



Havering

LONDON BOROUGH

TOWNS & COMMUNITIES OVERVIEW & SCRUTINY COMMITTEE AGENDA

7.30 pm

Thursday
13 February 2014

Town Hall, Main Road,
Romford

Members 9: Quorum 3

COUNCILLORS:

Conservative
(5)

Residents'
(2)

Labour
(1)

**Independent
Residents'**
(1)

Wendy Brice-
Thompson
(Vice-Chairman)
Osman Dervish
Barry Oddy
Garry Pain
Linda Trew

Linda Hawthorn
(Chairman)
June Alexander

Paul McGeary

Michael Deon Burton

For information about the meeting please contact:

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What is Overview & Scrutiny?

Each local authority is required by law to establish an overview and scrutiny function to support and scrutinise the Council's executive arrangements. Each overview and scrutiny committee has its own remit as set out in the terms of reference but they each meet to consider issues of local importance.

They have a number of key roles:

1. Providing a critical friend challenge to policy and decision makers.
2. Driving improvement in public services.
3. Holding key local partners to account.
4. Enabling the voice and concerns of the public.

The committees consider issues by receiving information from, and questioning, Cabinet Members, officers and external partners to develop an understanding of proposals, policy and practices. They can then develop recommendations that they believe will improve performance, or as a response to public consultations.

Committees will often establish Topic Groups to examine specific areas in much greater detail. These groups consist of a number of Members and the review period can last for anything from a few weeks to a year or more to allow the Members to comprehensively examine an issue through interviewing expert witnesses, conducting research and site visits. Once the topic group has finished its work it will send a report to the Committee that created it and it will often suggest recommendations to the executive.

Terms of Reference

The areas scrutinised by the Committee are:

- Regulatory Services
- Planning and Building Control
- Town Centre Strategy
- Licensing
- Leisure, arts, culture
- Housing Retained Services
- Community Safety
- Social and economic regeneration
- Parks
- Social inclusion

AGENDA ITEMS

1 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS

(if any) - receive.

2 DECLARATION OF INTERESTS

Members are invited to declare any interests in any of the items on the agenda at this point of the meeting. Members may still declare an interest in an item at any time prior to the consideration of the matter.

3 CHAIRMAN'S ANNOUNCEMENTS

The Chairman will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

4 MINUTES (Pages 1 - 14)

To approve as a correct record the minutes of the meeting held on 28 November 2013 and the minutes of the Joint Overview & Scrutiny meeting held on 23 January 2014, and to authorise the Chairman to sign them.

5 CABINET REPORT UPDATE - RAINHAM TRAFFIC MANAGEMENT SCHEME

The Committee is to receive an update to the Cabinet Report.

6 GARAGE AND PARKING SCHEMES PROJECT

The Committee is to receive a briefing on this project.

7 PRESENTATION ON THE CURRENT HOUSING BUSINESS PLAN AND THE IMPACT ON THE GOVERNMENT 'S PROPOSED CHANGES TO THE POLICY ON RENT

The Committee is to receive a presentation on the proposed policy changes to housing rent.

8 URGENT BUSINESS

To consider any other item in respect of which the Chairman is of the opinion, by reason of special circumstances which shall be specified in the minutes, that the item should be considered at the meeting as a matter of urgency.

Andrew Beesley
Committee Administration Manager

**MINUTES OF A MEETING OF THE
TOWNS & COMMUNITIES OVERVIEW & SCRUTINY COMMITTEE
Town Hall, Main Road, Romford
28 November 2013 (7.30 - 8.05 pm)**

Present:

Councillors Linda Hawthorn (Chairman), Wendy Brice-Thompson (Vice-Chair), June Alexander, Osman Dervish, Barry Oddy, Garry Pain, Linda Trew and Paul McGeary

Councillor Michael Deon Burton was absent

The Chairman reminded Members of the action to be taken in an emergency.

44 MINUTES

The minutes of the meeting of the Committee held on 10 October 2013 was agreed as a correct record and signed by the Chairman.

45 CORPORATE PERFORMANCE REPORT - QUARTER TWO 2013/14

The Committee considered a report that set out the Council's performance against the Living Ambition Goal for Quarter two (July to September 2013).

The Committee without any discussion agreed to note the Quarter two Performance Indicators report. The Committee were aware of the issues within Planning Services and the steps already been taken to improve performance and as such did not raise any concerns on the service.

The Committee noted the report.

46 CABINET REPORT REVIEW - DRAFT NATIONAL PLANNING POLICY FRAMEWORK

In accordance with the council's overview and scrutiny arrangement, the Committee received an update from the Head of Regulatory Services on the draft National Planning Policy Framework.

The Committee was informed that the Government had published its draft National Planning Policy Framework (NPPF) setting out its intended planning policies to deliver economic growth and new homes. The Cabinet

report welcomed the overall approach set out in the draft NPPF, agreed submission comments in response to the consultation and recommended to Regulatory Services Committee that the NPPF be afforded weight, in particular when schemes do not accord with the Havering's Local Development Framework.

The NPPF had since been formally introduced by Government so it forms part of the planning decision-making process and was taken into account by Havering's Regulatory Services Committee when making its planning decisions.

The Committee noted the update briefing.

47 **CABINET REPORT REVIEW - PROPOSED PROVISION OF A SHARED CIVIL CONTINGENCY SERVICE FOR BARKING & DAGENHAM, WALTHAM FOREST AND HAVERING**

In accordance with the Council's Continuous Improvement Model, the Committee received an update from the Head of Regulatory Services on the Proposed Provision of a Shared Civil Contingency Service for Barking & Dagenham, Waltham Forest and Havering that was considered by Cabinet on 16 November 2011.

The update report informed the Committee that the proposal was brought forward within the East London Solutions initiative for efficiency opportunities arising through partnership working. The Cabinet report proposed that Havering joined, on a pilot basis, an existing joint civil contingency arrangement operated by the Boroughs of Barking & Dagenham and Waltham Forest.

In essence the Civil Contingencies Act 2004 placed duties on local authorities to deal with risk identification, planning, training, exercising and responding including in conjunction with Category one responders such as the Police etc.

The pilot was to test whether there would be material benefits in Havering joining the existing partnership arrangement between Barking & Dagenham. The pilot was initiated but several factors affected its progress. Notably these included the preparation and emergency planning arrangements put in place by each of the boroughs in the lead up to and during the Olympics and economic changes affecting the budgets of local authorities. Attempts were made to reactivate scope for joint working arrangements during 2013 but to no avail. Accordingly, as an alternative to deliver identified MTFS efficiency savings a restructure was put in place within Havering's Emergency Planning & Business Continuity Team. The restructure had been successfully implemented.

The service would continue to monitor the potential benefits in joint working with other authorities but at this point in time no such opportunities had been identified.

The Committee noted the update briefing.

48 CABINET REPORT REVIEW - HAVERING LOCAL DEVELOPMENT FRAMEWORK (ADOPTION OF JOINT WASTE DEVELOPMENT PLAN)

The Committee received an update report on the Havering Local Development Framework – Adoption of Joint Waste Development Plan under the Council Continuous Improvement Model.

The report informed the Committee that London Boroughs of Barking & Dagenham, Havering, Newham and Redbridge had prepared a joint waste development plan document (known as a DPD) to be part of the Local Development Framework for the respective Boroughs. Preparation of the joint waste DPD built on the strong partnership agreement which the four Councils already had within the East London Waste Authority for managing municipal solid waste and which covered the geographical extent of the four boroughs. The main purpose of the Joint Waste DPD was to ensure there was sufficient waste management capacity across the four boroughs to manage the apportionment set by the London Plan for municipal commercial and industrial waste.

The DPD had since been adopted and forms part of Havering's planning decision-making processes.

The Committee noted the update briefing.

49 CABINET REPORT REVIEW - REVIEW OF BEAM PARK DEVELOPMENT OPPORTUNITY

In accordance to the Council's Continuous Improvement Model, the Committee received an update briefing on the Cabinet report that outlined the development opportunity at the Beam Park site in Rainham and South Dagenham, in the light of market interest in the comprehensive redevelopment of the site for a strategic leisure-led project, instead of the residential-led approach contained in the existing planning policies for the site.

The Programmes & Projects Manager, Economic Development informed the Committee that the original report dealt with a potential change in development focus on the GLA owned Beam Park site. That the site was designated for residential led mixed use development. However, no proposals had come forward for such development and the site had been vacant for ten years. A number of proposals had come forward for an

alternative large scale leisure use, which had the potential create a large number of local jobs and stimulate development within the London Riverside. Havering and LB Barking and Dagenham had produced a planning prospectus to respond to this opportunity which was the subject of the report. In the event the leisure use proposals did not materialise. The preferred use for site was residential led mixed use and Havering, LBBD and the GLA were working together to secure such a development.

The Committee noted the verbal update.

50 **CABINET REPORT REVIEW - NEW PLYMOUTH HOUSE AND NAPIER HOUSE (REFURBISHMENT SCHEMES)**

In accordance with the Council's Continuous Improvement Model, the Committee received an update report that detailed the refurbishment works to New Plymouth & Napier Houses to install winter gardens to both tower blocks, carry out full stock condition improvements beyond the minimum Decent Homes requirements, upgrade the communal areas and lifts, and carry out any additional external refurbishments required.

The report detailed the works undertaken thus far exploring the feasibility of the winter garden approach and proposals for the refurbishment of New Plymouth & Napier Houses.

The Committee requested further information and picture examples between a winter garden and an existing glazed balcony/garden in order to identify the difference between these features.

The Committee noted the report.

Chairman

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**MINUTES OF A MEETING OF THE
JOINT (ALL) OVERVIEW & SCRUTINY COMMITTEE
Town Hall
23 January 2014 (7.30 - 9.05 pm)**

Present:

COUNCILLORS

Conservative Group Jeffrey Brace, Wendy Brice-Thompson, Pam Light, Robby Misir, Barry Oddy, Frederick Thompson, Melvin Wallace and Keith Wells

Residents' Group June Alexander, Clarence Barrett, Gillian Ford, Linda Hawthorn, Ray Morgon, John Mylod, Linda Van den Hende and John Wood

Labour Group Keith Darvill+, Pat Murray and Denis O'Flynn

Independent Residents Group Michael Deon Burton

UK Independence Party Group Lawrence Webb+, Ted Eden and Fred Osborne

+Substituting for Councillor Paul McGeary.

+Sunstituting for Councillor Sandra Binion.

Cabinet Members in attendance: Councillors Michael White (Leader of the Council) Steven Kelly (Deputy Leader) Roger Ramsey and Paul Rochford.

All decisions were taken with no votes against.

The Chairman reminded Members of the action to be taken in an emergency.

1 MEMBERSHIP AND CHAIRMAN OF MEETING

With the agreement of all Overview and Scrutiny Committee Members present, the Chair was taken at this special meeting by Councillor Pam Light.

2 CHAIRMAN'S ANNOUNCEMENTS

The Chairman advised all present of action to be taken in the event of emergency evacuation of the town hall becoming necessary.

3 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS (IF ANY)

Apologies for absence were received from the following Members:

Children and Learning Overview and Scrutiny Committee:

Councillor Sandra Binion (substituted by Councillor Lawrence Webb)

Councillor Nic Dodin (Substituted by Councillor John Mylod)

Margaret Cameron (co-opted Member – non-voting)

Ian Rusha (co-opted Member – non-voting)

Crime & Disorder Committee:

Councillor Osman Dervish (substituted by Councillor Wendy Brice-Thompson)

Councillor Roger Evans (substituted by Councillor Frederick Thompson)

Councillor Georgina Galpin (substituted by Councillor Barry Oddy)

Councillor David Durant

Environment Overview and Scrutiny Committee:

Councillor Lynden Thorpe (substituted by Councillor Barry Oddy)

Councillor Barbara Matthews

Councillor David Durant

Health Overview and Scrutiny Committee:

Councillor Nic Dodin (substituted by Councillor John Mylod)

Councillor Peter Gardner (substituted by Councillor Frederick Thompson)

Towns & Communities Overview and Scrutiny Committee:

Councillor Osman Dervish (substituted by Councillor Frederick Thompson)

Councillor Garry Pain (substituted by Councillor Melvin Wallace)

Councillor Linda Trew (substituted by Councillor Jeffrey Brace)

Value Overview and Scrutiny Committee:

Councillor Rebecca Bennett (substituted by Councillor Barry Oddy)

Councillor Billy Taylor

Councillor Damian White (substituted by Councillor Jeffrey Brace)

Councillor Sandra Binion (substituted by Councillor Lawrence Webb)

4 **DECLARATIONS OF INTEREST**

There were no disclosures of interest.

5 **THE COUNCIL'S FINANCIAL STRATEGY**

The Leader of the Council, Councillor Michael White, explained that the Council had been required to find approximately £40 million of savings over the last four years. The Leader thanked officers for their hard work in delivering these savings. Front line services, for example weekly refuse collection, had been protected while the back office had been transformed through initiatives such as Shared Services. There had also been more than 80 restructures across the Council.

The latest financial settlement meant that further cuts would be required in the coming years although this was in line with projections for this period. Specifically, £6.5 million of funding would be lost in 2014/15 with a further £9.8 million lost in 2015/16. This would of course be challenging but the Council had been very robust in meeting savings targets. The Council should also be proud of there not having been a rise in Council Tax over the last five years.

It was felt that the funding cuts in 2014/15 could be covered in Havering without major service cuts or tax increases. Work was currently underway on the next financial strategy from 2015/16. This was estimating a potential budget gap of around £60 million which would be a challenge for the new Council.

The Government austerity programme would continue until at least 2017/18 and a further Comprehensive Spending Review was expected. Government policy to ensure an average 1% annual increase in public sector pay also impacted on the Council.

The introduction of local level business rates had not generated any additional income for the Council as the Council was only allowed to keep 30% of this revenue. A proposal to pool business rates with some neighbouring Councils would however allow the minimisation of risk. The leader also felt the use of the Council pension fund to invest in the local infrastructure could be explored further.

There was a 10% shortfall from the Government on Council Tax benefits although it was thought that a revision of the Council Tax base in Havering should deliver more money. A new homes bonus of £2.4 million for 2014/15 would allow some one-off investments such as that in Harrow Lodge Park.

There had been a rise in NHS funding to support social care but this was pooled with the Clinical Commissioning Groups (CCGs). New legislation affecting education and care for people under 25 years and the care of elderly people would also have a financial impact. This was also the case with the rise in numbers of properties and pupils in Havering and the rising numbers of very elderly people would lead to a heavy demand on social care services.

In conclusion, the Leader emphasised that the Council wished to protect front line services and this was in line with the Living Ambition strategy. Efficiencies had been made in all areas of the Council, for example the partnership with London Borough of Newham. Further savings would however be needed and it would be necessary to ask which Council services did not need to continue in their current form and which could be delivered in a better way in order to keep the budget under control.

Having received the presentation from the Leader of the Council, the Overview and Scrutiny Committees noted:

1. The financial position of the Council.
2. That the report was formally consulting them on the proposed Corporate budget adjustments and that this was the opportunity to scrutinise the budget proposals.

Answers to questions raised by Members on specific items of the budget are shown in the appendix to the minutes.

Chairman

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APPENDIX: JOINT MEETING OF OVERVIEW AND SCRUTINY COMMITTEES, 23
JANUARY 2014, ANSWERS TO MEMBER QUESTIONS ON THE COUNCIL'S
FINANCIAL STRATEGY

Questions were asked by Members on the areas shown below and answers were given by officers or Cabinet Members as follows:

1. Amount of business rates levy able to be retained – The forecast for business rates did expect a growth in the pool from the Thurrock area although this did assume that the proposed port in Thurrock went ahead.
2. Details of the Council's response to the Business Rates appeal process – This could be made available to Group Leaders.
3. Robustness of estimate for rise in Council Tax base – For the first time a material rise in the Havering Council Tax base had been seen and officers were looking at the impact of this. This would lead to a rise in demand for Council services but it was difficult at this stage to forecast the precise impact.
4. Pooled Business Rates – This system allowed each Council in the pool to reduce what they paid into Central Government. Officers would produce a briefing note on this for Members.
5. Number of grant announcements still awaited – Most grant announcements had now been received and a full table would be included within the February Cabinet report. There were now fewer grants received than in previous years.
6. Increase in overall level of risk – There was a risk from changes to the means of funding e.g. the local collection of Business Rates. It was also difficult to manage in-year issues. Efforts were however ongoing to manage and mitigate risk within the budget. All Councils were struggling with the risk of grants potentially being replaced by funding that would have to be bid for. This was a challenge for Councils throughout the country. It was also noted that the risk referred to in paragraph 3.7 of the Cabinet report related only to the current programme of savings.
7. Overspend on the Special Educational Needs (SEN) budget – This was due to an overspend on transport costs but had been offset by other savings being delivered early. This would be a pressure again next year and the transport costs were currently undergoing a full review in order to ascertain if efficiency can be improved.

8. Customer Services budget variance – The on-line portal that would allow staff savings to be made had only gone live in December rather than August 2013 due to IT problems. Restructures had now started that would lead to savings in the longer term. It was recommended that Members should use the portal to report issues such as flytips in their ward.
9. Emergency Assistance Scheme – A proposal had been put to the Corporate Management Team to carry forward any underspend to the overall emergency funding budget for next year.
10. Proposed investment in the borough by the Council pension fund – It was intended to put a sum of additional money into the pension fund in order to avoid having to increase future annual contributions by the Council. This investment would allow the pension fund to invest in Havering by e.g. buying property. This was common practice in many other pension schemes and safeguards would be in place and professional advice taken. It was important to maximise the return from the pension fund and a similar model involving a number of local Councils had funded the successful Salford Quays development near Manchester.
11. Distribution of anticipated funding gap – It was expected that the majority of the funding pressures would take place in the first two years of the next four-year cycle. This included expected reductions in Government funding and local pressures.
12. Expected value of reserves – The Council's general reserve currently stood at £11.5 million. The figure for all earmarked reserves was £48 million.
13. Details of revised arrangements for social care funding – This was the first year of Better Care funding under the current arrangements. Governance arrangements were similar for 2014/15 but funding now had to be agreed by the Health and Wellbeing Board and by NHS England. Overall funding had risen as this now included the CCG budget but more services also now had to be provided. Arrangements would become more complicated in year two as issues such as delayed discharges and seven-day working in health and social care would have to be addressed. Negotiations would be needed with the CCG on these areas and a two-year plan had to be finalised by April 2013.
14. Impact of Children and Families Bill – Officers were continuing to work through the Bill and its implications. Financial modelling was in progress and it was wished for people to stay local although would be able to receive a personal budget that they could spend anywhere. An overview and scrutiny

topic group was currently looking at this area. It was not yet possible to say however what the demand for these services would be. The cost of potentially proving education for children with special educational needs up to the age of 25 was also being worked on.

15. Member allowances – A saving of two Cabinet posts had already been agreed in the budget although this depended on Members' views after the Council election.
16. Parking income – There was in the current year a projected shortfall of approximately £400,000 across all parking budgets. Central Government was currently consulting on Council parking policies and this and this could introduce measures such as the removal of CCTV cars and a grace period on tickets. Economic factors had meant there was now less use made of car parks and seasonal factors such as wintry weather also negatively affected income.
17. Building control – Officers felt there was not enough external work to bid for to meet the quite high income targets for building control. Some staff would however still be required to discharge the Council's statutory building control functions.
18. Remand framework – The costs of children on remand had now been passed from the criminal justice system to Councils with only a small grant to cover this. The Council had spent some £557,000 on this so far this year and the Council had no control over how quickly cases reached court.
19. Housing Benefit and Council Tax support grant – This grant had been reduced across London and this funding needed to be replaced by the Council.
20. Electoral Registration – More resources were needed to cover the required Individual Electoral Registration process that was due to start in June 2014.
21. Utilities price increase – This was mainly due to inflation in electricity prices.
22. Phase 2 primary expansion – The grant allocation covered both 2014/15 and 2015/16. Although there may be a need to spend some in advance of the grant receipt this would be managed as part of the Council's cash flow and would not impact on the wider Capital programme or delay delivery.
23. Estimated school maintenance grant – Details of schools grants had been compiled for the February Cabinet report but officers would confirm the exact grant figure by e-mail.

24. Transfer of public health – It was confirmed that this was now a function of the Council led by the Director of Public Health.
25. Production of budget - The Chairman and several other Members thanked Councillor Ramsey, the Chief Executive and Council officers for their hard work in producing the budget.

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