



## COUNCIL MEETING

**7.30 pm Wednesday, 14 June 2017**

**At Council Chamber - Town Hall**

**Members of the Council of the London Borough of Havering are hereby summoned to attend a meeting of the Council at the time and place indicated for the transaction of the following business**

**Kathryn Robinson  
Monitoring Officer**

**For information about the meeting please contact:**

**Anthony Clements tel: 01708 433065  
anthony.clements@oneSource.co.uk**



**Please note that this meeting will be webcast.**

**Members of the public who do not wish to appear  
in the webcast will be able to sit in the balcony,  
which is not in camera range.**

**Protocol for members of the public wishing to report on meetings of the London Borough of Havering**

Members of the public are entitled to report on meetings of Council, Committees and Cabinet, except in circumstances where the public have been excluded as permitted by law.

Reporting means:-

- filming, photographing or making an audio recording of the proceedings of the meeting;
- using any other means for enabling persons not present to see or hear proceedings at a meeting as it takes place or later; or
- reporting or providing commentary on proceedings at a meeting, orally or in writing, so that the report or commentary is available as the meeting takes place or later if the person is not present.

Anyone present at a meeting as it takes place is not permitted to carry out an oral commentary or report. This is to prevent the business of the meeting being disrupted.

Anyone attending a meeting is asked to advise Democratic Services staff on 01708 433076 that they wish to report on the meeting and how they wish to do so. This is to enable employees to guide anyone choosing to report on proceedings to an appropriate place from which to be able to report effectively.

Members of the public are asked to remain seated throughout the meeting as standing up and walking around could distract from the business in hand.

## **AGENDA**

**1 PRAYERS**

**2 APOLOGIES FOR ABSENCE**

To receive apologies for absence (if any).

**3 MINUTES** (Pages 1 - 16)

To sign as a true record the minutes of the Annual Meeting of the Council held on 17 May 2017 (attached).

**4 DISCLOSURE OF INTERESTS**

Members are invited to disclose any interest in any of the items on the agenda at this point of the meeting.

*Members may still disclose any interest in an item at any time prior to the consideration of the matter.*

**5 ANNOUNCEMENTS BY THE MAYOR, BY THE LEADER OF THE COUNCIL OR BY THE CHIEF EXECUTIVE**

To receive announcements (if any).

**6 PETITIONS**

Councillors Wendy Brice-Thompson and Michael Deon Burton have given notice of intention to present a petition.

To receive any other petition presented pursuant to Council Procedure Rule 23.

**7 PENSION FUND DEFICIT FROM THE FORMER GREATER LONDON COUNCIL**  
(Pages 17 - 26)

**Note: the deadline for amendments is midnight, Monday 12 June 2017.**

To consider a report of Cabinet on the pension fund deficit from the former Greater London Council (report attached, subject to approval by Cabinet).

**8 STATEMENT BY LEADER OF THE COUNCIL**

To receive a statement by the Leader of the Council.

**9 MEMBERS' QUESTIONS** (Pages 27 - 30)

Attached.

**10 MOTIONS FOR DEBATE** (Pages 31 - 32)

Motions paper attached.



**MINUTES OF A MEETING OF THE COUNCIL OF THE  
LONDON BOROUGH OF HAVERING  
Council Chamber - Town Hall  
17 May 2017 (7.30 - 8.25 pm)**

**Present:** The Mayor (Councillor Philippa Crowder, then Councillor Linda Van den Hende) in the Chair

**Councillors** Councillors June Alexander, Clarence Barrett, Robert Benham, Ray Best, Wendy Brice-Thompson, Michael Deon Burton, Joshua Chapman, John Crowder, Keith Darvill, Meg Davis, Ian de Wulverton, Osman Dervish, Alex Donald, David Durant, Brian Eagling, Gillian Ford, Jason Frost, Jody Ganly, John Glanville, Linda Hawthorn, David Johnson, Steven Kelly, Phil Martin, Robby Misir, Ray Morgon, Barry Mugglestone, John Mylod, Stephanie Nunn, Denis O'Flynn, Ron Ower, Garry Pain, Dilip Patel, Viddy Persaud, Roger Ramsey, Keith Roberts, Patricia Rumble, Carol Smith, Frederick Thompson, Linda Trew, Jeffrey Tucker, Melvin Wallace, Lawrence Webb, Roger Westwood, Damian White, Michael White, Reg Whitney, Julie Wilkes, Graham Williamson, Darren Wise and John Wood.

Approximately 50 Members' guests and members of the public and a representative of the press were also present.

The Mayor advised Members and the public of action to be taken in the event of emergency evacuation of the Town Hall becoming necessary.

Father Roderick Hingley, of the Church of St Alban, Protomartyr, Romford opened the meeting with prayers.

The meeting closed with the singing of the National Anthem.

**1 APOLOGIES FOR ABSENCE (agenda item 2)**

Apologies were received for the absence of Councillors Nic Dodin and Barbara Matthews.

**2 DISCLOSURE OF INTERESTS (agenda item 3)**

The following interests were disclosed:

Councillor Alex Donald, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Brian Eagling, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Darren Wise, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Dilip Patel, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Frederick Thompson, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Garry Pain, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Gillian Ford, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Ian de Wulverton, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor John Crowder, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Keith Roberts, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Lawrence Webb, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Linda Trew, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Linda Van den Hende, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Meg Davis, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Michael Deon Burton, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Michael White, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Ray Best, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Robby Misir, Personal, Nominated for a position attracting a Special Responsibility Allowance.

Councillor Viddy Persaud, Personal, Nominated for a position attracting a Special Responsibility Allowance.

**3 ANNOUNCEMENTS BY THE MAYOR, BY THE LEADER OF THE COUNCIL OR BY THE CHIEF EXECUTIVE (agenda item 4)**

The Mayor thanked her consort – Councillor John Crowder for his support as well as her Official Chaplain – Father Hingley, the Leader of the Council, senior Council officers and the Mayoral Support Team.

The text of the announcements made by the Leader of the Council, including some changes to Cabinet portfolios are shown in Appendix 1 to these minutes.

**4 MAYORALTY 2017/18 (agenda item 5)**

**Motion on behalf of the East Havering Residents Group**

That Councillor Linda Van den Hende be elected Mayor for the Municipal Year 2017/18.

Following a proposing speech by Councillor Ron Ower, Councillor Linda Van den Hende was **ELECTED** as Mayor for the municipal year 2017/18, without division.

Councillor Linda Van den Hende, having made the Declaration of Acceptance of Office of Mayor as required by the Local Government Act 1972, then took the Chair and thanked the Council for the honour conferred upon her. The Mayor indicated that her consort would be her husband, Laurence Chalk.

The Cabinet Member for Children & Learning, and other Members, expressed the thanks of the Council to Councillor Philippa Crowder for her services during 2016/17. Councillor Crowder suitably replied.

**5 DEPUTY MAYOR (agenda item )**

In accordance with the Local Government Act 1972, the Mayor signified in writing her appointment of **Councillor Dilip Patel** as Deputy Mayor for the ensuing year and to carry out the duties of the Mayor in case of the Mayor's illness or absence.

Councillor Patel made the Declaration of Acceptance of Office accordingly. The Mayor indicated that the Deputy Mayoress would be Mrs Nisha Patel.

**6 MINUTES (agenda item 6)**

The minutes of the meeting of the Council held on 22 March 2017 were before the Council for approval.

It was **AGREED**, without division, that the minutes be signed as a correct record.

**7 ANNOUNCEMENTS BY THE INCOMING MAYOR (agenda item 7)**

The Mayor announced that the first of her three charities would be First Step. Details of the other Mayor's charities would be announced in due course.

A Mayor's charity ball in aid of First Step had been arranged for 1 July.

**8 APPOINTING THE COMMITTEES OF THE COUNCIL AND SCHEME OF DELEGATION (agenda item 8)**

There was before Council a report of the Monitoring Officer concerning the appointment of the Committees of the Council, and advising on political balance issues and the scheme of delegation.

The report was **AGREED** without division and it was **RESOLVED**:

- (1) That, so far as necessary to enable any changes proposed and agreed during this meeting to be carried in to effect, Council Procedure Rule 20.2 (proposals to amend the Constitution to be referred to Governance Committee without discussion) be suspended.
- (2) That, subject to the Council's consideration of any motion or amendment to this report relating to changes in the Committee structure, the Committees listed in Appendix 1 of the report to Council be appointed for the 2017/18 Municipal Year and that:
  - (a) As required by statute, two voting co-optees representing the Church of England and the Roman Catholic Church and three parent governor co-optees selected in accordance with the appropriate Regulations, be appointed to the Children's Services Overview and Scrutiny Sub-Committee.
  - (b) The other non-elected member "appointments" and invitations to attend shown in the Appendix (and particularly its annexes) be confirmed.
- (3) Those Committees be appointed with:
  - (a) the membership sizes and
  - (b) the political balance



indicated in Appendix 2 of the report to Council.

- (4) That the delegation of non-executive functions (as defined by the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (amended) to officers be agreed as set out in the Council's Constitution.
- (5) To agree that all officers with delegated powers have power to further delegate those powers to other officers under s.101 of the Local Government Act 1972 or as provided for by any other legislation and may agree a scheme of delegation to officers for their service areas.

## 9 APPOINTING THE CHAIRMEN AND VICE-CHAIRS OF COMMITTEES (agenda item 9)

### Motion on behalf of the United Kingdom Independence Party Group

That the following Chairmen and Vice-Chairmen be appointed –

Committee	Chairman Councillor	Vice-Chairman Councillor
Adjudication and Review (2 Vice-Chairmen)		1. 2.
Audit		
Governance		
Highways Advisory		
Licensing (3 Vice-Chairmen)		1. 2. 3.
Pensions		Cllr David Johnson
Regulatory Services		
Rainham and Wennington and South Hornchurch Working Party (No Vice-Chairmen)		-----
Overview and Scrutiny Board		
Children and Learning Overview and Scrutiny Sub-Committee		

Crime & Disorder Sub-Committee	Cllr Ian De Wulverton	
Environment Overview and Scrutiny Sub-Committee		
Health Overview and Scrutiny Sub-Committee		
Individuals Overview and Scrutiny Sub-Committee		
Towns and Communities Overview and Scrutiny Sub-Committee	Cllr Lawrence Webb	

**Sub-Committee of the Governance Committee:**

Appointments		
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**Motion on behalf of the Independent Residents' Group**

That the following Chairmen and Vice-Chairmen be appointed –

<b>Committee</b>	<b>Chairman Councillor</b>	<b>Vice-Chairman Councillor</b>
Adjudication and Review (2 Vice-Chairmen)		1. 2.
Audit		
Governance		
Highways Advisory		
Licensing (3 Vice-Chairmen)		1. Keith Roberts 2. 3.

Pensions		
Regulatory Services		
Rainham and Wennington and South Hornchurch Working Party (No Vice-Chairmen)	Michael Deon Burton	-----
Overview and Scrutiny Board		
Children and Learning Overview and Scrutiny Sub-Committee		
Crime & Disorder Sub-Committee		David Durant
Environment Overview and Scrutiny Sub-Committee		
Health Overview and Scrutiny Sub-Committee		
Individuals Overview and Scrutiny Sub-Committee		
Towns and Communities Overview and Scrutiny Sub-Committee		

**Sub-Committee of the Governance Committee:**

Appointments		
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**Motion on behalf of the East Havering Residents' Group**

That the following Chairmen and Vice-Chairmen be appointed –

<b>Committee</b>	<b>Chairman Councillor</b>	<b>Vice-Chairman Councillor</b>
Adjudication and Review (2 Vice-Chairmen)		1. 2.

Audit		
Governance		
Highways Advisory	Brian Eagling	
Licensing (3 Vice-Chairmen)		1. 2. 3.
Pensions		
Regulatory Services		Alex Donald
Rainham and Wennington and South Hornchurch Working Party (No Vice- Chairmen)		-----
Overview and Scrutiny Board	Gillian Ford	
Children and Learning Overview and Scrutiny Sub-Committee	Gillian Ford	
Crime & Disorder Sub- Committee		
Environment Overview and Scrutiny Sub- Committee	Darren Wise	
Health Overview and Scrutiny Sub- Committee		
Individuals Overview and Scrutiny Sub- Committee		
Towns and Communities Overview and Scrutiny Sub- Committee		Linda Hawthorn

**Sub-Committee of the Governance Committee:**

Appointments		Clarence Barrett
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**Motion on behalf of the Conservative Group**

That the following Chairmen and Vice-Chairmen be appointed –

<b>Committee</b>	<b>Chairman Councillor</b>	<b>Vice-Chairman Councillor</b>
Adjudication and Review (2 Vice-Chairmen)	Garry Pain	1. Roger Westwood 2.
Audit	Viddy Persaud	
Governance	Meg Davis	Melvin Wallace
Highways Advisory		Frederick Thompson
Licensing (3 Vice-Chairmen)	Linda Trew	1. Dilip Patel 2. Frederick Thompson 3.
Pensions	John Crowder	
Regulatory Services	Robby Misir	
Rainham and Wennington and South Hornchurch Working Party (No Vice-Chairmen)		-----
Overview and Scrutiny Board		Viddy Persaud
Children and Learning Overview and Scrutiny Sub-Committee		Meg Davis
Crime & Disorder Sub-Committee		
Environment Overview and Scrutiny Sub-Committee		Carol Smith
Health Overview and Scrutiny Sub-Committee	Michael White	Dilip Patel
Individuals Overview and Scrutiny Sub-Committee	Ray Best	Linda Trew

Towns and Communities Overview and Scrutiny Sub-Committee		
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**Sub-Committee of the Governance Committee:**

Appointments	Philippa Crowder	
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**Amendment on behalf of the Residents' Group**

That the following Chairmen and Vice-Chairmen be appointed –

<b>Committee</b>	<b>Chairman Councillor</b>	<b>Vice-Chairman Councillor</b>
Adjudication and Review (2 Vice-Chairmen)		1. 2. John Mylod
Audit		Julie Wilkes
Governance		
Highways Advisory		
Licensing (3 Vice-Chairmen)		1. 2. 3.
Pensions		
Regulatory Services		
Rainham and Wennington and South Hornchurch Working Party (No Vice-Chairmen)		-----
Overview and Scrutiny Board		

Children and Learning Overview and Scrutiny Sub-Committee		
Crime & Disorder Sub-Committee		
Environment Overview and Scrutiny Sub-Committee		
Health Overview and Scrutiny Sub-Committee		
Individuals Overview and Scrutiny Sub-Committee		
Towns and Communities Overview and Scrutiny Sub-Committee		

**Sub-Committee of the Governance Committee:**

Appointments		
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The following appointments were unopposed and were **AGREED** without division:

<b>Committee</b>	<b>Chairman Councillor</b>	<b>Vice-Chairman Councillor</b>
Adjudication and Review (2 Vice-Chairmen)	Garry Pain (Cons)	1. Roger Westwood (Cons) 2. John Mylod (Res)
Audit	Viddy Persaud (Cons)	Julie Wilkes (Res)
Governance	Meg Davis (Cons)	Melvin Wallace (Cons)
Highways Advisory	Brian Eagling (EHRG)	Frederick Thompson (Cons)
Licensing (3 Vice-Chairmen)	Linda Trew (Cons)	1. Keith Roberts (IRG) 2. Dilip Patel (Cons) 3. Frederick

		Thompson (Cons)
Pensions	John Crowder (Cons)	David Johnson (UKIP)
Regulatory Services	Robby Misir (Cons)	Alex Donald (EHRG)
Rainham & Wennington and South Hornchurch Working Party (No Vice-Chairman)	Michael Deon Burton (IRG)	-----
Overview and Scrutiny Board	Gillian Ford (EHRG)	Viddy Persaud (Cons)
Children & Learning Overview & Scrutiny Sub-Committee	Gillian Ford (EHRG)	Meg Davis (Cons)
Crime & Disorder Sub-Committee	Ian de Wulverton (UKIP)	David Durant (IRG)
Environment Overview & Scrutiny Sub-Committee	Darren Wise (EHRG)	Carol Smith (Cons)
Health Overview and Scrutiny Sub-Committee	Michael White (Cons)	Dilip Patel (Cons)
Individuals Overview & Scrutiny Sub-Committee	Ray Best (Cons)	Linda Trew (Cons)
Towns and Communities Overview & Scrutiny Sub-Committee	Lawrence Webb (UKIP)	Linda Hawthorn (EHRG)

#### Sub-Committee of the Governance Committee:

Appointments	Philippa Crowder (Cons)	Clarence Barrett (EHRG)
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#### 10 APPOINTMENT OF THE MEMBER CHAMPIONS (agenda item 10)

The following Member Champions were **AGREED** without division:

For the Armed Forces – Cllr John Crowder (Cons)

For Equalities and Diversity - Cllr Stephanie Nunn (RA)

For the Historic Environment – Cllr Linda Hawthorn (EHRG)

For the Over 50's – Cllr Linda Van den Hende (EHRG)



For the Voluntary Sector Compact – Cllr Viddy Persaud (Cons)

For Younger Persons – Cllr Alex Donald (EHRG)

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**Mayor**

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## Appendix 1

### **LEADER'S ANNOUNCEMENTS TO ANNUAL COUNCIL WEDNESDAY 17 May 2017**

Madam Mayor

I rise to announce some changes to Cabinet Portfolios in accordance with the Local Government Act 2000 which I would like recorded in the minutes of the meeting.

The Portfolios of Cllr. Osman Dervish, assisted by Deputy Cabinet Member Cllr. Jason Frost will be amended to:

**HIGHWAYS  
ENVIRONMENTAL STRATEGY & STRATEGIC  
TRANSPORTATION PLANNING  
STREETCARE  
COMMUNITY SAFETY  
HEALTH AND SAFETY  
PUBLIC PROTECTION  
LICENSING  
EMERGENCY PLANNING**

The Portfolios of Cllr. Damian White, assisted by Deputy Cabinet Member Joshua Chapman, will be amended to:

**HOUSING MANAGEMENT  
HOUSING POLICY AND ALLOCATION  
DEVELOPMENT CONTROL  
BUILDING CONTROL  
STRATEGIC & SPECIAL PLANNING**

My Portfolio will be amended to:

**STRATEGIC & POLICY AND DIRECTION OF THE COUNCIL  
STRATEGIC FINANCIAL PLANNING**

**PROPERTY STRATEGY AND ASSET MANAGEMENT**

**HR AND WORKFORCE STRATEGY**

**COMMUNICATIONS**

**REGENERATION**

Cllr. Frost will assist me in relation to Regeneration.

Cllr. Frost will continue to have particular responsibility for the PSPO roll out and Cllr. Chapman will continue to have particular responsibility for Romford Housing Zone.

All other Portfolios will remain the same.

I would also like to confirm the executive scheme of delegation to cabinet, to individual cabinet member and to officers as set out in Part 3 of the Council's Constitution. I will notify the Proper Officer in writing who will make the necessary changes to the Constitution.

Thank you.

**COUNCIL, 14 JUNE 2017**

**REPORT OF CABINET**

**PENSION FUND DEFICIT FROM THE FORMER GREATER LONDON COUNCIL**

At its meeting on 13 June 2017, Cabinet will consider proposals to fund the liability of the Council to the London Pension Fund Authority. This is in relation to the former pension fund and associated liabilities of the Greater London Council/London Residuary Body.

As detailed in the attached Cabinet report, the former pension fund liability is the responsibility of all London Borough Councils to meet. It is estimated that the total liability to Havering is a total of £2.132m. Whilst subject to negotiation, it is hoped that a repayment term of up to 30 years can be negotiated which would be advantageous to the Council's financial planning. If such a repayment period can be agreed, annual payments for the Council would be in the region of £0.071m per year.

If agreed for payments to commence in 2017/18 then this will be funded from the corporate risk budget and will be incorporated into the base budget from 2018/19 onwards as part of the 2018/19 budget setting process.

**Subject to Cabinet's approval, Council is asked to approve of a payment of £2.132m towards the pension fund deficit of the Greater London Council over a period of up to 30 years.**

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## CABINET

13<sup>th</sup> June 2017

**Subject Heading:**

*Pension Fund Deficit from the Former Greater London Council*

**Cabinet Member:**

*Councillor Barrett, Cabinet Member for Financial Management*

**SLT Lead:**

*Debbie Middleton, Chief Financial Officer*

**Report Author and contact details:**

*Paul Thorogood, Director of Finance (oneSource), 01708 432 365, paul.thorogood@oneSource.co.uk*

**Policy context:**

*The Council has a legal responsibility to meet it's liabilities*

**Financial summary:**

*The Councils has an outstanding contribution to the former Greater London Council pension fund liability estimated at £2.132m*

**Is this a Key Decision?**

*Yes, expenditure exceeds £500,000*

**When should this matter be reviewed?**

*The Councils contribution will be reviewed periodically as part of the actuarial review of the pension funds assets and liabilities by the London Pension Fund Authority*

**Reviewing OSC:**

*Overview and Scrutiny Board*

**The subject matter of this report deals with the following Council Objectives**

Communities making Havering  
Places making Havering  
Opportunities making Havering  
Connections making Havering

[X]  
[]  
[]  
[]

<b>SUMMARY</b>
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1. Following the abolition of the Greater London Council in 1986, the London Pension Fund Authority (LPFA) was established to take over specific functions of the London Residuary Body (the successor organisation), in particular the former pension fund and associated liabilities.
- 1.2 The former pension fund liability is the responsibility of all London Borough Councils to meet. The total liability at the last actuarial review conducted in 2016 was assessed at £177.209m and 90% of this liability (£159.488m) needs to be met by London Borough Councils. The liability includes the former Greater London Council and the Inner London Education Authority; however Havering is not responsible for contributing to the latter. The contribution and associated liabilities will be reviewed every three years when actuarial reviews of the fund are undertaken.
- 1.3 There is no direct link between the former employees of the London Residuary Body and individual boroughs, but collectively London Borough Councils are being held liable for the historical pension deficit that exists. The costs are to be apportioned on the most appropriate basis available. The Society of London Treasurers has agreed that the liability should be split on the current levy allocation. The Havering contribution to the liability is assessed as £2.132m or 1.34% of the total liability.
- 1.4 The terms of repayment of the liability to the LPFA are yet to be finalised, although the LPFA has indicated that it will be willing to negotiate repayment terms over a period up to 30 years.
- 1.5 The Council has not previously made budgetary provision for payment of this liability. Therefore the opportunity to pay over the long term of 30 years would be advantageous to the Councils financial planning. Assuming a 30 year term can be agreed annual payments would be in the region of £0.071m per year. If agreed for payments to commence in 2017/18 then this will be funded from the corporate risk budget and will be incorporated into the base budget from 2018/19 onwards as part of the 2018/19 budget setting process.



<b>RECOMMENDATIONS</b>
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Cabinet are asked to:

2. Note the liability that is payable to the London Pension Fund Authority towards the pension fund deficit of the Greater London Council which is currently assessed at £2.132m.
- 2.1 Recommend to Council the approval of a payment of £2.132m towards the pension fund deficit of the Greater London Council over a period of up to 30 years.
- 2.2 To give delegated authority to the Chief Financial Officer to finalise the repayment terms of the liability with the London Pension Fund Authority.

<b>REPORT DETAIL</b>
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### **3 Background**

- 3.1 Following the abolition of the Greater London Council in 1986, and subsequently the Inner London Education Authority in 1990, the London Pension Fund Authority was established to take over specific functions of the London Residuary Body (the successor to the Greater London Council and Inner London Education Authority), in particular the former pension fund and associated liabilities.
- 3.2 In 1986 significant numbers of existing employees were transferred to new employers, principally the London Borough Councils although other employers were also involved with regard to specific functions. It was determined at that time that liabilities for those active members who moved to new employers should be transferred across to the new fund and accordingly an appropriate apportionment of the fund was calculated and eventually paid to the successor authority in 1990.
- 3.3 Liabilities for all current deferred and pensioner members of the Greater London Council and Inner London Education Authority remained within the London Pension Fund Authority fund, including the large number of staff who were made redundant on 31<sup>st</sup> March 1986.
- 3.4 Subsequently in 1990 the Inner London Education Authority was abolished and again a substantial number of existing staff transferred across to, principally, the Inner London Boroughs. The Local Government Pension Scheme regulations were amended at this time to stipulate that any employee of the Inner London Education Authority or London Residuary Body who transferred to a London borough, within a month of leaving, would remain within the London Pension Fund Authority fund and no apportionment would be made. Again large numbers of staff were made

redundant around this time and these liabilities remained with the London Pension Fund Authority fund.

3.5 The London Residuary Body was formally wound up in 1996 although most staff had left by the end of 1992 with liabilities remaining within the London Pension Fund Authority fund.

3.6 The relevant liabilities can be split into two distinct groups as follows:

**4. Group 1 Former Greater London Council/London Residuary Body staff:**

4.1 When the Greater London Council was abolished in 1986 a number of staff transferred to successor authorities, principally the London Borough Councils and an apportionment of the fund was made at that time based on relevant actuarial assumptions. The transfer was only in respect of active members with deferred, pensioner and dependant liabilities remaining within the former Greater London Council/ Inner London Education Authority fund. As at 31<sup>st</sup> March 1986 active membership of the Greater London Council fund was approximately 37,500 with 3,652 transferring to successor authorities, over 2,000 entitled to immediate retirement benefits (the majority of which were paid early on redundancy grounds) and 1,650 other leavers. Liability for any deficit on this group largely rests with all the London Borough Councils.

**5. Group 2 Former Inner London Education Authority staff:**

5.1 The Inner London Education Authority was abolished in March 1990 with the Inner London Boroughs becoming education authorities in their own right and taking on the relevant functions associated with that body. Given the large number of staff involved there was no apportionment of the fund and instead those members transferring to Boroughs remained within the Inner London Education Authority fund. In total 9,000+ members transferred across, principally to the Inner London Boroughs, at that time.

5.2 A number of the members transferred have since moved away from direct Borough control, i.e. to Further Education Colleges and Schools. Again the pensioner and deferred liabilities for former Inner London Education Authority staff remained within the Greater London Council/Inner London Education Authority fund and this included a large numbers of early retirements and other withdrawals which took place in the run up to abolition. Liability for the non further education element rests with the Inner London Boroughs.

**6. Since Abolition of the Inner London Education Authority and London Residuary Body**

- 6.1 Following the abolition of the Inner London Education Authority and London Residuary Body, the London Pension Fund Authority divided the fund into two sub funds.
- 6.2 Following the 2007 actuarial review, the London Pension Fund Authority notified the London Borough Councils that they intended to issue a further charge due to the deficit that had arisen on the pensioner sub fund. At the time discussions were held with the Society of London Treasurers and draft regulations were prepared by the Department of Communities and Local Government (or its predecessor) to give effect to the proposed levy. This process was challenged by two London Councils and by 2010 the position was unresolved.
- 6.3 The former Coalition government's preference was for the London Borough Councils and the London Pension Fund Authority to try to resolve the issue and subsequently the London Pension Fund Authority abolished the two sub funds which with the other changes to the investment strategy has led to an improvement to the deficit position.

## **7. Current Position**

- 7.1 Following the 2016 valuation of the fund, the overall total deficit on these liabilities is now £177.209m. Discussions with representatives of the Society of London Treasurers and the London Pension Fund Authority have clarified that a fair proportion of any deficit for the London Borough Councils to be responsible for 90% of the deficit and accordingly the proposals for further discussion would be based on this sum (£159.488m).

## **8. Proposal**

- 8.1 It is proposed that the Greater London Council/Inner London Education Authority deficit is apportioned to each London Borough Council in line with the current Levy allocation (i.e. 2016/17 Council Tax Base with a Greater London spread for group 1 and Inner London spread for group 2). This equates to a share of 1.34%/£2.132m for Havering. This will be reviewed three years when further actuarial reviews will be completed.
- 8.2 As the Council was not a member of the Inner London Education Authority we are only liable to contribute to group one relating to former members of the Greater London Council.
- 8.3 The Council need to finalise negotiations with the London Pension Fund Authority on how the liability will be paid and in line with the report recommendations delegated authority is requested for the Chief Financial Officer to conclude these arrangements.

- 8.4. The Council has a responsibility to meet its share of the former Greater London Council pension fund deficit. The payment mechanism can be entered into voluntarily as proposed, as the only alternative would be for the London Pension Fund Authority to apply to the Department for Communities and Local Government to issue regulations that would be legally binding on the Council.

**9. Reasons for the decision:**

- 9.1 For the Council to meet its long term liabilities.

**10. Other options considered:**

- 10.1 The Society of London Treasurers considered in 2010 with the London Pension Fund Authority the option of issuing regulations through the Department of Communities and Local Government however this was unsuccessful.

<b>IMPLICATIONS AND RISKS</b>
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**11. Financial implications and risks:**

- 11.1 The Council currently incurs an annual levy of £0.235m from the LPFA in respect of expenditure on premature retirement compensation and outstanding personnel matters for which the LPFA is responsible but cannot charge to its pension fund. This levy is included within the Council's approved budget.
- 11.2 The Council has a financial duty to meet its liabilities in the both the short and long term. The Council is required to fund its share of the total assessed liability of £177.209m for all London Boroughs resulting from the 2016 valuation of the pension fund. Havering's share is determined to be £2.132m for the Greater London Council only.
- 11.3 The Council has not previously made any budgetary provision for payment of this additional £2.135m liability. Therefore the opportunity to pay over the long term of 30 years would be advantageous to the Council's financial planning. Assuming a 30 year term can be agreed annual payments would be in the region of £0.071m per year.
- 11.4 If agreed for payments to commence in 2017/18 then this will be funded from the corporate risk budget and will then be built into the base budget from 2018/19 onwards through the 2018/19 budget setting process.

- 11.5 Alternative options will be explored with the London Pension Fund Authority to fund the deficit, including the possibility of the additional levy being offset against future reductions in the existing levy referred to in 11.1 above. The final decision will be made by the Chief Finance Officer, subject to Cabinet approval of the delegation.

**12. Legal implications and risks:**

- 12.1 The London Pensions Fund Authority (LPFA) was established by the London Government Reorganisation (Pensions etc.) Order 1989.
- 12.2 The property rights and liability of the London Residuary Body (the successor to the GLC etc) in relation to pensions were transferred to it and under the same order the LPFA was given the power to raise levies on inner and outer London Boroughs in accordance with the Order.
- 12.3 In formulating its budget for each financial year, the LPFA should have regard to the following general principles:
- It must exercise its statutory powers and duties for the purposes they were enacted and must comply with the requirements of all relevant enactments;
  - It is under a duty at common law to act reasonably in the Wednesbury sense (i.e. it must take into account relevant factors and no irrelevant ones and must not come to a decision that is irrational);
  - It has to comply with its duty properly to administer the Pension Fund in accordance with the applicable legislation and its fiduciary duty to promote the financial interests of the pensioners, members and employers of the Fund;
  - It has a general fiduciary duty to the council taxpayers of the authorities upon which any levy is to be raised to strike a fair balance between the financial interests of those taxpayers and those who will benefit from the expenditure or the forgoing of income.

**13. Human Resources implications and risks:**

- 13.1 There are no human resources implications associated with this paper.

**14. Equalities implications and risks:**

- 14.1 There are no equality implications arising from this report.

<b>BACKGROUND PAPERS</b>
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None

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**FULL COUNCIL, Wednesday 14 June 2017**

## **MEMBERS' QUESTIONS**

### **Charging Council Tenants for CCTV and Community Wardens**

- 1) To the Cabinet Member for Housing (Councillor Damian White)  
From Councillor Nic Dodin**

Does the Cabinet Member feel that charging council tenants for CCTV and Community Wardens is fair, particularly if in most ordinary roads, council tenants receive neither service, but even if they did receive such a service, is it fair that non-council tenants would benefit from the service without contributing anything to it?

### **Member Enquiries**

- 2) To the Leader of the Council, Councillor Roger Ramsey  
From Councillor Phil Martin**

What is the average time taken to respond to Member enquiries?

### **Improvements to Hilldene Public Toilets**

- 3) To the Cabinet Member for Environment, Regulatory Services and Community Safety (Councillor Osman Dervish)  
From Councillor Keith Darvill**

Will the administration bring forward plans to improve the public toilets in Hilldene Shopping Centre Harold Hill?

### **Performance Monitoring in Environmental Services**

- 4) To the Cabinet Member for Environment, Regulatory Services and Community Safety (Councillor Osman Dervish)  
From Councillor Ray Morgon**

One of the functions of the Corporate Performance Framework is to ensure that relevant, timely and accurate information is available to monitor performance and to support decision making. Would the Cabinet Member demonstrate how this is being provided in Environment Services?

### **Road Sweeping in the A12 area**

- 5) **To the Cabinet Member for Environment, Regulatory Services and Community Safety (Councillor Osman Dervish)**  
**From Councillor Lawrence Webb**

How many council contractors does it take to sweep the area on the A12 between Gubbins Lane and Brook Street Roundabout?

### **Council's Statutory Duties on Flood Risk**

- 6) **To the Cabinet Member for Environment, Regulatory Services and Community Safety (Councillor Osman Dervish)**  
**From Councillor John Mylod**

Given the increasing risk of flooding, would the Cabinet Member set out the statutory duties imposed on the council, how these duties are being fulfilled and what resources are being allocated to this service?

### **Ward Information for Members**

- 7) **To the Leader of the Council, Councillor Roger Ramsey**  
**From Councillor John Glanville**

What is the protocol to ensure that councillors are kept informed and involved in decision-making within their Wards?

### **"A" Boards on Footways**

- 8) **To the Cabinet Member for Environment, Regulatory Services and Community Safety (Councillor Osman Dervish)**  
**From Councillor John Wood**

Would the Cabinet Member confirm whether he feels an "A" board in the middle of the footway is more hazardous than a vehicle driving along the same footway?

### **Strategy for Coping with Traveller Incursions**

- 9) **To the Cabinet Member for Environment, Regulatory Services and Community Safety (Councillor Osman Dervish)**  
**From Councillor Patricia Rumble**

With the recent traveller incursion into Harold Hill and fearful that there may be a return of last years repeated unlawful traveller incursions , what steps are being made to produce a long term solution to this problem?



**Calls to Housing Repairs Service**

**10) To the Cabinet Member for Housing (Councillor Damian White)  
From Councillor Barbara Matthews**

Would the Cabinet Member confirm what analysis is carried out in relation to housing repair requests to stop repeat calls being necessary, particularly in relation to gas boiler inspections where currently the contractor decides whether a boiler needs to be replaced?.

**Penalty Charge Notices for “Idling” Vehicles**

**11) To the Cabinet Member for Environment, Regulatory Services and Community Safety (Councillor Osman Dervish)  
From Councillor Jody Ganly**

Would the Cabinet Member confirm whether Penalty Charge Notices are issued for idling vehicles, especially near schools?

**Review of Public Space Protection Orders**

**12) To the Cabinet Member for Environment, Regulatory Services and Community Safety (Councillor Osman Dervish)  
From Councillor Jody Ganly**

When the Public Space Protection Orders became operational outside schools, residents were promised that after six months a review and re-consultation would be carried out. Would the Cabinet Member advise why this has not happened?

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**COUNCIL, 14 June 2017**

## **A GRAMMAR SCHOOLS**

### **Motion on behalf of the Labour Group**

This Council opposes the introduction of Grammar Schools in the London Borough of Havering.

### **Amendment by the Conservative Group**

Amend to read:

This Council takes pride in the achievements of all its children and young people through the provision of good quality education available to all students and we await further detail about any national scheme for the establishment of new Grammar Schools before taking a considered view on the matter.

## **B OVERVIEW AND SCRUTINY**

### **Motion on behalf of the Residents' Group**

Over many years, members have voiced their concerns about the ineffectiveness of the Overview and Scrutiny process. As a result, this council therefore calls for an immediate cross party review to consider changes to the current process to bring about service improvements for our residents, as well as ensuring that all members play their active part and this important function provides better value for money. Additionally, this Council calls for this review to be completed in time for any changes to be implemented with effect from the new council in May 2018.

### **Amendment by the Conservative Group**

This Council recognises that despite the findings of previous cross party working groups and these having been considered in the changes made in 2014 members have continued to voice their concerns about the ineffectiveness of the Overview and Scrutiny Process. This Council therefore notes with approval that the Administration has already commenced informal discussions about a further cross party review to consider changes to the current process and calls for such a review to be completed in time for any recommendations to be considered by the new council elected in 2018.

**C GRAVEL EXTRACTION**

**Motion on behalf of the Independent Residents' Group**

The Planning Inspector has approved gravel extraction on Green Belt land by Wennington Village APP/B5480/W/16/3159082 despite only 30% of the gravel coming from the land and 70% from processing imported inert waste.

This motion therefore calls on the Council to recommend to the Executive that the decision be legally challenged as contrary to Green Belt policy and because this landfill scheme involves 270 HGVs (135 in/out) everyday, plus a smaller number on Saturdays for next 9 years and is clearly another over-development too far in the south of the borough.

**Amendment by the Conservative Group**

It is noted that the Planning Inspector approved gravel extraction on Green Belt land by Wennington Village APP/B5480/W/16/3159082 on appeal from the refusal of the application by this Council and that in this as in other cases it is only appropriate to make a legal challenge by way of appeal when there are sufficient grounds to do so.