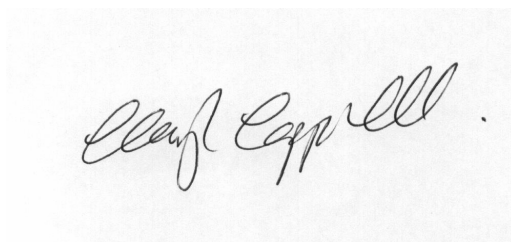


London Borough of Havering ***COUNCIL MEETING***

**7.30pm WEDNESDAY, 19 MARCH 2008
AT HAVERING TOWN HALL
MAIN ROAD, ROMFORD**

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

A handwritten signature in black ink, appearing to read 'Ian Buckmaster', is centered on a light gray rectangular background.

Chief Executive

**For information about the meeting please contact:
Ian Buckmaster (01708) 432431
ian.buckmaster@haverling.gov.uk**

NOTES ABOUT THE MEETING

1. HEALTH AND SAFETY

The Council is committed to protecting the health and safety of everyone who attends its meetings.

At the beginning of the meeting, there will be an announcement about what you should do if there is an emergency during its course. For your own safety and that of others at the meeting, please comply with any instructions given to you about evacuation of the building, or any other safety related matters.

2. MOBILE COMMUNICATIONS DEVICES

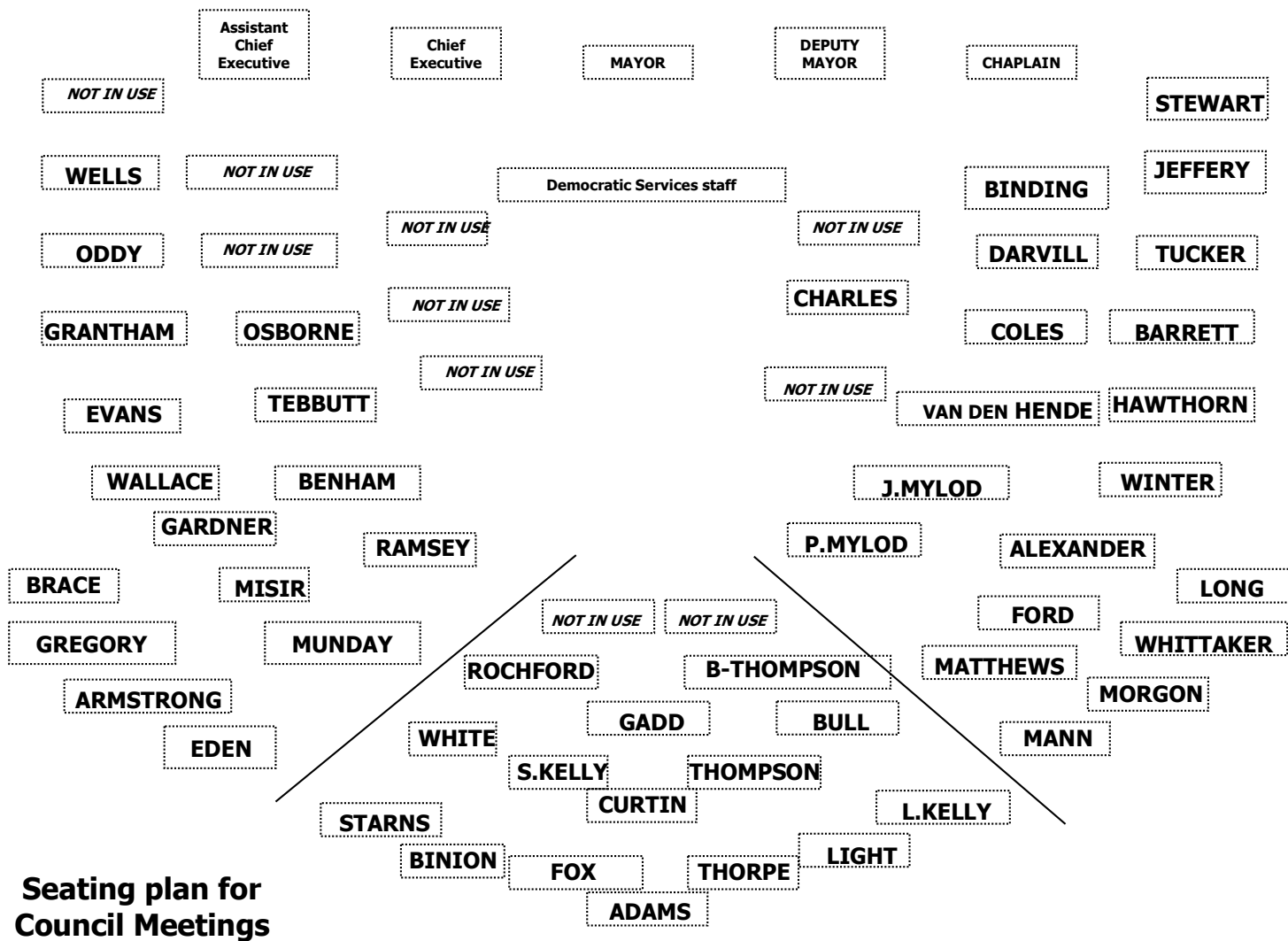
Although mobile phones, pagers and other such devices are an essential part of many people's lives, their use during a meeting of the Council can be disruptive and a nuisance. Everyone attending is asked therefore to ensure that any device is switched to silent operation or switched off completely.

3. CONDUCT AT THE MEETING

Although members of the public are welcome to attend meetings of the Council, they have no right to speak at them. Seating for the public is, however, limited and the Council cannot guarantee that everyone who wants to be present in the public areas of the Council Chamber can be accommodated. When it is known in advance that there is likely to be particular public interest in an item the Council will endeavour to provide an overspill room in which, by use of television links, members of the public will be able to see and hear most of the proceedings.

PLEASE REMEMBER THAT THE MAYOR MAY REQUIRE ANYONE WHO ACTS IN A DISRUPTIVE MANNER TO LEAVE THE MEETING AND THAT THE MEETING MAY BE ADJOURNED IF NECESSARY WHILE THAT IS ARRANGED.

If you need to leave the meeting before its end, please remember that others present have the right to listen to the proceedings without disruption. Please leave quietly and do not engage others in conversation until you have left the Council Chamber.



INFORMATION FOR MEMBERS

Commencement of Meeting

As an aid to Members, a single ring of the division bell will sound 5 minutes before the meeting is due to begin, followed by a double ring at 2 minutes before, at which time Members are asked please to take their seats for the commencement of the meeting.

Control of microphones

Members are reminded that, at Council meetings, the microphones are controlled centrally under the direction of the Mayor. Consequently, Members do not need to press the **MIC ON** button in order to speak, nor to turn off the microphone when they have finished.

The Mayor would find it helpful, however if Members would press the **MIC ON** button to indicate that they wish:

- to speak in the course of debate on any motion (including movers and seconders)
- to rise to a point of order, of information or in personal explanation

Voting

When the Mayor calls a division, the division bell will sound briefly. In order to ensure that votes are recorded correctly, Members are asked to wait until the division bell has finished ringing before pressing the appropriate voting button.

Members are, of course, free to change their vote as they choose at any time until the Mayor directs that the votes be counted. Once a count has been called, however, no further change is possible. In the event that a Member's vote appears not to have been recorded, the clerks should be informed immediately, before the result is declared, so that account can be taken of the vote.

Council, 19 March 2008

AGENDA

1 PRAYERS

Prayers will be led by the Reverend Barry Hobson of St Andrews Church, Hornchurch.

2 To receive apologies for absence (if any)

3 MINUTES

To sign as a true record the minutes of the Meeting of the Council held on 27 February 2008.

4 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.

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

6 PETITIONS

Councillor Keith Wells has given notice of an intention to present a petition.

NOTE: The deadline for the receipt of any amendments to the following three items is midnight, Monday 17 March 2008

7 AMENDMENTS TO THE CONSTITUTION

To consider recommendations of the Governance Committee (meeting on 5 March 2008)

Council, 19 March 2008

8 DATES OF COUNCIL MEETINGS, 2008/09 AND BEYOND

To consider the report of the Chief Executive

9 MEMBERS' ALLOWANCES

To consider the report of the Chief Executive

10 MEMBERS' QUESTIONS

MOTION FOR DEBATE

11 HAVERING'S POST OFFICE NETWORK: PROPOSED CLOSURES

Motion on behalf of the Residents' Group

This Council considers that the network of post offices in Havering provides vital services to the community, particularly the elderly, and opposes in the strongest possible terms the proposal to close five post offices across the borough.

NOTE: No amendment has been received to this motion



**MINUTES OF A MEETING OF THE COUNCIL OF THE
LONDON BOROUGH OF HAVERING
Havering Town Hall, Romford
27 February 2008 (7.30pm – 11.05pm)**

Present: The Mayor (Councillor Georgina Galpin) in the Chair

Councillors Gary Adams, June Alexander, Michael Armstrong, Clarence Barrett, Robert Benham, Tom Binding, Sandra Binion, Jeff Brace, Wendy Brice-Thompson, Dennis Bull, David Charles, John Clark, Jonathan Coles, Andrew Curtin, Keith Darvill, Ted Eden, Roger Evans, Gillian Ford, Chris Fox, Mark Gadd, Peter Gardner, David Grantham, Kevin Gregory, Linda Hawthorn, Coral Jeffery, Lesley Kelly, Steven Kelly, Pam Light, Len Long, Andrew Mann, Barbara Matthews, Robby Misir, Ray Morgon, Eric Munday, John Mylod, Pat Mylod, Barry Oddy, Fred Osborne, Roger Ramsey, Paul Rochford, Geoff Starns, Mark Stewart, Barry Tebbutt, Frederick Thompson, Lynden Thorpe, Jeffrey Tucker, Melvyn Wallace, Keith Wells, Michael White, Steve Whittaker and Mike Winter

18 guests, members of public and press also attended.

An apology for absence was received from Councillor Linda Van den Hende.

Apostle George, Senior Pastor of the Arise Metropolitan Assembly opened the meeting with prayers.

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

The meeting closed with the singing of the National Anthem.

The Mayor referred to the recent deaths of Len Smith OBE, Chairman of Havering PCT and of Jack Broad, a founder member of the Town Twinning Association and a supporter of St John Ambulance in Havering. All present stood in silence as a mark of respect.

76 MINUTES (Agenda Item 3)

It was **RESOLVED** that minutes of the Meeting of the Council held on 6 February 2008 be signed as a true record.

77 DECLARATIONS OF INTEREST (Agenda Item 4)

Councillors Michael Armstrong, Robert Benham, Sandra Binion, Jeff Brace, Wendy Brice-Thompson, Andrew Curtin, Ted Eden, Peter Gardner, Lesley Kelly, Steven Kelly, Robby Misir, Eric Munday, Barry Oddy, Roger Ramsey, Paul Rochford, Geoff Starns, Barry Tebbutt and Michael White each declared a personal interest as the recipient of a Special Responsibility Allowance referred to in the amendments to be proposed to the report on Corporate Plan and Medium Term Financial Strategy (agenda items 6/6A/6B; minute 80).

78 ANNOUNCEMENTS BY THE MAYOR (Agenda Item 5)

The Mayor's Announcements are attached as **Appendix 1 to these minutes**.

79 ANNOUNCEMENT BY THE LEADER OF THE COUNCIL (Agenda Item 5)

The Leader's Announcement is attached as **Appendix 2 to these minutes**.

All Members present indicated concurrence with the views expressed by the Leader.

80 CORPORATE PLAN AND MEDIUM TERM FINANCIAL STRATEGY: 2008/09 BUDGET (Agenda Item 6)

Having regard to proposals set out in the amendments referred to in this minute, the Members named in minute 77 above each declared a personal interest.

The Council considered the report and recommendations of the Cabinet from its meeting held on 13 February 2008 (including Appendix D of the report to Cabinet, the Council Tax statement).

The Administration's proposals as set out in the Cabinet's report were proposed and seconded.

Amendment by the Residents' Group (Agenda item 6A):

To amend the budget by incorporation of the items attached thereby reducing the Council Tax by 0.2% on Band D to 3.3% overall.

[Note: the "items attached" are set out in tables at **Appendix 3**]

Amendment by the Labour Group (Agenda item 6B):

To amend the proposed Council Tax by:

- (a) Reviewing Overview and Scrutiny arrangements with a consequential reduction of 5 in the number of related Special Responsibility Allowances, saving £72k.
- (b) Reducing the size of the Cabinet from 10 Members to 7 Members, with a consequential reduction of related Special Responsibility Allowances, saving £98k.

This would reduce the number of Special Responsibility Allowances from 40 (74%) to 32 (59%), assuming single occupancy.

Thereby reducing the Council Tax by 0.1% on Band D to 3.4% overall (Havering only 3.7%). This equates to a Council Tax of £1,481.

After debate, the Residents' Group amendment (agenda item 6A) was **LOST** by 34 votes to 17 (see voting division 1) and the Labour Group amendment (agenda item 6B) was **LOST** by 35 votes to 4 (see voting division 2). The Administration's proposals contained in the recommendations of Cabinet were **CARRIED** by 34 votes to 2 (see voting division 3) and it was accordingly **RESOLVED**:

1. **That the following as submitted in the report to Cabinet subject to the amended pages in Annex E of the submitted report be approved:**
 - a) **The revenue budget for 2008/09.**
 - b) **The capital programme for 2008/09 and 2009/10.**
2. **That it be noted that, under delegated powers, the Chief Finance Officer has calculated the amount of 88,342 (called T in the Act and Regulations) as the Council Tax base for the year 2008/2009 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) made under Section 33(5) of the Local Government Finance Act 1992.**
3. **That the following amounts be now calculated by the Council for the year 2008/2009 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:**
 - a) **472,685,935** being the aggregate of the amounts which the Council estimates for the items set out in section 32(2)(a) to (e) of the Act.
 - b) **315,570,351** being the aggregate of the amounts which the Council estimates for the items set out in

Section 32(3)(a) to (c) of the Act.

- c) 157,115,584** being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with section 32(4) of the Act, as its budget requirement of the year.

This figure is R in the Act and Regulations.

- d) 53,474,516** being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant or additional grant in accordance with Section 33 of the Local Government Finance Act 1992 (as amended) increased by the amount of the sums which the Council estimates will be transferred in the year from its collection fund to its general fund in accordance with Section 97 (3) of the Local Government Finance Act 1988 and increased by the amount of any sum which the Council estimates will be transferred from its collection fund to its general fund pursuant to the directions under Section 98(4) of the Local Government Finance Act 1988

- e) 103,641,068** being the amount at 3(c) above less the amount at 3(d) above, which is then divided by the amount at 2 above, calculated by the Council, in accordance with Section 33(1) of the Local Government Finance Act 1992, as the basic amount of its Council Tax for the year.

f)

Valuation Bands London Borough of Havering	
	£ p
A	782.12
B	912.47
C	1,042.82
D	1,173.18
E	1,433.89
F	1,694.59
G	1,955.30
H	2,346.36

being the amount given by multiplying the amount at 3(e) above by the number which, in the proportion set out in Regulation 5(1) of the 1992 regulations, is applicable to dwellings listed in a particular valuation band divided by

the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36 (1) of the Local Government Finance Act 1992, as the amounts to be taken into account for the year in respect of categories of dwellings listed in differing valuation bands.

4. That it be noted for the year 2008/09 the major precepting authority (the GLA) has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below as agreed by the Mayor and the London Assembly at its meeting on 13th February.

Valuation Bands Greater London Authority	
	£ p
A	206.55
B	240.97
C	275.40
D	309.82
E	378.67
F	447.52
G	516.37
H	619.64

5. That, having calculated the aggregate in each case of the amounts at 3(f) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2008/09 for each of the categories of dwellings shown below:

Valuation Bands	£ p
A	988.67
B	1,153.44
C	1,318.22
D	1,483.00
E	1,812.56
F	2,142.11
G	2,471.67
H	2,966.00

6. That any Council Tax payer who is liable to pay an amount of Council Tax to the Authority in respect to the year ending on 31st March 2009, who is served with a demand notice under

Regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 and who makes payment to the Authority of the full balance of the estimated amount shown on that demand by 1st April 2008, may deduct a sum equivalent to 1.5% of and from the estimated amount and such reduced amount shall be accepted in full settlement of that estimated amount.

- 7. That in respect of Treasury Management and the Prudential Code as set out in the report to Cabinet, the Council:**
- (i) Re-affirms the Treasury Policy Statement set out in Section 2 of Appendix M.**
 - (ii) Approves the Treasury Management Strategy set out in Section 3 of Appendix M together with the Prudential Indicators for Treasury Management and External Debt.**
 - (iii) Approves the Annual Investment Strategy set out in Section 4 of Appendix M.**
 - (iv) Notes the Treasury Management budget for 2008/09 set out in Section 5 of Appendix M, which has been included in the overall Council budget.**
 - (v) Approves the prudential indicators for capital finance set out in Section 6 of Appendix M as required under the Regulations.**

**Appendix 1
(See minute 78)**

ANNOUNCEMENTS BY THE MAYOR

Since the last Council meeting I attended a passing out parade at the Police College at Hendon along with the Deputy Lieutenant, Air Commodore Brian Batt, and Borough Commander Steve Wisby; and we met up with Sultan Taylor who has settled into his new role in Ealing. Several of the new recruits who passed out will be joining us here in Havering.

Last week was a great week.

Firstly, I had the honour of attending the Havering Sports Awards with a number of colleagues. Awards were given to young people who have completed in National, International and local events, both at junior and senior levels. Also awards were given to many grown ups who give up their time voluntarily to train and support many of the young people in our borough.

Secondly, I was invited to the annual achievements evening for members of the Romford Drum and Trumpet Corp, where young people are giving up their time not only to be part of the band, but to help others, and again many grown ups were identified who also on a voluntary basis help and support these young people.

It was truly a great week for the band because on Tuesday we all went to Glaziers Hall in London to the AGM of the London Youth and they picked up a cheque for £5,000 together with recognition awards for supporters, the creator of the band Dick Bouchard MBE for 50 years service, two other members, Daisy and Johnnie, for 40 years each and Steve the chairman for 20 years service, between the four of them they have given 150 years of service – what a commitment. What an achievement.

Then to put the cherry on the icing, a Royal visit took place in the borough on Wednesday evening, and the Duke of Edinburgh visited Broadstone School, where the band practice several evenings every week. The Duke decides and visits two clubs each year, and this year one club was in a neighbouring borough and the other was in Havering. He wanted to meet the band and listen to their music.

The Romford Drum and Trumpet Corp played several pieces for the Prince, then he chatted to every young member of the band and a group of beginners, of course, everyone was rather nervous to begin with, but he soon made everyone feel at ease. The Duke even extended his arranged time with us by almost 30 minutes. The Chief Executive, the Chairman, the Deputy Chairman and a General of the Life Brigade accompanied the Prince, and a film crew were on hand, as a film is being put together in relation to the Duke of Edinburgh awards, and the band are to play a part in this.

A pleasant time was had by all.

Havering Police Cadets were nominated for a National Youth Award and recipients were invited to Birmingham – they came within the five top groups within England, Scotland, Wales and Northern Ireland. The competition invited thousands of groups, a great achievement for one of the young people's organisations in Havering.

How proud it makes me feel as a citizen and Mayor of Havering.

**Appendix 2
(See minute 79)**

ANNOUNCEMENT BY THE LEADER OF THE COUNCIL

Madam Mayor, I need to comment on last week's announcement of the potential closure of five post offices in the London Borough of Havering.

This, of course, is on top of the post offices that closed some three years ago and I know that all of us, on all sides have been quite taken aback by the fact that these five post offices, two in the Romford area and three in the Upminster constituency will close.

These post offices serve some of the most vulnerable people in our society. Post offices provide much more than just a place where the elderly go to collect their pension: they are places where people go to meet. They provide a place for social interaction to happen and therefore they are much more than just a shop and I think that Post Office Counters, while understanding their need to close their £3 million gap per year on their Post Offices, need to understand that Post Offices are not just a place for money to be dispensed from or for them to make a profit. We know, Madam Mayor, through what we do at this Council, that there are things that we do that matter to our community and those things are a lot more than just valued services in relation to money.

We provide services across this borough that are valued by our residents and, therefore, in that spirit, I would hope that the whole Council will join with me and send a clear message to the Post Office that we will not accept any closures of post offices in this borough. I think it is disgraceful, especially when you look at the fact that one that is proposed to close in, I think it's Hornchurch Road, a couple of years ago they closed Albany Post Office and they said you don't need to go to Albany Road any more, you can go to Hornchurch Road Post Office; and now they are proposing to close Hornchurch Road Post Office.

What this is saying, Madam Mayor, is its OK if you can use the internet and you can use internet services; its OK if you have got a car, you can drive to one of these post offices; but if you are elderly, if you are not able to drive, you are being picked on by the Post Office – and I will use that strong expression: our elderly are being picked on and, in a borough such as Havering, which has 35% over 65s and 18% over 85s, it hits us harder than most other Boroughs in London and therefore I hope the whole Council will join with me in sending a clear message to the Post Office that enough is enough.

**Appendix 3
(See minute 80)**

2008/09 COUNCIL TAX PROPOSAL

ADMINISTRATION PROPOSAL	Estimate	Band D	
	2008/09	Rate	
	£	2008/09	
		£	
Expenditure			
Precepts			
London Borough of Havering	103,641,068		
Greater London Authority	27,370,118		
Contribution to NNDR Pool	65,130,218		
Cost of NNDR collection	286,263		
	<u>196,427,667</u>		
Income			
NNDR receivable	-65,416,481		%
			Increase
Council Tax per Band D property	<u>131,011,186</u>	1,483.00	3.5%
 RA PROPOSAL	 Estimate		
	2008/09		
	£		
Expenditure			
Precepts			
London Borough of Havering	103,418,068		
Less contingency adjustment*	-42,026		
Greater London Authority	27,370,118		
Contribution to NNDR Pool	65,130,218		
Cost of NNDR collection	286,263		
	<u>196,162,641</u>		
Income			
NNDR receivable	-65,416,481		%
			Increase
Council Tax per Band D property	<u>130,746,160</u>	1,480.00	3.3%

<u>RA Budget Calculation</u>	
Administration LBH Budget	103,641,068
RA LBH Amendments (see summary)	<u>-223,000</u>
RA LBH Budget	103,418,068

Band D Rate in 2007/08	1,433.00
------------------------	----------

* Note - This figure represents an adjustment of £42,026 to the contingency sum shown in the Administration proposals to achieve a whole pounds Council Tax Band D figure. The revised contingency sum would therefore become £1,994,194. This adjustment is in accordance with rec.11 of the report to Cabinet 13th Feb 2008.

RA BUDGET AMENDMENTS 2008-11
SUMMARY OF PROPOSALS

	2008/09	2009/10	2010/11
	£'000	£'000	£'000
SAVINGS			
PUBLIC REALM	-143	-85	-85
ASSISTANT CHIEF EXECUTIVE	-200	-200	-200
CORPORATE	-188	-121	-121
TOTAL:	-531	-406	-406
 PRESSURES			
PUBLIC REALM	228	280	322
CHILDREN'S SERVICES	50	50	50
ASSISTANT CHIEF EXECUTIVE	30	30	30
TOTAL:	308	360	402
 NET BUDGET SAVING:	 -223	 -46	 -4

RA BUDGET AMENDMENTS 2008-11

SAVINGS

Ref	Description	2008/09	2009/10	2010/11
council ref.		£'000	£'000	£'000
benea	PUBLIC REALM			
th.				
	Cultural & Leisure			
RA1	Sports Pitch Hire [Parks & Opens Spaces]	-25	-25	-25
CLP	<i>Reduce pressure on sports pitch hire from £40k to £15k.</i>			
16				
p.47	<i>Undertake a targeted marketing drive to let Council pitches in 2008/09. Overall budget £100k, reduce to £85k Overall 2007/08 budget £100k, reduce to £85k rather than £60k. Current Forecast for 2007/08 = £70k. Linked to option RA8</i>			
RA2	Corporate Festivals [Parks & Opens Spaces]	-25	-25	-25
CLP	<i>Reduce additional funding for corporate festivals from £50k to £25k. Seek sponsorship or partnership match funding to host corporate events.</i>			
18				
p.47				
	Technical Services			
RA3	Technical Fee Charges	-58	0	0
	<i>Capacity to increase fees through greater TfL funding and enhanced capital programme</i>			
	<i>TfL 2008/09 = £3.6m, average since 2001/02 = £2.7m.</i>			
RA4	Winter Maintenance	-35	-35	-35
	<i>Reduce annual budget down to £150k from £185k. A succession of mild winters in the South East has reduced the demand for ice/frost treatments. Met. Office confirm that 'most of the winters in the last 10 years have been relatively mild'. From LBH draft Climate Change Strategy: 'Higher temperatures all year leading to the disappearance of snow and freezing weather...' Also pursue better procurement methods in purchasing materials (eg salt, grit). 2006/07 - budget £181k, actual £141k</i>			

ASSISTANT CHIEF EXECUTIVE		2008/09	2009/10	2010/11
		£'000	£'000	£'000
RA5	<p>Strategy & Communications</p> <p>Living Magazine <i>Reduce distribution from monthly to bi-monthly (from 10 to 5 issues). Increased visitor traffic to Havering website demonstrates growing capacity to disseminate information via the internet, although not exclusively.</i></p> <p><i>LBH Website hits have increased from 360,000 in 2004 to 1.5m in 2007.</i></p> <p><i>Based on annual budget of £102k.</i></p>	-50	-50	-50
RA6	<p>Build Civic Pride <i>Delete the proposed £150k pressure.</i></p>	-150	-150	-150
SCP 01 p.61	<p><i>Sufficient budgetary provision exists to promote awareness of the Council and other services. Civic Pride is better enhanced through greater enforcement against environmental offences and anti-social behaviour, also through the improved maintenance of council assets (eg parks, roads, etc)</i> <i>£1.23m spent on all advertising & publicity in 2006/07</i> <i>£1.17m spent on all advertising & publicity in 2005/06</i></p>			
CORPORATE				
RA7	<p>Furniture & Equipment <i>5% efficiency cut on budget across Council by deferring non-essential expenditure for one year.</i> <i>Based on 2007/08 budget of £1,446,000.</i> <i>1% efficiency = £14k ; 10% efficiency =£145k.</i></p>	-72	0	0
RA8	<p>Publicity & Information <i>10% efficiency cut on budget across council (less £5k for marketing initiative for sports pitch hire in 2008/09)</i> <i>Better use of website for publicity & information.</i> <i>Based on specific budget of £193k in 2007/08.</i> <i>Linked to option RA1</i></p>	-15	-20	-20
RA9	<p>Cabinet Positions <i>Reduction to allowances for Cabinet posts by reviewing structure, e.g. by a general reduction in allowances and/or streamlining number of posts, the former being subject to a revised scheme being agreed by Council in March 2008</i></p>	-66	-66	-66
RA10	<p>Overview & Scrutiny <i>Reduction to allowances for OVS posts by reviewing structure, e.g. by reducing current Chairman allowance of £14,418 to £10,000.</i> <i>Subject to a revised scheme being agreed by Council in March 2008.</i></p>	-35	-35	-35

PRESSURES

Ref	Description	2008/09 £'000	2009/10 £'000	2010/11 £'000
PUBLIC REALM				
RA11	Cultural & Leisure Phased re-introduction of Park Keepers <i>(x2 FTE first year) - Closer working with Friends of Parks groups to identify appropriate locations. Part year in year 1 to allow for recruitment</i>	35	60	80
RA12	Park Ranger at Havering Country Park <i>(x1 FTE) - To counter the continuing problem of anti-social behaviour at Havering Country Park. Part year in year 1 to allow for recruitment</i>	25	30	30
RA13	Technical Services Reinstate free car parking in our outlying centres <i>To respond to resident and trader demand for the return of free parking to promote local economies and resident convenience.</i>	124	124	124
RA14	StreetCare Enlarge Road Sweeping workforce <i>(x2 FTE first year) - Responding to residents concerns about street cleanliness</i>	44	66	88
CHILDREN'S SERVICES				
RA15	Review and Reinstate School Uniform Grants <i>With some 910 recipients in the last full year, the scrapping of this scheme was opposed by 92% in a consultation exercise.</i>	50	50	50
ASSISTANT CHIEF EXECUTIVE				
RA16 LDS05 LDS10 P84	Member Secretarial Support <i>Reinstate £30k of the proposed saving of £60k in order to retain secretarial support to Members</i>	30	30	30
TOTAL PROPOSED PRESSURES:		308	360	402

VOTING RECORD

<i>DIVISION NUMBER:</i>	1	2	3
The Mayor [Cllr. Georgina Galpin]	x	x	✓
The Deputy Mayor [Cllr. John Clark]	x	x	✓
<u>CONSERVATIVE GROUP</u>			
Cllr. Michael White	x	x	✓
Cllr. Gary Adams	x	x	✓
Cllr. Mike Armstrong	x	x	✓
Cllr. Robert Benham	x	x	✓
Cllr. Sandra Binion	x	x	✓
Cllr. Jeff Brace	x	x	✓
Cllr. Wendy Brice-Thompson	x	x	✓
Cllr. Dennis Bull	x	x	✓
Cllr. Andrew Curtin	x	x	✓
Cllr. Ted Eden	x	x	✓
Cllr. Roger Evans	x	x	✓
Cllr. Christine Fox	x	x	✓
Cllr. Mark Gadd	x	x	✓
Cllr. Peter Gardner	x	x	✓
Cllr. David Grantham	x	x	✓
Cllr. Kevin Gregory	x	x	✓
Cllr. Lesley Kelly	x	x	✓
Cllr. Steven Kelly	x	x	✓
Cllr. Pam Light	x	x	✓
Cllr. Robby Misir	x	x	✓
Cllr. Eric Munday	x	x	✓
Cllr. Barry Oddy	x	x	✓
Cllr. Frederick Osborne	x	x	✓
Cllr. Roger Ramsey	x	x	✓
Cllr. Paul Rochford	x	x	✓
Cllr. Geoffrey Starns	x	x	✓
Cllr. Barry Tebbutt	x	x	✓
Cllr. Frederick Thompson	x	x	✓
Cllr. Lynden Thorpe	x	x	✓
Cllr. Melvin Wallace	x	x	✓
Cllr. Keith Wells	x	x	✓
<u>RESIDENTS' GROUP</u>			
Cllr. Barbara Matthews	✓	o	o
Cllr. June Alexander	✓	o	o
Cllr. Clarence Barrett	✓	o	o
Cllr. Gillian Ford	✓	o	o
Cllr. Linda Hawthorn	✓	o	o
Cllr. Len Long	✓	✓	o
Cllr. Andrew Mann	✓	x	o
Cllr. Raymond Morgon	✓	o	o
Cllr. John Mylod	✓	o	o
Cllr. Patricia Mylod	✓	o	o
Cllr. Steve Whittaker	✓	o	o
Cllr. Mike Winter	✓	o	o
Cllr. Linda van den Hende	A	A	A
<u>RAINHAM & WENNINGTON INDEPENDENT RESIDENTS' GROUP</u>			
Cllr. Jeffery Tucker	✓	o	o
Cllr. Coral Jeffrey	✓	o	o
Cllr. Mark Stewart	✓	o	o
<u>LABOUR GROUP</u>			
Cllr. Keith Darvill	✓	✓	x
Cllr. Tom Binding	✓	✓	x
<u>Liberal Democrat Member</u>			
Cllr. Jonathan Coles	o	✓	o
<u>Independent Member</u>			
Cllr. David Charles	x	x	✓
TOTALS			
YES	17	4	34
NO	34	35	2
ABSTAIN/NO VOTE	1	13	16
DECLARATION OF INTEREST/NO VOTE	0	0	0
ABSENT FROM MEETING	1	1	1
VACANCY	1	1	1
	54	54	54

IN FAVOUR ✓ AGAINST X
NOT VOTING o ABSENT A
INTEREST DECLARED ID



GOVERNANCE COMMITTEE

7

5 MARCH 2008

REPORT TO COUNCIL

AMENDMENTS TO THE CONSTITUTION

The Council's Constitution is subject to continuous review to ensure that it remains "fit for purpose" and that there is a smooth flow of business through the Council's decision-making processes.

At its meeting on 5 March, the Governance Committee considered two reports proposing various amendments to the Constitution. For ease of reference and economy, the Committee's recommendations in consequence of those reports are dealt with in this single report.

PARKING CONTROL SCHEMES - DELEGATION OF AUTHORITY

In May 2007, the Cabinet had approved a Parking Management Strategy for the future management of the Council's Parking Services and associated operations. Contained in the strategy were a number of proposals that required the use of delegated authority instead of referral to the relevant Area Committee, and in some instances, the Regulatory Services Committee. The delegations recommended in the Parking Management Strategy were now endorsed by the Governance Committee.

The Committee accordingly **RECOMMENDS** that the Constitution be amended so as to provide for the delegation to the Head of Technical Services, in consultation with the Chairman of the relevant Area Committee, to determine:

1. **Schemes for the removal of grass verges in favour of footway parking.**
2. **Requests for 'At any Time' waiting restrictions at junctions and bends for a distance of up to 15 metres.**
3. **Requests for advisory white road marking such as 'Keep Clear' markings and 'T' bar markings.**

4. **Requests for changes to all types of parking restrictions in relation to accommodating new vehicle crossover applications.**
5. **Changes to all types of parking restrictions in relation to temporary and permanent accesses to new developments.**
6. **Dispensations from charging for traffic orders required for special events.**

REVISION TO FINANCIAL PROCEDURE RULES

The Committee was advised that the Council's Financial Procedure Rules had last been revised in October 2006 to enhance specific sections to reflect current practice, and to tidy up some minor drafting issues with the previous, 2005 version. In accordance with good practice, a further review had now been undertaken and amendments further amendments were proposed to the Rules. Future reviews would take place to ensure the Rules remained "fit for purpose" and continued to reflect recognised best practice, as well as also reflecting changes in legislation and the needs of the Council and its organisational structure.

The Committee was also invited to endorse consequential amendments to the Council's Contract Procedure Rules.

The Committee accordingly **RECOMMENDS** that the revised Financial Procedure Rules set out in Appendix A to this report be **ADOPTED**; and that the consequential amendments set out in Appendix B be **AGREED**.

Financial Procedure Rules

Introduction

The Council needs the Financial Procedure Rules to ensure that there are rules to govern how its money and other assets are looked after and how its spending is controlled. This enables the Council to ensure that it makes the most effective use of the resources available to it in delivering value for money services to the local community. The regulations that follow in this document are the Council's formal requirements for its employees to follow and have been approved by members. All employees must adhere to them and should be mindful that failure to do so could result in disciplinary action being considered.

The Financial Procedure Rules focus on an overview of the key financial areas and responsibilities. Details, clarifying and explaining the processes involved, are set out in greater depth in the Council's Financial Framework.

The rules for dealing with contractual matters are set out in the Contracts Procedure Rules, in Part 4 of this constitution. There are also financial matters covered in the Council's Powers and Duties, a document that sets out the scheme of delegation of responsibilities applicable to members and senior employees.

The Financial Procedure Rules are co-ordinated and produced by the Finance & Commercial Group, whose Director is responsible for the proper administration of the Council's financial affairs under section 151 of the Local Government Act 1972. The Group Director Finance & Commercial (Chief Finance Officer) may delegate responsibilities to others. These delegations are set out in the Council's Financial Framework and the Group Director Finance & Commercial's scheme of delegation.

Section 114 of the Local Government Finance Act 1988 gives the Chief Finance Officer specific personal statutory duties to make reports if spending is or could be unlawful and/or the council has or is about to spend in excess of resources. The Accounts and Audit Regulations 2003 require the "responsible financial employee" to establish adequate systems to monitor and control the council's financial transactions and to ensure that such systems are adequately maintained.

The financial limits contained within these Procedure Rules will be subject to an annual review by the Group Director Finance & Commercial.

These Procedure Rules form part of the Council's Constitution and can be found on the Intranet. In the event of staff needing clarification they should contact the Head of Financial Services or the appropriate contact point for each section; a list of these can be found on the intranet in the introduction to the Financial Framework.

The principles of risk management are covered in section 6 of these rules but are enshrined in all aspects of the rules, the Financial Framework that underpins them, and the detailed procedures that are in place to implement the Framework.

For the purposes of these Rules, the term employees covers interim/agency staff and, where appropriate, the employees of contractors delivering goods and services to the Council.

Council, 19 March 2008

Compliance with these Procedure Rules requires the Council's employees to be appropriately equipped to manage the finances available to them. This means that:

- The Corporate Management Team and managers throughout the Council are financially literate and understand the financial environment in which the Council operates
- The Financial Services team is adequately resourced with appropriate financial skills and provide a good level of support on financial matters
- Suitable training and development programmes are in place for both managers and finance staff.

This requires managers to ensure that staff have the appropriate competencies to manage the resources they are responsible for.

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2	Budgets
3	Authorisation levels
4	Financial skills & competencies
5	Internal control
6	Investments and borrowings
7	Trust funds
8	Risk management
9	Insurances
10	Internal audit
11	Preventing fraud & corruption
12	Partnership arrangements
	Expenditure
13	Banking arrangements and cheques
14	Orders and payments by corporate purchasing card
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16	Payment of accounts
17	Petty cash, change floats and other imprest accounts
18	Contracts for building, construction and engineering works
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20	Travelling and subsistence
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	Income
22	Income
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	Safeguarding and controlling assets
24	Security
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26	Stocks, stores and equipment
27	Administration of private funds

General financial matters

1 Accounting

- (a) All financial systems and records of the Council must be in a form approved by the Group Director Finance & Commercial, who will also determine how accounting records and information will be compiled and maintained. This includes the preparation of the annual statement of accounts and the information that must be included within it.
- (b) The duties of checking, calculating and providing information on sums due to, or from, the Council must be performed by a different employee from the one responsible for their collection or payment.
- (c) Cost centre managers have the responsibility to ensure that their total controllable expenditure or income budgets are not exceeded by virtue of additional expenditure and/or reduced income levels, and have arrangements in place in order to undertake regular projections and report this to finance staff and their line managers in accordance with local arrangements and the corporate guidelines and timetable as set out annually.

Powers and duties and the Financial Framework make provisions for the rules in respect of emergency/unforeseen situations.

Where a cost centre manager projects that there will be a variance against the approved budget, efforts should be made to contain this locally. If this cannot be resolved locally, then the line manager should be advised and actions taken to address the variance. If the variance remains, then the Group Director/Head of Service/Assistant Chief Executive for that section must be notified immediately.

- (d) Virements between individual sub-code levels within each cost centre are permitted without further authorisation from the Group Director Finance & Commercial or members.

Group Directors and Heads of Service/Assistant Chief Executives in consultation with the Group Director Finance & Commercial have approval within Council policy to make virements between service cost centres to meet any anticipated shortfalls, but the total net controllable expenditure or income budget for the service must not be exceeded by virtue of additional expenditure. Members will be kept informed of such actions via the revenue monitoring reports. Cost centre managers should refer to the Budget Procedure Rules and the Financial Framework for further details on virements.

2 Budgets

- (a) The Group Director Finance & Commercial must be consulted by Group Directors and Heads of Service/Assistant Chief Executives as soon as they become aware of any matters in their service areas, which could materially affect the Council's budget and which cannot

be contained within existing approved budgets of the service area. Examples of materiality are set out in the Financial Framework.

- (b) Similarly, the financial implications and risks of issues arising from paragraph 2(a) above must be cleared through the Group Director Finance & Commercial before reports are finalised and passed to members.
- (c) In an emergency situation, where a report or prior consultation is not possible and expenditure has been incurred which cannot be met from existing budgets or is a policy change, the Group Director Finance & Commercial and members must be advised as soon as possible thereafter.
- (d) The form and content of revenue and capital budgets will be determined by the Group Director Finance & Commercial.
- (e) Estimates of income and expenditure on revenue account and of receipts and payments on capital account shall be prepared by the Group Director Finance & Commercial in consultation with the appropriate Group Director and his or her Heads of Service/Assistant Chief Executives. A report, collating all of the Council's financial estimates will be prepared by the Group Director Finance & Commercial, for members' consideration and approval. This will be an annual report, which will recommend the council tax for the next financial year.
- (f) No expenditure can be incurred unless it is contained within the Council's approved budget (subject to virement rules) or approval has been agreed via the proper process for dealing with such matters.
- (g) Capital budgets, when formally approved at budget setting and/or other Council meeting, should include an estimate of costs including any necessary land, staffing and acquisition costs, and the revenue implications. Any revenue implications must be met from approved budgets. Where this detail has not been met, the Group Director/Assistant Chief Executive will prepare a report for members' approval as soon as possible thereafter.
- (h) Reports to members, which contain spending, or income generation proposals, must show details of the financial implications and risks and the anticipated source of funding including the use of virement. These must be approved by the Group Director Finance & Commercial. Guidance on the content of financial implications and risk section of reports is contained in the Financial Framework.

3 Authorisation levels

- (a) The names of employees authorised to commit or otherwise approve expenditure and other financial transactions, together with FIS codes and financial limits, shall be sent to the Group Director Finance &

Commercial by each Group Director and Head of Service/Assistant Chief Executive, together with specimen signatures, financial limits to their authority and the cost centres that they can authorise expenditure for (revenue and capital).

- (b) Changes in post holders or duties which affect the authorisations previously agreed, including staff joining or leaving the Council, must be notified to the Group Director Finance & Commercial as soon as possible.
- (c) Group Directors and Heads of Service/Assistant Chief Executives will undertake an annual review of their signatory lists and notify any amendments to the Group Director Finance & Commercial.
- (d) Staff authorising orders and/or committing the authority to expenditure must ensure that sufficient budgetary provision exists before giving authority and that any necessary legal and Council approval is in place.

4 Financial skills and competencies

- (a) Group Directors/Assistant Chief Executives will ensure that their managers are financially literate and understand the financial environment in which the Council operates.
- (b) The Group Director Finance & Commercial will ensure that the Financial Services team is adequately resourced with appropriate financial skills and provides a good level of support on financial matters.
- (c) The Group Director Finance & Commercial will ensure that suitable training and development programmes are in place for both managers and finance staff.
- (d) Group Directors/Assistant Chief Executives will ensure that their staff have the appropriate competencies to manage the resources they are responsible for.

5 Internal control

- (a) The Group Director Finance & Commercial is responsible for establishing adequate systems to monitor and control the Council's financial transactions and for ensuring that such systems are adequately maintained.
- (b) It is the responsibility of Group Directors/Assistant Chief Executives to maintain and promote sound arrangements for internal control. These arrangements will be established by management to help ensure that the Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources, and that the Council's assets and interests are safeguarded.
- (c) Group Directors/Assistant Chief Executives should ensure that they take due account of risk in the management of their functions and ensure that they allocate resources to appropriately manage that risk.

- (d) These arrangements will have regard to the advice and instructions of the Group Director Finance & Commercial. The Group Director, through the Head of Financial Services and the Internal Audit & Corporate Risk Manager, is responsible for reviewing systems of internal control and advising and instructing Group Directors/Assistant Chief Executives accordingly.
- (e) The Audit Committee is responsible for approving the Annual Governance Report in accordance with the applicable Accounts and Audit Regulations and in the light of reviews of the effectiveness of risk management and the control environment.

6 Investments, borrowings and treasury management

- (a) Investments must be made only in the name of the Council or its approved nominees. Bearer securities are the single exception to this requirement, but the purchase of such securities must be reported to members and where possible be approved in advance by the Group Director Finance & Commercial.
- (b) All securities, other than title deeds, contracts legal agreements mortgages, and trust funds, which are the property of or in the name of the Council or its nominees, shall be held in the custody of the Group Director Finance & Commercial.
- (c) All borrowings must be made in the name of the Council.
- (d) All borrowings and investment activities must be carried out in accordance with the Council's Treasury Management Policy Statement and Strategy, which should be approved by the Council on an annual basis as part of the council tax setting process.
- (e) The Group Director Finance & Commercial shall be the Council's registrar of stocks, bonds and mortgages and shall maintain records of all borrowing of money by the Council.
- (f) Only the Group Director Finance & Commercial can authorise any leasing and/or other credit arrangements.

7 Trust funds

- (a) All trust funds shall be in the name of the Council. The Group Director Finance & Commercial must be informed of all trust funds administered by employees as part of their Council duties.
- (b) All employees acting as trustees by virtue of their official position shall deposit for safe-keeping, all securities etc. relating to the trust with the Assistant Chief Executive Legal & Democratic Services unless the deed otherwise provides.

8 Risk management

- (a) The Group Director Finance & Commercial is responsible for reviewing the risk management strategy, promoting it throughout the Council, and advising and instructing Group Directors/Assistant Chief Executives accordingly, and for procuring insurance cover where appropriate.
- (b) It is the responsibility of Group Directors/Heads of Services/Assistant Chief Executives to ensure the regular identification, review and management of risk within their departments, having regard to the Council's risk management strategy and associated advice and instructions from the Group Director Finance & Commercial and other specialist officers (eg crime prevention, business continuity, health & safety). They are also responsible for promoting and implementing the risk management strategy within their service areas.

9 Insurances

- (a) The Group Director Finance & Commercial within the scheme of delegation shall effect all insurance cover required on behalf of the Council and negotiate all claims in consultation with other employees where necessary.
- (b) Group Directors and Heads of Services shall give prompt notification to the Group Director Finance & Commercial of all new risks, properties, vehicles or other assets which require to be insured and of any alterations affecting existing insurances, or which cease to require insurance, or any claims arising under such insurance policies indicating the amount of cover required.
- (c) Group Directors or Heads of Service/Assistant Chief Executives should also notify the Group Director Finance & Commercial of any other risk which he or she feels should be considered for insurance cover.
- (d) Group Directors/Heads of Service/Assistant Chief Executives shall notify the Group Director Finance & Commercial immediately, and subsequently in writing, of any event likely to lead to an insurance claim, and information or explanations relating to it.
- (e) Group Directors/Heads of Service/Assistant Chief Executives shall consult the Group Director Finance & Commercial and the Assistant Chief Executive Legal & Democratic Services on:
 - (i) any terms of any indemnity that the Council is requested to give
 - (ii) appropriate contract conditions for contractors to indemnify the Council and suitable minimum insurance levels for inclusion in contracts
 - (iii) appropriate indemnities and minimum insurance cover for partnership arrangements.

- (f) Group Directors/Assistant Chief Executives/Heads of Service will be responsible for ensuring that they acquire additional professional indemnity insurance for any areas of work that they take on voluntarily, and for ensuring that staff in their service areas are similarly insured.

10 Internal audit

- (a) Under the statutory responsibilities the Group Director Finance & Commercial is the staff member nominated to arrange for a continuous audit examination of accounting, financial and other operations of the Council.
- (b) The Group Director Finance & Commercial is responsible for ensuring:
 - (i) the maintenance of an internal audit function that is sufficient in its coverage and independent in its planning and operation
 - (ii) that the Internal Audit & Corporate Risk Manager has direct access to the Chief Executive, all levels of management and the Audit Committee and the Corporate Overview & Scrutiny Committee
 - (iii) that the internal auditors are trained to comply with professional good practice.
- (c) The Audit Commission is responsible for appointing external auditors to each local authority to review and report upon:
 - (i) the financial aspects of the Council's corporate governance arrangements
 - (ii) the Council's financial statements, to be satisfied that the statement of accounts presents fairly the financial position of the Council, and its income and expenditure for the year in question and complies with the legal requirements
 - (iii) aspects of the Council's arrangements to manage its performance, including the preparation and publication of specified performance information and compliance in respect of the preparation and publication of the Best Value Performance Plan.
- (d) The Council may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenues & Customs, who have statutory rights of access.
- (e) The Group Director Finance & Commercial or his or her authorised representative, including the appointed external auditor, or other external body, shall have authority to:
 - (i) enter at any time any Council premises or land, (subject to the rights of any occupier)
 - (ii) have unrestricted access to all records, documents and correspondence relating to any financial and other transactions of the Council where so required in connection with normal audit work

- (iii) remove and /or secure any record, document and correspondence of the Council as considered necessary
 - (iv) make site visits during the course of a contract and examine any records or information relating to the contract, and examine contract final accounts and review supporting records and documentation in order to form a view on the accuracy of such accounts
 - (v) have unrestricted access to employees and require and receive such information and explanations as are necessary concerning any matter under examination
 - (vi) require any employee of the Council to produce cash, stores or any other Council property under that employee's control.
- (f) It is the responsibility of Group Directors/Heads of Service/Assistant Chief Executives to:
- (i) ensure that internal auditors, external auditors, and other authorised inspectors, are given access at all reasonable times to premises, personnel, documents and assets, and are provided with any information and explanations that they consider necessary for the purposes of their work
 - (ii) consider and respond promptly to recommendations in audit reports
 - (iii) ensure any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.
- (g) The Council will maintain an Audit Committee, responsible for reviewing external auditors' reports and annual audit letter and the annual internal audit report. This Committee can consult directly with internal and external auditors.

11 Preventing fraud & corruption

- (a) The Group Director Finance & Commercial is responsible for reviewing the anti-fraud & corruption policy and strategy and for advising the Audit Committee and Group Directors/Heads of Service/ Assistant Chief Executives on its implementation.
- (b) All Council Members and employees are personally responsible for ensuring integrity in the conduct of the Council's business, in particular by ensuring that they (and any subordinates) are aware of the Council's anti-fraud and corruption policy and strategy and procedures and by alerting the relevant Group Director/Head of Service/Assistant Chief Executive or the Internal Audit & Corporate Risk Manager to any suspected breach.
- (c) Every employee of the Council is responsible for reporting any matter that they believe to involve financial irregularity or misadministration in the Council's business, to their Head of Service/Assistant Chief Executives or Group Director, or directly to the Internal Audit & Corporate Risk Manager.

- (d) The Group Director Finance & Commercial must be notified of any unofficial funds that exist within the Council and he or she will decide how accountability and audit arrangements for those funds will be dealt with.
- (e) The Group Director Finance & Commercial is responsible for reviewing the anti-money laundering policy and strategy and for advising the Audit Committee and Group Directors/Heads of Service/ Assistant Chief Executives on its implementation.
- (f) The Group Director Finance & Commercial will nominate a suitably qualified and experienced officer to act as Money Laundering Reporting Officer and to provide professional guidance on terrorist financing issues.
- (g) The officer appointed by the Group Director Finance & Commercial will nominate one or more deputies to cover the money laundering role, and will ensure that systems are in place which counter opportunities for money laundering to take place within the Council.

12 Partnership arrangements

- (a) The Group Director Finance & Commercial will ensure that the accounting arrangements adopted in relation to partnerships and joint ventures are subject to financial control procedures which reflect those of the Council.
- (b) Group Directors/Assistant Chief Executives have a responsibility to take appropriate professional advice when entering into partnership arrangements and to ensure that any such arrangements do not impact adversely on Council services.
- (c) Group Directors/Assistant Chief Executives are also responsible for ensuring conformity with the remainder of these Financial Procedure Rules and the Financial Framework and that any negotiations are in accordance with the Contract Procedure Rules.
- (d) Group Directors/Assistant Chief Executives must ensure that all financial risks have been fully appraised before contracts and other relationships are entered into.
- (e) Group Directors/Assistant Chief Executives will ensure that all partnership arrangements comply with the requirements of the Council's Partnership Toolkit and any associated procedures.

Expenditure

13 Banking arrangements and cheques

- (a) The Group Director Finance & Commercial is the employee nominated by the Council to operate its bank accounts in the way that he or she considers appropriate and he or she must approve any arrangements that need to be made with the Council's bankers, including the

withdrawal of funds or transfer from one account to another. The Group Director Finance & Commercial must be notified of all bank accounts operated by any of the Council's employees in connection with the business of the Council or unofficial funds held by the Council.

- (b) The Group Director Finance & Commercial will be the employee responsible for making proper arrangements for the ordering, safe custody, use, and control of cheques (except those for authorised imprest and advance accounts).
- (c) Cheques on the Council's main banking and National Giro accounts shall bear the pre-printed signature of the Group Director Finance & Commercial or be signed by the Group Director Finance & Commercial or other officer authorised by him/her to do so. Cheques over £100,000 in amount must also bear the manuscript signature of the Group Director Finance & Commercial or such other employee of the department as he or she may authorise in writing.

14 Orders and payments by corporate purchasing card

- (a) The issue and use of all corporate purchasing cards must comply with the guidance set out in the Financial Framework and the Purchasing Card User Guide.
- (b) Employees should purchase and pay for goods using the corporate purchasing card as the Council's preferred method of payment. Such transactions must only be made on behalf of the Council; the cards must not be used for personal purchases. The card cannot be used for internet purchases unless express permission is given by the Group Director Finance & Commercial.
- (c) All purchases made with the card must comply with procedural rules in the Constitution and must be made using suppliers from Havering's corporate contract list wherever the item involved is covered by such a list.
- (d) An employee authorised to use such a card should keep it safely and comply with the purchase card procedure manual. If it is lost, this should be reported immediately to the card issuer and the Council's purchasing card co-ordinator. On termination of employment, an employee must immediately surrender their card to the Council.

15 Orders for work, goods and services

- (a) Any procurement is governed by the Contract Procedure Rules, which set out the process and, dependent on the procurement process, the relevant financial limits. Any procurement must comply with the Contract Procedure Rules and any more detailed procedures laid down in the Procurement Framework.
- (b) Where a contract is designated as a corporate procurement contract, it must be used when the goods or services covered by it are purchased by any service.

- (c) Where arrangements have been made for supplies of goods and services to be obtained via the Council's e-business systems, these systems must be used for any relevant purchases made by services.
- (d) Official orders shall be in a form approved by the Group Director Finance & Commercial in consultation with the Assistant Chief Executive Legal & Democratic Services and are to be signed by employees authorised to do so by the appropriate Group Director or Head of Service/Assistant Chief Executive.
- (e) Subject to the provisions of any contract, official orders shall be issued for all work, goods or services to be supplied to the Council except for corporate purchasing card transactions, orders placed via the Council's e-business system (where these are system-generated), public utility supplies, periodical payments such as rent or business rates, petty cash purchases or such other exceptions as the Group Director Finance & Commercial may approve.
- (f) Each order shall conform to the directions of the Council with respect to corporate purchasing and the standardisation of supplies and materials. Each employee responsible for purchasing shall comply with guidance set out in the Procurement Framework.
- (g) Where orders for goods and services are placed via the Council's e-business systems, Group Directors or Heads of Service/Assistant Chief Executives will ensure that appropriate authorisation arrangements have been made for orders and receipts, in accordance with the requirements of the systems.
- (h) The Business Development Unit has responsibility for the Council's purchasing and is empowered to require services and individuals when notified in writing to adhere to any arrangements made, including those relating to standardisation and the Procurement Framework.
- (i) A copy of each order must be retained in accordance with the guidelines on retention of documents by the unit concerned and must be available for inspection by the Group Director Finance & Commercial, or his or her nominated representative (normally internal audit), if required.

16 Payment of accounts

- (a) The Council's preferred method of payment is via the corporate purchasing card. For other payments, money due from the Council for the payment of accounts will normally be paid by BACS or a cheque drawn on the Council's bank account. All such payments must be via FIS. Payments cannot be made in advance without the express written permission of the Group Director Finance & Commercial.

- (b) Group Directors/Assistant Chief Executives are responsible for payments originating from their services. They must ensure that there are secure systems in place so that:
 - (i) only officers approved by them can initiate or certify payments
 - (ii) those officers are appropriately trained
 - (iii) there are effective financial controls including separation of duties and this should be evidenced on the certification slip
 - (iv) VAT is calculated, recorded and treated appropriately in all cases
- (c) All payments must be supported by an invoice or properly completed and authorised payment request. Inaccurate, unclear or incomplete invoices are not valid, and should be returned to the supplier.
- (d) Payments must be certified by a responsible officer before being passed for processing. Certifying officers must make adequate checks to satisfy themselves that the payment is being made in accordance with the Financial Framework.
- (e) Invoices which are subject to Value Added Tax must not be amended in any circumstances and the supplier should be requested to submit a supplementary VAT invoice wherever an amendment is required.
- (f) Payment must be made promptly and in good time to take account of any settlement discounts. Invoices should be paid in accordance with the terms agreed with the supplier, or within 30 days of receipt.
- (g) Payments made in respect of goods and services ordered via the e-business system will be made electronically and will be authorised as part of the ordering and receipting process.
- (h) Each Group Director or Head of Service/Assistant Chief Executive shall, as soon as possible after 31 March, and not later than a date to be determined by the Group Director Finance & Commercial, each year notify the Group Director Finance & Commercial of all expenditure incurred, but not paid, for goods and services received by 31 March, relating to the previous financial year which exceeds an amount to be determined from time to time by the Group Director Finance & Commercial.

17 Petty cash, change floats and other imprest accounts

- (a) All imprest accounts required for the purpose of meeting petty cash and other expenses must be approved by the Group Director Finance & Commercial, who is entitled, at any time, to inspect all details and vouchers relating to them.
- (b) All bank accounts for use as part of an imprest account must be authorised in writing by the Group Director Finance & Commercial. The title of the bank account must begin with the words "London Borough of Havering" and the account should not be allowed to

become overdrawn, or in the event that this occurs, this should be remedied as soon as it comes to the attention of a member of staff.

- (c) Expenditure from an imprest account should be limited to minor items only and must not exceed the limit for a single transaction, which is set by the Group Director Finance & Commercial. This may only be varied if there are special circumstances which have been given the prior approval of the Group Director Finance & Commercial. All expenditure must be evidenced by an appropriate receipt or voucher.
- (d) An employee responsible for an imprest account must return a certificate in the form approved by the Group Director Finance & Commercial setting out the state of the account, when required.
- (e) When an employee leaves the Council or otherwise ceases to be responsible for the imprest, the responsible Head of Service/Assistant Chief Executives or line manager should ensure that the imprest amount is accounted for, reconciled and transferred on to another responsible employee.

18 Contracts of buildings, construction or engineering works

- (a) For contracts of construction and alterations to buildings and for civil engineering works, Group Directors/Assistant Chief Executives shall have in place and document adequate systems and procedures in relation to financial aspects, including certification of interim and final payments, checking, recording and authorising payments, the system for monitoring and controlling capital schemes and the procedures for validation of subcontractors' tax status.
- (b) Group Directors/Assistant Chief Executives will ensure that all such systems and procedures are in compliance with these Financial Procedure Rules and the Financial Framework, and shall seek approval from the Group Director Finance & Commercial for any exceptions from them.

19 Salaries, wages and pensions

- (a) The payment of all salaries, wages, pensions, compensation and other emoluments to all employees or former employees of the Council shall be made under the direction of the Assistant Chief Executive Human Resources in consultation with the Group Director Finance & Commercial.
- (b) Each Group Director and Head of Service/Assistant Chief Executives shall notify the Group Director Finance & Commercial as soon as possible and in the form approved by him or her, of all matters affecting the payment of such emoluments, and in particular:
 - (i) appointments, resignations, dismissals, suspensions, secondments and transfers
 - (ii) absences from duty for sickness or other reason, apart from approved leave

- (iii) changes in remuneration, other than normal increments and pay awards and agreements of general application
 - (iv) information necessary to maintain records of service for superannuation, income tax, national insurance and similar records.
- (c) Appointments can only be made in accordance with current Council policies and approvals for posts, grades and pay rates.
- (d) All time records or other pay documents shall be in a form prescribed or approved by the Group Director Finance & Commercial and the Assistant Chief Executive Human Resources, and shall be certified in manuscript by or on behalf of the appropriate Head of Service/Assistant Chief Executives or cost centre manager.
- (e) The names of employees authorised to sign such records shall be sent to the Group Director Finance & Commercial and the Assistant Chief Executive Human Resources by each Head of Service/Assistant Chief Executive or Group Director, together with specimen signatures and revised forms will be required whenever changes in personnel or duties occur.
- (f) Group Directors and Heads of Service/Assistant Chief Executives will undertake an annual review of their signatory lists and notify any amendments to the Group Director Finance & Commercial.

20 Travelling and subsistence

- (a) All claims for car allowance and travelling and subsistence expenses must be made to the Group Director Finance & Commercial on the standard form designed for that purpose, certified by an employee authorised to do so. Such claims must not be reimbursed through petty cash, but through the payroll system.
- (b) Expenses claims must be submitted within three months of incurring expenditure. Employees are expected to take reasonable steps to minimise costs when spending Council funds.
- (c) The certification by the authorising employee means that he or she is satisfied that journeys were made for proper Council business, the expenses were properly and necessarily incurred, and that the allowances are properly payable by the Council. Subsistence claims must be supported by receipts.
- (d) Travel loan applications (for car or season ticket loans) must be made to the Group Director or Head of Service/Assistant Chief Executives (where delegated). The certification by the authorising employee means that he or she is satisfied that the applicant is eligible for an immediate loan, that the loan does not exceed the applicable maximum level and that the applicant is financially capable of repaying

the loan. All loan applications must be supported by the necessary documentation.

- (e) Payments to members, including co-opted members of committees, who are entitled to claim travelling or other allowances, shall be made by the Group Director Finance & Commercial upon receipt of the prescribed form duly completed.

All claims must be supported by receipts and submitted by 30 April in respect of the financial year ending on the preceding 31 March.

21 Taxation

- (a) The Group Director Finance & Commercial shall maintain and make available up to date guidance on the proper treatment and accounting for VAT and shall ensure that the net VAT payments are fully and promptly recovered from HM Revenue & Customs. The Group Director Finance & Commercial shall prepare and implement a timetable for the preparation and submission of VAT claims
- (b) Group Directors/Assistant Chief Executives shall comply with the timetable and associated procedures for VAT claims. They shall also ensure that the VAT implications of fees and charges levied by the Council, all purchasing transactions and any consideration of alternative means of service provision are properly considered and recorded after due consultation with the Group Director Finance & Commercial.

Income

22 Income

- (a) The Group Director Finance & Commercial shall approve in writing all procedures for the collection of monies due to the Council regardless of the services within which they are collected.
- (b) Each Group Director/Assistant Chief Executive is responsible for establishing appropriate and secure arrangements for ensuring that the income receivable, in his or her services, is promptly identified, billed and collected; either by staff in the service area or through the corporate debtor system/service. All income and VAT must be correctly accounted for.
- (c) Systems and processes for identifying, billing and collecting income must always receive approval from the Group Director Finance & Commercial. Similarly receipts, tickets and any other items designated by the Group Director Finance & Commercial as controlled stationery, must be in a form which he or she has approved.
- (d) The Group Director Finance & Commercial shall be notified promptly of all money due to the Council and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money by the Council. The Group Director Finance & Commercial

shall have the right to inspect any documents or other evidence in this connection as he or she may decide.

- (e) All banking must be made using pre-printed giros showing the establishment's unique banking reference. All money received by an employee on behalf of the Council shall without delay be paid to the Group Director Finance & Commercial or, as he or she may direct, to the Council's banking accounts or transmitted directly to any other body or person entitled thereto. No deduction may be made from such money.
- (f) Each Group Director/Assistant Chief Executive should ensure that checks are undertaken to ensure that all monies paid into the Council's banking accounts are received by the bank and are credited to the correct FIS code. Any discrepancies should be investigated as soon as they have been identified.
- (g) Personal cheques shall not be cashed out of money held on behalf of the Council.
- (h) Every transfer of official money from one member of staff to another shall be evidenced in the records of the service concerned by the signature of the receiving, which shall be accompanied by a statement of the date of the transfer.
- (i) The level of fees and charges should be kept regularly under review by the appropriate Group Directors and their Heads of Service/Assistant Chief Executives. Any changes to fees and charges should be notified to members as soon as practicable for their approval. As a minimum, charges should be reviewed at least annually to coincide with the approval of the revenue budget and the Council's fees and charges publication, which is on the Council's Intranet and Internet sites.

23 Write off of irrecoverable debts

- (a) Group Directors/Assistant Chief Executives shall ensure that every effort is made to recover debts due to the Council using the corporate debtor system/service as appropriate. No material arrangement should be made to any procedures for billing or recovery of monies due to the Council without prior consultation and agreement with the Group Director Finance & Commercial.
- (b) Group Directors/Assistant Chief Executives must seek the approval of the Group Director Finance & Commercial for all debts to be written off, except where authority has been delegated to them, and must keep a record of all sums written off up to the approved limit.
- (c) Where authority to approve write-offs is delegated to Group Directors/Assistant Chief Executives, the same principles contained within these Financial Procedure Rules must be applied.
- (d) Write off of debts can only be approved by the Group Director Finance & Commercial. He or she may approve write offs within the following approved limits; the higher of:

- (i) the individual debt is £50,000 or less, or
 - (ii) the overall level of service debt being requested for write off exceeds a cumulative £250,000 or 1% of the annual service debt in any financial year;
- or
- (iii) the debts arise as a result of an insolvency

The definition of service and individual debt to be as defined by the Group Director Finance & Commercial.

- (e) The Group Director Finance & Commercial must obtain a Cabinet Member Protocol from the Leader and the Cabinet Member Resources for the write-off of all other debts.
- (f) Write offs can only be approved where it can be demonstrated that all cost effective efforts have been made to recover the debt and the appropriate procedures for recovering debt have been followed.

Safeguarding and controlling assets

24 Security

- (a) Group Directors and their Head of Service/Assistant Chief Executives are responsible for ensuring the security of buildings, stocks, stores, furniture, equipment, cash and any other assets under their control. They should also ensure that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place. The Group Director of the service involved and the Group Director Finance & Commercial must be informed on any concerns over the security of assets.
- (b) Maximum limits for cash holdings shall be agreed by the relevant Head of Service/Assistant Chief Executives with the Group Director Finance & Commercial and shall not be exceeded without the express written permission of the Group Director Finance & Commercial.
- (c) Keys to safes and similar receptacles are normally to be carried on the person of those responsible. Keys must not be left in the vicinity of the secured area. The loss of any such keys must be reported to both the appropriate Head of Service/Assistant Chief Executives and the Group Director Finance & Commercial forthwith.
- (d) Every employee who is party to confidential information, in whatever form, unless legally obliged to do so, shall not disclose that information to any other person unless he or she is duly authorised to do so by his or her Group Director or Head of Service/Assistant Chief Executive.

- (e) All Group Directors/Assistant Chief Executives and Heads of Service shall be responsible for ensuring that proper arrangements are in place for compliance with data protection legislation. This includes maintaining proper security and privacy as regards information held in the computer installations for which they are responsible.
- (f) All Council employees and elected Members who have access to, or use any Council information, communication or computer equipment, will comply with the Council's Business Systems Policy.
- (g) All staff access to the Council's networked computer applications is controlled by the use of a personal identifier and a unique password known only to the user.

Staff are responsible for access to systems via their identifier and will be held accountable for any abuse or misuse of systems attributed to their personal password.

Passwords are unique to each member of staff and must be kept secure. Staff should never share or reveal individual passwords with other members of staff.

If staff have any suspicion that their password may be known to others then they must change it immediately.

25 Land & property

- (a) The Group Director Finance & Commercial will ensure that all land and properties owned by the Council are recorded in a properly maintained terrier, in a form that he or she determines to be appropriate.
- (b) The Assistant Chief Executive Legal & Democratic Services shall have overall responsibility for the custody and security of all title deeds.
- (c) Group Directors/Assistant Chief Executives must inform the Group Director Finance & Commercial and the Assistant Chief Executive Legal & Democratic Services if they propose that the Council should acquire, lease or dispose of land and properties by lease or freehold.

26 Stocks, stores and equipment

- (a) Each Group Director and Head of Service/Assistant Chief Executives shall be responsible for the care and custody of any stocks, stores and equipment held by his or her services, and shall ensure that appropriate records on those assets are properly maintained. Stocks should normally only be held at a reasonable level that would be needed to maintain the anticipated workflow.
- (b) Group Directors are responsible for ensuring that the unit and service areas within their services maintain adequate inventories of equipment with an individual value exceeding £250 or where the equipment is liable to theft in the prescribed corporate format. Each inventory must

be checked at least annually and appropriate action taken in respect of surpluses or deficiencies. The inventory must be promptly updated.

- (b) Surplus and obsolete stocks and equipment with an estimated value of less than £5,000 can only be disposed of in consultation with the Business Development Manager. The decision as to whether an item is surplus or obsolete should be made by the Group Director or Head of Service/Assistant Chief Executive concerned.
- (c) Surplus and obsolete stocks and equipment with an estimated value of more than £5,000, either individually or in total, must be disposed of by competitive tender or auction. Appropriate advice should be sought initially from the Business Development Manager before starting this process.
- (d) The exception to the above is IT equipment, where any disposal must be undertaken in consultation with the Head of Business Systems.
- (e) Council property must only be removed or used in the normal course of Council business, except for occasions such as disposal of surplus or obsolete items. Council property shall not be used for anything other than Council business without the prior approval of Group Directors/Assistant Chief Executives.

27 Administration of Private Funds

- (a) Private Funds are defined as financial assets held in an official capacity by Council officers on behalf of third parties such as trust funds, voluntary grant aided funds or receivership accounts. Where private funds exist in connection with Council activities, the appropriate Head of Service and the Group Finance Manger must be informed. Appropriate procedures need to be in place to manage such a fund.
- (b) The administration of these funds must comply with the remainder of these Financial Procedure Rules, the Financial Framework and any associated procedures. Accountancy records should be maintained to a standard so as to achieve an unqualified audit, and relevant year end treatment applied. The Head of Financial Services will determine any additional requirements that may be necessary.
- (c) Group Directors/Assistant Chief Executives shall ensure that finance and legal advice is sought to ensure that legal issues are considered and tax responsibilities defined. A comprehensive risk appraisal must be carried out prior to entering into any form of private fund arrangement.

Amendments to the Contract Procedure Rules

Paragraph 22(a)	Delete the existing fourth bullet point and replace with: Where total expenditure is forecast to exceed the contract sum by £25,000 or 10% which ever is the lower and the scheme is a capital scheme, the Head of Service must make arrangements for additional approvals to be sought prior to making any expenditure commitment. This process is detailed in the Financial Framework. For revenue contracts, such approval should be through the relevant procedural form with a virement undertaken if the cost cannot be met from the existing revenue budget.
Paragraph 22(b)	Amend the second bullet point to: It can either be met from existing budget provisions or, if additional funding is required, that authority for the increased budget is obtained first <u>in accordance with the procedures set out in paragraph 22(a) above</u>
Paragraph 24(a)	Delete the words “the Financial Procedure Rules and” so it reads: The appointment of consultants is a contract for services and is therefore covered by these rules as well as subject to the Procurement Framework
Paragraph 24(b)	Amend to read: Consultants may be appointed only if the appropriate Group Director is satisfied that the tasks required cannot be carried out adequately in-house – for example, due to lack of internal resources or expertise, specialist knowledge, independences or urgency. <u>Former employees must not be considered for use as consultants.</u>



COUNCIL

8

19 MARCH 2008

REPORT OF THE CHIEF EXECUTIVE

DATES OF COUNCIL MEETINGS, 2008/09 AND BEYOND

- 1.1 In accordance with the Constitution, meetings of the Council are fixed by the Council itself.
- 1.2 It has been the practice that dates for the whole of the next Municipal Year are agreed in the March of each municipal year with dates for the balance of the remainder of the following calendar year being agreed on a provisional basis for the purposes of the Council Diary.
- 1.3 It is proposed that the pattern of meetings for the coming year continues to follow past practice, which would mean dates of the Council would be as follows (all Wednesdays) –

	2008 (already shown in the current diary as provisional)
23	July
22	October
10	December

	2009
4	February
25	February (Council tax Setting)
25	March
20	May (Annual Meeting)
22	July (provisional)
21	October (provisional)
9	December (provisional)

- 1.4 The meetings shall begin at the time agreed by the Council or by the Mayor, or at 7.30pm if no other time is agreed.

Other meetings

- 2.1 In accordance with the Constitution, the Manager of Committee and Overview & Scrutiny Support is preparing the schedule of meetings for the coming year on the basis that, so far as possible and practicable:
- (i) Area Committees shall meet quarterly, in July, October, January and April
 - (ii) The Regulatory Services Committee shall meet every three weeks (except around the Christmas/New Year period)
 - (iii) The Audit, Governance, Investment and Standards Committees and the Overview & Scrutiny Committees shall generally meet once during each period between ordinary Council meetings
 - (iv) Meetings will only be arranged for Monday or Friday evenings in exceptional circumstances (currently, only two Area Committee meetings are so scheduled, both for Mondays, one in January and the other in February, at the time the budget is under consideration).

There are no identified, direct **financial, legal, Human Resources or equalities implications and risks** associated with selection of these dates.

RECOMMENDATION

That the Council fixes the date of its meetings for the Municipal Year 2008/09 and, on a provisional basis, the balance of 2009.

Staff Contact: Ian Buckmaster, Manager of Committee and Overview & Scrutiny Support
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CHERYL COPPELL
Chief Executive

Background Papers

None.



COUNCIL
19 MARCH 2008

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REPORT OF THE CHIEF EXECUTIVE

SUBJECT: MEMBERS' ALLOWANCES

SUMMARY

The Council is obliged to make a scheme annually, before the 1st of April each year.

This report proposes no changes and that the existing scheme effectively continues and is adopted as the new scheme for 2008. In establishing the scheme which has operated within the Council, regard has been given to the report of the Independent Remuneration Panel of London Councils' and the allowances in the scheme have been set within their bands of recommendations.

RECOMMENDATION

It is recommended:

1. That the Members' Allowances scheme becomes effective from 1st April 2008, and the existing scheme be revoked with effect from the same date.
2. That, subject to the decision of Members with regard to recommendation 1, the total number of SRAs may exceed the recommended 50% and, in the event of exceeding the 50% level, Council endorse the justification set out in the report.

REPORT DETAIL

1. BACKGROUND INFORMATION – THE CURRENT SCHEME

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 provides that a Local Authority shall make a scheme in accordance with these Regulations in respect of each year. Regulation 10 provides that such a scheme shall be made before the beginning of each year commencing on 1st

April. Such a scheme may be amended during the year, but only revoked with effect from the beginning of a year.

In establishing the Members' Allowances scheme which has operated within the Council, regard has been given to the report of the (then) ALG (now London Councils') Independent Remuneration Panel on Members' allowances, and the allowances in the Havering scheme have been set within their bands of recommendations.

1.2 The scheme implemented from 1st April 2007 was as follows:

Category of Allowance	Amount Per Member £
Basic Allowance	9,964
Special Responsibility Allowances:	
Leader of the Council	51,191
Deputy Leader of the Administration	35,705
Cabinet members	32,705
Leader of Principal Opposition	18,000
Deputy Leader of Principal Opposition	3,825
Leader of Minority Opposition	2,227
Mayor	14,418
Deputy Mayor	7,650
Area Committee Chairmen	4,260
Overview and Scrutiny Committees Chairmen	14,418
Licensing and Regulatory Services Committee Chairmen	20,430
Audit, Pension, Governance, Appointments, Adjudication and Review Committee Chairmen	7,650

Note:

In accordance with paragraph 4(c) of the Members' Allowance scheme, when a Councillor would otherwise be entitled to more than one special responsibility allowance, then the entitlement shall be to only one, that being the one attracting the higher rate.

1.3 **Basic Allowance**

Each Member of the Council currently receives a Basic Allowance of £9,964. This will be increased for inflation for 2008/09 in line with the annual Local Government Pay Settlement of the Joint Negotiating Committee for Chief Officers of Local Authorities or its replacement in accordance with the scheme once the level of increase is agreed.

If the Councillor becomes entitled to any allowance during the year, he/she is entitled to the relevant proportion of that allowance as set out in the Constitution.

The basic allowance covers all intra-Borough travel costs and subsistence.

Where a Member is suspended or partially suspended from his responsibilities or duties as a Member of the Authority in accordance with Part III of the Local Government Act 2000, or Regulations made under that part, the part of basic allowance payable to him in respect of the period for which he is suspended or partially suspended could be withheld by the Council by decree of the Standards Committee.

1.4 Special Responsibility Allowance

- 1.4.1 When a Councillor would otherwise be entitled to more than one special responsibility allowance, then the entitlement shall be to only one, that being the one attracting the higher rate.

This means that the maximum number of Members to receive SRAs on the existing allocation of responsibility would be 70%. The Independent Panel holds the view that there should be a clear limit (50%) on the overall proportion receiving an SRA. However, given the political make up of the Council, in the past i.e. no overall control, the number of members receiving SRAs was not considered to be unreasonable.

Where a Member is suspended or partially suspended from his responsibilities or duties as a Member of the Authority in accordance with Part III of the Local Government Act 2000, or Regulations made under that part, the part of Special Responsibility allowance payable to him in respect of the period for which he/she is suspended or partially suspended could be withheld by the Authority on the decision of the Standards Committee.

The Scheme provides that only basic allowances will be increased from 1st April in line with the annual Local Government Pay Settlement of the Joint Negotiating Committee for Chief Officers of Local Authorities or its replacement.

- 1.4.2 The Panel does recommend that only a maximum of 50% SRA should be paid, the scheme assuming single occupancy provides for 40 SRA's as compared to 54 Councillors (74%). This far exceeds the recommended level of 50% and the previous justification of political makeup i.e. a traditionally no overall control Council is no longer applicable. Whilst there may be some reduction in this proportion where a Member has two positions and can only receive a single SRA, this is unlikely to change the proportion so it is in line with the panel recommendation. The Council in the past have justified this in view of:

- (a) The number of Committees, particularly Overview and Scrutiny and Area Committees, which exist to promote community engagement and

accountability.

- (b) The creation of Opposition Spokesmen at Overview and Scrutiny Committees to promote challenge, develop roles and improve effectiveness.
- (c) SRAs are being set at the minimum level recommended by the Panel, unless the SRAs are already higher with the potential extra costs to the maximum levels actually being used to fund the SRAs over and above the 50% level.

1.4.3 The Mayor and Deputy Mayor allowance covers the cost of all Mayoral activities such as clothing and personal expenses plus sundry expenses including items such as attendance at dinners and raffle tickets, sponsorship and donations. The Mayor and Deputy Mayor are responsible for all such payments via the SRA which will be taxed. The Council meet the cost of the Mayor's "At Home" and other Havering Civic receptions, award pins and certificates at the civic award ceremony; the medals, certificates and frames in the event of there being any ceremony associated with Honorary Alderman/Freeman of the Borough awards, gifts given on behalf of the Council in reciprocation or gifts initiated by the Council for promotional purposes, the cost of maintaining and provisioning the beverage machine in the Parlour, postage costs and all costs associated with the Mayoral transport, robes etc.

1.5 Dependent Carers Allowance

Any costs arising from being a Dependent Carer should be met by the Basic Allowance.

1.6 Travelling and Subsistence Allowance

Subject to the conditions set out below, the Travelling and Subsistence Allowances are only payable for official Council business outside the Borough.

Travel and subsistence arrangements for key events, e.g. Town Twinning will be set in line with the above. However, taking account of the practicalities of arrangements, these will be set out and documented by the Group Director, Finance and Commercial prior to each event and be agreed with the Cabinet Member for Resources.

The rules and entitlements for reimbursement of travel expenses outside of the Borough are the same for Officers, Members and co-opted Members and, hence, are currently as follows:

1.6.1 Public Transport

The rate for travel by public transport shall not exceed the amount of the ordinary (second class) fare or any available cheap fare.

1.6.2 **Private Motor Vehicle**

The current rates for travel in a Member's own private motor vehicle, or one belonging to a member of their family or otherwise used by the Member based on casual user rates of up to 8,500 miles per annum are:

Cylinder capacity up to 999cc 40.5p per mile
Cylinder capacity over 1,000cc 44.2p per mile

1.6.3 **Taxi/Mini-cabs**

The rates for travel by taxi or mini-cab shall not exceed:

- In cases of urgency or where no public transport is reasonably available the amount of the actual fare and any reasonable gratuity paid.
- In any other case, the amount of the fare which would have been paid for travel by appropriate public transport.

1.7 **Subsistence Allowance**

Under the Building a Healthy Organisation, a change agreed for subsistence is "to limit the entitlement to claims for meals under the subsistence allowance arrangement for staff undertaking duties away from their normal place of work to where those duties entail an overnight stay or working outside normal office hours".

In respect of these subsistence allowances, the amounts payable shall not exceed the following rates, other than normal inflationary increases agreed as part of pay settlements:

Breakfast Allowance – More than 4 hours away from normal place of residence before 11 a.m.	£4.48
Lunch Allowance – More than 4 hours away from normal place of Residence including lunchtime between 12.00 and 14.00 hours.	£6.17
Tea Allowance - More than 4 hours away from normal place of residence including the period 15.00 to 18.00 hours.	£2.43
Evening Meal Allowance – More than 4 hours away from normal place of residence after 19.00 hours.	£7.64

Overnight absence for the purpose of attendance at an annual conference (with or without an annual meeting) e.g. the Local Government Association or such other association of bodies as the Secretary of State may, from time to time, approve or other Professional Institute Bodies	The full cost of accommodation as arranged and agreed by the Council and the reasonable cost of meals taken at the place of
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	accommodation (where provision for meals is available).
Other overnight absence which arises from Council business will be based on the Officer rate as detailed here. If, however, in a particular case, accommodation cannot be found then other arrangements will be approved by the Group Director Finance and Commercial prior to booking and be in line with the above.	£50.97

Allowances are payable on the basis of expenditure incurred and Members will be reimbursed actual expenditure incurred up to a maximum of the rates set out above. Receipts must be submitted to support claims for subsistence allowance and travel costs.

1.8 Co-Optees' Allowance

In respect of Statutory Co-optees:

- (a) Reimbursement is based on £117 per meeting with the exception of the Independent Chairman of the Standards Committee whose rate should be £240 per meeting.
- (b) Reimbursing all travel costs whether within or outside the Borough but not paying subsistence.

1.9 Pensions

These are not available.

1.10 Election to Forgo Allowances

A person may, by notice in writing given to the proper officer of the authority, elect to forgo his/her entitlement or any part of his/her entitlement to allowances.

1.11 Claims and Payments

A time limit of three months exists for Havering in line with the rules for Officers for the making of claims.

1.12 Other Requirements of a Scheme

There are a number of other requirements of a scheme and Havering complies with these by:

- Maintaining the scheme subject to any amendments agreed.

- Publishing the scheme once approved or amended in a newspaper in the area and for copies to be available for inspection by the public.
- Providing that if the Council amends the scheme mid year to change the amount of any allowance, a Councillor entitled to that allowance will receive the allowance at the new level from the date the amendment takes effect.
- Ensuring a further scheme is in place before any revocation of the scheme takes place.
- Including the scheme provision to ensure that where a member is also a member of another authority, that member may not receive allowances from more than one authority in respect of the same duties.
- Maintaining records of allowances and payments made and publishing these annually.

Financial Implications and Risks:

The cost of the existing scheme on the basis of single occupancy of SRA positions is £1,231k. The cost on the basis of the existing occupancy is £1,137k.

These figures all exclude any inflation increase as this has yet to be agreed. The budgetary provision is sufficient. Any fluctuations in year are met by or drawn into the central contingency.

Human Resource Implications and Risks:

None arising directly. Travel, subsistence and allowance increases are in line with those of Officers.

Legal Implications and Risks:

The 2003 Regulations provide for an allowance scheme to be made each year prior to and with effect from 1st April and the revocation of a scheme with effect from the same date. It is permissible to amend the scheme during a year but not to make a new scheme other than at 1st April.

The Regulations set out various detailed requirements in respect of:

- publicity
- categories of special responsibility allowances
- basic allowances being the same for all members
- co-optees' allowances, etc.

In addition the Regulations provide that an Independent Remuneration Panel's report shall as soon as reasonably practicable after it is received, be made available for public inspection and the main features of the report be published in one or more newspapers circulating in its area.

Council, 19 March 2008

Regulation 19 provides that before a local authority makes or amends a scheme, the authority shall have regard to the recommendations made to it by an independent remuneration panel. This does not mean that a local authority has to adopt only those recommendations but it does mean that if an authority is going to depart from those recommendations it should objectively justify those departures and the rationale for them so that if the decision making of the authority is called in to challenge there are both reasoned and reasonable grounds for its decision taking into account all the material factors in issue.

Payments for greater than 50% of Special Responsibility Allowances might be justified as set out in paragraph 1.4.2.

**Staff Contact: Rita Greenwood Title: Group Director
Finance & Commercial**

Telephone: 01708 432218

**CHERYL COPPELL
Chief Executive**

Background Papers

The Remuneration of Councillors in London: 2006 Review.

Members' Allowances Scheme

Agreed at the meeting of the Council on 19 March 2008. The new Scheme is agreed with effect from 1st April 2008 and the revocation of the Members' Allowance Scheme (2007) is effective from 1st April 2008.

The Council of the London Borough of Havering in exercise of the powers conferred by the Local Authorities (Members Allowances) (England) Regulations 2003 hereby makes the following scheme:

- 1 This scheme may be cited as the Havering London Borough Council Members' Allowance Scheme. The new scheme shall have effect from 1st April 2008.
- 2 In this scheme, "councillor" means a councillor of the London Borough of Havering and "year" means the period ending on 31st March 2009 and any period of 12 months ending on 31st March in any year after 2009.
- 3 **Basic allowance (Schedule 1)**

Subject to paragraphs 7 and 12, for each year a basic allowance of £9,964 shall be paid to each councillor.
- 4 **Special responsibility allowance (Schedule 1)**
 - (a) For each year a special responsibility allowance shall be paid to those councillors who hold the special responsibilities in relation to the Council that are specified in schedule 1 to this scheme.
 - (b) Subject to paragraph 7, the amount of each such allowance shall be the amount specified against that special responsibility in that schedule.
 - (c) When a councillor would otherwise be entitled under the scheme to more than one special responsibility allowance, then the entitlement shall instead be only to one of them, being the one attracting the higher rate.
 - (d) Where a member is also a Member of another Authority, that Member may not receive allowances from more than one Authority in respect of the same duties.
- 5 **Child and dependent care allowance**

These expenses are expected to be met from the Basic Allowance.
- 6 **Renunciation**

A councillor may by notice in writing given to the Group Director Finance and Commercial elect to forego any part of his/her entitlement to an allowance under this scheme.
- 7 **Part-year entitlements**
 - (a) The provisions of this paragraph shall have effect to regulate the entitlements of a councillor to basic and special responsibility where, in the course of a year, this scheme is amended or that councillor becomes, or ceases to be, a councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.

- (b) If an amendment to this scheme changes the amount to which a councillor is entitled by way of a basic allowance or a special responsibility allowance, then in relation to each of the periods:
 - (i) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, or
 - (ii) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year.

The entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year.

- (c) Where the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor to a basic allowance shall be to the payment of such part of the basic allowance as bears to the whole the same proportion as the number of days during which his/her terms of office subsists bears to the number of days in that year.
- (d) Where this scheme is amended as mentioned in paragraph 7(b), and the term of office of a councillor does not subsist throughout the period mentioned in paragraph 7(b)(i), the entitlement of any such councillor to a basic allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that paragraph) as bears to the whole the same proportion as the number of days during which his/her term of office as a councillor subsists bears to the number of days in that period.
- (e) Where a councillor has during part of, but not throughout, a year such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he or she has such special responsibilities bears to the number of days in that year.
- (f) Where this scheme is amended as mentioned in paragraph 7(b), and a councillor has during part, but does not have throughout the whole, of any period mentioned in paragraph 7(b)(i) of that paragraph any such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.

8 Travelling and Subsistence (Schedule 2)

- (a) Members can claim travelling expenses for travelling outside of the Borough on official Council business as set out in Schedule 2.
- (b) Members can claim subsistence expenses on official Council business when outside of the Borough as set out in schedule 2.

9 Claims and payments

- (a) Payments shall be made in respect of basic and special responsibility allowances, subject to paragraph 8(b), in instalments of one-twelfth of the amount specified in this scheme on the last working day of each month.
- (b) Where a payment of one-twelfth of the amount specified in this scheme in respect of a basic allowance or a special responsibility allowance would result in the councillor

receiving more than the amount to which, by virtue of paragraph 7, he or she is entitled, then payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he or she is entitled.

- (c) Payments in respect of Travel and Subsistence shall be made to the Councillor on receipt of a claim form with supporting receipts/vouchers. Claims must be made within three months of the claim arising.

10 Pension Scheme

No Member in the scheme is entitled to apply for inclusion in the Pension Scheme.

11 Financial Limits

The Group Director Finance and Commercial will arrange for the budget for members Allowances to be monitored to ensure that budgetary issues are reported to Members.

12 Increases in Allowances

Basic Allowances as quoted will be updated for 2008/09 by the % increase as agreed under the annual Local Government Pay Settlement of the Joint Negotiating Committee for Chief Officers of Local Authorities or its replacement under the local pay agreement. The amounts so calculated are to be rounded up to be divisible for payment purposes.

The Travelling and Subsistence allowances will be increased in line with the increase in Officer rates.

13 Suspension of Basic and Special Responsibility Allowance

Where a Member is suspended or partially suspended from his responsibilities or duties as a Member of the Authority in accordance with Part III of the Local Government Act 2000, or Regulations made under that part, the part of Basic and Special Responsibility allowance payable to him in respect of the period for which he is suspended or partially suspended may be withheld by the Authority if the Standards Committee so determines.

14 Mayor and Deputy

The Mayor and Deputy mayor allowance covers the cost of all Mayoral activities such as clothing and personal expenses plus sundry expenses including items such as attendance at dinners and raffle tickets, sponsorship and donations. The Mayor and Deputy Mayor will be responsible for all such payments via the SRA, which will be taxed. The Council will meet the cost of the Mayor's "At Home" and other Havering Civic receptions, award pins and certificates at the civic award ceremony; the medals, certificates and frames in the event of there being any ceremony associated with Honorary Alderman/Freeman of the Borough awards, gifts given on behalf of the Council in reciprocation or gifts initiated by the Council for promotional purposes, the cost of maintaining and provisioning the beverage machine in the Parlour, postage costs and all costs associated with the Mayoral transport, robes etc.

15 Co-Optees Allowances

The standard rate of allowance for statutory co-optees is £117 per meeting attended except for the Independent chair of the Standards Committee where the rate will be £240 per meeting.

Co-optees will be reimbursed for all travel costs in accordance with the above, whether the travel is within or outside the Borough, but co-optees should not be paid subsistence.

16 Note

- (a) The Council is required to keep a record of the payments made by it in accordance with this scheme.

Council, 19 March 2008

- (b) The record is required to be available for inspection at all reasonable times free of charge by any local government elector for the borough who may make a copy of any part of it.
- (c) The Council is also required to arrange publication of the total sums paid in each year to each member in respect of basic and special responsibility allowances.
- (d) The Council is required to arrange publication of the Scheme when approved.

Schedule 1: Members' allowances

Category of Allowance	Amount Per Member £
Basic Allowance	9,964
Special Responsibility Allowances:	
Leader of the Council	51,191
Deputy Leader of the Administration	35,705
Cabinet members	32,705
Leader of Principal Opposition	18,000
Leader of Minority Opposition	2,227
Deputy Leader of Principal Opposition	3,825
Mayor	14,418
Deputy Mayor	7,650
Area Committees Chairmen	4,260
Overview and Scrutiny Committees Chairmen	14,418
Licensing and Regulatory Services Committee Chairmen	20,430
Audit, Pension, Governance, Appointments, Adjudication and Review Committee Chairmen	7,650

Schedule 2: Travel and Subsistence

Travelling expenses can only be claimed for travel outside of the borough on official Council business. The rules and entitlements for reimbursement of travel outside the Borough are the same as those for Officers

Subsistence allowances are only payable for official Council business outside the Borough where the duties entail an overnight stay or working outside 'normal office hours'. Members will be reimbursed actual expenditure incurred up to the maximum of the rates set for Officers

Allowances are payable on the basis of expenditure incurred and receipts must be submitted to support claims for subsistence allowances and travel costs

Travel and subsistence arrangements for key events, e.g. Town Twinning will be set in line with the above. However, taking account of the practicalities of arrangements, these will be set out and documented by the Group Director Finance and Commercial, prior to each event and be agreed with the Cabinet for Resources.



COUNCIL

19 MARCH 2008

10

QUESTIONS

- 1 **Removal of street trees**
To the Cabinet Member for StreetCare (Councillor Barry Tebbutt)
By Councillor Clarence Barrett

How many street trees have been removed in each of the last three years?

- 2 **Fly tipping - enforcement**
To the Cabinet Member for StreetCare (Councillor Barry Tebbutt)
By Councillor Clarence Barrett

In each of the last three years, what is?

- a) Number of fly tips reported
- b) Number and value of fixed penalty notices issued
- c) Collection rate of fixed penalty notices issued
- d) Number of related prosecutions

- 3 **Brookway playsite – fencing repair**
To the Cabinet Member for Environmental & Technical Services (Councillor Paul Rochford)
By Councillor Jeffrey Tucker

In order to prevent an accident, could this Council please assist by re-erecting the fencing between Brookway Playsite and the road, without any further delay?

Council Meeting, 19 March 2008 – Questions

- 4 **Minority Opposition Groups - size**
To the Leader of the Council (Councillor Michael White)
By Councillor Jeffrey Tucker

In the draft agenda of the Council Meeting of 19th March 2008, page 2 states 'Group Leaders of minority opposition parties are only paid when they have a political group of six or more members' - is that correct?

- 5 **Minority Opposition Groups – references in Members' Allowances Scheme**
To the Leader of the Council (Councillor Michael White)
By Councillor Jeffrey Tucker

In the draft agenda of the Council Meeting dated 19th March, 2008, there is no mention of the leader of the principal minority opposition. Is that correct?

- 6 **Members' Allowances: London Scheme**
To the Leader of the Council (Councillor Michael White)
By Councillor Jeffrey Tucker

Did this Council adopt the London Allowance scheme in full on 21st March 2007, when the Leader stated that we will be all in or all out? Is that still the case and are there any exceptions?

- 7 **CCTV car: issuing of parking tickets**
To the Cabinet Member for StreetCare (Councillor Barry Tebbutt)
By Councillor Andrew Mann

Can you tell me the amount of parking tickets the Council's CCTV Smart Car has issued since it started operating last year?

- 8 **CCTV car: issuing of parking tickets around schools**
To the Cabinet Member for StreetCare (Councillor Barry Tebbutt)
By Councillor Andrew Mann

Can you tell me how many tickets the CCTV Car has issued to vehicles parked around schools, with a breakdown of the top twenty across the Borough.

Council Meeting, 19 March 2008 – Questions

9 **School uniform grants: Bower Park School**
To the Cabinet Member for Children's Services (Councillor Geoff Starns)

By Councillor Andrew Mann

How many uniform grants were issued to pupils of Bower Park school in the following years ?

04/05

05/06

06/07

07/08 (to date)

Also, how many grants were issued in total across the Borough in the above years (to date in 07/08)

10 **Large Coach Fleet: cessation of provision**
To the Cabinet Member for StreetCare (Councillor Barry Tebbutt)

By Councillor Andrew Mann

Can you please explain the reasons why you have decided to cease provision of the Large Coach Fleet.

Council Meeting, 19 March 2008 – Questions



COUNCIL

19 March 2008

SUPPLEMENTARY AGENDA

9 MEMBERS' ALLOWANCES

A Amendment to Members' Allowances Scheme by the Residents' Group

That the Members' Allowances Scheme be amended as shown in the table attached.

[Note: see table overleaf]

10 MEMBERS' QUESTIONS

A Please note that question 10 (Large Coach Fleet: cessation of provision) is directed to **Councillor Steven Kelly, Cabinet Member for Sustainable Communities & Health**, and not as printed.

B **Additional questions** – please see item 10 Supplementary attached.

PROPOSED MEMBERS ALLOWANCES 2008/09

	Proposed by Administration £	Proposed by RA £
Area Ctte Chairs	4,260	4,260
Appointments, Governance, Audit, Pensions, Adjudication and Review	7,650	7,650
OVS Chairman	14,418	10,000
Leader Principal Opposition	18,000	18,000
Deputy Leader Principal Opposition	3,825	3,825
Leader Minority Opposition	2,227	2,227
Licensing, Reg. Services Chairman	20,430	20,430
Cabinet Members	32,705	25,500
Deputy Leader	35,705	32,000
Leader	51,191	46,500
Mayor	14,418	14,418
Deputy Mayor	7,650	7,650
Basic Allowance	9,964	9,964



COUNCIL
19 MARCH 2008

10
SUPPLEMENTARY

**ADDITIONAL
QUESTIONS**

NOTE: the Mayor has accepted the following two questions as urgent, in accordance with her powers under Council Procedure Rule 10.2(ii).

- 11 **Inappropriate and insulting references to Members
To the Cabinet Member for Performance & Corporate (Councillor
Eric Munday)**
By Councillor Robert Benham

Does the Cabinet Member for Communications believe it was wise, productive and non-political for the Leader of the Principle Opposition Party to reply to the Angry of Havering website, when those behind the website have called Havering Councillors inappropriate and insulting names, used pictures without permission of owners, have no names or addresses of who it is from, allowed defamatory allegations and bad language relating to current and past Councillors of this Borough to be published on the forum page and to dress-up a fellow Councillor as a Highwayman?

- 12 **Comments about officers and Administration policy
To the Cabinet Member for Performance & Corporate (Councillor
Eric Munday)**
By Councillor Robert Benham

Can the Cabinet Member for Communications comment on the Leader of the alleged non-political Principal Opposition Party's letter (as published on Angry of Havering Website) which suggested that Havering Council officers and Council staff are "***careering around Havering like Bounty Hunters***" and inferring that it is this Administration's policy to "***target easy victims***" instead of those breaking the law?

Council Meeting, 19 March 2008 – Questions