

**MINUTES OF THE MEETING OF THE CABINET
HELD ON THURSDAY, 13 JULY 2017**

COUNCILLORS

PRESENT Doug Taylor (Leader of the Council), Achilleas Georgiou (Deputy Leader), Daniel Anderson (Cabinet Member for Environment), Krystle Fonyonga (Cabinet Member for Community Safety and Public Health), Dino Lemonides (Cabinet Member for Finance and Efficiency), Ayfer Orhan (Cabinet Member for Education, Children's Services and Protection), Ahmet Oykenner (Cabinet Member for Housing and Housing Regeneration) and Alan Sitkin (Cabinet Member for Economic Regeneration and Business Development)

Associate Cabinet Member (Non-Executive and Non-Voting): George Savva (Enfield South East)

ABSENT Yasemin Brett (Cabinet Member for Community, Arts and Culture) and Alev Cazimoglu (Cabinet Member for Health and Social Care), Bambos Charalambous (Associate Cabinet Member – Enfield West) and Vicki Pite (Associate Cabinet Member (Enfield North)

OFFICERS: Ian Davis (Chief Executive), James Rolfe (Executive Director of Finance, Resources and Customer Services), Ray James (Executive Director of Health, Housing and Adult Social Care), Tony Theodoulou (Executive Director of Children's Services), Gary Barnes (Interim Executive Director of Regeneration and Environment), Jayne Middleton-Albooye (Interim Assistant Director Legal and Governance), Peter George (Assistant Director, Regeneration and Planning), Rupert Brandon (Interim Head of Development & Estate Renewal), Richard Deville (Housing Zone Two Project Manager, Housing Development and Renewal), Helen Waring (Finance Project Consultant), Neil Goddard (Head of Budget Challenge) and David Greely (Corporate Communications Manager) Jacqui Hurst (Secretary)

Also Attending: Councillors Ertan Hurer and Edward Smith

**1
APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Alev Cazimoglu (Cabinet Member for Health and Social Care), Yasemin Brett (Cabinet Member for Community, Arts and Culture); and Vicki Pite (Associate Cabinet Member – Enfield North).

Councillor Doug Taylor (Leader of the Council) took this opportunity to apologise to those present for the late circulation of Report Nos. 21 and 24 – Small Housing Sites Update for consideration at this evening’s meeting. To allow for Cabinet Member consideration of the reports all other agenda items would be considered first followed by a 30 minute adjournment of the meeting. The reconvened meeting would then consider these reports. The minutes follow the order of the published agenda with explanatory notes included.

**2
DECLARATIONS OF INTEREST**

Councillor Achilleas Georgiou (Deputy Leader) declared a disclosable pecuniary interest in Report No.14 – Land Planning at Meridian Water Work Stream (Minute No.6 below refers). Councillor Georgiou left the meeting for the discussion of this item.

**3
URGENT ITEMS**

NOTED, that the reports listed on the agenda had been circulated in accordance with the requirements of the Council’s Constitution and the Local Authorities (Executive Arrangements) (Access to Information and Meetings) (England) Regulations 2012 with the exception of the following reports:

1. Report No.17 – May 2017 Revenue Monitoring Report (Minute No.9 below refers)
2. Report Nos. 20 and 23 – Estate Renewal Programme Update (Minute Nos. 10 and 17 refer)
3. Report Nos. 21 and 24 – Small Housing Sites Update (Minute Nos. 11 and 18 refer)

These requirements state that agendas and reports should be circulated at least 5 clear working days in advance of meetings.

AGREED, that the above reports be considered at this meeting.

Urgent Item - Traveller Encampments in the Borough

Gary Barnes (Interim Director of Regeneration and Environment) informed Members of the current situation with regard to Traveller Encampments in the Borough.

Since March 2016 Metropolitan Police officers in Enfield had attended more than 44 Traveller Encampments in the Borough. However, in the past 5 weeks there had been 9 separate incursions on to Enfield parks and open spaces,

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with several groups of travellers moving from site to site following their removal from a site.

Members were advised of the detail of the latest period of intense activity, the notices which had been served by the Council and the action which had been taken. Following the identification of this increased activity the Council had obtained High Court Orders, and officers had been able to secure orders quickly and serve and obtain possession within three to four days. This compared favourably with other neighbouring local authorities.

It had not been possible to assess the full costs that were being borne by the Council as a result of these incursions and the resulting damage to council property; and, the cleansing of the sites after possession had been gained. Indicative figures were provided and officers would advise Cabinet Members at a later date of the detailed costings.

It was the view of officers and the Council's advisers that the Council should seek to obtain a Borough wide injunction in respect to all Parks and Open Land within the Borough. The cost of seeking an injunction was outlined to Members. It was noted that although not essential to securing the injunction, the Council's case would be strengthened if it were to identify a site for travellers. This was an issue that would require further discussion and consideration in the future. No decisions were being sought at this time. The anticipated timescale for achieving a Borough wide injunction was outlined to Members.

Members were advised of the Borough's strong case for seeking an injunction including the number of incursions on the Borough's parks and open spaces, the waste dumped and the threats to both officers and members of the public. The current situation within the Borough was noted.

4 DEPUTATIONS

NOTED, that no requests for deputations had been received for presentation to this Cabinet meeting.

5 ITEMS TO BE REFERRED TO THE COUNCIL

AGREED, that the following reports be referred to full Council:

1. Report No.16 – Annual Treasury Management Report 2016/17
2. Report Nos. 21 and 24 – Small Housing Sites Update
3. Report Nos. 20 and 23 – Estate Renewal Programme Update

6

ISSUES ARISING FROM THE OVERVIEW AND SCRUTINY COMMITTEE

Councillor Achilleas Georgiou (Deputy Leader) left the meeting for this item (Minute No.2 above refers).

Land Planning at Meridian Water Scrutiny Workstream

Councillor Doug Taylor (Leader of the Council) invited Councillor Edward Smith, as Chair of the Scrutiny Workstream, to present the report to the Cabinet.

Councillor Edward Smith introduced the report of the Land Planning at Meridian Water Scrutiny Workstream (No.14).

NOTED

1. That the scrutiny review had been thorough and had been undertaken over several months. Councillor Smith expressed his thanks to the members of the Scrutiny Panel for their support. Members' attention was drawn to the main findings of the review as set out in the report. The review had highlighted concerns that the objectives of the Meridian Water project were being undermined by the issues and delays that were being experienced.
2. Councillor Smith questioned the delay in the Meridian Water contract close with the chosen developer, Barratts. He also highlighted the aspirations of the project with regard to the provision of housing and creation of new jobs. Other aspects under scrutiny had included the financial viability of the scheme; the stability of the ground being built on; the proposed increase in train frequency; the connections with Lee Valley Heat Network (Energetik); the Mayor of London's involvement in the project and the need for a strategic housing assessment in the area with regard to supply and demand requirements. It was noted that the project was long-term and a number of the issues were ongoing. The Overview and Scrutiny Committee intended to consider the Meridian Water project on a regular basis, as set out in the recommendations of the report.
3. That, as set out in the recommendations of the report, the Overview and Scrutiny Committee would receive:
 - a. Future updates on Meridian Water, particularly on:
 - The financial viability of the development as it progresses
 - The realism of the jobs offer
 - Detailed updates on the visual appearance and density, of the development
 - The Local First principle and the risk register.

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- b. And comment on the final version of the Meridian Water Regeneration Strategy and Action Plan including the provision of education and health facilities.
 - c. Updates on the progress towards 4 trains per hour, and any additional costs incurred by the Council.
4. Councillor Sitkin acknowledged the concerns highlighted with regard to the contract close and confirmed that the Council was seeking to conclude this matter as soon as possible. Councillor Taylor outlined the negotiations that were currently taken place and gave assurances that agreement would only be given to a contract that was in the long-term interests of the Council. The length of the contract period was noted together with the unpredictable risks that could arise including changes in market conditions in the long-term. There would need to be an element of flexibility without losing the overall viability of the project.
5. Councillor Oykenner acknowledged the issues which had been raised with regard to housing provision and outlined the ongoing discussions that were taking place with the GLA at both political and officer levels.
6. Councillor Taylor stated that the issues raised by Scrutiny were those that were actively being pursued in ongoing discussions on the project and, in particular the future financial viability and level of risk tolerance within the overall scheme. Regular meetings were taking place with Barratts and it was hoped that the contract close would be concluded as soon as possible. In response to questions raised by Councillor Smith, it was noted that officer negotiations were undertaken at a high level and included Ian Davis (Chief Executive), and specialist legal and financial advisers. The Leader of the Council together with Cabinet Members for Housing and Housing Regeneration; Finance and Efficiency; and, Economic Regeneration and Business Development were kept fully apprised of the negotiations and provided their views on the way forward.
7. Councillor Taylor thanked Councillor Smith for his attendance and the continuing work of Scrutiny in this area.

Alternative Options Considered: None.

Reason: To monitor and comment on the development at Meridian Water.
(Non key)

7
REVENUE & CAPITAL OUTTURN 2016/17

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Councillor Achilleas Georgiou (Deputy Leader) returned to the Cabinet meeting.

Councillor Dino Lemonides (Cabinet Member for Finance and Efficiency) introduced the report of the Executive Director of Finance, Resources and Customer Services (No.15) setting out the overall Council General Fund and Housing Revenue Account revenue and capital outturn position for 2016/17. The report also provided information on the Council's current level of reserves.

NOTED

1. That the outturn position for 2016/17 was within budget. The overall level of General Fund earmarked reserves at 31 March 2017 had increased by £6.8m to £45.4m (£38.6m 31 March 2016). This excluded ring-fenced reserves such as Public Health and Dedicated Schools Grants reserves. The HRA reserves had decreased by £5.1m from £25.8m to £20.7m. Details of the total reserves as at 31 March 2017 and the planned use of these over the Medium Term Financial plan period were set out in Appendix G to the report.
2. The level of the General Fund balances at 31 March 2017 was unchanged at £14m, paragraph 4.7 of the report referred.
3. The 2016/17 capital outturn position as set out in section 6 and Appendix H of the report.

Alternative Options Considered: Not relevant in the context of this report.

DECISION: The Cabinet

1. Noted the General Fund and Housing Revenue Account (HRA) revenue and capital outturn for 2016/17.
2. Agreed specific changes to reserves as set out in paragraph 4.3 and detailed in the service appendices to the report.
3. Noted the capital outturn and agreed the funding of the Council's capital expenditure for 2016/17 as set out in the report (paragraph 6.3 referred).

Reason: To ensure that Members were aware of the outturn position for the authority including all major variances which had contributed to the outturn position.

(Key decision – reference number 4530)

Councillor Dino Lemonides (Cabinet Member for Finance and Efficiency) introduced the report of the Executive Director of Finance, Resources and Customer Services (No.16) reviewing the activities of the Council's Treasury Management function over the financial year ended 31 March 2017.

NOTED

1. The requirement to produce an annual treasury management review, as set out in section 3 of the report. The key points of the report were highlighted by Councillor Lemonides for Members' consideration.
2. That the Council continued to operate a cautious approach within specified borrowing and investment limits, as set out in the report. The Council had continued to comply with its prudential indicators.

Alternative Options Considered: None. This report was required to comply with the Council's Treasury Management Policy Statement, agreed by Council.

RECOMMENDED TO COUNCIL, following consideration by Cabinet, that the 2016/17 Annual Treasury Management Outturn report be approved.

Reason: To inform the Council of Treasury Management performance in the financial year 2016/17.

(Key decision – reference number 4527)

9 MAY 2017 REVENUE MONITORING REPORT

Councillor Dino Lemonides (Cabinet Member for Finance and Efficiency) introduced the report of the Executive Director of Finance, Resources and Customer Services (No.17) setting out the Council's revenue budget monitoring position based on information to the end of May 2017.

NOTED

1. That the report forecast an outturn position of £5.5m overspend for 2017/18 and set out the mitigating actions to bring the budget into balance.
2. The report provided information on the main budget variances and the reasons for them. Cabinet Members and Executive Directors were expected to manage their budgets in year and contain any forecast overspends by implementing offsetting savings measures. Members noted the projected overspends on demand led services within Health,

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Housing and Adult Social Care and Children's Services as set out in the report.

3. Councillor Taylor whilst recognising the budget pressures outlined in the report, highlighted the need to reduce the projected overspend and, noted the mitigating actions to be undertaken by the Cabinet Members and Executive Directors detailed in the report.

Alternative Options Considered: Not applicable to this report.

DECISION: The Cabinet noted:

1. The £5.5m overspend revenue outturn projection.
2. That Cabinet Members would continue to work with Executive Directors to implement action plans to reduce the forecast overspend in 2017/18.
3. The mitigating actions proposed to date by Executive Directors of overspending departments as set out in Appendix A of the report.

Reason: To ensure that Members were aware of the projected budgetary position, including all major budget pressures and underspends which had contributed to the present monthly position and that were likely to affect the final outturn.

(Key decision – reference number 4529)

10

ESTATE RENEWAL PROGRAMME UPDATE

Councillor Ahmet Oykenner (Cabinet Member for Housing and Housing Regeneration) introduced the report of the Executive Director of Regeneration and Environment (No.20) setting out progress made on the major schemes within the Council's Estate Renewal Programme.

NOTED

1. That Report No.23 also referred as detailed in Minute No.17 below;
2. That the report provided an overall view of progress of the Council's estate renewal schemes. Councillor Oykenner outlined for Members the scheme updates relating to Highmead, Ladderswood, New Avenue, the Alma Estate and Snells and Joyce as detailed in the report. Contractual updates were set out in the report and the revised proposed budgets associated with each of the schemes were set out in the part two report (Report No.23, Minute No.17 below referred).

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3. An amendment to recommendation 2.3 of the report with the addition of the Executive Director of Health, Housing and Adult Social Care to the agreed delegated authority, as set out in decision 3 below.
4. Councillor Georgiou highlighted the architectural awards that the Council had achieved for its work at Dujardin Mews. This was indicative of the standard of the work that was being undertaken. Councillor Georgiou extended his congratulations to all those involved.

Alternative Options Considered: Not to proceed with the developments. The work commissioned by the Council had demonstrated that all three schemes represent a good deal for the Council and the Council had made promises to residents which continuing with the existing agreements enable to be achieved. Further options and their potential ramifications were considered in Report No.23, Minute No.17 below refers.

DECISION: The Cabinet agreed to

1. Note the progress made in delivering the estate renewal programme and to note the commencement of the next stage of the programme.
2. Recommend to Council to update the estate renewal scheme budgets as set out in Report No.23, Minute No.17 below refers.

New Avenue

3. Delegate authority to the Executive Director of Regeneration and Environment and the Executive Director of Health, Housing and Adult Social Care to agree and finalise the terms of the shared equity offer to resident leaseholders.
4. Authorise, subject to officers fulfilling the requirements of Section 122 (2A) of the Local Government Act 1972 and obtaining the Secretary of State's consent pursuant to Section 19 of the Housing Act 1985, in accordance with section 122 of the Local Government Act 1972 a decision be taken that the land required for the completion of the New Avenue Estate Regeneration Programme (set out in Appendix A to the report) should be appropriated from its present purpose for housing to planning purposes to enable the Council to take the benefit of Section 203 of the Housing and Planning Act 2016.

RECOMMENDED TO COUNCIL to update the estate renewal scheme budgets as set out in Report No.23, Minute No.17 below refers.

Reason: The Council's estate renewal programme was of strategic importance to the Council. Not only did it provide existing residents with new better quality homes, at a time of a general housing shortage, the programme was increasing net supply both overall and in terms of affordable housing. These projects also made a significant contribution to the regeneration of neighbourhoods and the improved opportunities for communities.

(Key decision – reference number 4497)

At this point in the meeting, the Cabinet passed a resolution to enable consideration of the part two report – Report No.23 – Estate Renewal Programme Update to take place at this point in the meeting.

RESOLVED, in accordance with Section 100(A) of the Local Government Act 1972 to exclude the press and public from the meeting for the items listed on part two of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information) of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006).

Any press and public present were excluded. The Minutes reflect the order of the published agenda. Following the conclusion of the part two report, the meeting returned to part one for the consideration of the remaining part one agenda items.

11

SMALL HOUSING SITES UPDATE

This report was considered following an adjournment of the Cabinet meeting to allow Members sufficient time to review the report following its circulation at the meeting. Councillor Taylor apologised for the late circulation of the report. All other items on the part one agenda were considered before the adjournment of the meeting.

Councillor Ahmet Oykenner (Cabinet Member for Housing and Housing Regeneration) introduced the report of the Executive Director of Regeneration and Environment (No.21).

NOTED

1. That Report No.24 also referred as detailed in Minute No.18 below.
2. Councillor Oykenner set out in detail the summary of the issues to date and sequence of events, and the proposals for moving forward as detailed in the report. Members were advised of the extensive work and negotiations which had been undertaken to reach this stage and the complexities of the decisions required.
3. In the light of the events outlined in the report, a review would be undertaken of the use of delegated authority powers in the future. The review would ensure that lessons were learnt in going forward.
4. In response to questions raised by Councillor Orhan on the reasons for Climate Energy Homes entering into administration in December 2015,

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Councillor Oykenner outlined the impact and detail of the decision of the Government at that time to withdraw renewable energy grants and the impact that this had had on Climate Energy Homes and other companies. It was noted that the Government had not provided sufficient notice of this decision. Councillor Oykenner outlined in detail the implications that this had had within Enfield.

5. In the light of the events detailed in the report, Councillor Oykenner outlined the work that had been undertaken in seeking an acceptable way forward. Extensive negotiations and due diligence work had been carried out.
6. Councillor Sitkin outlined the volatile nature of the construction industry and the need to manage risks whilst continuing to undertake the work required.
7. Councillor Orhan whilst recognising the volatile nature of the construction industry reiterated her concerns regarding the negative impact of the Government's change in policy with regard to energy efficiency funding.
8. Councillor Smith expressed his concern at the late circulation of the report and the delay which had been experienced in moving forward.

Alternative Options Considered: NOTED, the detailed alternative options that had been considered as set out in full in section 4 of the report. Having considered the financial implications of the various options set out in the report, they had been discounted on the basis that they could not achieve a financially viable scheme and would result in significant further losses to the Council.

DECISION: The Cabinet agreed

1. To recommend to Council to approve the additional budget as set out in the part 2 report (Report No.24, Minute No.18 below refers) to complete the two sites with Kier as set out in Report No.24 and terminate the Development Agreement on terms including to complete Phase 1 for the additional sums set out in Report No.24.
2. To delegate authority to the Executive Director of Regeneration and Environment and the Executive Director of Finance, Resources and Customer Services to conclude the details of the termination agreement referred to in 1 above. This would take into consideration the revised fixed price contract sum for partial completion of the Development Agreement in respect of completing 47 homes on three sites at St. Georges, Parsonage Lane and Tudor Crescent only (Phase 1) as part of a negotiated commercial settlement.
3. To recommend to Council, subject to the Development Agreement being terminated with Kier, to approve the recommended procurement

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options as set out in Report No.24, Minute No.18 below refers, for Phase 2 (Holtwhites Hill, Jasper Close, Forty Hill and Lavender Hill).

4. To recommend that Council approves the additional budget required for Phase 2, as set out in Report No.24, Minute No.18 below refers.

RECOMMENDED TO COUNCIL

1. To approve the additional budget as set out in the part 2 report (Report No.24, Minute No.18 below refers) to complete the two sites with Kier as set out in Report No.24 and terminate the Development Agreement on terms including to complete Phase 1 for the additional sums set out in Report No.24.
2. Subject to the Development Agreement being terminated with Kier, to approve the recommended procurement options as set out in Report No.24, Minute No.18 below refers, for Phase 2 (Holtwhites Hill, Jasper Close, Forty Hill and Lavender Hill).
3. To approve the additional budget required for Phase 2, as set out in Report No.24, Minute No.18 below refers.

Reason: NOTED, the detailed reasons for the recommendations as set out in section 5 of the report.

(Key decision – reference number 4298)

At this point in the meeting, Members agreed the resolution for the exclusion of the press and public to enable the consideration of the part two report, Minute Nos. 16 and 18 below refer.

12

CABINET AGENDA PLANNING - FUTURE ITEMS

NOTED, the provisional list of items scheduled for future Cabinet meetings.

13

MINUTES

AGREED, that the minutes of the previous meeting of the Cabinet held on 21 June 2017 be confirmed and signed by the Chair as a correct record.

14

ENFIELD STRATEGIC PARTNERSHIP UPDATE

NOTED, that there were no written updates to be received at this meeting.

15

DATE OF NEXT MEETING

NOTED, that the next meeting of the Cabinet was scheduled to take place on Wednesday 26 July 2017 at 7.00pm.

At this point in the meeting Councillor Taylor adjourned the meeting for 30 minutes to enable Cabinet Members to review Report Nos.21 and 24 – Small Housing Sites Update, circulated at the meeting, prior to their consideration of the decisions to be taken. Councillor Taylor reiterated his apologies for the late circulation of the documents. The meeting reconvened at 10.30pm and then considered the reports, as detailed in Minute Nos. 11 and 18.

16

EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED, in accordance with Section 100(A) of the Local Government Act 1972 to exclude the press and public from the meeting for the items listed on part two of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information) of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006).

Note: Minute Nos. 10 and 11 above also refer. The order of the published agenda was varied and the above resolution passed at the appropriate time in the meeting to allow consideration of the part two reports detailed in Minute Nos. 17 and 18 below.

17

ESTATE RENEWAL PROGRAMME UPDATE

Councillor Taylor varied the order the agenda to enable Members to consider this report immediately following their consideration of the part one report, Report No. 20, Minute No.10 above refers. The minutes reflect the order of the published agenda.

Councillor Dino Lemonides (Cabinet Member for Finance and Efficiency) introduced the report of the Executive Director of Regeneration and Environment (No.23).

NOTED

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1. That Report No.20 also referred, as detailed in Minute No.10 above.
2. That the report set out the financial considerations in relation to the next stage of the estate renewal programme.
3. Councillor Lemonides outlined for Members' attention the financial implications for each of the listed schemes and the detailed reasons set out in the report and reflected in the decisions below.
4. Councillor Oykenner advised Members that a further report would be presented to a future Cabinet meeting regarding Ladderswood following the conclusion of negotiations on the aspect of the scheme as set out in paragraph 3.17 of the report.
5. In relation to decisions 1, 6 and 13 below, Councillor Taylor requested that Cabinet receive reports back on the outcomes of the proposed delegated authority actions outlined (recommendations 2.1, 2.6 and 2.13 of the report referred).
6. Councillor Edward Smith raised a number of questions with regard to the financial information provided within the report. Peter George (Assistant Director Regeneration and Environment) responded to the issues raised and outlined the programme approach being implemented, the issues relating to the individual schemes and the financial implications detailed in the report. All of the projects would be financially viable. The Council's housing aspirations and responsibilities were highlighted. In response to further questions, Peter George outlined in detail the original business case relating to the Alma Estate project, the options that had been considered at that time, and, the proposed way forward and the financial implications as set out in the report.
7. Ray James (Executive Director of Health, Housing and Adult Social Care) highlighted the impact on the HRA Business Plan as set out in paragraphs 6.2.12 and 6.2.13 of the report. Members' attention was drawn to the detailed risks.
8. Councillor Taylor acknowledged the issues that had been raised by Councillor Smith in discussion of the report and stated that the Cabinet would be receiving periodic reports on the progress of the Council's estate renewal programme. Whilst the projects needed to be financially viable, it was also important to improve the quality of housing provision and ensure that properties were fit for purpose for the Borough's residents. It was noted the 80% of those consulted on the Alma Estate project proposals had been in favour of demolition and re-build rather than refurbishment works.
9. Councillor Oykenner reiterated the cost of repairs to existing properties and the need to meet decent homes standards. The safety of residents

and their quality of life was paramount. The Council was proud of what was being achieved through the estate renewal programme.

Alternative Options Considered: NOTED, the alternative option considered as set out in section 4 of the report.

DECISION: The Cabinet agreed

1. To delegate authority to the Executive Director of Finance, Resources and Customer Services to monitor and review the financial implications to the Council of the housing projects that connect into the Lee Valley Heat Network, and to report back to Cabinet.

Alma

2. To delegate authority to the Executive Director of Regeneration and Environment, acting in consultation with the Executive Director of Finance, Resources and Customer Services, to enter into the relevant Supplemental Development Agreement and Phase Lease agreements as set out in the report.
3. To note the Revised Net Position to the Council was a positive of the sum detailed in recommendation 2.3 of the report, compared to the 2011 Business Case which projected a negative of the sum detailed in recommendation 2.3 of the report, an overall improvement as set out in the report.
4. To recommend to Council to approve an increase in the total budget, as set out in recommendation 2.4 of the report for vacant possession, council homes and other items detailed in the report.
5. To approve the changes to the Development Agreement contained within the Supplementary Development Agreement and Phase 1 related leases to facilitate the regeneration of the Alma Estate in accordance with the contents of the report and Report No.20, Minute No.10 above refers.
6. To delegate authority to the Executive Director of Regeneration and Environment, acting in consultation with the Executive Director of Finance, Resources and Customer Services to enter into the relevant Supplemental Development Agreement and Phase Lease documents, and to report back to Cabinet.
7. To note that work was being undertaken to examine the option of the Council purchasing shared ownership properties, as set out in recommendation 2.7 of the report, for Alma leaseholders and in the event this purchase option was recommendable, noted that a further Cabinet report would be brought forward.

New Avenue

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8. To note the total value of the New Avenue scheme to the Council, as set out in recommendation 2.8 of the report.
9. To recommend to Council to approve an increase in the total budget, of the sum detailed in recommendation 2.9 of the report, for vacant possession, purchase of additional council homes and other items detailed in the report.
10. To recommend to Council to authorise, the sum detailed in recommendation 2.10 of the report, commitment to underwrite planning and design work undertaken by Countryside Properties up until the Development agreement was entered into.

Ladderswood

11. To recommend to Council to authorise an increase of the sum set out in recommendation 2.11 of the report, to the budget to finance tenant decant costs, projects costs, staffing and security costs.
12. To delegate authority to the Executive Director of Regeneration and Environment, acting in consultation with the Executive Director of Finance, Resources and Customer Services, to seek to negotiate with the developer, a Deed of Variation to the development agreement to agree an early buy out of the overage payment clause.
13. To delegate authority to the Executive Director of Regeneration and Environment, acting in consultation with the Executive Director of Finance, Resources and Customer Services the entering into a Deed of Variation to the development agreement, and to report back to Cabinet.

RECOMMENDED TO COUNCIL

Alma

1. To approve an increase in the total budget, as set out in recommendation 2.4 of the report, for vacant possession, council homes and other items detailed in the report.

New Avenue

2. To approve an increase in the total budget, of the sum detailed in recommendation 2.9 of the report, for vacant possession, purchase of additional council homes and other items detailed in the report.
3. To authorise the sum detailed in recommendation 2.10 of the report, commitment to underwrite planning and design work undertaken by Countryside Properties up until the Development agreement was entered into.

Ladderswood

4. To authorise an increase of the sum set out in recommendation 2.11 of the report, to the budget to finance tenant decant costs, projects costs, staffing and security costs.

Reason: As detailed in Report No.20, Minute No.10 above refers.
(Key decision – reference number 4497)

18

SMALL HOUSING SITES UPDATE

Members dealt with this report following their consideration of the part one report, Report No.21, Minute No.11 above refers, and the exclusion of the press and public, Minute No.16 above refers.

Councillor Dino Lemonides (Cabinet Member for Finance and Efficiency) introduced the report of the Executive Director of Regeneration and Environment (No.24).

NOTED

1. That Report No.21 also referred as detailed in Minute No.11 above.
2. Councillor Lemonides outlined the current position, as set out in the report, and reiterated the considerable efforts that had been made to agree the way forward. He reiterated the need for review and to learn lessons from this experience. The detailed financial implications were outlined to Members for their consideration, including the delivery of homes, the impact on the Housing Revenue Account, the General Fund and on Enfield Innovations Ltd. The negative cost impact of any further delay was highlighted.
3. Councillor Taylor requested an amendment to recommendation 2.3 of the report with the addition of: "...the decision requires written advice from external legal advisors which calculates risks and liabilities of the chosen course of action". Decision 3 below reflects this amendment.
4. Councillor Smith sought clarification of the financial implications for the Council as set out in the report. Peter George (Assistant Director Regeneration and Environment) outlined the costs in detail which related to a number of factors, the reasons for which were explained to Members.

Alternative Options Considered: NOTED, the detailed alternative options which had been considered as set out in section 5 of the report.

DECISION: The Cabinet agreed

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1. To note the overall positive financial viability of the project as detailed in paragraph 6.13 of the report.
2. To delegate authority to the Executive Director of Regeneration and Environment and the Executive Director of Finance, Resources and Customer Services to negotiate a commercial settlement with Kier Property Investments (KPI) to vary the Development Agreement (DA) and conclude a revised fixed contract sum for partial completion of the Development Agreement to complete the 47 homes at the Parsonage Lane, St Georges and Tudor Crescent sites only, to be called Phase 1, for the proposed net cost as set out in recommendation 2.2 of the report.
3. Subject to the revised Agreement being entered into with Kier (as per recommendation 2.2 of the report), Cabinet recommended approval to a direct contract award as set out in the report, to complete the construction works at the four remaining sites (Phase 2 – Holtwhites Hill, Jasper Close, Forty Hill and Lavender Hill) for an agreed fixed and validated price as set out in recommendation 2.3 of the report. The decision to require written advice from external legal advisors which calculates risks and liabilities of the chosen course of action.
4. To recommend to Council to approve an additional budget, as set out in recommendation 2.4 of the report. The sum to be funded from the Housing Revenue Account (HRA), where after completion of the project and property sales there would be an estimated net cost, as set out in recommendation 2.4 of the report, to the HRA to be funded from future rental income.
5. To delegate authority to the Executive Director of Regeneration and Environment and the Executive Director of Finance, Resources and Customer Services to renegotiate the terms of the Facility Letter (funding agreement) with Enfield Innovations Ltd. (EIL) to allow for the market sale of the number of EIL units set out in recommendation 2.5 of the report, upon completion of construction of Phase 1 and the termination of the Kier Development Agreement and for the further market sale of the number of units as set out in recommendation 2.5 of the report, upon completion of Phase 2. This would allow EIL to fully recoup all expended costs to date and achieve an overall financially viable scheme which maintained the affordable homes in perpetuity for the Council. The estimated value of this disposal was currently as detailed in recommendation 2.5 of the report.

RECOMMENDED TO COUNCIL to approve an additional budget, as set out in recommendation 2.4 of the report. The sum to be funded from the Housing Revenue Account (HRA), where after completion of the project and property sales there would be an estimated net cost, as set out in recommendation 2.4 of the report, to the HRA to be funded from future rental income.

CABINET - 13.7.2017

Reason: NOTED the detailed reasons for the recommendations as set out in section 6 of the report.
(Key decision – reference number 4298)