



MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Wednesday, 10 December 2014
(7.30 - 8.25 pm)

Present:

Councillor Roger Ramsey (Leader of the Council), Chairman

	Cabinet Member responsibility:
Councillor Damian White	Housing
Councillor Robert Benham	Environment
Councillor Wendy Brice-Thompson	Adult Social Services and Health
Councillor Meg Davis	Children and Learning
Councillor Osman Dervish	Regulatory Services and Community Safety
Councillor Melvin Wallace	Culture and Community Engagement
Councillor Clarence Barrett	Financial Management
Councillor Ron Ower	Housing Company Development and OneSource Management

Councillors Ray Morgon, David Durant and Ray Best, also attended.

There were two members of the public present.

There were no disclosures of pecuniary interest.

The clerk, on behalf of the Chairman, announced the evacuation procedures in the event of an Emergency

Unless otherwise indicated, all decisions were agreed unanimously without any Member voting against.

23 MINUTES

The minutes of the meeting held on 15 October 2014 were agreed as a correct record and were signed by the Chairman.

24 **FORMAL VARIATION LONDON COUNCILS TRANSPORT & ENVIRONMENT COMMITTEE GOVERNING AGREEMENT**

Councillor Robert Benham, Cabinet Member for Environment, introduced the report

Cabinet was informed that the report sought its approval for the Council to expressly delegate to London Councils Transport and Environment Joint Committee (TEC) the exercise of section 1 of the Localism Act for the sole purpose of providing a parking on private land appeals service (POPLA) for the British Parking Association (BPA) under contract.

POPLA provided an independent resolution for non-statutory parking charges issued by companies to motorists for alleged unauthorised parking on private land such as, for example, car parks in retail parks. Its establishment was mandated by central government as part of the Protections of Freedoms Act 2012 and the BPA were asked to provide it. POPLA should not be confused with the Parking and Traffic Appeals Service (PaTAS) which was mandated to provide independent adjudication in respect of Penalty Charge Notices (PCNs) issued by councils under the Traffic Management Act 2004.

Cabinet was reminded that POPLA had been established in October 2012 by London Councils using the delegated authority conferred upon it by all London Borough Council's under London Councils TEC Governing Agreement. Since its inception POPLA had been provided on a cost recovery basis with therefore no financial burden falling upon London Borough councils and it was proposed that it would continue in that way until the end of the current POPLA BPA contract in October 2015.

London Councils auditors, PWC, had recently raised a concern as to whether or not London Councils TEC Governing Agreement provided it with the specific delegation authority required to initiate and administer a POPLA service in contract with the BPA. London Councils considered that its delegation authority was not deficient and so the POPLA BPA contract was sound. London Councils believed however, that a reaffirmation of the Governing Agreement, (and its delegation authority), by all London Borough councils would confirm - for the avoidance of any doubt - that the existing POPLA BPA arrangements were, and have been, delivered appropriately and that London Councils TEC Governing Agreement had been formally varied accordingly.

The Cabinet Member for Environment added that a legal challenge raised by an individual concerning an outstanding issue in relation to an objection to London Councils 2012/2013 accounts, had been effectively countered by the London Councils' auditors, PWC and that it was now accepted that the scheme was legitimate. The Leader added that this was the case and that the scheme could continue.

Reasons for the decision:

1. To expressly clarify and ensure the avoidance of any doubt in relation to the level and scope of the delegated authority of London Councils TEC Governing Agreement conferred upon it by the London Borough of Havering.
2. To ensure that the London Borough of Havering was professionally and ethically maintaining its responsibilities towards the London Councils TEC Governing Agreement by ensuring that delegated decisions were made transparently, legally and were able to withstand public scrutiny.
3. To facilitate London Councils' in satisfying its auditors in respect of an objection raised by an interested member of the public in relation to London Councils consolidated accounts for 2012/13
4. To ensure that London Councils TEC were able to continue to deliver the POPLA service on a full cost recovery basis without therefore burdening the public purse

Other options considered:

The option of the Council not taking the actions recommended by London Councils had been rejected as being potentially unethical. Additionally, not taking the recommended actions could bring the Council into disrepute and isolate it from a core operational and strategic partner.

Cabinet:

1. **Confirmed** that the exercise of functions delegated to London Councils TEC to enter into the arrangement with the British Parking Association to deliver the Parking on Private Land Appeals service were and continue to be delivered pursuant to Section 1 of the Localism Act 2011;
2. **Delegated** the exercise of Section 1 of the 2011 Act to London Councils TEC joint committee for the sole purpose of providing an appeals service for parking on private land for the British Parking Association under contract; and
3. **Agreed** to take all relevant steps to give effect to the matters set out in **1** and **2** above through a formal variation to the London Councils TEC Governing Agreement

25 **HAVERING LOCAL PLAN - INITIAL CONSULTATION**

Councillor Osman Dervish, Cabinet Member for Regulatory Services and Community Safety, introduced the report

Cabinet was reminded that the Council was required to prepare a Local Plan for the Borough. A Local Plan was the statutory Development Plan for

an area which set out the long-term strategic planning priorities and objectives, opportunities for development and clear policies on what would or would not be permitted and where. Local Plans were introduced by the Town and Country Planning (Local Planning) (England) regulations 2012 and replaced the previous system of Local Development Frameworks (LDF).

The report sought Cabinet approval for the first statutory stage of public consultation which was required in order to start the process of progressing a new Local Plan for the borough.

The report set out further detail on the reasons for preparing a Local Plan, the statutory process that must be followed and the individual elements of work that were needed to feed into the Plan.

The report also sought Cabinet approval to publish the Local Development Scheme (LDS) which was a statutory document setting out the plans and policy documents that would be prepared and a timetable for their delivery. The LDS was not subject to consultation.

The report noted that the preparation of the new Havering Local Plan would be closely linked to the preparation of the Havering Community Infrastructure Levy.

Reasons for the decision:

The decision to prepare a new Local Plan for Havering had been taken for the following reasons:

- The Local Development Framework (LDF) was published in 2008 and was now due for review
- There had been significant changes to the planning system and national and regional policy since adoption of the Havering Local Plan 2008. This included publication of the NPPF 2012 and London Plan 2011.
- To aid decision making and further improve the quality and appropriateness of development in the Borough
- To retain control over local decision making
- To support progression of the Community Infrastructure Levy (CIL)
- To provide clarity for the business sector and stimulate investment
- To increase/ enhance funding opportunities
- To respond to any pressure that arises for a neighbourhood plan(s)
- To respond to recent planning legislation changes

Other options considered

The option of not taking forward a new Local Plan and continuing to rely on the Local Development Framework had been considered and rejected for the following reasons:

- It was a statutory requirement for every local planning authority to have a Local Plan

- Over time the Local Development Framework would become increasingly out of date and eventually would not provide sufficient policy support for refusing inappropriate development within the Borough.
- Progression of the Havering CIL Community Infrastructure Levy was dependent on progression of the Local Plan.

Cabinet **approved**:

1. The preparation of a new Local Plan for Havering which will replace key documents within the Local Development Framework.
2. The Local Plan Consultation Questionnaire (attached as Annex 1 to the report) for public consultation.
3. The Local Development Scheme for publication (attached as Annex 2 to the report)

26 **HAVERING COMMUNITY INFRASTRUCTURE LEVY (CIL) - APPROVAL OF PRELIMINARY DRAFT SCHEDULE**

Councillor Osman Dervish, Cabinet Member for Regulatory Services and Community Safety, introduced the report

Cabinet was informed that the Community Infrastructure Levy (CIL) was a new system of planning charges which local authorities could levy on nearly all new building projects to help fund a wide range of infrastructure to support development across their respective areas.

In parallel, the Central Government had 'tightened' the use of Section 106 agreements so that they could only be used for site-specific impacts.

In light of this, if the Council wished to maximise developer contributions for contributing towards infrastructure costs, it needed to support and progress the introduction of a Havering CIL.

The report sought Cabinet approval to proceed with the preparation of the Havering CIL and, as the first step in that, approval to publish the London Borough of Havering Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule (PDCS) and its supporting documents for public consultation.

A copy of the draft PDCS was attached as **Appendix 1** to the report.

The draft PDCS was the first stage in the Council setting out its intentions regarding CIL charges. The PDCS had to be underpinned by an infrastructure evidence-based report and a supporting viability report which both needed to be the subject of public consultation. These were included as **Appendices 2 and 3** to the report.

Consultation on the Preliminary Draft Charging Schedule and supporting documents would be followed by a further statutory consultation and then an Examination to determine whether the CIL can be adopted.

It was explained that this was very much a preliminary step and that concerns about the best appropriate use of the borough's land would be carefully evaluated during the consultation stage. It was also noted that Havering's charging had to be broadly commensurate with its neighbours whilst still seeking to minimise any funding gap and that CIL would be one of a number of funding 'streams' which may be used to reduce that gap.

Reasons for the decision:

Improved infrastructure provision was necessary to support development in Havering and to ensure that it continued to be a place where people wanted to live and businesses wanted to invest.

The Council had to look at every opportunity to secure funding towards the cost of infrastructure given the constraints on resources.

A Community Infrastructure Levy scheme provided the opportunity for the Council to secure funding towards the cost of infrastructure.

Other options considered:

The option of not progressing a Community Infrastructure Levy scheme for Havering was rejected because of the importance of the Council being able to secure funding from developers towards the cost of infrastructure needed to support Havering's development and regeneration.

Cabinet approved:

1. The preparation of a Community Infrastructure Levy (CIL) for Havering ; and
2. The London Borough of Havering Community Infrastructure Levy Preliminary Draft Charging Schedule (attached as Appendix 1 to the report) and the supporting documents on the infrastructure evidence base and viability (attached as Appendices 2 and 3 to the report, respectively) and **authorised** their publication for public consultation in accordance with Regulations 15 and 16 of the Community Infrastructure Levy Regulations 2010 (as amended).

27 **ANNUAL TREASURY MANAGEMENT REPORT 2013/14**

Councillor Clarence Barrett, Cabinet Member for Financial Management, introduced the report

Cabinet was reminded that the Authority's treasury management activity was underpinned by CIPFA's Code of Practice on Treasury Management

("the Code"), which required authorities to produce annually, Prudential Indicators and a Treasury Management Strategy Statement on its likely financing and investment activity. The Code also recommended that members were informed of treasury management activities at least twice a year.

The report before Cabinet fulfilled the Authority's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the CLG Investment Guidance.

The Authority had borrowed and/or invested substantial sums of money and was therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk were therefore central to the Authority's treasury management strategy.

Cabinet was informed that the Authority's underlying need to borrow - as measured by the Capital Financing Requirement (CFR) - at 31/03/2014 was £238 million. The 2013/14 capital expenditure plans and treasury strategy did not imply a need to borrow over the 3-year forecast period as capital receipts, grants and revenue contributions were used to finance the capital programme rather than prudential borrowing. The only movement in the CFR for 2013/14 was a reduction of £1.4m as a result of the statutory MRP repayment.

Reason for the Decision

By approving the final 2013/14 prudential indicators and recommending the annual treasury management report to full Council the Authority was fulfilling its legal obligations under the Local Government Act 2003 to have regard to both the CIPFA Code and the CLG Investment Guidance.

Other Options Considered

There were no other options considered.

Cabinet:

1. **Approved** the final 2013/14 prudential and treasury indicators in this report
2. **Recommended** the annual treasury management report for 2013/14 to full Council.

28 **CORPORATE PERFORMANCE REPORT - QUARTER 2 (2014/15)**

Councillor Clarence Barrett, Cabinet Member for Financial Management, introduced the report

The report set out the performance of the Council's Corporate Performance Indicators for Quarter 2 2014/15 (July to September 2014), against the five Living Ambition Goals of the Corporate Plan (Environment, Learning, Towns & Communities, Individuals and Value).

The report identified where the Council was performing well (Green) and not so well (Amber and Red). The variance for the 'RAG' rating was:

- **Red** = more than 10% off the Quarter 2 Target and where performance had *not improved* compared to Quarter 2 2013/14¹
- **Amber** = more than 10% off the Quarter 2 Target and where performance had *improved or been maintained* compared to Quarter 2 2013/14.
- **Green** = on or within 10% of the Quarter 2 Target

Where the RAG rating was 'Red', a 'Corrective Action' box had been included in the report. This highlighted what action the Council was taking to address poor performance, where appropriate.

Also included in the report was a Direction of Travel (DoT) column which compared performance in Quarter 2 2014/15 with performance in Quarter 2 2013/14. A green arrow (↑) meant performance was better and a red arrow (↓) signified performance was worse. An amber arrow (→) meant that performance was the same.

60 Corporate Performance Indicators were measured quarterly and 52 of these had been given a RAG status. In summary:

- **45 (87%)** had a RAG status of **Green**; compared to 75% in Q2 2013/14.
- **7 (13%)** had a RAG status of **Red** or **Amber**; compared to 25% in Q2 2013/14.

Cabinet reviewed the report and **noted** its contents

Chairman

¹ With the exception of 'Percentage of National Non-Domestic Rates (NNDR) collected' and 'Percentage of council tax collected' where the tolerance is 5%