

PUBLICATION OF DECISION LIST NUMBER 74/15-16

MUNICIPAL YEAR 2015/2016

Date Published: Friday 6th May 2016

This document lists the Decisions that have been taken by the Council, which require publication in accordance with the Local Government Act 2000. The list covers key, non-key, Council and urgent decisions. The list specifies those decisions, which are eligible for call-in and the date by which they must be called-in.

A valid request for call-in is one which is submitted (on the form provided) to the Scrutiny Team in writing within 5 working days of the date of publication of the decision by at least 7 Members of the Council.

Additional copies of the call-in request form are available from the Scrutiny Team.

If you have any queries or wish to obtain further report information or information on a decision please refer to:

– Claire Johnson (ext.4239)

Phone 020 8379 then extension number indicated

INDEX OF PUBLISHED DECISIONS – 6th May 2016

List Ref	Decision Made by	Date Decision to come into effect	Part 1 or 2	Subject/Title of Report	Category of Decision	Affected Wards	Eligible for Call-In & Date Decision must be called in by (If Applicable)	Page No.
1/74/ 15-16	Director of Regeneration & Environment (Ian Davis) and Director of Finance, Resources and Customer Services (James Rolfe)	Monday 16th May 2016	Part 1 & 2 (para 3)	Approval To Drawdown the Lee Valley Heat Network's (LVHN) Operational Budget, April-September 2016	Key Decision KD4080	Cockfosters, Southgate Green, Upper Edmonton, Edmonton Green and Ponders End	Yes Friday 13 th May 2016	1 -2
2/74/ 15-16	Cabinet Member for Housing and Housing Regeneration (Cllr Oykenner) Cabinet Member for Finance and Efficiency (Cllr Stafford)	Monday 16 th May 2016	Para 1 & 2 (para 3)	Investment in Private Rented Sector – Loan Instalment 6	Key Decision KD4286	All	Yes Friday 13 th May 2016	3-4

DECISIONS

For additional copies or further details please contact Claire Johnson (020 8379 4239), Governance Team.

LIST REFERENCE: 1/74/15-16

SUBJECT TITLE OF THE REPORT							
APPROVAL TO DRAWDOWN THE LEE VALLEY HEAT NETWORK'S (LVHN) OPERATIONAL BUDGET, APRIL-SEPTEMBER 2016							
Part 1 or 2 (relevant exempt Paragraph)	Wards affected by decision	Decision taken by	Date Decision comes in to effect	Interest declared in respect of the Decision	Category of decision (i.e. Key, Non-Key, Council, Urgent)	Contact Details	Eligible for Call-in & Date to be called in by
Part 1 & 2 (Para 3)	Cockfosters, Southgate Green, Upper Edmonton, Edmonton Green and Ponders End	Director of Regeneration & Environment (Ian Davis) and Director of Finance, Resources and Customer Services (James Rolfe)	Monday 16th May 2016	None	Key Decision KD4080	Jeff Laidler 020 8379 3410	Yes Friday 13 th May 2016
DECISION							
<p>AGREED: subject to no Call-in being received, the following decisions will come into effect on Monday 16th May:</p> <p>The Director of Regeneration & Environment and the Director of Finance, Resources & Customer Services:</p> <ol style="list-style-type: none"> 1. Authorise the drawdown of £560K of the already approved £1.047 million from the approved capital programme to fund the forecast operational costs for the six months from April 2016 to September 2016. This is the final requirement to complete the work set out in the Cabinet Report of June 2015 and establish LVHN/<i>Energetik</i> as an innovative local energy supplier. 2. Authorisation for any further drawdown from the £1.047 million is delegated to the Director of Finance, Resources & Customer Services. 							
ALTERNATIVE OPTIONS CONSIDERED:							
<ol style="list-style-type: none"> 1. <u>Drawdown of any portion of the £1.047million second tranche of capital funding is not authorised.</u> Failure to provide the approved funding for the first full year creates a number of risks. Without Enfield Council's continued investment to mobilise LVHN and make it operational for its first full year, it will not be possible to finalise and present the revised Business Plan to Cabinet, secure investment decision approval and proceed to develop the Strategic Heat Network at Meridian Water, for which the master developer will soon be in place. A different energy strategy would then be required for this flagship development, noting that there will be a contractual requirement for the master developer to take its heat from Energetic. 1.1 The <i>Energetik</i> project could no longer proceed to the main investment decision in September 2016, as the company would run out of money. The <i>Energetik</i> team and project would need to be disbanded. The most immediate risk would be the absence of ongoing operational funds to enable <i>Energetik</i> to supply heat to the first 40 residents at Ladderswood, which goes "live" in August 2016. 							

LIST REFERENCE: 1/74/15-16 - continued

2. Identify Alternative Source of Funding: the combination of low cost funding from both the European Investment Bank and London Energy Efficiency Fund are cheaper than traditional borrowing available through the Public Works Loan Board. No realistic alternative source of cheaper borrowing exists.

REASONS FOR RECOMMENDATIONS:

1. Enfield Council, with the support of the Greater London Authority, has already invested significant resource and funding to develop the LVHN Business Plan and support the initial six months of mobilisation and operation. The European Investment Bank (EIB) and London Energy Efficiency Fund (LEEF) have since demonstrated external investor confidence in the scheme by providing £12million in loan investment, subject to Cabinet approval for full draw down.
2. The consolidated financial model is well developed and following internal due diligence, demonstrates the ongoing viability of the project. The business model enables operational costs to be recovered, subject to the main investment decision. The associated Business Plan and main investment decision will be the subject of Cabinet approval in September 2016.
3. Without Enfield Council's continued investment to mobilise LVHN and make it operational for its first full year, it will not be possible to finalise and present the revised Business Plan to Cabinet, secure investment decision approval and proceed to develop the Strategic Heat Network at Meridian Water.

BACKGROUND:

Please note that a copy of the Part 1 report is available via the decision list link on the Council's democracy pages. As the Part 2 Report contains exempt information it will not be available to the press or the public.

LIST REFERENCE: 2/74/15-16

SUBJECT TITLE OF THE REPORT							
INVESTMENT IN PRIVATE RENTED SECTOR – LOAN INSTALMENT 6							
Part 1 or 2 (relevant exempt Paragraph)	Wards affected by decision	Decision taken by	Date Decision comes in to effect	Interest declared in respect of the Decision	Category of decision (i.e. Key, Non- Key, Council, Urgent)	Contact Details	Eligible for Call-in & Date to be called in by
Part 1 & 2 (Para 3)	All	Cabinet Member for Housing and Housing Regeneration (Cllr Oykenner) Cabinet Member for Finance & Efficiency (Cllr Stafford)	Monday 16th May 2016	None	Key Decision KD4286	Kayt Wilson 020 8379 4566	Yes Friday 13 th May 2016
DECISION							
<p>AGREED: subject to no Call-in being received, the following decisions will come into effect on Monday 16th May:</p> <ol style="list-style-type: none"> 1. To note that Cabinet delegated authority to the Director of Finance, Resources and Customer Services; Director of Health, Housing and Adult Social Care; Cabinet Member for Finance; and Cabinet Member for Housing and Estate Regeneration, to finalise the timing, profile of acquisitions and the detail of the funding arrangements for each phase of the portfolio development, based on the most viable finance stream available, type and level of housing need at that time, and the Council's best interests (full details were outlined previously in KD3782). 2. To note that the terms of the Facility Letter were agreed by the Director of Finance, Resources and Customer Services; Director of Health, Housing and Adult Social Care; Cabinet Member for Finance; and Cabinet Member for Housing and Estate Regeneration in September 2014 and the Housing Gateway Board of Directors in April 2014. 3. To agree to access the next instalment of the loan and on-lend this to Housing Gateway Limited in accordance with the Facility Letter. 4. To note that the treasury management decisions regarding the Council's borrowing to enable the on-lending to Housing Gateway Limited will be subject to the Council's existing arrangements for governance and specialist advice. 							

Publication of Decision List 2/74/15-16 – 6th May 2016

LIST REFERENCE: 2/74/15-16 - continued

ALTERNATIVE OPTIONS CONSIDERED:

1. A number of alternative options were considered in the development of the Investment in Private Rented Sector business case (full details were outlined previously in KD3782).
2. In the development of the Facility Letter a number of alternative options were also considered, including a loan with a single instalment or the absence of a formal agreement. These options were discounted, as a formal agreement safeguards the interest of both the Council and Housing Gateway and the ability to access the loan in instalments provides greater flexibility.

REASONS FOR RECOMMENDATIONS:

1. Cabinet approved the business case, financial model and overall financial envelope in February 2014 (full details were outlined previously in KD3782).
2. Housing Gateway Limited was established in February 2014 and the company is now fully operational. The acquisition process is well established and the next phase of the loan is required to enable the acquisitions to continue.
3. A Facility Letter has been agreed by the Council and Housing Gateway Limited which sets out the terms of the loan agreement and provides clear terms of repayment. This was drafted by Trowers and Hamlin acting on behalf of both the Council and Housing Gateway Limited.
4. The Facility Letter enables Housing Gateway Limited to access the sixth instalment of the loan in a series of instalments, under Schedule 3 of the Facility Letter. This will enable the company to access funding to coincide with the speed of acquisitions and better manage its cash flow.
5. A six month review has been undertaken by Social Finance which reviewed the assumptions in the original business case and progress to date. This concluded that the business case remains undiminished and measurable progress has been made in all areas of the company's operation.

BACKGROUND:

Please note that a copy of the Part 1 report is available via the decision list link on the Council's democracy pages. As the Part 2 Report contains exempt information it will not be available to the press or the public.