

**London Borough of Camden**

**COUNCIL OWN DEVELOPMENT PLANNING APPLICATION**

**Town & Country Planning General Regulations 1992**

1. APPLICATION ADDRESS	57-84 and 85-112 MAKEPEACE MANSIONS, MAKEPEACE AVENUE N6 AND 28-54 and 89-122 HOLLY LODGE, CARRSHOTT AVENUE N6
2. BRIEF DESCRIPTION OF DEVELOPMENT	CONVERSION OF FOUR BLOCKS OF RESIDENTIAL ACCOMMODATION IN MULTIPLE OCCUPATION WITH SHARED BATHROOM/KITCHEN INTO THIRTY-NINE (39) SELF- CONTAINED FLATS. 117 BEDSITS AS EXISTING.
3a. COMMITTEE AUTHOURISING THE APPLICATION	For the purposes of Town & Country Planning General Regulations 1992 and as required by Appendix 2 (O), 12, of the Council's Standing Orders, the  <p align="center">EXECUTIVE</p> ----- Committee on the <u>20 JULY 2011</u> (Date)  resolved to seek planning permission to carry out the above development.  Please attach a copy of the Report, Resolution and Minute
3b. CHIEF OFFICER AUTHOURISING THE APPLICATION UNDER DELEGATED AUTHORITY	I, <u>Melissa Dillon</u> (Chief Officer)  For the purposes of Town & Country Planning General Regulations 1992 and under powers delegated to me under Appendix 2 (O), 12, of the Council's Standing Orders, hereby authorise the submission of the above planning application.  Signed <u>Melissa Dillon</u> Date <u>21/9/11</u>

CONTINUES AT THE BACK →

4. IN WHICH COMMITTEE IS THE SITE VESTED	HASC	
5. MANAGING SERVICE/DEPARTMENT	HASC REGENERATION AND DEVELOPMENT	
6. WHO WILL IMPLEMENT THE PLANNING PERMISSION	THE COUNCIL (reg 3)	PRIVATE PARTY (reg 4) Agent: ALBAINS COOPER 120 OLD BROAD ST. LONDON EC2N 1AR
7. FEE ATTACHED	NATIONAL PAYMENT FROM CHARGE CODE: CHER 3829 Y2	
8. CONTACT OFFICER TO DISCUSS THE PROPOSAL	IVAN CHRISTAKIS EXT. 2014	
9. IS THE APPLICATION ACCOMPANIED BY ANY ASSOCIATED APPLICATION(S)	No.	

FOR DC USE

Date Received	
Date Registered	Reg. No.
Associated Applications	Correct Fee

THIS FORM MUST BE COMPLETED AND ACCOMPANY ANY COUNCIL OWN DEVELOPMENT PLANNING APPLICATION

<b>LONDON BOROUGH OF CAMDEN</b>	<b>WARDS:</b> Highgate
<b>REPORT TITLE:</b> Holly Lodge Estate Phase 2 Contract Procurement and Award Strategy (HASC/2011/23)	
<b>REPORT OF:</b> Director of Housing and Adult Social Care	
<b>FOR SUBMISSION TO:</b> Cabinet	<b>DATE:</b> 20th July 2011
<p><b>SUMMARY OF REPORT:</b> This report sets out proposals for the conversion and refurbishment of 117 bedsitting rooms at 57-84 and 85-112 Makepeace Mansions, and 28-54 and 89-122 Holly Lodge Mansions, to create 39 new self-contained homes.</p> <p><b>LOCAL GOVERNMENT ACT 1972 – ACCESS TO INFORMATION:</b> No documents that require listing were used in the preparation of this report.</p> <p><b>CONTACT OFFICER:</b> Andrew McDermott, Regeneration Team Leader, HASC</p> <p>Telephone: 020 7974 2836 E-mail: andrew.mcdermott @camden.gov.uk</p>	
<p><b>RECOMMENDATIONS:</b> That the Cabinet</p> <ol style="list-style-type: none"> <li>1. Agrees the indicative design and tenure mix proposals set out at section 2 of this report.</li> <li>2. Agrees the programming arrangements and timescales for the project set out in section 5 of this report.</li> <li>3. Agrees the funding arrangements set out at section 6 of this report.</li> <li>4. Agrees to the submission of a planning application for the proposed works.</li> <li>5. Agrees the contract award strategy set out at section 7.</li> <li>6. Agrees to delegate the contract award to the Director of Housing and Adult</li> </ol>	

Social Care as set out in section 7 of this report.

7. Delegates to the Director of Culture and Environment (in consultation with the Directors of Housing and Adult Social Care and Finance and Cabinet Member for Environment) the making of a compulsory purchase order under section 226 (1) (a) of the Town and Country Planning Act 1990 and the Acquisition of Land Act 1981 in relation to all or part of Holly Lodge Estate.
8. Delegates to the Director of Housing and Adult Social Care authority to agree the terms of and implement and complete acquisitions or disposals of properties associated with the project in consultation with the Director of Finance, and the Head of Legal Services.

Signed 

Date 30<sup>th</sup> June 2011

Mike Cooke, Director, Housing & Adult Social Care

## **1. Background**

- 1.1 Holly Lodge Estate is a private estate in Highgate built in the 1920s. Camden owns leases on 31 blocks of flats on the eastern side of the estate; leases run until the year 2114. Seven of the blocks consist of bed-sit accommodation, planned as three or four studio-rooms clustered around a shared bathroom and wc. These properties have no heating, are poorly insulated and in need of complete refurbishment. There are 215 bedsits in total and the vast majority of these have been empty for some years.
- 1.2 In July 2010 Cabinet agreed a strategy for three of these blocks as a first phase of regeneration (HASC/2010/24) and pursuant to that resolution construction contracts have been awarded under delegated authority to deliver these works. The contracts are scheduled to complete in September 2011 (Phase 1A) and February 2012 (Phase 1B), delivering 46 new homes in total.
- 1.3 This report outlines the proposals for the final four blocks that comprise Phase 2 of the programme, delivering another 39 new homes.

## **2. Development and Design**

- 2.1 The aim of the regeneration at Holly Lodge is to convert non self-contained bed-sits into a mix of self-contained accommodation of different sizes. Enlarging the properties inevitably means that there will be a smaller number of homes though this enables the creation of family accommodation to replace what had originally been designed as single person accommodation.
- 2.2 The proposed design of the second phase of work follows on from that of the first phase which was developed in concert with the remaining residents of the blocks through an extensive period of consultation.
- 2.3 The first phase of works contained a larger proportion of one bed flats than would ordinarily be the case; however this did achieve planning consent on the basis that these flats were being created in part to re-house existing residents who had moved in order to allow the works to proceed. This meant that there was a reduced number of larger family units within phase 1.
- 2.4 Consequently, the Phase 2 proposals contain a higher number of two and three bed units in order to achieve a planning policy compliant balance in the overall mix.

Phase 2 mix:

Unit Type	Beds / Persons	Rent	Share d ownership	Sale	Total Home s	Afford- able bed-spaces	Private bed-spaces	Total number of bed-spaces
Flat	1bed 2p	6	4	0	10	20	0	20
Flat	2bed 3p	0	1	5	6	3	15	18
Flat	2bed 4p	0	3	14	17	12	56	68
Flat	3bed 5p	2	0	0	2	10		10
Flat	3bed 6p	4	0	0	4	24		24
<b>Totals</b>		<b>12</b>	<b>8</b>	<b>19</b>	<b>39</b>	<b>69</b>	<b>71</b>	<b>140</b>

Overall mix:

Unit Type	Beds/ Persons	Rent	Share d Owne -rship	Sale	Total Home s	Afford- able bed-spaces	Privat e bed-space s	Total number of bed-spaces
Studio	0bed 2p	0	0	8	8		16	16
Flat	1bed 2p	27	8	3	38	70	6	76
Flat	2bed 3p	0	1	5	6	3	15	18
Flat	2bed 4p	7	4	14	25	44	56	100
Flat	3bed 5p	4	0	0	4	20	0	20
Flat	3bed 6p	4	0	0	4	24	0	24
<b>Totals</b>		<b>42</b>	<b>13</b>	<b>30</b>	<b>85</b>	<b>161</b>	<b>93</b>	<b>254</b>

- 2.5 The proposed units are efficiently planned in terms of the ratio of internal dwelling space to communal circulation space and in terms of the proportion of internal dwelling space that is usable. Space standards are generally better and access within the kitchen areas and bathrooms is much improved.
- 2.6 However, it should be noted that lift provision is not proposed, as the space required for both the structure and associated circulation within the existing footprint would significantly reduce the usable floor area.
- 2.7 A Planning application for Phase 2 is scheduled for submission in July, subject to Cabinet's approval of the proposals herein.

### 3. Consultation

- 3.1 The views of the local community have been sought and taken into account in the formulation of the development proposals. Residents

have been consulted about the design and layout of the bedsit blocks on the Holly Lodge Estate, and about how any newly converted properties might look.

- 3.2 Eight workshops were held in 2009 and attended by the majority of residents, who told us their views on a range of topics; two thirds of those residents affected by the proposed refurbishment have attended one or more of these consultation events.
- 3.3 Discussions around the development options have been on the understanding that property for market sale would be best 'pepper-potted' through out the development, rather than the sale of whole blocks to fund works.
- 3.4 There have been some 12 resident meetings to date in 2010/11 and these will continue every six weeks throughout the development programme.  
Newsletters have also been circulated to the wider community as it is appreciated that not all residents are able or would wish to attend evening meetings and workshop sessions.
- 3.5 Ward councillors have also attended resident consultation sessions and have been kept informed of the ongoing consultation process.
- 3.6 There have been a number of meetings with individual leaseholders and they are being offered the opportunity of purchasing a new home from the first phase of the programme, the pricing of which is pitched at a reasonably affordable level in most cases.
- 3.7 Subject to Cabinet approval, consultation will be extended to encompass the wider estate as part of the formal Planning process later this summer.

#### **4. Existing tenants and leaseholders**

- 4.1 Of the 117 properties in Phase 2, 14 are occupied. There are currently 5 council tenants and 9 leaseholders remaining.
- 4.2 Tenants have opportunities to move off of the estate, to move temporarily and be re-housed on the estate once conversion works are complete, and for a limited number, to move directly into one of the newly refurbished properties in Phase 1. Tenants receive a package of assistance with the move.
- 4.3 The proposed mix includes some units for market sale, the capital receipts from which contribute towards the affordable housing provision. In particular, the eight studio apartments for market sale in Phase 1 have been designed to assist decant of the leasehold residents in the remaining four blocks in the programme (Phase 2).

- 4.4 Leaseholders currently have the opportunity to sell their existing property to the council at up to 10% over market value, with additional costs for legal and surveying expenses, and stamp duty. These payments are in line with the statutory scheme for compensation. The aim of the scheme is to ensure that leaseholders are not in any way financially disadvantaged and receive full compensation for the inconvenience and disturbance caused by the works programme.
- 4.5 Discussions with leaseholders to date indicate that in principle the market sale product that the Council can offer represents a fair return to leaseholders, and might be better received than simple cash compensation. This 'package deal' approach has benefits for both parties; not least for the council, in that it offers better opportunity to secure vacant possession of the last two blocks at an advantageously earlier stage in the programme.
- 4.6 Even so, the Cabinet is advised to safeguard the regeneration programme by seeking compulsory purchase powers in the event that the purchase of existing leasehold interests cannot reasonably be negotiated before July 2012.

## **5. Programme**

- 5.1 It is intended that Phase 2 be formed of two contracts -
- Phase 2A: 57-84 Makepeace Mansions and 28-54 Holly Lodge Mansions  
Phase 2B: 85-112 Makepeace Mansions and 89-122 Holly Lodge Mansions
- 5.2 Flats for sale in Phase 1B are scheduled to come to market later this year, which will enable sales completions in February 2012. Consequently, Phase 2A is provisionally programmed to start on site later that month, when it is expected that the two remaining leaseholders and three council tenants will have moved into the newly completed flats, subject to agreements with them being satisfactorily concluded. Completion of the Phase 2A works contract is estimated to be December 2012
- 5.3 The programming of Phase 2B is primarily dependent on the timely purchase of the seven remaining leasehold interests and is provisionally scheduled to commence in July 2012; decant of the two remaining council tenants in the last two blocks is manageable within that timescale.
- 5.4 Because of the uncertainty around the timing of vacant possession of the Phase 2B properties, the procurement strategy recommends two separate contracts to avoid any delay to phase 2a.
- 5.5 Implementation of the project will require that a number of leasehold property acquisitions are made and that some properties are sold either as shared ownership units or for private sale. Under the current



constitutional arrangements individual property acquisitions and disposals in excess of £2.5m in value are reserved to the Cabinet. Transactions between £250,000 and £2.5m are delegated to the Cabinet Member for Housing.

- 5.6 As a result individual decisions can take some time to the detriment of existing leaseholders and potentially hampering the completion of any arrangements for sale which can create risks to the project. For this reason recommendation 8 seeks delegation of the negotiation and agreement of terms for disposals and acquisitions related to the Holly Lodge bed-sit blocks to the Director of Housing and Adult Social Care in Consultation with the Director of Finance and Head of Legal Services. A similar delegation in relation to acquisitions was agreed for Phase 1 of Holly Lodge and for the Chester-Baltimore site.

## **6. Funding Arrangements**

- 6.1 Full appraisals of each phase of development have been carried out and a summary of the headline figures for Phase 1 and 2 combined is provided below:

<b>Item</b>	<b>Costs</b>	<b>Income</b>
Decant and buy-back costs	£2,535,000	
Construction	£9,472,678	
On-costs (incl. fees)	£2,282,055	
Sales		£10,585,000
Grant Funding		£3,400,000
Prudential Borrowing		£304,733
<b>Totals</b>	<b>£14,289,733</b>	<b>£14,289,733</b>

- 6.2 Earlier phases of the Holly Lodge programme secured £2.4m HCA social housing grant and Phase 2 will make use of £1m from the Camden Affordable Housing Pot, which will increase the number of new council homes for affordable rent.
- 6.3 The prudential borrowing / private finance element of the development income is funded through the rental income stream generated by the affordable rented properties. Under recent legislation, grant funded developments are taken out of the Housing Revenue Account subsidy system and the income can be ring-fenced to support some of the capital costs.

## **7. Contract award strategy**

- 7.1 Significant construction cost savings have been secured in the earlier phases by opening up the procurement process to wider competition. Therefore, it is proposed that two council led contracts are procured,

following Restricted OJEU Notice procedures, with a view to letting a fixed price JCT Design and Build Contract in respect of each phase.

- 7.2 It is proposed that the contract is awarded, by the Director of Housing and Adult Social Care under delegated authority, to the contractor submitting the most economically advantageous tender. The evaluation criteria shall be 70% price and 30% quality (50% quality threshold to be reached before price is considered). The breakdown of the evaluation criteria is:

<b>Price</b>	<b>Max 70%</b>	<b>points</b>
Level of overheads and profit.	5	20
Level of preliminaries - analysis of resources and rates.	5	20
Overall project cost	60	240
<b>Total</b>	<b>70</b>	<b>280</b>
<b>Quality</b>	<b>Max 30%</b>	<b>points</b>
Cost control	3.75	15
Quality control	7.5	30
Proposed site team	7.5	30
Proposed design team.	3.75	15
Proposed programme.	3.75	15
Method statement.	3.75	15
<b>Total</b>	<b>30</b>	<b>120</b>

- 7.3 Marketing and sales will be managed by directly employed agents of the council.

## **8. Comments of the Director of Finance**

- 8.1 In the July 2010 report to cabinet, approval was given for £7.4m of expenditure on phase 1 of the Holly Lodge development. This report seeks approval for total development costs of £14.3m to support both phases 1 and 2 combined.
- 8.2 As noted in the July 2010 report, there are a number of risks associated with the funding streams:
- Sales of £10.6m – This funding stream is reliant on the state of the domestic property market. Prudent assumptions have been made regarding sales prices with values of between £480 and £520 per square foot, which are below the median for the area.
  - Prudential borrowing – This relies on the new development generating a surplus rental stream sufficient to fund £0.3m of borrowing, based on current assumptions. With an annual rental stream of £0.24 (net of management, maintenance, void costs) this is

considered to be achievable if the council property is let at the target rent level for the duration of loan period.

- 8.3 In the July 2010 report there was uncertainty surrounding the £2.4m grant award from the Homes and Communities Agency (HCA), following a freeze on signing any new grant agreements. To be prudent, it was assumed HCA funding would not be available and that prudential borrowing would be required to meet this funding gap. The grant funding has now been confirmed, with £1.2m for phase 1 having been paid by the HCA. The £1m contribution from the Affordable Housing Pot is similarly confirmed.
- 8.4 During the build period access to short term funding of £5.5m may be required, as expenditure is incurred before receipts are generated, which may have an associated borrowing cost of approximately £0.6m. The surplus rental stream from this project is sufficient to meet this potential additional cost.
- 8.5 Phase 2 of the Holly Lodge development is based on an assumption of 50% affordable housing to 50% private sale (by number of units), while phase 1 has 75% affordable housing.
- 8.6 The project relies on future capital receipts and therefore the future housing market. It may therefore be necessary to adjust the mix of affordable and private housing as the scheme progresses to compensate for any fall in the property market. Subject to planning requirements and HCA grant conditions the ability to switch units from affordable to outright sale may help to mitigate some of the Council's financial risks so it will be important to retain this flexibility.
- 8.7 Budgets sufficient to cover the cost of potential CPO's are contained within the £2.5m budget for decant and buy-back costs noted in paragraph 6.1.

## **9. Comments of the Head of Legal Services**

- 9.1 The contract documents for the works are being prepared by the Council's consultants McBains Cooper and the process will be managed by them with limited involvement by legal services. In terms of the contract strategy, this complies with the requirements of the Public Contracts Regulations 2006. Any scoring mechanisms for assessing price and quality must be disclosed in the tender documents along with the methodology for calculating the quality threshold.
- 9.2 The terms, implementation and completion of acquisitions or disposals of properties associated with the project shall be in consultation with the Director of Finance and the Head of Legal Services.
- 9.3 The Council holds its interest in the Holly Lodge Estate for housing purposes. This means that any leases it grants will be using its power in

section 32 of the Housing Act 1985. The Secretary of State at the DCLG in 2005 granted a series of General Consents to all local Housing Authorities in England. So the grant of any leases will either have to be in accordance with those consents or the new General Consents which the Government intends to grant from 1 April 2012 or be based on specific consents granted for Holly lodge.

- 9.4 As to pooling of Capital Receipts, under the current legislation the Government can grant an Agreement exempting particular developments from the requirement to pay 75 per cent of the receipt to the Government. The Government has announced that it intends to end pooling of receipts from 1 April 2012, but the legislation has not yet been passed.
- 9.5 Subject to approval of the recommendation to delegate the power to proceed with the making of a Compulsory Purchase Order in relation to all or part of the Estate, the relevant decisions would be taken under the oversight of the relevant Cabinet Member and reported to Cabinet as part of regular update report on the Community Investment Programme.
- 9.6 Local authorities, amongst other bodies, have the power to compulsorily purchase property. Under Section 226 of the Town and Country Planning Act 1990 an acquiring authority is able to compulsorily purchase land, houses or other properties for the purposes of development and regeneration and is intended to provide a positive tool to help acquiring authorities with planning powers to assemble land where this is necessary to implement the proposals in their community strategies and Local Development Documents. This is acknowledged to be the most widely drawn of the compulsory purchase powers and best used for regeneration purposes.
- 9.7 The decision to CPO is subject to a number of statutory checks and balances including human rights considerations. The CPO will not be confirmed by the Secretary of State unless there are persuasive reasons why it is in the public interest to bring the land into public ownership through a CPO therefore the decision is likely only to be pursued in the case that efforts to negotiate a reasonable arrangement and value for voluntary acquisition have failed and the project is at risk. The Director's decision will take these required factors into account.

**REPORT ENDS**

## **THE LONDON BOROUGH OF CAMDEN**

At a meeting of the **CABINET** held on **WEDNESDAY, 20TH JULY, 2011** at 7.00 pm  
in the Council Chamber, Town Hall, Judd Street, London WC1H 9JE

### **MEMBERS OF THE CABINET PRESENT**

Councillor Nasim Ali (Chair),  
Councillor Sean Birch  
Councillor Theo Blackwell,  
Councillor Patricia Callaghan,  
Councillor Julian Fulbrook,  
Councillor Abdul Hai,  
Councillor Sarah Hayward,  
Councillor Lorraine Revah  
Councillor Tulip Siddiq,  
Councillor Sue Vincent

### **OTHER MEMBERS PRESENT**

Councillor Andrew Mennear  
Councillor Keith Moffitt  
Councillor Roger Robinson  
Councillor Don Williams  
Councillor Peter Brayshaw  
Councillor Paul Braithwaite  
Councillor Maya de Souza

**The minutes should be read in conjunction with the agenda for the meeting.  
They are subject to approval and signature at the next meeting of the Cabinet.**

### **MINUTES**

#### **1. APOLOGIES**

There were none.

#### **2. DECLARATIONS BY MEMBERS OF PERSONAL AND PREJUDICIAL INTERESTS IN RESPECT OF ITEMS ON THIS AGENDA**

Councillor Ali declared a personal and prejudicial interest in respect of Item 10 "High Speed 2 In Camden: HS2 Consultation Programme and Proposed Camden Response". He confirmed that he would withdraw from the meeting for that item.

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Councillor Blackwell declared a personal and non-prejudicial interest in respect of Item 10, as he was a member of the Camden Town Business Improvement District Board.

Councillors Hayward and Birch declared a personal and non-prejudicial interest in respect of Item 9, "North London Waste Inter Authority Agreement", as they were members of the North London Waste Authority.

Councillor Vincent also declared a personal and non-prejudicial interest in respect of Item 9, as she was a member of the North London Waste Plan Planning Members Group.

### **3. DEPUTATIONS**

The following deputations were received and noted:

**Item 11 – Future Shape of the Play Service (CSF/2011/38)**

- (a) Barry Walden, UNISON, as attached at **APPENDIX A**;
- (b) Kim Mabutt, Play Development Worker, The Winch and Zoe Bishop, as attached at **APPENDIX B**;

**Item 14 – Camden Community Investment Programme**

- (c) Richard Caylor, Vice Chair Bayham Place TRA and Susan Gorrie, Chair of the Curnock Street Estate TRA, as attached at **APPENDIX C**;
- (d) Jane McVeigh, Director, St Pancras Community Association, statement to be presented by Barbara Hughes, Chair of the SPCA, as attached at **APPENDIX D**;

**Item 18 – Holly Lodge Estate Phase 2**

- (e) Elizabeth Doherty and Grace Livingstone, Holly Lodge RA, as attached at **APPENDIX E**.

### **4. ANNOUNCEMENTS**

Councillor Vincent said that the Environmental Street Services had launched a litter campaign today called "Bin It Don't Drop It". This was to encourage residents, businesses and visitors to help maintain Camden's streets by placing their rubbish in the litter or recycling bins provided. She thanked the Friends of Lincoln's Inn for allowing the Council to drop 3.5 tonnes of rubbish in the gardens to showcase the amount of rubbish picked up from Camden's streets. This, however, amounted to half the amount the Council picked up each day, which was taken to landfill sites. She added that portable ashtrays were also available for smokers.

**5. NOTIFICATION OF ANY ITEMS OF BUSINESS THAT THE CHAIR DECIDES TO TAKE AS URGENT**

There was none.

**6. MINUTES**

**RESOLVED –**

THAT the minutes of the meeting held on 8<sup>th</sup> June 2011 be approved and signed as a correct record.

**7. MATTERS REFERRED FROM A COUNCIL SCRUTINY COMMITTEE**

The following references were received and noted:

- (a) Reference from the Culture and Environment Scrutiny Committee meeting held on 20<sup>th</sup> April 2011 regarding Item 10 "High Speed 2", as attached at **APPENDIX F**;
- (b) References from the Culture and Environment Scrutiny Committee meeting held on 18<sup>th</sup> July 2011 regarding:
  - Item 9 "Adoption of the North London Waste Authority Inter-Authority Agreement", as attached at **APPENDIX G**;; and
  - Item 13 "Strategic Financial Review and Medium Term Financial Forecast", as attached at **APPENDIX H**;

It was noted that Councillor Simpson, Chair of the Culture and Environment Scrutiny Committee was unable to attend the Cabinet meeting to introduce the references.

- (c) Reference from the Resources and Corporate Performance Scrutiny Committee meeting held on 19<sup>th</sup> July 2011 regarding item 13 "Strategic Financial Review and Medium Term Financial Forecast", as attached at **APPENDIX I**.

The references were taken at the respective items.

**8. \*REVIEW OF CAMDEN'S STATEMENT OF COMMUNITY INVOLVEMENT (CENV/2011/38)**

Consideration was given to a report of the Director of Culture and Environment.

**RESOLVED –**

THAT the revised Statement of Community Involvement (SCI) be adopted as set out in Annex 2.

**ACTION BY: Director of Culture and Environment**

**REASONS**

For the reasons set out in the report.

**9. \*ADOPTION OF THE NORTH LONDON WASTE AUTHORITY INTER-AUTHORITY AGREEMENT (CENV/2011/34)**

Consideration was given to a report of the Director of Culture and Environment

The Cabinet also considered and noted a reference from the Culture and Environment Scrutiny Committee meeting held on 18<sup>th</sup> July 2011, as attached at **APPENDIX G**, as mentioned at item 7 above.

It was noted that the Resources and Corporate Performance Scrutiny Committee had not considered this report as the Committee had not included it in its work programme.

Councillor Vincent responded to the reference by stating that although the household waste and recycling centre at Regis Road would be transferred to the NLWA, it was an important and integral part of disposing of waste in Camden. It was, therefore, in the best long term interest of the Council for it to remain in the borough. This view was supported by Councillor Birch.

**RESOLVED –**

- (i) THAT the Council should enter into the IAA in accordance with the terms set out in Section 4 and Appendix 2 of the Report, be agreed in principle;
- (ii) THAT authority be delegated to the Director of Culture and Environment to (a) negotiate and thereafter agree the detailed terms of the IAA in consultation with the nominated deputies of the Director of Finance and the Head of Legal Services and the Cabinet member for Environment and (b) authorise execution of the IAA;
- (iii) THAT it be noted that the Director of Culture and Environment shall be nominated in the IAA as the Council's Representative for the purposes of the IAA and shall discharge that either personally or by nominated deputy as appropriate;



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- (iv) THAT it be noted that Part B information relating to waste collection systems and waste tonnage forecasts will be presented in a further report to the Cabinet in Spring 2012 for approval; and
- (v) THAT authority be delegated to the Director of Culture and Environment to negotiate and thereafter agree the detailed terms of the transfer of the Regis Road Household Waste Recycling Centre in consultation with the nominated deputies of the Director of Finance and the Head of Legal Services and the Cabinet Member for Environment.

**ACTION BY: Director of Culture and Environment**

**REASONS**

For the reasons set out in the report.

**10. HIGH SPEED 2 IN CAMDEN: HS2 CONSULTATION PROGRAMME AND PROPOSED CAMDEN RESPONSE (CENV/2011/38)**

As mentioned at item 2 above, Councillor Ali left the Chair and did not take part in either the discussion or decision making for this item and vacated the Council Chamber. Councillor Vincent took the Chair for this item.

Consideration was given to a report of the Director of Culture and Environment.

Councillor Braithwaite, Liberal Democrat Party spokesperson for Transport and Sustainability, reminded the meeting of the strong political accord of all parties to the opposition of the proposals regarding HS2. He was pleased that the proposed response was strong on blight. He advised the Cabinet that a report had been published yesterday from the Institute of Economic Affairs and outlined the main issues. It was noted that the Institute's report concluded that the Government's proposals for HS2 were not commercially viable, consultation was inadequate with regard to the link proposed for HS2 to Eurostar, the effect on other rail lines had been ignored and there would be a gross misuse of resources.

In response to a question, Councillor Vincent said that if the Secretary of State approved the decision to go ahead with the scheme in December 2011, the Council would then become petitioners through the parliamentary process around the areas of housing, schools and blight especially in connection with businesses. At Councillor Vincent's request, the Head of Legal Services further advised the meeting that this would be a hybrid bill. The Council could petition the Government at both the Select Committee at the Commons stage and potentially at the House of Lords stage. When a bill reached the Select Committee stage on a hybrid basis, there would have already been a decision to undertake the project, so it was likely that the fundamentals would remain the same and the Council would need to argue about its impact and details around the scheme rather than the scheme itself. The Government was, however, subject to judicial review and other challenges

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particularly of a European nature. The hybrid bill was designed for projects, which were considered to be of national importance, therefore the impact one could have locally was balanced against the national significance and the process reflected this.

The Cabinet also considered a reference from the Culture and Environment Scrutiny Committee meeting held on 20<sup>th</sup> April 2011, as attached at item 7 on the agenda. Members noted that the Scrutiny Committee had opposed the proposals for HS2 and the associated redevelopment of Euston Station, due to the adverse impacts on the residents of Camden.

**RESOLVED –**

- (i) THAT the Council is not able to support HS2 and the terminus at Euston Station because of the negative impacts on the community including the loss of homes and businesses, blight to properties in the borough and the wider environmental and transport impacts;
- (ii) THAT the content of Camden's response to the HS2 consultation as set out in Appendices 1 and 2 to this report, subject to minor revisions to be agreed by the Director of Culture and Environment, in consultation with the Cabinet Member for Environment; and
- (iii) THAT officers take part in discussions and negotiations with HS2 to ensure that the best possible benefits are achieved for Camden were the scheme to go ahead, including the production of an Opportunity Area Planning Framework.

**ACTION BY: Director of Culture and Environment**

**REASONS**

For the reasons set out in the report.

**11. \*FUTURE SHAPE OF PLAY SERVICE AND IMPLEMENTATION OF SAVINGS PROGRAMME (CSF/2011/15)**

Consideration was given to a report of the Director of Children, Schools and Families.

As mentioned at item 3 above, deputations were received and noted in respect of this item from:

- (a) Barry Walden, UNISON, as attached at **APPENDIX A**;
- (b) Kim Mabutt, Play Development Worker, The Winch and Zoe Bishop, as attached at **APPENDIX B**.

Councillor Revah responded to the deputations by stating that this was a time during which difficult decisions had to be made. This report was the first of three reports

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coming to Cabinet about future services. The proposed service models for the new commissioned services would be in the report coming to Cabinet on 7<sup>th</sup> December 2011.

She advised that Members were aware of their responsibilities under the Child Care Sufficiency Act 2006, which included the duty to monitor and encourage a range of childcare in the borough. It was not a requirement to directly deliver services and the Council had to work within current financial limits. There would be consultation with current service providers and schools about what extended school and holiday activities could be developed to support working parents. The Day Care Trust was commissioned to help Camden know about its service users and to suggest options for both Play and Early Years. It had been used to inform possible models which would be explored in detail over the next five months in the consultation period. The executive summary had been published and was summarised in Appendix A of the report.

It was noted that this was Stage I of the process. There would then be further consultation about the detailed model. Councillor Revah stressed that Camden was still investing more than other local authorities in Play Services because it valued the provision of those services for children.

**RESOLVED –**

- (i) THAT the views expressed in the consultation be noted;
- (ii) THAT the following be agreed:
  - (a) the budget allocation of £1.5m to fund newly commissioned services; and
  - (b) that there should be a consultation process in respect to the proposed model from 8 August 2011 to 21 September 2011, and report back to the Cabinet for a decision in December 2011.
- (iii) THAT the decommissioning by 1 September 2012 of Camden's Play Service be agreed and that the Leader note that the Cabinet Member for Children, Schools and Families will, under delegated responsibility, make the final decision regarding staff organisational change where more than twenty posts are involved.

**ACTION BY: Director of Children Schools and Families**

**REASONS**

For the reasons set out in the report.

**12. \*DECISIONS ON THE SAVINGS PROPOSALS FOR INTEGRATED YOUTH SUPPORT SERVICES (CSF/2011/12)**

Consideration was given to a report of the Director of Children, Schools and Families.

**RESOLVED –**

- (i) THAT the reduction in the amount of Local Authority run youth work sessions provided across the borough by approximately 15% be agreed;
- (ii) THAT the Council develops area based partnerships with the Voluntary and Community Sector (as outlined in paragraph 6.1) to pool resources, reduce duplication and share expertise, including ceasing to commission youth services and instead providing grants to service providers (that will need to demonstrate that they could provide a specified service which stakeholders have identified as being required, as outlined in paragraph 9);
- (iii) THAT the department pursue suggestions made in the consultation process that further work be undertaken to test out the proposals to move provision from Gospel Oak Maitland Park Youth Centre and South Camden Youth Access Point as outlined in paragraphs 8.5 – 8.7; and
- (iv) THAT the final decision on the proposal in respect of Gospel Oak Maitland Park Youth Centre and South Camden Youth Access Point and staffing organisation change relating to the implementation of the collaborative model of youth provision, Connexions/IAG and One Point of Access be delegated to the Director of Children, Schools and Families in consultation with the Cabinet Member for Children, Schools and Families.

**ACTION BY: Director of Children Schools and Families**

**REASONS**

For the reasons set out in the report.

**13. \*STRATEGIC FINANCIAL REVIEW AND MEDIUM TERM FINANCIAL FORECAST (FIN/2011/09)**

Consideration was given to a report of the Director of Finance.

As mentioned at item 7 above, the Cabinet also considered and noted references from:

- the Culture and Environment Scrutiny Committee meeting held on 18<sup>th</sup> July 2011 (APPENDIX G), and

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- the Resources and Corporate Performance Scrutiny Committee meeting held on 19<sup>th</sup> July 2011 (APPENDIX H), which was presented by Councillor Don Williams, Chair of the Scrutiny Committee.

Councillor Blackwell responded to the points raised in the references from the Scrutiny Committees and by councillors as follows:

- The Council was facing 6 successive years of cuts. This paper set out the first 3 years and outlined the second 3 years. Taking a long term approach was of benefit to the maintenance of front line services, although cuts to those services were completely unavoidable. The report showed the efforts that had been made to keep the costs low and it was estimated that the more than 50% of the £80m savings would be met from town hall costs and just under 50% would come from front line services. This approach had enabled Camden to cushion front line services from the level of cuts seen in other councils.
- He recognised that the play service provided in Camden was excellent, but unfortunately cost £4.6m, which Camden could no longer afford unless cuts were made to another service. In the first year, Camden had met £23m out of the £35m savings required, the majority of which was achieved through efficiency savings, for instance, by reducing the number of agency staff and senior officers pay/posts. The revenue impact on Council services was the capital investment gap faced by the Council, which was the largest in London. Repairs and investment in Council housing, communities and schools were needed to avoid deteriorate. A report later on the agenda sets out some of these proposals. The Council was faced with significant cuts in capital amounting to around 45%. It was, therefore, important to develop schemes that would be self-financing and would reinvest, regenerate and rejuvenate areas.
- He referred to paragraph 10.4 of the report regarding the possibility of Camden losing out significantly from changes to the per pupil funding. Camden has the fourth highest funding per pupil in the country, but if the changes came into effect it would create a 45% funding gap, which would be of serious concern to the Council.
- The report sets out the officer's estimation on Council tax and how that would be set. The Government had still to set a number of parameters but the details were not known at present. The report looked at a freeze for next year with a 2.5% increase after that. Although a decision had not been made it was prudent that this was built into the budget.
- A separate paper had recently been submitted to Cabinet outlining the hard work undertaken by officers with regard to shared services. It was important to be involved in multi authority shared services, although there was still a lot of ambiguity around principles of shared services.
- It was important that these steps were taken now to protect Camden for the future.

Councillor Blackwell referred to the Section 7 and Appendix F concerning Earmarked Reserves. He proposed that the funding for the Camden People's Fund should be

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increased by £200,000 to £700,000 and that a corresponding reduction should be made in the allocation for Future Capital Schemes.

**RESOLVED –**

- (i) THAT the Revenue Outturn outlined in Section 2 be noted;
- (ii) THAT the update on the Savings Programme provided in Section 3 be noted;
- (iii) THAT the work carried out to date to monitor the impacts of the Savings Programme on equalities groups and vulnerable people in Camden and where possible to mitigate adverse impacts detailed in Section 3;
- (iv) THAT an annual review of the further measures to monitor these impacts set out in Section 3 be received;
- (v) THAT the financial position for 2011/12 as set out in Section 3 be noted;
- (vi) THAT the revised profiling within the overall Savings Programme of the savings for those options set out in Table 2 and in Appendix C be agreed;
- (vii) THAT the changes to Fees and Charges detailed in Section 3 and Appendix D be agreed;
- (viii) THAT the Medium Term Financial Forecast outlined in Section 5 and Appendix E be noted;
- (ix) THAT the allocation of Earmarked Reserves as detailed in Section 7 and in Appendix F be agreed, subject to the funding for the Camden People's Fund being increased by £200,000 to £700,000 and allocation for the Future Capital Schemes being reduced by £200,000 to £29,338,000;
- (x) THAT the Capital Outturn for 2010/11 as shown in Table 5 in Section 8 of the report be noted;
- (xi) THAT the revised Capital Programme and its funding summarised in Table 7 in Section 8 and detailed in Appendices H to L be noted;
- (xii) THAT the update on the Housing Revenue Account set out in Section 9 be noted; and
- (xiii) THAT the update on Schools Financing outlined in Section 10 be noted.

**ACTION BY: Director of Finance**

**REASONS**

For the reasons set out in the report and above.

**14. \*CAMDEN COMMUNITY INVESTMENT PROGRAMME (CENV/2011/45)**

Consideration was given to a report of the Director Culture and Environment.

As mentioned at item 3 above, deputations were received and noted in respect of this item from:

- Richard Caylor, Vice Chair Bayham Place TRA and Susan Gorrie, Chair-Curnock Street Estate TRA, as attached at APPENDIX C; and
- Jane McVeigh, Director, St Pancras Community Association, statement to be presented by Barbara Hughes, as attached at APPENDIX D.

Councillor Robinson, St Pancras and Somers Ward councillor, referred to three of the proposals contained in the report

- (a) the proposals for the St Pancras Community Centre being relocated in Plender Street (sections 5.2 - 5.14 of the report) and suggested that these proposals required further consultation. He suggested that instead of demolishing the community centre building, it could be improved and flats could be created above it. The centre could be transferred to Carol Street. He also expressed concern about the proposed relocation of the doctors surgery in Plender Street, which was a well supported practice. He proposed that a public meeting should be held with Councillors Hayward and Blackwell and St Pancras and Somers Town Ward councillors in attendance
- (b) with regard to the Lodge, St Pancras Gardens, (sections 5.29 – 5.32), Councillor Robinson said that he was proposing that the Lodge be used as a museum and heritage centre. He was proposing that an application should be sent to the Heritage Lottery Fund for the necessary funding for this. He had sent a report to the Head of Property services but was still awaiting a response.
- (c) He proposed that the disused shops on the Ampthill Square Estate (sections 6.33-6.34) should be converted into flats for people with disabilities.

Councillor Hayward referred to the points raised by the deputations and councillors and said that this report cut across a number of portfolios. It was not recommending any schemes, but was primarily asking the Cabinet to agree to the commencement of consultation with residents on a number of proposals. She stressed the importance of working with the community on these proposals.

Councillor Blackwell said that he would respond to Councillor Robinson outside of the meeting regarding the points he raised in respect of the Lodge and Ampthill Square Estate.

**ACTION: Councillor Blackwell**  
**TO NOTE: Director of Finance**  
**Director of Culture and Environment**

**RESOLVED –**

- (i) THAT the project updates on sites originally included in the December 2010 Cabinet report be noted and the specific actions relating to particular projects identified in the body of the report be agreed delegating authority to the relevant Directors to group transactions together when they consider that so doing will produce a saving in costs and/or increase the returns likely to be produced;
- (ii) THAT additional sites are included in the Community Investment Programme where identified in the body of the report and that consultation can commence on these in line with the process agreed in December 2010 (attached at Appendix 1); and
- (iii) THAT to declare surplus to the Council's requirements and dispose of properties specifically identified for disposal in the report (and listed in Appendix 2).

**ACTION BY: Director of Culture and Environment**

**REASONS**

For the reasons set out in the report.

**15. PROCUREMENT STRATEGY REPORT, 66 SHOOT UP HILL, CHILDREN'S RESIDENTIAL UNIT FOR LOOKED AFTER CHILDREN (CSF/2011/13)**

Consideration was given to a report of the Director of Children, Schools and Families.

**RESOLVED –**

- (i) THAT the procurement award strategy for the proposed contract, be approved, as set out in this report, in accordance with Contract Standing Order 3.2;
- (ii) THAT a four month extension to the existing lease be agreed from 1<sup>st</sup> December 2011 to 31<sup>st</sup> March 2012 and that a new lease be approved to the new provider from 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2017 on the terms set out in section 2 of this report; and
- (iii) THAT authority be delegated to the Director of Children, Schools and Families for the award of an individual service contract with an initial term of five years and two annual contract extensions in the event that the total contract value exceeds £5,000,000.



**ACTION BY: Director of Children Schools and Families**

**REASONS**

For the reasons set out in the report.

**16. PROCUREMENT STRATEGY REPORT, YOUNG PEOPLES PATHWAY  
ACCOMMODATION SERVICES (CSF/2011/14)**

Consideration was given to a report of the Director of Children, Schools and Families.

It was noted that there was a confidential appendix to this report containing confidential information relating to this item, which Cabinet Members had read and would take into account when making the decision.

**RESOLVED –**

- (i) THAT the procurement award strategy for the proposed contracts be approved, as set out in this report, in accordance with Contract Standing Order 3.2; and
- (ii) THAT a negotiated procurement process for the provision of the support service at Helen Graham House and the associated waiver of CSO 6 which requires contracts over £100,000 to be competitively tendered be approved.

**ACTION BY: Director of Children Schools and Families**

**REASONS**

For the reasons set out in the report.

**17. HOMES FOR OLDER PEOPLE - STAGE 2 - NEW CHARLIE RATCHFORD  
RESOURCE CENTRE & EXTRA CARE HOUSING - OUTCOME OF  
BIDDER EVALUATION & NEXT STAGE RECOMMENDATION  
(HASC/2011/01)**

Consideration was given to a report of the Director of Housing and Adult Social Care.

It was noted that there was a confidential appendix to this report containing confidential information relating to this item, which Cabinet Members had read and would take into account when making the decision.

The Head of Legal Services advised the Cabinet that there was an error in the legal comments contained in section 9 of the report. The procurement process was

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conducted under the restrictive procedure process not the competitive dialogue process.

**RESOLVED –**

THAT in accordance with the Council's Contract Standing Order 7(2)a, the following be agreed:

- (i) That Bidder C is awarded the contract;
- (ii) That the existing Charlie Ratchford Resource Centre at Crogsland Road is declared surplus to the Council's requirements and should be sold at market value;
- (iii) THAT limiting of the selected Provider's rent to £180/week for 1 bed and £190/week for 2 bed flats, subject to an annual increase of no more than RPI + 0.5% which is to remain in place for the duration of the Lease.

**ACTION BY: Director of Housing and Adult Social Care**

**REASONS**

For the reasons set out in the report.

**18. HOLLY LODGE ESTATE PHASE 2 CONTRACT PROCUREMENT AND AWARD STRATEGY (HASC/2011/23)**

Consideration was given to a report of the Director of Housing and Adult Social Care.

**RESOLVED –**

- (i) THAT the indicative design and tenure mix proposals set out at section 2 of this report be agreed;
- (ii) THAT the programming arrangements and timescales for the project set out in section 5 of this report be agreed;
- (iii) THAT the funding arrangements set out at section 6 of this report be agreed;
- (iv) THAT the submission of a planning application for the proposed works be agreed;
- (v) THAT the contract award strategy set out at section 7 be agreed;
- (vi) THAT the contract award be delegated to the Director of Housing and Adult Social Care as set out in section 7 of this report;

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- (vii) THAT authority be delegated to the Director of Culture and Environment (in consultation with the Directors of Housing and Adult Social Care and Finance and Cabinet Member for Environment) to make a compulsory purchase order under section 226 (1) (a) and the Acquisition of Land Act 1981, subject to Secretary of State approval; and
- (viii) THAT authority be delegated to the Director of Housing and Adult Social Care to agree the terms of and implement and complete acquisitions or disposals of properties associated with the project in consultation with the Director of Finance, and the Head of Legal Services.

**ACTION BY: Director of Housing and Adult Social Care**

**REASONS**

For the reasons set out in the report.

**19. PROCUREMENT STRATEGY REPORT; TIER 4 FRAMEWORK FOR THE RESIDENTIAL REHABILITATION OF SUBSTANCE AND ALCOHOL MISUSERS (HASC/2011/25)**

Consideration was given to a report of the Director of Housing and Adult Social Care.

**RESOLVED –**

THAT the procurement strategy for this contract be approved, as set out in paragraphs 4.0 to 6.0 of the report and in accordance with Contract Standing Order (“CSO”) 3.2.

**ACTION BY: Director of Housing and Adult Social Care**

**REASONS**

For the reasons set out in the report.

**20. PROCUREMENT STRATEGY REPORT, FLOATING SUPPORT SERVICES (HASC/2011/26)**

Consideration was given to a report of the Director of Housing and Adult Social Care.

It was noted that there was a confidential appendix to this report containing confidential information relating to this item, which Cabinet Members had read and would take into account when making the decision.

**RESOLVED –**

- (i) THAT the contract award strategy for the procurement of an Adult Singles and Families Generic Floating Support Service be approved for a period of 3 years and the option for two further 1-year extensions;
- (ii) THAT the authority for the award of the two 1-year extensions for the Adult Singles and Families Floating Support Service, subject to agreement between both parties, be delegated to the Director of Housing and Adult Social Care;
- (iii) THAT the contract award strategy for Mental Health Floating Support Services be approved for a period of 4 years;
- (iv) THAT the contract award strategy for the Learning Disabilities Floating Support Service be approved for a period of 4 years;
- (v) THAT it be noted that a contract award report for the Adult Singles and Families Generic Floating Support Service will be presented to Cabinet for approval in accordance with CSO 7.2(a);
- (vi) THAT authority for the award of contracts for the Mental Health Services be delegated to the Director of Housing and Adult Social Care in accordance with CSO 7.2;
- (vii) THAT authority for the award of contracts for the Learning Disabilities Services be delegated to the Director of Housing and Adult Social Care in accordance with CSO 7.2.

**ACTION BY: Director of Housing and Adult Social Care**

**REASONS**

For the reasons set out in the report.

**21. PROCUREMENT STRATEGY REPORT, ADULT ACCOMMODATION  
PATHWAY SERVICES (HASC/2011/27)**

Consideration was given to a report of the Director of Housing and Adult Social Care.

It was noted that there was a confidential appendix to this report containing confidential information relating to this item, which Cabinet Members had read and would take into account when making the decision.

**RESOLVED –**

THAT the contract procurement strategy for the proposed contracts, be approved as set out in this report, in accordance with Contract Standing Order 3.2.

**ACTION BY: Director of Housing and Adult Social Care**

**REASONS**

For the reasons set out in the report.

**22. DATE OF NEXT MEETING**

It was noted that the next meeting of the Cabinet would be held on Wednesday, 7<sup>th</sup> September 2011.

**23. ANY OTHER BUSINESS THAT THE CHAIR DECIDES TO TAKE AS URGENT**

There was none.

The meeting ended at 9.10 pm

**CHAIR**

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**MINUTES END**