

**MINUTES OF A MEETING OF THE
OVERVIEW & SCRUTINY BOARD
Havering Town Hall, Main Road, Romford
25 January 2018 (7.00 - 8.45 pm)**

Present:

COUNCILLORS

Conservative Group	+Ray Best, Dilip Patel, Viddy Persaud (Vice-Chair) and Michael White
Residents' Group	Barbara Matthews, Ray Morgon and Barry Mugglestone
East Havering Residents' Group'	Gillian Ford (Chairman) and Darren Wise
UKIP Group	Ian de Wulverton and Lawrence Webb
Independent Residents' Group	Graham Williamson
Labour Group	Keith Darvill

Apologies were received for the absence of Councillors Robby Misir, Linda Trew and John Crowder.

+Substitute member: Councillor Ray Best (for John Crowder).

All decisions were taken with no votes against.

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

38 MINUTES

The minutes of the meeting held on 6 December 2017 were agreed as a correct record and signed by the Chairman.

39 MEDIUM TERM FINANCIAL STRATEGY AND 2018/19 BUDGET UPDATE

Members considered a report which detailed the Council's Medium Term Financial Strategy (MTFS). Further proposals for balancing the 2018/19 budget were due to go to consultation where necessary at its meeting on 26 October 2017. A Budget Update report had been considered by Cabinet on 13 December 2017.

The October and December reports set out the Council's financial strategy to manage the predicted budget gap over the period 2018/19 to 2022/23. The report:

- Provided an update on the policy and strategic context and assumptions within the MTFS and the forecast budget gap
- Presented for approval amendments to the Council Tax Support Scheme from April 2018
- Budget Risks

There was a budget gap forecast of £4.2million.

Most of the grants that the Council received had stayed at the same level however there had been a reduction in the new homes bonus.

Members were advised that Council Tax could be raised by up to 3% without the need for a public referendum.

Havering was one of a number of authorities piloting the pooling of business rates. Estimates showed that the Council could benefit from an increase of anywhere between £0.9million up to £2.4/2.5 million.

Consultation was due to take place on the Fair Funding Review, this was how the Council received its funding.

Members received an update on the public consultation.

191 responses had been received so far. 58 of the responses had agreed with the direction of the budget strategy overall. Residents had indicated that their priority areas were schools and education, adult social care and waste management. Residents had also indicated which services they wished to see reduce which included parking charges, planning and building control and the Council Tax support scheme.

Members noted that following an election year extensive consultation was carried out and there was a greater level of engagement by residents. The years in between elections attracted somewhere in the region of between 100 and 250 responses on average.

The Adult Social Care Precept would be entering its final year, under current legislation, next year as the total allowed of 6% would have been collected by then.

There was a consensus amongst Members that the level of responses received during the consultation was extremely low from residents and there were suggestions that perhaps the Council needed to look at the way it consulted with residents and perhaps look at alternatives including full use of social media platforms.

The plan post-election would be for the newly elected Administration to enter into a four year MTFS.

Members also noted that the Council was working with other outer London boroughs to discuss funding arrangements. Due to the net migration that outer London boroughs were seeing following the housing benefit cap it placed a greater emphasis on working with outer London boroughs rather than inner London boroughs.

In response to a question relating to economic development Members were advised that approximately £3 billion of expenditure would take place in the next ten to twelve years. The joint ventures that the Council would be entering into with partners would need to be resourced and new teams would be set up to progress the works.

Members noted that the business rates pool that had been set up which was being piloted would allow the retention of 100% of business rates and the pilot came with a guarantee that the Council would be no worse off than at present.

Havering was currently in a pool and had been for the last three years with Barking and Dagenham, Thurrock and Basildon. As an organisation the Council had benefitted from in the region £0.5million which had mainly come about largely due to the growth of DP World London Gateway deep sea port in Thurrock.

Members noted that the Ministry of Housing, Communities and local Government were looking at Council Tax equalisation across the country.

In response to a question relating to Children's Services demand pressures Members noted that Children's Services now had a permanent workforce of approximately 70% up from 50% previously. Again due to the net migration from inner London there had been an increase in looked after children which had led to a campaign to recruit additional foster carers.

In response to a question relating to homelessness Members noted that there were a number of people sleeping rough that officers had tried to engage with but the offer of help had been refused. A new Homelessness Act was due to be introduced in April and there would be an all-Member briefing shortly.

Members were advised that Housing Services worked closely with Mental Health Services, Adults Services and Children's Services to ensure vulnerable people were cared for.

In response to a question relating to the Council's contingency Members were advised that historically the Council had held a contingency fund of £2million each year. There had been previous occasions when the fund had not been used for contingencies but it had been used to manage overspends within certain service areas. A new corporate risk reserve had

been created which would now manage service overspends which in turn meant that the contingency fund had been reduced to £1million.

In response to a question relating to enforcement of yellow box junctions officers advised that if Members had specific instances of where they wanted enforcement to take place then officers could be approached to look at the viability of enforcement.

In response to a question regarding costs of large goods removal from properties had a direct link with additional fly-tipping officers advised in other areas where costs had been introduced there was not a direct correlation with an increase in fly tipping. Members noted that waste disposal costs were increasing on a yearly basis and carry on throughout the length of the contract with ELWA until the end of the contract in 2027.

Chairman