

## 'CALL IN' OF DECISIONS OF THE CABINET

This form is to be used for the 'calling in' of decisions of the above bodies, in accordance with the procedure set out in Part 4 Section H.2 of the Constitution.

<b>TITLE OF MEETING</b>	Cabinet
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<b>DATE OF MEETING</b>	12/09/2017
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<b>MINUTE No. AND TITLE OF ITEM</b>	Minute no: 58. High Road West regeneration scheme- selection of a development partner and next steps
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### 1. Reason for Call-In/Is it claimed to be outside the policy or budget framework?

It is not claimed to be outside the policy or budget framework.

The Liberal Democrats have grave concerns about the Labour Cabinet's proposed regeneration arrangements and the choice of preferred bidder. In our view the process of choosing Lend Lease as preferred bidder and the disposal of council land should not proceed.

#### **Reasons for call-in:**

We are concerned by the particulars of the agreement with Lend Lease as mentioned in the public Cabinet report:

1. We are concerned that the commitment to affordable and social housing is weak with only 30% affordable homes on what is currently a council-owned site.
2. We are concerned that a number of leaseholders on the Love Lane Estate do not feel they are getting a fair deal.
3. We are concerned about council tenants' right to return on similar terms.
4. We are concerned that the council will no longer be the landlord of the Love Lane Estate and we have concerns about the long lease being given to Lend Lease (250 years)
5. We are concerned that there are fewer council homes/homes for social rent than originally planned.
6. We are concerned about density, size and quality of homes on the regeneration site, given the dramatic increase in the number of homes proposed (up from 1,400 to 2,500)
7. We are concerned that local businesses will be moved out of the Peacock Industrial site when as yet there is no clear plan for their return.
8. We are concerned that the whole scheme depends on the ability of the council to secure a very large number of Compulsory Purchase Orders.
9. We are also concerned that the so called third-party guarantee is in fact being provided by another Lend Lease company.
10. We are concerned that the 100% indemnity offered by Lend Lease would not be enforceable if Lend Lease were to collapse or cease trading.
11. We are concerned that the council does not have a majority on the steering group.
12. We believe that overall the risk of the proposed actions outweighs the suggested benefits.

We are concerned by the choice of Lendlease as the development partner for the following reasons:

1. The Heygate Estate renewal by Lendlease in Southwark, has in our view, not led to good outcomes for local residents or the council. A large council estate was replaced with many homes for sale and only a small number of social homes on site.
2. Lendlease have been sued by unions for blacklisting construction workers.
3. Lendlease has admitted it overbilled clients for more than a decade and has agreed to pay \$56 million in fines and restitution in the United States of America.

We are concerned that the development partner for this major £1 billion scheme is the same company as the council's HDV partner with whom they have recently entered into a £2 billion agreement. It is vitally important that councils work with different development partners to reduce risk. We believe this also raises concerns about the bidding process and how the council chooses their development partners.

## **2. Variation of Action Proposed**

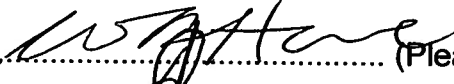
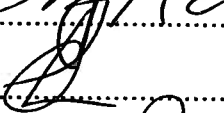
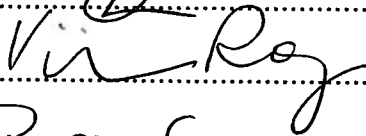
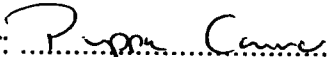
Halt the current proceedings and not choose Lend Lease as a preferred bidder.

We do not believe the scheme should proceed as proposed. There are clearly other ways to deliver regeneration and build new council and affordable homes.

**Signed:**

Councillor:  (Please print name): C. D. CARTER

**Countersigned:**

1. Councillor:  (Please print name): W. A. HARE
2. Councillor:  (Please print name): LIZ MORRIS
3. Councillor:  (Please print name): VIV ROSS
4. Councillor:  (Please print name): PIPPA CONNOR

**Date Submitted:**

**Date Received :**

(to be completed by the Democratic Services Manager)

**Notes:**

1. Please send this form to:

Michael Kay (on behalf of the Proper Officer)  
Democratic Services and Scrutiny Manager  
5th Floor  
River Park House  
225 High Road, Wood Green, London N22 8HQ  
Tel: 8489 2920  
Fax: 020 8881 5218

This form must be received by the Democratic Services and Scrutiny Manager by 10.00 a.m. on the fifth working day following publication of the minutes.

2. The proper officer will forward all timely and proper call-in requests to the Chair of the Overview and Scrutiny Committee and notify the decision taker and the relevant Director.
3. A decision will be implemented after the expiry of ten working days following the Chair of Overview and Scrutiny Committee's receipt of a call-in request, unless a meeting of the Overview and Scrutiny Committee takes place during the 10 day period.
4. If a call-in request claims that a decision is contrary to the policy or budget framework, the Proper Officer will forward the call-in requests to the Monitoring Officer and /or Chief Financial Officer for a report to be prepared for the Overview and Scrutiny Committee advising whether the decision does fall outside the policy or budget framework.

