

**MINUTES OF THE MEETING OF THE CABINET
HELD ON WEDNESDAY, 18 MAY 2016**

COUNCILLORS

PRESENT Doug Taylor (Leader of the Council), Achilleas Georgiou (Deputy Leader/Public Service Delivery), Daniel Anderson (Cabinet Member for Environment), Yasemin Brett (Cabinet Member for Community, Arts and Culture), Alev Cazimoglu (Cabinet Member for Health and Social Care), 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 Oykener (Cabinet Member for Housing and Housing Regeneration) and Alan Sitkin (Cabinet Member for Economic Regeneration and Business Development)

Associate Cabinet Members (Non-Executive and Non-Voting): Bambos Charalambous (Enfield West), Vicki Pite (Enfield North) and George Savva MBE (Enfield South East)

OFFICERS: Rob Leak (Chief Executive), Ian Davis (Director of Regeneration & Environment), James Rolfe (Director of Finance, Resources and Customer Services), Tony Theodoulou (Interim Director of Children's Services), Bindi Nagra (Assistant Director - Health, Housing and Adult Social Care), Asmat Hussain (Assistant Director Legal & Governance Services), Peter George (Programme Director - Meridian Water), Jayne Middleton-Albooye (Head of Legal Services) and Laura Berryman (Press Officer) Jacqui Hurst (Secretary)

Also Attending: Councillor Derek Levy (Chair of the Overview and Scrutiny Committee), Councillor Edward Smith, Councillor Joanne Laban, and representatives from Trowers and Hamlins (Legal Advisers)

1

APOLOGIES FOR ABSENCE

An apology for absence was received from Ray James (Director of Health, Housing and Adult Social Care).

2

DECLARATIONS OF INTEREST

Councillor Achilleas Georgiou (Deputy Leader of the Council/Public Service Delivery) declared a disclosable pecuniary interest in Report Nos. 3 and 5 –

Land Acquisition at Meridian Water (Minute Nos. 7 and 16 below refer) as a member of his family was employed by AMEC Foster Wheeler. Councillor Georgiou left the meeting for the discussion of these reports and took no part in the Cabinet decision.

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

Report Nos. 3 and 5 – Land Acquisition at Meridian Water (Minute Nos. 7 and 16 below refer)

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

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 item be referred to full Council for information only:

Meridian Water Developer Partner Procurement (Minute Nos. 6 and 15 below refer)

NOTED, that an information report would be submitted to the Council meeting in relation to the above decision. There would be no part 2 or super part 2 report for Council consideration.

6

MERIDIAN WATER DEVELOPER PARTNER PROCUREMENT

Councillor Ahmet Oykenner (Cabinet Member for Housing and Housing Regeneration) introduced the report of the Director of Regeneration and Environment (No.2) seeking approval to the outcome of the Meridian Water Master Developer Partner procurement process.

NOTED

1. That Report No.4 also referred as detailed in Minute No. 16 below.

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2. That this was a landmark decision for the Council. Meridian Water was an exciting and significant project. The selection of a master developer partner was not just a huge step forward for Meridian Water; it was a significant and potentially transformational development for the whole of the Borough, as detailed in the report.
3. The report set out in detail the procurement process that had been followed which had been conducted in accordance with the Council's Contract Procedure Rules and the Public Contract Regulations 2015, using the Competitive Dialogue procedure.
4. Councillor Sitkin highlighted the significance of the project and the potential benefits to the Borough and local community. Councillor Sitkin commended the report to the Cabinet and the robust and diligent procurement process which had been followed, as detailed in the report. Councillor Sitkin expressed his appreciation to officers, in particular Peter George (Programme Director), for the significant work which had been undertaken and the professional approach which had been followed at all stages of the procurement process.
5. At the request of Councillor Taylor, Peter George (Programme Director) and representatives present from "Trowers and Hamblins" (the Council's legal advisors) were invited to outline in full to Members the procurement process which had been followed and the robustness with which it had been undertaken. Members were advised in detail of the procurement support that had been provided; the procurement stages; the evaluation undertaken; the competitive dialogue process carried out; the tender evaluation panels; tender evaluation process and scoring criteria used for legal, financial and technical aspects of the bids as set out in both the part one and part two reports (Minute No.15 below also referred).
6. Members' noted that the tender evaluation panels (Legal, Finance and Technical) had received advice from the Council's consultants as follows: Jones Lang LaSalle – technical and commercial; Trowers and Hamblins – legal; PricewaterhouseCooper – financial and accountancy. In addition, Ernst and Young had provided interim Corporate Procurement services and KPMG had acted as Quality Assurance Observers, as set out in full in the report. Members were assured of the robustness and due diligence which had been followed at all stages of the procurement process.
7. Councillor George Savva, as Associate Cabinet Member for Enfield South East, welcomed the project and the progress which had been made. He reiterated the significant benefits that the development would bring to the Borough and the local community in improving housing, job opportunities and improved quality of life. He extended his thanks and appreciation to officers, in particular Peter George (Programme Director) for the progress which had been made to date.

Alternative Options Considered: NOTED that the alternative option would be not to appoint a Developer Partner.

DECISION: The Cabinet agreed to

1. Approve the decision to select Bidder A (as identified in the Super Part 2 report, Minute No.16 below refers) as the Council's Preferred Developer Partner for Meridian Water and, subject to decision 2 below, award the contract to Bidder A.
2. Delegate authority to the Cabinet Member for Economic Regeneration and Business Development and the Cabinet Member for Housing and Housing Regeneration in consultation with the Director of Regeneration and Environment and the Director of Finance, Resources and Customer Services to agree the final terms of the Master Developer Framework Agreement and all associated contract and property documents/agreements.

Reason: The procurement process was about selecting a partner who would work with the Council for the next 20 years to deliver the Council's objectives for Meridian Water. It was therefore imperative that the successful Bidder had the vision, technical, financial and legal ability to undertake the role. The Bidder selected to become the Council's Developer Partner had fulfilled all the essential criteria.

(Key decision – reference number 4241)

7

LAND ACQUISITION AT MERIDIAN WATER

Councillor Georgiou (Deputy Leader of the Council/Public Service Delivery) left the meeting for the discussion of this item, Minute No.2 above refers.

Councillor Alan Sitkin (Cabinet Member for Economic Regeneration and Business Development) introduced the report of the Director of Regeneration and Environment and Director of Finance, Resources and Customer Services (No.3) seeking authority to acquire land at Meridian Water.

NOTED

1. That Report No.5 also referred as detailed in Minute No.16 below.
2. The land which had already been acquired at Meridian Water, as set out in the report. The Council was being proactive in seeking to acquire land as it became available. Councillor Sitkin gave assurances of the processes being followed and that the Council would always purchase the land at the correct market value price.
3. Councillor Sitkin was concerned to note the recent misleading articles in the local press in relation to the proposed land acquisition and

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highlighted the restrictions of using compulsory purchase orders (CPOs).

4. Councillor Oykenner outlined the Council's experience and achievements to date in acquiring land for development and outlined the regulations in relation to the use of CPOs. The Council had followed correct procedures.
5. Councillor Charalambous noted that whilst there were occupational leases in place and the property would be provided with tenants in situ on completion, all leases were outside of the Landlord and Tenant Act 1954, as detailed in section 7 of the report.
6. In response to a question raised by Councillor Edward Smith, Members noted that the Council had been in negotiations for some time and that it was not uncommon to have to compete with other potential buyers. The Council had been proactive in bringing this report forward for Members' consideration and ensuring that the Council was in a position to complete the potential acquisition in a timely manner and without delay, as appropriate.

Alternative Options Considered: NOTED that the following options had been considered:

1. Declining the possible purchase of the land potentially available to the council had been considered, but rejected due to the uncertain timescales associated with the vendor bringing the land to market and securing development and consequent benefits for the community.
2. The use of compulsory purchase powers to acquire the land that comprised the opportunity had been considered, but this was not the council's first preference given the negotiations that had taken place with the landowner and there remained the prospect of a deal. The use of CPO powers must always and would always be a last resort.

DECISION: The Cabinet agreed

1. That the draft contractual terms as appended to the part 2 report (Minute No.16 below refers) were acceptable to the Council.
2. To delegate authority of the final exchange and completion of the Agreement for Sale as described in the part 2 report to the Directors of Regeneration and Environment and, Finance, Resources and Customer Services.
3. To authorise the Director of Regeneration and Environment to purchase Title Indemnity Insurance as appropriate.

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4. To authorise any other necessary expenditure associated with the purchase of this land as detailed in the part 2 report, noting that it would be contained within the existing approved capital budget.
5. To authorise that the Council's managing agent for Meridian Water took on the management of this site following completion.

Reasons: The acquisition of the site would enable the council to exercise control over the land within the Meridian Water Masterplan area, which would help accelerate housing delivery. To provide a greater level of certainty over the timescales associated with the development of Meridian Water and to increase developer and stakeholder confidence in the delivery of the Masterplan. The purchase of the site would underpin the delivery of the Meridian Water Housing Zone and this land could support a mixed use development at a later date. As the land was being acquired as TGOC it meant the Council would be able to earn an income pending the time the land would be developed therefore the Meanwhile Use was activated immediately. The agreement of the maximum budget acceptable for the purchase of Phoenix Wharf and the delegation of authority to the Directors of Regeneration and Environment and, Finance, Resources and Customer Services meant that should the Vendor decide to accept the Council's offer completion would take place very quickly.

(Key decision – reference number 4317/U196)

8

CABINET SUB-COMMITTEES FOR THE NEW MUNICIPAL YEAR 2016/17

AGREED, that the following Cabinet Sub-Committees be established for the new municipal year 2016/17:

Local Plan Cabinet Sub-Committee

Councillors Alan Sitkin (Chair), Daniel Anderson, Ahmet Oykenner, Ayfer Orhan

Syrian Refugee Resettlement Programme Cabinet Sub-Committee

Councillors Yasemin Brett (Chair), Ayfer Orhan, Ahmet Oykenner, Dino Lemonides

9

CABINET AGENDA PLANNING - FUTURE ITEMS

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

10

ISSUES ARISING FROM THE OVERVIEW AND SCRUTINY COMMITTEE

NOTED, that there were no items to be considered at this meeting.

**11
MINUTES**

AGREED, that the minutes of the previous meeting of the Cabinet held on 27 April 2016 be confirmed and signed by the Chair as a correct record.

**12
ENFIELD STRATEGIC PARTNERSHIP FEEDBACK**

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

**13
DATE OF NEXT MEETING**

NOTED that the

1. next meeting of the Cabinet was scheduled to take place on Wednesday 15 June 2016 at 8.15pm.
2. September Cabinet meeting would need to be rescheduled. Cabinet Members would be notified of the revised date in due course.

**14
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 2 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 for Information) (Variation) Order 2006).

**15
MERIDIAN WATER DEVELOPER PARTNER PROCUREMENT**

Councillor Ahmet Oykenar (Cabinet Member for Housing and Housing Regeneration) introduced the report of the Director – Regeneration and Environment (No.4) providing details of the evaluation of each final tender against the published evaluation criteria.

NOTED

1. That Report No.2 also referred as detailed in Minute No.6 above.
2. That a super part 2 report was circulated at the meeting (No.4A) under restricted circulation and collected in again following consideration by the Cabinet.

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3. The detailed evaluation of the three bids that had been considered, as set out in full in the report. Members were informed of all aspects of the bids and the reasons for the recommendations. The key risks identified in the report were discussed and how the risks were being mitigated as far as possible.
4. Councillor Sitkin outlined for Members the employment offer from Bidder A and how this would be of significant benefit to the Borough and local residents in both the creation of permanent jobs and construction jobs for Meridian Water. The financial benefits to the Council were highlighted as set out in the report.
5. Councillor Taylor invited Peter George (Programme Director) and the representatives of Trowers and Hamlins present at the meeting, to outline to Members the detailed process that had led to the recommendation before the Cabinet this evening and the detailed results arising from the Technical, Financial and Legal evaluations of the bids. Members required assurances on the robustness of the processes which had been followed and the issues of differentiation which had arisen in the evaluation of the three bids. The decision before Members this evening was significant and represented an important step forward in the realisation of the vision for Meridian Water.
6. Members were advised in detail of the procurement process which had been followed and the evaluated results. The procurement process had been fully compliant, robust, fair and transparent. The process had been based solely on the published evaluation criteria, as detailed in the report. Members noted the detailed evaluation criteria and the weightings that had been given to them.
7. The strengths of the bid received from Bidder A in all areas of the published criteria and evaluation undertaken were outlined to Members in full.
8. Members discussed the proposals for the potential retail mix within Meridian Water and the measures that could be undertaken in the establishment of the desired retail outlets. This area of the development would be subject to further discussions, Members would be encouraged to consider the medium to long term objectives for the area.
9. In response to questions raised, Members were advised of the implications of recommendations 2.2 and 2.3 in the report and the processes that would follow Cabinet approval this evening. Negotiations would continue with Bidder A until contract close, procurement guidelines would continue to be fully complied with.

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10. Members further discussed the proposed job creation, the type of jobs anticipated and the potential opportunities for local residents. A range of stakeholders would be involved in moving forward.
11. The proposal to approve a reserve placed bidder. Members were advised of the reasons for this and the proposed timescales for the conclusion of contractual negotiations. It was anticipated that the development would be taken forward pending contract conclusion, as outlined to Members by Peter George (Programme Director).
12. In response to comments raised, a discussion took place on a number of positive aspects with regard to this area of the Borough and how the development would help to stabilise local communities and provide new opportunities for residents of all ages.
13. That an additional recommendation be added to the report as set out in decision 4 below.

Alternative Options Considered: As detailed in Report No.2, Minute No.6 above refers.

DECISION: The Cabinet agreed to

1. Approve the selection of Bidder A as the preferred Master Developer for Meridian Water and to approve Bidder C as the reserve placed bidder as confirmed in the super part 2 report.
2. Delegate authority to complete and sign all related contractual documents to the Cabinet Member for Economic Regeneration and Business Development and the Cabinet Member for Housing and Housing Regeneration in consultation with the Director of Regeneration and Environment and the Director of Finance, Resources and Customer Services.
3. Note that 2 above was subject to the final form of contractual documents including a provision to neutralise any negative impact on the Meridian Water revenue position.
4. Note that a further report updating the Cabinet on the Meridian Water Project, including on the negotiations of the final form of contractual documents, would be brought back to Cabinet by no later than March 2017.
5. Note that the Council would use all reasonable endeavours to assist and encourage the Local Planning Authority to expedite all planning applications received in respect of the Meridian Water Scheme which would include using all reasonable endeavours to assist in the preparation and execution of Section 106 Agreements where necessary.

Reason: As detailed in Report No.2, Minute No.6 above refers, and in section 7 of the report.

(Key decision – reference number 4241)

16

LAND ACQUISITION AT MERIDIAN WATER

Councillor Achilleas Georgiou (Deputy Leader of the Council/Public Service Delivery) was not present for the discussion of this report, Minute No.2 above refers.

Councillor Alan Sitkin (Cabinet Member for Economic Regeneration and Business Development) introduced the report of the Director of Regeneration and Environment and Director of Finance, Resources and Customer Services (No.5).

NOTED

1. That Report No.3 also referred as detailed in Minute No.7 above.
2. That the cost of acquiring the land could be met from previously agreed capital programme funding, as set out in the report.
3. Peter George (Meridian Water Programme Director) outlined to Members the proposed terms of the acquisition on behalf of the Council and that every step had been taken to ensure that the Council could move as swiftly as required in concluding any transaction. The Council would ensure value for money in any land acquired, as set in the report and discussed in full at the meeting.
4. In response to questions raised, Members were advised of the detailed condition of the land in question and the restrictions that applied at this stage in the process. The responsibilities in relation to any required remediation works were outlined to Members. The detailed information and supporting documents provided to Members within the report were noted.
5. Following a question raised by Councillor Edward Smith, Members reiterated the processes that had to be followed and the restrictions with regard to the use of Compulsory Purchase Orders; and, the legal status of the tenants currently occupying the site in question.
6. The value of land and the Council's financial proposals for the acquisition were explained to Members together with the assurance that the Council's Property Procedure Rules would be fully complied with. The financial implications for both the Council and the Developer Partner were outlined to the Cabinet in detail.

Alternative Options Considered: As detailed in Report No.3, Minute No.7 above refers.

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DECISION: The Cabinet agreed to

1. Authorise the acquisition of the Phoenix Wharf site in accordance with the contents of the report.
2. Authorise the unconditional exchange of the Agreement for Sale and subsequent completion for a purchase price, as detailed in recommendation 2.2 of the report, plus an overage agreement (exclusive of VAT).
3. Delegate authority to the Director of Regeneration and Environment to purchase Title Indemnity Insurance to address any incumbencies on Title, if required or deemed appropriate.

Reason: As detailed in Report No.3, Minute No.7 above refers.
(Key decision – reference number 4317/U196)