservative estimate, taking into account these factors. A review of all cases is currently underway to assess the volume and value of transferring these properties to the CBS and market testing will be undertaken to assess the level of increased payments required to persuade landlords to terminate their existing lease. Once these exercises are complete these projected savings will be revisited.

Delivery Confidence

| | |
|---|---|
| At this stage, how confident are you that this option could be delivered and benefits realised as set out? (1 = not at all confident; 5 = very confident) | 3 |
|---|---|

Indicative timescale for implementation

| | | | |
|--|----|--|------------|
| Est. start date for consultation DD/MM/YY | | Est. completion date for implementation DD/MM/YY | 01/04/2020 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | No | | |

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

Altair have been commissioned to support the set up phase of this project to make these savings as they have implemented similar projects in other local authorities and for Capital Letters. The costs of this work have already been factored into the savings and will be financed through the Flexible Homeless Support Grant. It is expected that their work will be completed by January 2020 and the savings can commence from April 2020.

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

N/A

Negative Impacts

The preparatory work being undertaken by Altair is explicitly intended to identify low income households potentially being negatively impacted by this proposal and ensure that this is avoided.

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

This may increase the income/incentives received by some partner landlords who rent properties to homeless households

Negative Impacts

N/A

How does this option ensure the Council is able to meet **statutory requirements**?

This proposal, of itself, neither prevents nor enhances the Council's ability to meet its statutory responsibilities

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|--|---------------------------|--------------------------------|--|
| The CBS is not set up | L | M | The leases could transfer to Capital Letters instead |
| Only a few properties transfer due to HB | H | L | Alternative savings would need to be sought |
| Landlords refuse to transfer | M | M | Incentives could be introduced/increased |

| | |
|---|-----|
| Has the EqIA Screening Tool been completed for this proposal? | Yes |
| <u>EqIA Screening Tool</u> | |
| Is a full EqIA required? | No |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

The funding from the HRA account will fund 60% of an officer post, so that they can work closer with HfH to deliver energy efficiency projects.

Delivery Confidence

At this stage, how confident are you that this option could be delivered and benefits realised as set out?
 (1 = not at all confident;
 5 = very confident)

4

Indicative timescale for implementation

| | | | |
|--|-----|--|------------|
| Est. start date for consultation DD/MM/YY | N/A | Est. completion date for implementation DD/MM/YY | 01/04/2020 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | No | | |

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

Adjustments made to budgets as required, with the transfer of funding from the HRA to Carbon Management

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

N/A

Negative Impacts

N/A

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

Staff looked forward to being able to support HfH more in this work.

Negative Impacts

Private sector housing will get reduced resources, but learning can still be shared.

How does this option ensure the Council is able to meet **statutory requirements**?

We will still be able to comply with the Home Energy Conservation Act.

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|------|-------------------|------------------------|------------|
| N/A | | | |
| | | | |
| | | | |

| | |
|---|-----|
| Has the EqIA Screening Tool been completed for this proposal? | Yes |
| Is a full EqIA required? | No |

MTFS Budget Reduction Proposals - Economy

| REF | Priority | Category | Title | Description | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | Savings Total £'000 | Capital Investment £'000 |
|------------------------|----------|--------------------------------|--|--|------------------|------------------|------------------|------------------|------------------|---------------------------|--------------------------------|
| 20/25- EC01 | Economy | New Delivery Model | Head Lease Acquisition Programme | The proposal is to allocate capital budget to enable the acquisition by the Council of as many head-leases as possible on sites where the Council already owns the freehold, in order for the Council to stop paying rent to these landlords and to receive all of the passing rent from those properties which are tenanted by commercial or other tenants. | 100 | 120 | 130 | 120 | - | 470 | - |
| 20/25- EC02 | Economy | Stopping / reducing service | Reduction of North Tottenham Regeneration revenue budgets | The proposal is to reduce general fund revenue costs in North Tottenham budgets (Northumberland Park and High Road West) by reducing expenditure on e.g. some community engagement activities and events. | 75 | - | - | - | - | 75 | - |
| 20/25- EC03 | Economy | Service redesign | Alternative funding model for sites delivery work | Regeneration officers are engaged in a significant amount of work on the delivery of sites which will result in new housing (including affordable housing). This proposal is to review that activity and identify where general fund revenue could be displaced by either S106 funding or new capital budgets. | 100 | - | - | - | - | 100 | - |
| 20/25- EC04 | Economy | Service redesign | Use of Strategic Acquisitions budget for sites delivery work | The Regeneration service has submitted a bid for new capital funding for Employment-Led sites delivery. This proposal would seek to offset the impact of these costs on revenue budgets. The proposal is to identify costs within the service that are eligible for this funding, and to apply LBH Capital to offset LBH revenue spend. Achieving these savings will require a corresponding capital allocation. | 75 | - | - | - | - | 75 | - |
| 20/25- EC05 | Economy | Service redesign | Increased capitalisation of staff time and project costs | As of 19/20, the Regeneration service has rapidly increased its capitalisation of costs, which is now high in all Area Regeneration budgets. The proposal is to capitalise further, using an increased capital budget for Tottenham Hale. A bid to increase the existing Streets & Spaces and Green & Open Spaces capital lines (Schemes 401 and 402) has been submitted, on the grounds of construction inflation and increased capitalisation requirements. | 75 | - | - | - | - | 75 | - |
| 20/25- EC06 | Economy | Increase in income | Increased recharge to HRA | The service is now engaged in a significant amount of work on estates and on the delivery of new affordable housing, which would be eligible for HRA spend. The proposal is to increase the amount of revenue funding provided from the HRA each year. A review of the HRA budget is underway, and it is proposed that this work accommodates an increased recharge from Regeneration on a yearly basis, reflecting new workstreams on estates and towards the delivery of affordable housing. | 100 | - | - | - | - | 100 | - |
| 20/25- EC07 | Economy | Service redesign | HRP Senior Restructure | In June 2019, the S&R committee approved the senior management restructure within Housing, Regeneration & Planning. With a number of changes taking place within the Directorate, the restructure was an opportunity to streamline the structure, align responsibilities to achieve maximum efficiency and eliminate duplication while recognising the need to build a confident and stable approach to Housing, Regeneration and Planning. | 30 | - | - | - | - | 30 | - |
| 20/25- EC08 | Economy | Increase in income | Strategic Property Unit – New Income Outdoor Media | This proposal comprises an opportunity to achieve new income potential by securing rental payments from outdoor media companies. This includes digital billboards and an innovative building wrap with a digital display for advertising purposes and council messages. | 100 | - | - | - | - | 100 | - |
| 20/25- EC09 | Economy | Increase in income | Strategic Property Unit – New Income Rent Reviews | The saving arises from rent reviews that have been identified as overdue. Two agency employees have achieved the target savings in the years 2018/2020 to date and further savings have been identified and agreed with tenants as rent increases. | 100 | - | - | - | - | 100 | - |
| 20/25- EC10 | Economy | Increase in income | Strategic Property Unit – New Income 5g | This proposal comprises an opportunity to achieve new income potential by securing rental payments from Mobile Operators and Infrastructure providers. | 20 | - | - | - | - | 20 | - |
| TOTAL - ECONOMY | | | | | 775 | 120 | 130 | 120 | 0 | 1145 | 0 |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

The assumptions for the proposed saving are that approximately 50% of the acquisitions could proceed as some landlords will not want to sell even at enhanced values that could still be justified by future savings.
 It will take time to agree the purchase price with some landlords and a start to negotiation cannot commence until Cabinet approval is obtained.
 It is therefore assumed that in year 2020/21, approximately 50% of the acquisitions that are likely to proceed will be delivered so that savings can be obtained.
 Savings will increase year on year as rent reviews are undertaken to increase the rent to tenants.
 Rent reviews are normally arranged at five yearly cycles so the predicted passing rent is difficult to predict so the anticipated future rent receivable is spread evenly across the five year period.
 The financial modelling ignores inflation but this is the most significant saving.
 Capital borrowing is modelled on a fifty year loan with flat line repayment of capital and interest payable from revenue.

Delivery Confidence

| | |
|---|---|
| At this stage, how confident are you that this option could be delivered and benefits realised as set out? (1 = not at all confident; 5 = very confident) | 3 |
|---|---|

Indicative timescale for implementation

| | | | |
|--|-----|--|------------|
| Est. start date for consultation DD/MM/YY | | Est. completion date for implementation DD/MM/YY | 01/04/2020 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | Yes | | |

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

Phase 1: May/June 2019. Review of lease documents, commercial review of landlords, due diligence/title search, prioritisation of head lease negotiations, appraisal of the capital cost and benefit of prioritised properties, budget setting with corporate finance. This will be carried out by current MTFS agency staff within Strategic Property Unit and supported by commercial appraisals by Carter Jonas as part of the existing commercial review appointment. Completed.

Phase 2: January-May 2020: Approaches to landlords.

Phase 3: April 2020 onward: Acquisition programme.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

Tenants will no longer have a confusing landlord model with the Council and the owner of the head lease. The Council will have unfettered access to its buildings so be able to redevelop run down estates to secure more suitable accommodation that promotes economic growth and secures additional rental income.

Negative Impacts

N/A

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

Lower management resource requirements as Council becomes the 'sole landlord' with no head lessee to deal with.

Negative Impacts

N/A

How does this option ensure the Council is able to meet **statutory requirements**?

Strengthens the Council's control in managing the estates.

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|---------------------------------------|---------------------------|--------------------------------|----------------------------------|
| Owner unwilling to sell/abortive fees | L | M | Early approaches to head lessees |
| | | | |
| | | | |

| | |
|--|-----|
| Has the EqIA Screening Tool been completed for this proposal? EqIA Screening Tool | Yes |
| Is a full EqIA required? | No |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

Split across Northumberland Park and High Road West budgets to be determined.

Delivery Confidence

At this stage, how confident are you that this option could be delivered and benefits realised as set out?
 (1 = not at all confident;
 5 = very confident)

2

Indicative timescale for implementation

| | | | |
|--|-----|--|------------|
| Est. start date for consultation DD/MM/YY | N/A | Est. completion date for implementation DD/MM/YY | 01/04/2020 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | No | | |

Implementation Details

- *How will the proposal be implemented? Are any additional resources required?*
- *Please provide a brief timeline of the implementation phase.*
- *How will a successful implementation be measured? Which performance indicators are most relevant?*

No consultation would be required. Proposal would require budget holders in North Tottenham area to set out eligible activities, and for an increased HRA recharge to be agreed.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

None

Negative Impacts

None - activities not to be reduced as funding will be provided via the HRA.

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

None

Negative Impacts

Potential for reduced ability to obtain external grant funding due to a lack of match funding as general fund revenue decreases.

Potential for reduced capacity for non-HRA rechargeable activities in HRW and Northumberland Park.

How does this option ensure the Council is able to meet **statutory requirements**?

N/A

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|------------------------------|-------------------|------------------------|------------|
| Overspend on reduced budgets | M | M | |
| | | | |
| | | | |

| | |
|---|-----|
| Has the EqIA Screening Tool been completed for this proposal? <u>EqIA Screening Tool</u> | Yes |
| Is a full EqIA required? | No |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

The proposal is to apply for HRA funding through the standard procedure, for a total allocation of £100k per year, resulting in equal savings from general fund revenue each year.

Delivery Confidence

At this stage, how confident are you that this option could be delivered and benefits realised as set out?
(1 = not at all confident;
5 = very confident)

3

Indicative timescale for implementation

| | | | |
|--|-----|--|------------|
| Est. start date for consultation DD/MM/YY | N/A | Est. completion date for implementation DD/MM/YY | 01/04/2020 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | No | | |

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

No consultation would be required. Implementation requires approval from the Director of Finance and agreement with Housing colleagues.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?
List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

None

Negative Impacts

None - no reduction in activities

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

None

Negative Impacts

None - no reduction in activities

How does this option ensure the Council is able to meet **statutory requirements**?

N/A

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|---|---------------------------|--------------------------------|--|
| Lack of eligible costs | M | L | Identify workstreams and eligible costs early on; these are already being undertaken as of 19/20 |
| Housing delivery budgets over-allocated | H | M | Close working with Housing colleagues |
| Tight spend deadlines | H | H | To be discussed with Finance and Housing Colleagues |

| | |
|---|-----|
| Has the EqIA Screening Tool been completed for this proposal? | Yes |
| <u>EqIA Screening Tool</u> | |
| Is a full EqIA required? | No |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

The savings would be achieved through increase capitalisation, at a rate of £75k per year, against eligible revenue spend.

Delivery Confidence

| | |
|---|---|
| At this stage, how confident are you that this option could be delivered and benefits realised as set out? <i>(1 = not at all confident; 5 = very confident)</i> | 3 |
|---|---|

Indicative timescale for implementation

| | | | |
|--|-----|--|------------|
| Est. start date for consultation DD/MM/YY | N/A | Est. completion date for implementation DD/MM/YY | 01/04/2020 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | | | |

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

No consultation would be required. Implementation requires approval from Finance colleagues on the relevant Capital bid.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?
List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

None

Negative Impacts

None - no reduction in activities

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

None

Negative Impacts

None - no reduction in activities

How does this option ensure the Council is able to meet **statutory requirements**?

N/A

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|------------------------|-------------------|------------------------|--|
| Lack of eligible costs | M | L | Identify workstreams and eligible costs early on; these are already being undertaken as of 19/20 |
| | | | |
| | | | |

| | |
|--|-----|
| Has the EqIA Screening Tool been completed for this proposal? EqIA Screening Tool | Yes |
| Is a full EqIA required? | No |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

The proposal is to apply further capital funding streams to realise a sustainable yearly savings in LBH revenue costs; however until the Tottenham Hale capital bid is confirmed this cannot be achieved.

Delivery Confidence

At this stage, how confident are you that this option could be delivered and benefits realised as set out?
 (1 = not at all confident;
 5 = very confident)

2

Indicative timescale for implementation

| | | | |
|--|-----|--|------------|
| Est. start date for consultation DD/MM/YY | N/A | Est. completion date for implementation DD/MM/YY | 01/04/2020 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | | | |

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

No consultation would be required. New capital funding sources could be required.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

None

Negative Impacts

Potential for reduced ability to obtain new external funding due to a lack of match funding.

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

None

Negative Impacts

None - no reduction in activities

How does this option ensure the Council is able to meet **statutory requirements**?

N/A

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|---|---------------------------|--------------------------------|---|
| Lack of eligible costs | H | H | Capitalisation already high; areas delivering capital projects approaching maximum proportions |
| Lack of capital codes with capacity to shoulder costs | H | H | Identifying capitalisation already required is challenging as capital projects must be delivered within budgets |
| Cumulative risk with other savings proposals | H | M | Some activities must be revenue-funded, and this proposal could create complications |

| | |
|---|-----|
| Has the EqIA Screening Tool been completed for this proposal? | Yes |
| <u>EqIA Screening Tool</u> | |
| Is a full EqIA required? | No |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

The proposal is for an increased HRA recharge to Regeneration budgets each year, creating an equal savings to general fund revenue.

Until the HRA review is completed, and unless an increase allocation to Regeneration is agreed, these savings cannot be achieved.

Delivery Confidence

At this stage, how confident are you that this option could be delivered and benefits realised as set out?
 (1 = not at all confident;
 5 = very confident)

2

Indicative timescale for implementation

| | | | |
|--|-----|--|------------|
| Est. start date for consultation DD/MM/YY | N/A | Est. completion date for implementation DD/MM/YY | 01/04/2020 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | | | |

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

No consultation would be required. Housing colleagues would need to agree the increased allocation of HRA funding.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

None

Negative Impacts

None - no reduction in activities

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

None

Negative Impacts

None - no reduction in activities

How does this option ensure the Council is able to meet **statutory requirements**?

N/A

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|--------------------------------------|---------------------------|--------------------------------|--|
| Lack of eligible costs | M | L | There are readily apparent HRA-eligible areas of spend currently |
| HRA under pressure / over-subscribed | H | M | The Council is already embarking on a direct delivery programme requiring significant amounts of HRA |
| | | | |

| | |
|---|-----|
| Has the EqIA Screening Tool been completed for this proposal? | Yes |
| <u>EqIA Screening Tool</u> | |
| Is a full EqIA required? | No |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

No additional investment is required. The saving has been generated by streamlining costs charged to current budgets.

Delivery Confidence

At this stage, how confident are you that this option could be delivered and benefits realised as set out?
 (1 = not at all confident;
 5 = very confident)

5

Indicative timescale for implementation

| | | | |
|--|---------------------------|--|------------|
| Est. start date for consultation DD/MM/YY | 11/02/2019 | Est. completion date for implementation DD/MM/YY | 01/08/2019 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | Y - implemented July 2019 | | |

Implementation Details

- *How will the proposal be implemented? Are any additional resources required?*
- *Please provide a brief timeline of the implementation phase.*
- *How will a successful implementation be measured? Which performance indicators are most relevant?*

The appropriate processes were followed in relation to the restructure and has been successfully implemented.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

The implementation of the restructure should not directly impact customers, however the new management structure will allow the Borough Plan objectives to be fully supported and achieved.

Negative Impacts

None

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

The agreed structure better aligns responsibilities to achieve maximum efficiency and eliminate duplication while recognising the need to build a confident and stable approach to Housing, Regeneration and Planning, especially in light of the new Borough Plan priorities. It will also allow the Council to achieve a simpler, more transparent structure based on equivalent and comparable senior positions whilst ensuring that the best use is made of all the skills available to the Council. This will be positive for staff and external stakeholders.

Negative Impacts

None anticipated.

How does this option ensure the Council is able to meet **statutory requirements**?

N/A

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|---|-------------------|------------------------|---|
| | | | |
| Permanent appointments are not made, leading to additional cost of interims | M | L | Recruitment processes is progressing within agreed timescales |
| | | | |

| | |
|---|-----|
| Has the EqIA Screening Tool been completed for this proposal? <u>EqIA Screening Tool</u> | Yes |
| Is a full EqIA required? | No |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

This proposal comprises an opportunity to achieve new income potential by securing rental payments from outdoor media companies:

1. The additional income would be generated by agreeing to 3 no. firm offers from advertising agents a 50% expectation of 2 no. further offers and a 50% expectation of planning consent to a firm offer from 2 no. companies to fix an advertising wrap on one of the main office buildings.
2. 2 no. other advertising agents are discussing potential locations and a regularisation of advertising billboards on council land are being investigated
3. We would thus offer up and expected £100,000 income to be set against the ongoing budget deficit of the SPU team.

Delivery Confidence

At this stage, how confident are you that this option could be delivered and benefits realised as set out?
 (1 = not at all confident;
 5 = very confident)

4

Indicative timescale for implementation

| | | | |
|--|-----|--|------------|
| Est. start date for consultation DD/MM/YY | N/A | Est. completion date for implementation DD/MM/YY | 01/07/2020 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | Yes | | |

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

No additional resources would be required to implement this proposal. It is the consequence of previously invested time by staff and the outcome of a consultants review of the outdoor media potential undertaken last year.

The implementation phase is from July 2020 to March 2021.

Success will be measured by achieving signed licences with the projected income target met.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

N/A

Negative Impacts

N/A

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

N/A

Negative Impacts

N/A

How does this option ensure the Council is able to meet **statutory requirements**?

N/A

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|------------------|-------------------|------------------------|--|
| Planning consent | M | M | Mitigate risk by early discussion with planning team and agreement to work to civic benefit. |
| | | | |

| | |
|---|-----|
| Has the EqIA Screening Tool been completed for this proposal? | Yes |
| <u>EqIA Screening Tool</u> Is a full EqIA required? | No |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

This proposal comprises an opportunity to achieve new income potential by continuing the process of tackling the uncrystallised debt and ongoing rent review and lease renewal events in the commercial portfolio:

Proposal: It is anticipated that by 31st March 2020 the backlog of rent review and lease renewal settlements will have been achieved together with any windfall gains from catch up rent. The need for an additional agency valuer to handle this work will not be required and the ongoing work can be addressed through the existing staff establishment in the Strategic Property Team. Given the ongoing rent review and lease renewal events due in 2020/21 we estimate an increase in net rental income of £100k per annum during that financial year.

Delivery Confidence

| | |
|---|---|
| At this stage, how confident are you that this option could be delivered and benefits realised as set out? <i>(1 = not at all confident; 5 = very confident)</i> | 4 |
|---|---|

Indicative timescale for implementation

| | | | |
|--|-----|--|------------|
| Est. start date for consultation DD/MM/YY | N/A | Est. completion date for implementation DD/MM/YY | 01/04/2020 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | Yes | | |

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

The cost of implementing this will be absorbed within the current resources, as agency staff have already been retained and no additional resources would be required.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

Agreement of rent reviews and lease renewals can give rise to issues of tenant affordability, which can be resolved through good communication and dialogue with tenants and in some cases agreement of stepped rents or payment plans

Negative Impacts

N/A

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

As above, and in the case of community centre tenants any sensitivity with regard to rent settlements will be discussed and managed at appropriate level .

Negative Impacts

N/A

How does this option ensure the Council is able to meet **statutory requirements**?

The Council is under an obligation to ensure it achieves best value from the commercial portfolio

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|----------------------|-------------------|------------------------|--|
| Tenant affordability | M | M | Good communication and dialogue with tenants, with agreement of stepped rents and payment plans if appropriate |
| | | | |

| | |
|---|-----|
| Has the EqIA Screening Tool been completed for this proposal? <u>EqIA Screening Tool</u> | Yes |
| Is a full EqIA required? | No |

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

This proposal comprises an opportunity to achieve new income potential by securing rental payments from mobile network operators and infrastructure providers:

1. The additional income would be generated by a tender for access to unused assets as a concession contract. The tender would likely be a call -off or mini tender utilising an existing framework.
2. We would thus offer up and expected £20,000 income to be set against the ongoing budget deficit of the SPU team.

Delivery Confidence

| | |
|---|---|
| At this stage, how confident are you that this option could be delivered and benefits realised as set out? (1 = not at all confident; 5 = very confident) | 3 |
|---|---|

Indicative timescale for implementation

| | | | |
|--|-----|--|------------|
| Est. start date for consultation DD/MM/YY | N/A | Est. completion date for implementation DD/MM/YY | 01/04/2021 |
| Is there an opportunity for implementation before April 2020? Y/N ; any constraints? | No | | |

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

No additional resources would be required to implement this proposal. It is the consequence of previously invested time by staff and the outcome of a consultants review of the outdoor media potential undertaken last year.

The implementation phase is from July 2019 to March 2020. It is hte intention to seek tenders for the delivery of 5G infrastructure as early as possible as there are long lead in times for planning and communications issues to be resolved.

Success will be measured by achieving signed licences with the projected income target met.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

N/A

Negative Impacts

Local residents may be concerned about the 'radio waves' emitted from small cells and roof top masts as was the case for 2, 3 and 4G technology but heightened as 5G uses higher frequency bands but of shorter range. Communications may be managed by the infrastructure providers or network operators to be abel to achive planning consnet, although consent is offered in most cases as a utility provider.

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

N/A

Negative Impacts

N/A

How does this option ensure the Council is able to meet **statutory requirements**?

N/A

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

| Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|------------------|---------------------------|--------------------------------|--|
| Planning consent | M | M | Mitigate risk by early discussion with planning team and agreement to work to civic benefit. |
| Public protest | M | H | Comms an essential part of the process |
| | | | |

| | |
|---|-----|
| Has the EqIA Screening Tool been completed for this proposal? | Yes |
| <u>EqIA Screening Tool</u> | |
| Is a full EqIA required? | No |

| REF | Directorate | Category | Description | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | Total £'000 |
|------|-------------|----------------|---|------------------|------------------|------------------|------------------|------------------|----------------|
| 4001 | Economy | Borrowing | Maintenance of Tottenham Green Workshops | 700 | 50 | - | - | - | 750 |
| 4002 | Economy | CIL/Other | Northumberland Park estate area public realm | 500 | 500 | - | - | - | 1,000 |
| 4003 | Economy | CIL/Other | The Tottenham Hale DCF schemes | 2,000 | 3,000 | - | - | - | 5,000 |
| 4004 | Economy | Self-Financing | Borough wide Strategic Acquisitions | 34,250 | 14,750 | 14,000 | 10,000 | 12,000 | 85,000 |
| 4005 | Economy | Self-Financing | SME Workspace Intensification | 350 | 2,000 | 3,500 | 4,000 | - | 9,850 |
| 4006 | Economy | Self-Financing | Acquisition of head leases | 10,000 | 10,000 | 12,000 | - | - | 32,000 |
| 4007 | Economy | Self-Financing | Tottenham Hale Decentralised Energy Network (DEN) | - | 500 | 3,000 | 3,000 | - | 6,500 |
| 4008 | Economy | Self-Financing | Wood Green Decentralised Energy Network (DEN) | - | - | 2,000 | 4,000 | 1,000 | 7,000 |
| 4009 | Economy | Self-Financing | Additional Carbon Reduction Project | 1,750 | 3,000 | 3,000 | 3,000 | 3,000 | 13,750 |
| 4010 | Economy | Self-Financing | Selby Urban Village Project | - | 5,000 | 25,000 | 25,000 | 15,000 | 70,000 |
| 4011 | Economy | Borrowing | Commercial Property Remediation | 500 | - | - | - | - | 500 |

Total

| | | | | | |
|---------------|---------------|---------------|---------------|---------------|----------------|
| 50,050 | 38,800 | 62,500 | 49,000 | 31,000 | 231,350 |
|---------------|---------------|---------------|---------------|---------------|----------------|

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MTFS Capital Schedule - Economy**Capital maintenance of the Tottenham Green Workshop 2020/21 – 2024/25**

| Scheme Ref. | Scheme Description | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|-------------|--|-------------------|---------------|------------------------|---------------|
| 4001 | Maintenance of Tottenham Green Workshops | 750 | 0 | 0 | 750 |

Capital has been allocated to the external repair of the fabric of Tottenham Green Workshops for 2020/21 in the sum of £0.5m. It is evident that further repairs are urgently required to maintain the windows which requires access via scaffolding. An additional allocation of £0.75m (above the £0.5m in the programme for 2021/22) is proposed to address boiler control issues and to refurbish the windows concurrently with the roof renewal that is already in the capital programme to make significant savings on scaffolding by concurrent use.

Northumberland Park Estate public realm improvements

| Scheme Ref. | Scheme | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|-------------|--|-------------------|---------------|------------------------|---------------|
| 4002 | Northumberland Park estate area public realm | 0 | 1,000 | 0 | 1,000 |

The Council is engaged in refreshing its 'Overarching Approach' to estate improvement plans for Northumberland Park, by clearly defining local priorities and engaging on potential interventions. The first phase of this work will involve master planning and procurement of consultants/architects to undertake a review of opportunities for: Public realm and wayfinding improvements; social and community infrastructure further developments (i.e. garage blocks). Phase 2 will then proceed to procure and deliver identified works. Both phases are now expected to be largely HRA-funded due to the nature of these projects as estate improvement activities. However, other related works fall outside of the scope of HRA funding. These include improvements to the immediate environment around Northumberland Park station, ensuring fit for purpose transport infrastructure and an appropriate 'arrival experience'; public realm works outside the boundaries of the estate, including those on non-estate highways; improvements to local industrial. This proposal would therefore provide funding over the next two financial years towards a series of projects, to be further defined by end of 20/21. This funding could also provide Council match to future funding bids to expand this work.

Tottenham Hale DCF scheme 2020/21 – 2024/25

| Scheme Ref. | Scheme | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|-------------|--------------------------------|-------------------|---------------|------------------------|---------------|
| 4003 | The Tottenham Hale DCF schemes | 0 | 5,000 | 0 | 5,000 |

The Tottenham Hale District Centre Framework, alongside the Tottenham Area Action Plan, provides direction for the future development of Tottenham Hale. The DCF is supported by: The Streets and Spaces Strategy, which identifies improvements which create a safe and attractive network of pedestrian and cycle routes, reduces the dominance of cars and traffic,

encourages opportunities for community activity, creates easily maintained public realm and introduces street planting, trees and landscaping, and; The Green and Open Spaces Strategy, which seeks to enhance access to nature and the Lea Valley with improved routes and bridges, bring its natural qualities into the area, and invest significantly in the Paddock and Down Lane Park.

However, these strategies were consulted on, formulated and costed from 2014-2016, and costs required to deliver these interventions have since increased due to construction inflation increasing the base cost of delivery.

Strategic Acquisitions Budget 2020/21 – 2024/25

| Scheme Ref. | Scheme | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|--------------------|-------------------------------------|--------------------------|----------------------|-------------------------------|----------------------|
| 4004 | Borough wide Strategic Acquisitions | 0 | 0 | 85,000 | 85,000 |

There is currently a 'Site Acq (Tott & Wood Green)' line in the capital strategy. In the past this capital budget has been used to acquire sites within these two regeneration areas, where there was an identified benefits, including: the delivery of new housing, including affordable housing; the delivery of new or intensified workspace; achieving 'marriage value' with other nearby sites already in Council ownership and thereby strengthening the Council's position when seeking to make best use of its own land; the opportunity to relocate a given occupant from another site, freeing up other land in Council ownership to deliver against Borough Plan objectives. The proposal is to expand the remit of the budget to cover the whole of the borough and to increase the overall budget.

Expanded or intensified employment space 2020/21 – 2024/25

| Scheme Ref. | Scheme | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|--------------------|-------------------------------|--------------------------|----------------------|-------------------------------|----------------------|
| 4005 | SME Workspace Intensification | 0 | 0 | 9,850 | 9,850 |

This proposal would make the best use of Council land where there are suboptimal uses of workspaces and provide for the ability to expand workspace. Income would be generated through an increased rent roll and increased business rates.

Council acquisition of head leases on properties within the commercial portfolio 2020/21 – 2024/25

| Scheme Ref. | Scheme | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|--------------------|----------------------------|--------------------------|----------------------|-------------------------------|----------------------|
| 4006 | Acquisition of head leases | 0 | 0 | 32,000 | 32,000 |

The Council's commercial portfolio includes several industrial estates where head leases and freeholds are held by third parties where a significant proportion of rental income from tenants is paid to the head lessor. Agents have been appointed to review the performance of the commercial portfolio with a view to providing a report with recommendations. The proposal is for funding to acquire the head leases, with each acquisition being subject to the

approval of a business case. It may not be possible to acquire all or indeed any of the head leases as it will be a matter of an agreement between the Council and the head lessor.

Tottenham Hale Decentralised Energy Network 2020/21 – 2024/25

| Scheme Ref. | Scheme | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|--------------------|---|--------------------------|----------------------|-------------------------------|----------------------|
| 4007 | Tottenham Hale Decentralised Energy Network (DEN) | 0 | 0 | 6,500 | 6,500 |

The proposal is for the construction of a decentralised energy network (DEN) in Tottenham Hale to supply the neighbourhood with affordable low carbon energy. The Council has completed feasibility work which suggests an energy centre can be accommodated on council owned premises. Provisional costings pro-rated from North Tottenham OBC Cost Plan and informed by the Tottenham Hale feasibility study have been prepared. Cabinet recently appointed technical advisers to create the OBC for the DEN's and if the OBC is robust they will assist in the procurement. The Council would fit out the energy centre to supply energy to surrounding buildings. This is anticipated to include around 2,000 new homes currently under construction by Argent-Related, Berkeley and Notting Hill Genesis as well as the Council's scheme at Ashley Road Depot. These schemes all have Planning Agreements which require them to negotiate a heat supply arrangement with the Council and pay reasonable connection charges. The DEN programme contributes directly to delivery of the following Borough Plan objectives:

- a) to reduce Haringey's carbon emissions by 40% by 2020 against a 2005 baseline;
- b) To lead on delivery of an energy network where more sustainable energy is generated for use within the borough;
- c) To explore setting up an alternative local or regional energy savings company(s) that would serve our community by helping to tackle fuel poverty;
- d) To develop a plan for Haringey to be Zero Carbon by 2050; as well as supporting several other objectives.

Wood Green Decentralised Energy Network 2020/21 – 2024/25

| Scheme Ref. | Scheme | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|--------------------|---|--------------------------|----------------------|-------------------------------|----------------------|
| 4008 | Wood Green Decentralised Energy Network (DEN) | 0 | 0 | 7,000 | 7,000 |

This budget is for the construction of a decentralised energy network (DEN) in Wood Green to supply the neighbourhood with affordable low carbon energy. The Council has secured an energy centre in the Clarendon Square development through the planning system which must be leased to the Council. The Council would fit out the energy centre to supply energy to surrounding buildings. Provisional costings have been pro-rated from North Tottenham OBC Cost Plan. The DEN programme contributes directly to delivery of the following Borough Plan objectives:

- a) to reduce Haringey's carbon emissions by 40% by 2020 against a 2005 baseline;
- b) To lead on delivery of an energy network where more sustainable energy is generated for use within the borough;

- c) To explore setting up an alternative local or regional energy savings company(s) that would serve our community by helping to tackle fuel poverty;
- d) To develop a plan for Haringey to be Zero Carbon by 2050; As well as supporting several other objectives.

Additional Carbon Reduction Project 2020/21 – 2024/25

| Scheme Ref. | Scheme | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|--------------------|-------------------------------------|--------------------------|----------------------|-------------------------------|----------------------|
| 4009 | Additional Carbon Reduction Project | | | 13,750 | 13,750 |

The proposal is to provide additional funding to schemes as they come forward so that they move the Council to achieving its carbon reduction targets. Release of the funding will be subject to the approval of a business case.

Selby Urban Village project 2020/21 – 2024/25

| Scheme Ref. | Scheme | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|--------------------|-----------------------------|--------------------------|----------------------|-------------------------------|----------------------|
| 4010 | Selby Urban Village Project | 0 | 0 | 70,000 | 70,000 |

The Selby Urban Village project is an ambitious development arising from a shared aspiration between Haringey Council and the Selby Trust to deliver a community focused, mixed-use scheme on the Selby Centre and Bull Lane Playing Field sites and will support the Council's Priorities set out in the Borough Plan. This scheme is an example of the Council's commitment to building new homes and in particular council homes and improving living standards for, and in partnership with, our local community, to ensure they can participate and benefit from the investment in their neighbourhood. For the Selby Centre this is a great opportunity to improve the existing provision for the community. By being part of the co-design and delivery of a centre, and building, in which the Trust and its users really thrive and continue to be a valued asset to the community. The inclusion of Bull Lane (Playing field) as part of the re-development, could deliver significant improvements to the area, including state-of-the-art community sporting provisions – enabling local people to participate and enjoy recreational and sports activities.

Both the council and the Selby Trust are committed to the collaborative redevelopment of the site to ensure this best serves the local community by providing housing, community provisions as well as space for businesses to thrive and local people to enjoy and prosper. Cabinet agreed the appointment of a master planner at its meeting of the 8th October 2019.

Further remediation of the condition of the commercial property portfolio 2020/21 – 2024/25

| Scheme Ref. | Scheme | Borrowing (£'000) | Other (£'000) | Self-Financing (£'000) | Total (£'000) |
|--------------------|---------------------------------|--------------------------|----------------------|-------------------------------|----------------------|
| 4011 | Commercial Property Remediation | 500 | 0 | 0 | 500 |

The Council's commercial portfolio has been underinvested in in the recent past as its future was uncertain. Now that the Council has decided its future there is a need to invest to

maintain and improve it so that the income stream associated with the properties is maintained and possibly improved.

Yearly Investments

| Economy | 2020/21 Budget (£'000) | 2021/22 Budget (£'000) | 2022/23 Budget (£'000) | 2023/24 Budget (£'000) | 2024/25 Budget (£'000) | Total (£'000) |
|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--------------------------|
| Current Capital Budget | 103,180 | 102,006 | 53,161 | 70,990 | 0 | 329,337 |
| New Capital Bids | 50,050 | 38,800 | 62,500 | 49,000 | 31,000 | 231,350 |
| Total | 153,230 | 140,806 | 115,661 | 119,990 | 31,000 | 560,687 |

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Housing & Regeneration Scrutiny Panel

Scrutiny Review on the High Road West regeneration site – Draft Scope and Terms of Reference (2019/20)

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| Rationale | <p>The High Road West regeneration site is an area located broadly between Tottenham High Road and the railway line (White Hart Lane Station), running from Brereton Road in the south to the former Sainsbury’s supermarket in the north. The site includes: the Love Lane Council housing estate comprising of 297 properties – subject to demolition under the Regeneration plans but contingent on a ballot of residents; the Peacock industrial estate, which is home to a number of small to medium-sized businesses; the Goods Yard and the site of the former Sainsbury’s supermarket. The masterplan dates back to 2013 and the area has since undergone extensive nearby redevelopment with the completion this year of Tottenham Hotspur’s new stadium.</p> <p>Representations regarding the High Road West plans have been received by the Overview and Scrutiny Committee and by the Housing & Regeneration scrutiny panel via the Committee’s community consultation exercise and the Scrutiny Café event and by way of several deputations to the panel from Council tenants, leaseholders, community representatives and representatives of the business community on the Peacock Industrial Estate. Following these representations panel members agreed to open a Scrutiny Review process on the topic of the High Road West Regeneration strategy, policy and plans.</p> <p>In September 2017, Cabinet agreed for the Council to select Lendlease as the preferred bidder for the High Road West Regeneration scheme, following a tendering process that included Lendlease Europe, BDW Trading (Barratt) and BY Development Linkcity (Bouygues). The deal includes the transfer of Council-owned stock and land and would require use of the Council’s Compulsory Purchase Order powers to acquire land to facilitate site assembly. The land within the Master Plan is owned by a number of parties, which include Haringey Borough Council, Tottenham Hotspur and private residential and commercial interests. Tottenham Hotspur has recently acquired planning permission for developing part of the site. The Development Agreement offers the building of 2,500 homes with 30% being designated affordable. The scheme would include 145 council homes at social rent and a further 46 shared equity homes The plan includes the building of a library and a refurbished Grange Community Hub, a Community Park, a civic square and commercial, retail and leisure space. The plan also includes changes of B1 and B2 business use space. Concerns raised with the panel relate to a number of issues notably the demolition of 297 properties on the Love Lane Estate, 186 of which are currently occupied by temporary accommodation</p> |
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| | <p>residents and 46 by secure tenancy residents. A further 59 are leasehold properties (28 resident leaseholders and 31 non-resident leaseholders) and 6 are voids. Panel members have heard a broad number of concerns expressed by tenants and leaseholders in connection with the impact on them of the Regeneration plans. The regeneration plans would also involve the compulsory purchase of land and property belonging to a number of small businesses and the subsequent demolition of a large number of businesses. The Panel has heard representations expressing wide-ranging concerns about the effect of the regeneration plans on long-established business in the High Road West area. The Panel understands that other feedback has previously been gathered by the Council through resident and business engagement in the scheme and this information will be considered by the Panel as part of this review.</p> <p>The panel will therefore seek to consider evidence from a broad range of expert witnesses and to develop recommendations to Cabinet on future options relating to the High Road West redevelopment. The Panel also has the option to refer the report to full Council or other non-Executive committees of the Council as the Panel considers to be appropriate.</p> |
| Scrutiny Membership | <p>The Members of the Housing and Regeneration Scrutiny Panel that will carry out this review are:</p> <p>Councillors: Khaled Moyeed (Chair), Dawn Barnes, Ruth Gordon, Bob Hare, Yvonne Say, Daniel Stone, Sarah Williams.</p> |
| Terms of reference | <p>The aims of this project are:</p> <ul style="list-style-type: none"> • To better understand the historical context of the proposed High Road West regeneration scheme, re-examine the existing scheme proposals and provide evidence-based alternative options to establish what outcomes would be in the best interests of residents, tenants, leaseholders, businesses and other local stakeholders. • To examine and appraise the interests of the community of stakeholders, tenants, leaseholders, residents and businesses within the High Road West Regeneration area. • To re-examine and assess the Development Agreement in relation to its relevance to local and Council needs and aspirations contained within the Council’s housing and planning strategy and policies and within the context of its Community Wealth Building aspirations for business development. • To ensure that the method and means of communications and consultations between the Council (including Homes for Haringey) and residents and businesses has been carried out appropriately and sufficiently thoroughly to ensure that the voice of the community, residents, tenants and businesses has been taken into account in developing the |

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| | <p>regeneration strategy for the area.</p> <ul style="list-style-type: none"> • To appraise and reassess the impact of regeneration plans on the tenants and leaseholders living in Council accommodation and on the small and medium sized businesses operating in the area. • To provide the Cabinet with evidence-based recommendations that seek to improve relations between the Council and the resident and business community and to ensure a future development that meets the needs and aspirations of tenants, leaseholders, residents and businesses and the community as a whole. |
| Links to the Borough Plan | <p>Priority 1 – Housing: A safe, stable and affordable home for everyone, whatever their circumstances. Priority 2 – People: A Haringey where strong families, strong networks and strong communities nurture all residents to live well and achieve their potential. Priority 4 – Economy: A growing economy which provides opportunities for all our residents and supports our businesses to thrive. Priority 5 – Your Council: The way the Council works.</p> |
| Evidence Sources | <p>A broad selection of expert witnesses will be invited to take part in the review and to submit evidence. These will include local residents, relevant academic experts, representatives of local businesses, others from the wider local community, officers of the Council, representatives of development partners at High Road West and landowner stakeholders.</p> |
| Witnesses | <p>TBC</p> |
| Methodology/Approach | <p>A variety of methods will be used to gather evidence, including: site visits; desk top research; and evidence gathering sessions with witnesses.</p> |
| Equalities Implications | <p>The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to: (1) Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act; (2) Advance equality of opportunity between people who share those protected characteristics and people who do not; (3) Foster good relations between people who share those characteristics and people who do not.</p> <p>The three parts of the duty applies to the following protected characteristics: age; disability; gender reassignment; pregnancy/maternity; race; religion/faith; sex and sexual orientation. In addition, marriage and civil partnership status applies to the first part of the duty.</p> |

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| | The Panel should ensure that it addresses these duties by considering them during final scoping, evidence gathering and final reporting. This should include considering and clearly stating: How policy issues impact on different groups within the community, particularly those that share the nine protected characteristics; Whether the impact on particular groups is fair and proportionate; Whether there is equality of access to service and fair representation of all groups within Haringey; Whether any positive opportunities to advance equality of opportunity and/or good relations between people, are being realised. |
| Timescale | Draft scoping document submitted to Overview & Scrutiny Committee – 25th November 2019 Evidence gathering sessions and site visits – December 2019 to February 2020. Analyse findings / develop recommendations – March 2020 to May 2020 Report published – Summer 2020 |
| Reporting arrangements | The Director of Housing, Regeneration & Planning will coordinate a response to Cabinet to the recommendations of the panel’s final report. |
| Constraints/Barriers/Risks | We aim to complete the draft report by the summer of 2020. However, we are aware that the panel may receive a large amount of evidence so this may prove to be a challenging timescale. The panel will therefore need to be mindful of this when determining the extent of the issues that it wishes to consider. If the panel later determines that this timescale is not sufficient to the gather and analyse the evidence required then it may be necessary to extend the schedule. In that context we should bear in mind that it is possible that the membership of the panel could change following the Annual Council meeting in May 2020. |
| Officer Support | Lead officer: Dominic O’Brien, Principal Scrutiny Officer, 020 8489 5896, Dominic.Obrien@haringey.gov.uk |