

# **MINUTES OF MEETING OVERVIEW AND SCRUTINY COMMITTEE HELD ON MONDAY, 29TH JULY, 2019, 7PM-11.45PM**

## **PRESENT:**

**Councillors: Lucia das Neves (Chair), Pippa Connor (Vice-Chair), Erdal Dogan, Adam Jogee, Khaled Moyeed, Luci Davin and Yvonne Denny**

**Co-opted Members: Luci David and Yvonne Denny**

**ALSO ATTENDING: Councillors Charles Adje, Peray Ahmet, Kaushika Amin, Zena Brabazon, John Bevan, Dana Carlin, James Chiriyankandath, Nick da Costa, Julie Davies, Isidoros Diakides, Joe Ejiofor, Bob Hare, Mike Hakata, Emine Ibrahim, Sarah James, Liz Morris, Tammy Palmer, Yvonne Say, Anne Stennett, Noah Tucker and Matt White**

## **51. FILMING AT MEETINGS**

Noted.

## **52. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mark Chapman.

## **53. URGENT BUSINESS**

None.

## **54. DECLARATIONS OF INTEREST**

None.

## **55. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS**

The Chair outlined the procedure to be followed for the meeting. There had been two deputation requests received, which had been accepted by the Chair.

Deputation one – Hilary Adams, Jacob Secker, Doug Fore, Natasha Siverandan, Stuart McNamara and Philip Rose.

The main points raised in the deputation were:

- A lack of public accountability. Costs and profits were contained in the exempt report, and members of the public were therefore unable to make an assessment as to whether the decision represented value for money. Exempt information was only available to a small percentage of elected councillors, which was not a

sufficiently robust basis for decision making. The decision felt like an exercise in smoke and mirrors – an overly complicated decision, shrouded in mystery.

- The political manifesto was to build Council homes on Council land. The site should be used to build only Council homes, and proper negotiation needed to be carried out with the church in regard to access rights.

The deputation party responded to questions from the Committee:

- The decision should be subject to full scrutiny by the Housing Scrutiny Panel, and Cabinet should revisit the decision in light of the concerns raised.
- Public perception was that the public had been pushed out of the way in order to benefit private developers, and there was a worry that if all plans to build future Council housing were under the purview of an arrangement where developers received beneficial deals, then it would be the 'HDV by stealth'.
- The issue with the plan was that 46 units would not address the issues of the thousands of families on the waiting list for homes. The Council needed a strategy to address this problem.
- Some of the deputation party considered that the Council were in breach of their equalities duties. There was no evidence of an EQIA for the closure of the community space.
- A proper evaluation of the cost to the Council to build the properties in-house was requested – without this a proper assessment of the decision could not be made.

Councillor Adje and Councillor Ibrahim responded to the deputation. Whilst the concerns over exempt information were taken on board, it was necessary as the information was commercially sensitive. In regard to the number of homes, developing the whole site would not solve the housing crisis in Haringey, but the decision had been made on balance to provide 46 homes for families in Haringey. The Council's Lawyer advised that the equalities duties were outlined at paragraphs 8.10-8.18 of the Cabinet report.

Deputation two – Gulum Choudhry (Mitalee Community Centre).

Mr Choudhry addressed the Committee to raise his concerns over the decision. The report seemed to raise the possibility of the community centre being at risk, and he wished to put on record his concern of the effect this would have on the people who use the Mitalee centre.

Mr Choudhry responded to questions from the Committee:

- His understanding was that the development would not include the centre, hence his confusion that the call-in referred to the inclusion of the centre.
- The centre had been operating since 1989/1991, and supported many people across the borough, many who were vulnerable people who did not feel able to use official routes.

Councillor Adje and Councillor Ibrahim responded to the deputation. The Mitalee Centre was included in a Site Allocation for the borough, however if it was to be included in any future developments then tenants would be informed in writing and the facility would be replaced. The Cabinet report however made it clear that the centre was not included in this scheme.

## 56. CALL IN RED HOUSE YARD, 432 WEST GREEN ROAD N15 3PJ

Councillors Davies, Hakata and Gordon introduced the call-in, and set out the main points:

- The building project was out of line with the Labour Group manifesto commitment to build Council housing on its' own land.
- The deal did not meet best value performance considerations, and there was no alternative value for money options set out for the Council to build the development.
- The development was contrary to Development Management Policies 11, 13 and 50.
- The deal would lead to the Council losing 46% of land it currently owned on the site.
- The Council wanted to provide more homes, and this could be achieved if the Council built the homes.
- The information provided in the exempt papers should be subject to full public scrutiny.
- The maps showing the development were confusing – sometimes the pub was included, and sometimes the Mitalee centre.
- The timescale comparisons needed to be challenged as there was no proof that it would take longer for the Council to build.
- Members understood that it would be possible for the Council to build 60 homes on the site.

Members responded to questions from the Committee:

- One of the key factors included in the exempt information was the viability assessment, which would be useful to have included in the public information.
- It also would have been useful to have seen the advice provided by the external QC.
- Members were in favour of development on the site, but considered that the Cabinet decision was flawed, as it was based on limited information in relation to exploring other options.

Councillor Adje and Councillor Ibrahim responded to Cllrs Davies, Hakata and Gordon. The issue of procurement was a non-issue, as the arrangement was 'sale and purchase' and therefore did not need to follow the OJEU process. Ward Councillors were provided with the exempt information under the 'need to know' requirement, so it was not fair to say that this had not been seen by Members outside of the Cabinet.

Dan Hawthorn, Director of Housing, Regeneration and Planning, introduced the officer response to the call-in, and invited questions from the Committee. Officers, Councillor Adje and Councillor Ibrahim responded to questions:

- As part of the programme, officers had worked up timescales for the Council to take the scheme forward, and indicative timings showed that to get to the same stage as Paul Simon Magic Homes would take 18-24 months. This would include the formal consultation and planning processes.
- The programme to achieve the 1000 homes target would be a mixture of direct delivery and working in partnership with developments to either buy through

s106 money or on council owned land. The earliest delivery would be properties built by developers.

- This programme was not comparable with the HDV. The outcome would be 46 council homes, with no ongoing partnership arrangement with the developers.
- A Site Allocation document was part of the Local Plan, which detailed where development could be located in the borough. A Site Allocation identified housing allocations. The planning application showed how the Mitalee Centre could be brought forward at a later date, however the current planning permission did not include the centre at all.
- The proposal would provide 88 homes across the whole site of which 46 would be Council homes. If the Council were to build, there could potentially be 60 homes, of which not all could be Council homes as a wholly Council home scheme would not be viable. The decision to proceed with Paul Simon Magic Homes was an on balance judgement.
- The Council had a contract with an option to buy back the site if the developer had not moved forward with any development. The Council were buying back the properties, however, no money would be exchanged until the properties had been completed to the standard specified by the Council.
- Reports written by an external QC would not usually be made available to Committees, but the Monitoring Officer would provide comments on committee reports based on QC advice received. The legal advice was set out at page 13 of the report, paragraph 8.6, and there would be further opportunities to discuss the exempt advice in the exempt part of the meeting.

*Clerks note 9.39pm: the Chair advised that Committee Standing Orders would be suspended to allow the meeting to continue past 10pm.*

Stephen Lawrence-Orumwense, Council Lawyer, introduced the Monitoring Officer's report. The report advised that the decision was within the policy and budgetary frameworks. He advised that the decision could only be referred back to the decision maker (Cabinet), rather than to the Housing and Regeneration Scrutiny Panel.

## **57. EXCLUSION OF THE PRESS AND PUBLIC**

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

## **58. CALL IN RED HOUSE YARD 432 WEST GREEN ROAD N15 3PJ**

The Committee considered exempt information pertaining to item 6 of the agenda.

The Committee resumed the meeting in public to announce their decision:

The Committee considered the reports, and responses to questions raised during the discussion and decided that the decision was within the policy and budgetary frameworks, and it should be referred back to the decision maker within a number of recommendations from the Committee.

Recommendations:

1. That Cabinet defer final decision on the matter until an alternative and fully costed option for direct delivery of the scheme by the Council is developed, shared and considered fully. The Borough Plan emphasises the building of Council homes on Council land and this commitment should be honoured by the Council through it retaining ownership of the freehold of sites and building homes itself wherever possible;
2. Cabinet should consider how trust, accountability and transparency may be enhanced when making key decisions. In particular, specific consideration should be given to how professional legal advice can best be recorded and shared so that a clear understanding can be gained of the substance of advice given and to what extent key decision makers have been party to that advice and their understanding of it. Cabinet should consider how this advice can be made available even if only as an exempt item;
3. That clear reasons be provided for the selection of developers in future acquisitions and disposals of land, with recognition that transparency demands clarity of why selections are made.
4. When the development of sites is being considered, a process of identification of all key stakeholders should take place and they should be included fully in the process. All reports should make clear what engagement and consultation has taken place and with whom;
5. There be better co-ordination between different Council teams when providing reports and/or information on cross cutting issues. In particular, there should be clarity and consistency on the borders of development sites across all relevant documentation in order to avoid confusion;
6. Although the Cabinet report made reference to Public Sector Equality duties under the Equality Act, all housing related proposals should have their own, stand alone, Equalities Impact Assessment that outlines risks and how they will be mitigated to allow the Council to meet fully its legal obligations;
7. That it be noted that the Overview and Scrutiny Committee will be including issues arising from this matter within its future work planning processes.

CHAIR: Councillor Lucia das Neves

Signed by Chair .....

Date .....