

CABINET

17 SEPTEMBER 2015

Record of decisions taken at the meeting held on Thursday 17 September 2015.

Present:

Chair: * Councillor David Perry

Councillors:

| | |
|-----------------|---------------------|
| * Sue Anderson | * Varsha Parmar |
| * Simon Brown | * Kiran Ramchandani |
| * Keith Ferry | * Sachin Shah |
| * Glen Hearnden | * Anne Whitehead |
| * Graham Henson | |

In attendance:

| | |
|-------------------------|------------|
| Stephen Greek | Minute 243 |
| Susan Hall | Minute 243 |
| Barry Macleod-Cullinane | Minute 243 |

* Denotes Member present

RECOMMENDED ITEMS

247. Gayton Road Development Proposals

Having considered the confidential appendix, it was

Resolved to RECOMMEND: (to Council)

That

- (1) a capital budget of up to £15m for the social affordable and private housing elements, as per option 3 of the report, be approved;
- (2) additional borrowing of up to £15m to fund the capital expenditure in 3 (i) below be approved.

RESOLVED: That

- (1) the Corporate Director of Environment and Enterprise, following consultation with the Deputy Leader and Portfolio Holder for Business, Planning and Regeneration, be authorised to agree flexible terms and enter into contracts for the development of Gayton Road surface level car park and the site of the ex-Gayton Road Library to include the property situated between them known as Sonia Court; the development to include a number of private housing units for sale or private rent to be owned by the Council, or a corporate vehicle wholly owned by the Council, and the acquisition of social affordable residential units within the proposed development as per option 3 of the report provided that it remained in the Council's best interests to do so;
- (2) the development be subject to:-
 - (i) Council approval of the funding of the arrangements for both the social affordable and the private housing elements; and
 - (ii) planning approval;
- (3) the Corporate Director of Environment and Enterprise and the Corporate Director of Resources, following consultation with the Deputy Leader of the Council and Portfolio Holder for Business Planning and Regeneration, be authorised to:
 - (i) agree the structure of an appropriate delivery vehicle or vehicles in which to hold the respective assets to secure a flexible and optimal position for the Council, to include the option of deciding to retain the ownership of the social affordable residential units directly by the Council; and subject to the recommendation to Council above;
- (4) authorise the Director of Finance, following consultation with the Portfolio Holder Finance and Major Contracts, to negotiate and finalise loan arrangements between the Council and the preferred delivery vehicle of sums up to £1.65m, being the estimated requirement plus a 10% tolerance;
- (5) it be noted that the proposals contained in the report support the Council's commercialisation agenda.

Reason for Decision: Option 3 produced the highest net revenue contribution to the Medium Term Financial Strategy (MTFS) and would provide much needed affordable and market housing for Harrow's residents.

There was a shortage of housing generally in the borough, and in particular a shortage of "affordable" housing for those on low incomes. The position had been made worse as a result of the impact of welfare reform on household incomes, which had also adversely impacted on the willingness of local landlords to let their properties to low income households. This had greatly

increased the number of families at risk of homelessness, and despite the work of the Housing Needs team in preventing homelessness, in many cases, had resulted in a significant increase in Bed & Breakfast (B&B) usage.

The proposals would assist in meeting the demand for both market rented and affordable housing within the borough and would assist the Council in controlling homelessness costs.

Alternative Options Considered and Rejected: As set out in the report.

Conflict of Interest relating to the matter declared by Cabinet Member / Dispensation Granted: None.

[Call-in does not apply to the Recommendation to Council, as the decision is reserved to Council.]