CABINET

7.30 p.m.          Wednesday          Council Chamber
                  16 June 2010          Town Hall

Members 10: Quorum 5

Present:
Councillor Michael White (Leader of the Council), Chairman
Councillor Steven Kelly (Deputy Leader)
Councillor Michael Armstrong
Councillor Andrew Curtin
Councillor Lesley Kelly
Councillor Robert Benham
Councillor Roger Ramsey
Councillor Paul Rochford
Councillor Geoffrey Starns
Councillor Barry Tebbutt

Cabinet Member responsibility:

Individuals
Transformation
Towns & Communities, with special responsibility for Culture
Housing
Community Empowerment
Value
Children & Learning
Community Safety
Environment

For information about the meeting please contact:
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Please note that this meeting will be webcast. Members of the public who do not wish to appear in the webcast will be able to sit in the balcony, which is not in camera range.
AGENDA

1 ANNOUNCEMENTS

On behalf of the Chairman, there will be an announcement about the arrangements in case of fire or other events that might require the meeting room or building’s evacuation.

2 APOLOGIES FOR ABSENCE (if any) - receive.

3 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.

4 MINUTES

To approve as a correct record the minutes of the meeting held on 14 April 2010, and to authorise the Chairman to sign them.

5 REFORM OF COUNCIL HOUSING FINANCE

6 PROPOSAL TO MAKE THE LONDON BOROUGH OF HAVERING (MARDYKE ESTATE PHASE 3) COMPULSORY PURCHASE ORDER 2010 AND THE LONDON BOROUGH OF HAVERING (MARDYKE ESTATE PHASE 4) COMPULSORY PURCHASE ORDER 2010.

7 RAINHAM VILLAGE PRIMARY AND HEALTH CENTRE COLLOCATION PROJECT

Philip Heady
Democratic Services Manager
Present:
Councillor Michael White, Leader of the Council, in the Chair

Cabinet Member responsibility:

- Councillor Steven Kelly (Deputy Leader): Social Care & Learning
- Councillor Mike Armstrong: Housing, Public Protection & Regeneration
- Councillor Andrew Curtin: Culture & Communities
- Councillor Peter Gardner: Corporate Services
- Councillor Eric Munday: Finance & Commerce
- Councillor Paul Rochford: Skills & Young People
- Councillor Geoffrey Starns: Education & Children’s Services
- Councillor Barry Tebbutt: StreetCare & Customer Services

Councillors Clarence Barrett, Keith Darvill, Gillian Ford, Linda Hawthorn, Linda Vanden Hende and Keith Wells also attended.

Three members of the public and a representative of the press were also present.

The decisions were agreed with no vote against.

104 MINUTES

The minutes of the meeting held on 17 March 2010 were agreed as a correct record and signed by the Chairman.

105 REPORT OF THE ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE - STRAY DOGS TOPIC GROUP

Councillor Peter Gardner, Cabinet Member for Corporate Services, introduced the report.

In April 2009, the Environment Overview & Scrutiny Committee had approved the establishment of a Topic Group to scrutinise the Stray Dogs Service.
The Topic Group’s report was now submitted for consideration. The conclusions and recommendations of the Topic Group are set to in Appendix 1 to these minutes.

**Reasons for the decision:**

The report of the Stray Dogs Topic Group had been referred to Cabinet for consideration.

**Other options considered:**

No alternative had been considered.

Cabinet accepted the Environment Overview and Scrutiny Committee’s recommendations.

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106 **REPORT OF CULTURE AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE – LIVING AMBITIONS TOPIC GROUP**

*Councillor Steven Kelly, Cabinet Member for Social Care & Learning, introduced the report.*

At its meeting in May 2009, the Culture and Regeneration Overview and Scrutiny Committee had established a topic group to scrutinise the Living Ambitions section of the Havering Sustainability Community Strategy.

The Topic Group’s report was now submitted for consideration. The conclusions and recommendations of the Topic Group are set to in Appendix 2 to these minutes.

**Reasons for the decision:**

The report of the Living Ambitions Topic Group had been referred to Cabinet for consideration.

**Other options considered:**

No alternative had been considered.

Cabinet accepted the Culture and Regeneration Overview and Scrutiny Committee’s recommendations.

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107 **REPORT OF THE HOUSING OVERVIEW AND SCRUTINY COMMITTEE – DOWNSIZING PROPERTY TOPIC GROUP**

*Councillor Michael Armstrong, Cabinet Member for Housing, Regeneration & Public Protection, introduced the report.*

In June 2009, the Committee had set up a Topic Group to review the under occupation of Council housing in Havering and the benefits of encouraging tenants to downsize to a smaller property.
The Topic Group’s report was now submitted for consideration. The conclusions and recommendations of the Topic Group are set to in Appendix 3 to these minutes.

**Reasons for the decision:**

The report of the Downsizing Property Topic Group had been referred to Cabinet for consideration.

**Other options considered:**

No alternative had been considered.

The Cabinet Member reported that, while the majority of the Topic Group’s recommendations should be accepted, its recommendation 7 – about the application of the Decent Homes standards – would be impracticable in some cases and could thus be accepted in principle but that it could not be guaranteed that it would be applied in every case.

**Cabinet:**

1. Endorsed the recommendations of the Topic Group, with the exception of recommendation 7 (bringing re-let homes up to Decent Homes standard where necessary within a specific timescale)

2. In relation to recommendation 7, accepted the principle of bringing re-let homes up to Decent Homes standard where necessary within a specific timescale, but could not guarantee that it would be practicable to do that in every case
Cabinet endorsement of the recommendations of the Topic Group

REPORT OF THE CHILDREN’S SERVICES OVERVIEW AND SCRUTINY COMMITTEE – SPEECH & LANGUAGE THERAPY TOPIC GROUP

Councillor Geoff Starns, Cabinet Member for Education & Children’s Services, introduced the report.

In April 2009, the Children’s Overview and Scrutiny Committee had selected Havering’s Speech and Language Therapy service as a topic for scrutiny.

The Topic Group’s report was now submitted for consideration. The conclusions and recommendations of the Topic Group are set to in Appendix 5 to these minutes.

Reasons for the decision:

The report of the Speech and Language Therapy Topic Group had been referred to Cabinet for consideration.

Other options considered:

No alternative had been considered.

Cabinet endorsement of the recommendations of the Topic Group

DRAPERS’ ACADEMY: APPOINTMENT OF PREFERRED BIDDER

Councillor Geoff Starns, Cabinet Member for Education & Children’s Services, introduced the report.

This report set out the results of the design competition between two bidders, Kier and Willmott Dixon, for the design and build contract for the Drapers’ Academy. A preferred bidder was now identified and approval sought for early works to be commenced at risk and for sign off of the full business case to be delegated to Group Director Finance and Commerce, in consultation with the Cabinet Member.

Reasons for the decision:

This decision was necessary to progress the project, approved in principle at previous Cabinet meetings, to its next stage, requiring approval to apply funding to permit an Early Works Order to procure a sub-station, so reducing the amount of time and costs needed for hire of generators.

Other options considered:

At this stage in the project, no other options were considered as all alternatives would increase costs to the Council and threaten the ability of the Academy to open on time.
Cabinet agreed:

1. To appoint Kier as the preferred bidder for the design and build contract to build the new Academy within the fixed budget of £24,084,104, comprising works totalling £23,899,851 that are within the Funding Allocation Model (FAM) and additional works to extend the kitchen, costing £184,253.

2. To approve the early works to commence at risk prior to the full Business Case sign off.

3. To delegate to the Group Director, Finance & Commerce in consultation with the Cabinet Member, Finance & Commerce authority to agree the best approach around the way forward in respect of VAT and to sign off the full Business Case.

4. To permit the option to batch the design and build contract for Pyrgo Primary with the Academy project, whilst noting that a full report identifying costs and funding sources would be presented as appropriate prior to any contractual commitment.

TO SEEK APPROVAL TO PUBLISH A STATUTORY NOTICE TO CHANGE THE AGE RANGE OF DYCORTS SCHOOL FROM 4 -16 YEARS TO 4 - 19 YEARS, AND TO INCREASE CAPACITY IN THE FORM OF ADDITIONAL POST-16 PROVISION

Councillor Geoff Starns, Cabinet Member for Education & Children’s Services, introduced the report.

Members were advised of the outcome of the pre-statutory consultation on the proposal to change the age range of Dycorts School from 4 -16 years to 4 - 19 years, and to increase capacity in the form of additional Post-16 provision, consistent with the Council’s borough-wide policy for inclusive special needs.

The pre-statutory consultation period had run from mid-January to mid-February 2010: details of the outcome of the consultation were now reported.

Reasons for the decision:

This decision was necessary in order to comply with section 19 of the Education and Inspections Act 2006 and associated Regulations.

Other options considered:

Not applicable as this is a statutory procedure.

Cabinet:

1. Noted the responses received from the pre-statutory consultation for Dycorts during the period 18 January to the 19 February 2010.
2 Agreed to publish a Statutory Notice proposing to change the age range of Dycorts School from 4-16 years to 4-19 years, and to increase capacity in the form of additional Post-16 provision in accordance with Section 19 of the Education & Inspections Act 2006.

112 ADMINISTRATION PRIORITIES – INCREASE PLACES TO GO AND THINGS TO DO FOR YOUNG PEOPLE

Councillor Michael White, Leader of the Council, introduced the report.

The report highlighted the extensive and exciting range of increased youth opportunities undertaken by Havering Council as a direct result of the financial revenue investment of £200,000 for Integrated Youth Services and £100,000 for young people’s cultural engagement (delivered in partnership with LBH Culture and Leisure Services), the aim of which had been to increase levels of youth work and youth arts work with the new injection of funding to “Increase Places to Go and Things To Do” for young people in Havering.

The report also referred to a number of other key related initiatives within the remit, scope and work of Integrated Youth Services. There had been a number of positive outcomes with young people engaged against the priority objective on youth and performance against national indicators.

The provision and promotion of these new positive activities for young people was playing an important role in building a modern culture of respect, helping to re-engage disaffected young people and provide wider activities for all.

Reasons for the decision:

To inform Members of the increased work on the places to go and things to do agenda in fulfilling the authority’s statutory obligations and to ensure that Members are made aware of the statutory obligations and necessity to continue this work.

Other options considered:

Provide all activities through commissioned work with the voluntary youth sector. This would secure an increase in places to go and things to do but capacity within the sector is not sufficient to sustain and or develop the work. Work on sustainability is progressing with the voluntary youth sector.

Not providing more youth activities. This was not an option for the Administration. Youth is a priority within the Council’s priorities.

Cabinet noted the improved outcomes for young people as result of the revised funding for youth services.
113 EXCLUSION OF THE PUBLIC

Cabinet decided on the motion of the Chairman that the public should be excluded from the remainder of the meeting on the ground that it was likely that, in view of the nature of the business to be transacted, if members of the public were present there would be disclosure to them of exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972 and it was not in the public interest to publish the information.

114 PRE-TENDER REPORT FOR OFFICE FURNITURE CONTRACTS

Councillor Eric Munday, Cabinet Member for Finance & Commerce, introduced the report.

Approval was sought of the tendering and procurement process for office furniture on behalf of Havering and the members of the London Contract and Supplies Group (LCSG) to deliver new contracts from 1 July 2011. The current contracts had been awarded in July 2007 for a period of four years.

Havering would manage the contracts remotely on behalf of the LCSG, investing no more than ten working days per annum I doing so.

Each participating LCSG member would manage their own requirements independently, purchasing items against their own criteria and managing their contractual relationship locally.

Reasons for the decision:

To ensure compliance with the Council's Procurement Framework and establish a process to deliver office furniture contracts for four years from 1 June 2011.

Other options considered:

Not re-tender the contract and to leave each Council to enter into individual contracts with suppliers, would have a significant impact on costs.

For service users to source their own equipment in the wider marketplace would enable less reputable companies in this market to sell to Havering and/or the LCSG. There are a number of companies that frequently approach Councils to provide office furniture but past experiences had shown that the true cost of sourcing furniture that way was more expensive than a corporate contract.

There was no contractual opportunity to extend the existing contracts.

Cabinet authorised officers to carry out an office furniture tendering and procurement process on behalf of Havering and members of the LCSG based on the information, procedures and processes detailed in the report submitted.
Councillor Eric Munday, Cabinet Member for Finance & Commerce, introduced the report.

The report sought approval to embark on a photocopier tendering and procurement process on behalf of Havering and the members of the LCSG to deliver new contracts from 1 July 2011. The current contracts had been awarded in July 2007 for a period of four years.

Havering would manage the contracts remotely on behalf of the LCSG. It was anticipated that Havering would need to invest no more than five working days per annum managing the Contract. Each participating LCSG member would manage their own requirements independently, purchasing items against their own criteria and managing their contractual relationship locally.

Reasons for the decision:

To ensure compliance with the Council’s Procurement Framework and to establish a process to deliver photocopier contracts for four years from 1 June 2011.

Other options considered:

For service users to source their own equipment in the wider marketplace would enable less reputable companies in this market to sell to Havering and/or the LCSG. There are a number of companies that frequently approach Councils to provide photocopiers but past experiences had shown that the true cost of sourcing equipment that way was more expensive than a corporate contract.

There was no contractual opportunity to extend the existing contracts.

Cabinet authorised officers to carry out a photocopier tendering and procurement process on behalf of Havering and members of the LCSG based on the information, procedures and processes detailed in the report submitted.
APPENDIX 1  
(Minute 105)

REPORT OF THE ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE - STRAY DOGS TOPIC GROUP

Findings and Recommendations

3.0 FINDINGS

3.1 The Overview and Scrutiny Topic Group were given details at the outset of the review of the number of stray dogs reported and those found, together with those that are reclaimed and those that go to the kennels. The group found that whilst weekends and bank holidays were always busy, the majority of calls were made during the weekday core hours (9:00 to 21:59). All calls for stray dogs go through to the Council's call centre during business hours, and to Royal Jubilee Court out of hours. Details are taken and passed onto the current contractor (Gemini). Gemini provides a 24 hours service in dealing with stray dogs.

3.2 The Topic Group met with the Dog Warden who is the owner of Gemini, to find out any issues that he had with the service, and to find out exactly what he provides.

Role of the Dog Warden

3.3 It was explained that Gemini will only collect the dog from the person who has reported it found. The dog must be contained, as the current contract does not state that they will look for stray dogs wandering the streets. The Dog Warden explained that once he receives details from either the Call Centre or Royal Jubilee Court, he then contacts the finder. He is contracted to attend within 4 hours unless an agreement is made with the finder. He usually attends within 2 hours dependent on the situation; this gives time for the owner to come forward and reduces the cost for the Council and the owner. However if the dog is distressed then he would use his discretion and can attend within 30 minutes.

3.4 Gemini is on a rolling month extension with a notice period of 3 months from either side. The clients are charged a statutory fee of £25 which has to be paid when the dog is collected plus a collection fee depending on the day and time of the collections. i.e. weekend or Bank Holidays. The kennelling is £11 a day which the Council pays for the first 7 days, after which the dog is the responsibility of the contractor who will then try to rehome.

3.5 It was explained that the current Dog Warden lives at Wickford, outside of the M25, therefore Havering are unable to use Battersea dogs home. The group found that Gemini have their own kennels and after the 7 days will take on the dog and try to re-home it where possible. Gemini carries out thorough home and personal checks before re-homing a dog. The Dog Warden stated that where possible they get the whole family to visit the kennels so they can see how they all behave around the dog and then check their homes including the cleanliness. The Dog Warden stated that their main priority was the dog’s welfare.
3.6 The Dog Warden explained that the minority of dogs are chipped. If a dog is chipped, once a dog is collected and taken back to the kennels, it is scanned. The number from the microchip is taken and checked with PET ID. PET ID is part of the National Missing Pets Register, where owners details can be kept in the event that their pet goes missing. If the dog has a microchip, then contact is made with the owner. If no contact can be made, PET ID are informed that the dog is now registered with Gemini Kennels. The Dog Warden stated that few people actually keep the PET ID information up to date.

3.7 The Dog Warden explained that Pit-bull types are classified as Dangerous Dogs, under the Dangerous Dogs Act. These dogs have to be micro chipped; they should also be harnessed and muzzled and on a lead at all times when outside. The Metropolitan Police are the only ones authorised to seize dogs and where necessary, arrange court appearances of the owners. They can enforce that the dog is micro chipped, tattooed, neutered, muzzled, harnessed and on a lead at all times.

**Dangerous Dogs**

3.8 The Group was informed that the current Dog Warden has had training to be able to positively identify dogs that are not Dangerous Dogs. If a suspected dangerous dog is identified, the Dog Warden will take the dog to the kennels. If however the owner comes forward whilst the Dog Warden is on the scene, he would contact the Dangerous Dogs Unit. The Dog Warden would secure the dog in his vehicle until the Dog Unit arrive; this is on the grounds of public safety. The Group was informed that a Dangerous Dog cannot be re-homed. If the owner does not come forward in the statutory 7 days, the dog is destroyed on the 8th day. If the owner does come forward, the dog cannot be released as it has been identified as a Pit Bull type. Gemini would contact the Police and they would send a Dog Liaison Officer (DLO) to remove the dog.

3.9 The Group was informed that Gemini has Public Liability Insurance up to £50,000,000. This includes Care and Custody up to £10,000, Animal in Transit up to £2,000 and their vehicle is also secured for transportation.

3.10 The Dog Warden stated that they receive requests from Homes in Havering in order to identify suspected pit bull type dogs. The group learned that often tenants do not register the dogs at their properties. It was felt that the tenancy agreement should include details that if any pet was kept at a Homes in Havering property that it should be chipped and registered to that address.

3.11 The Group also met with the Dog Liaison Officer from the Metropolitan Police to share his views on the service in Havering, and incidents of Dangerous Dogs.

3.12 The Group was informed that the definition of a dangerous dog is defined as a dog which puts a person in fear of injury. This does not apply to a dog attacking another dog as the police consider this to be a natural act, and a civil matter.

3.13 Where a dangerous dog is identified it is common practice for 2 dog handlers to attend. The DLO explained that response times to members of the public would be different to those to the Dog Warden, since the Dog Warden is able
to identify if a dog is a dangerous breed. If a member of the public contacted the Police because they had seen a dangerous dog in a public area, a normal Police Officer would attend within 12 minutes. If the Police Officer agrees that the dog is dangerous he would then call for a Dog Handler. There are however only 6-8 units available during the day and only 2 over the weekends and at night. This covers the whole metropolitan police area, so response times would differ.

3.14 The Group was informed that if the Police Dog Handler does attend and the dog is identified as dangerous then the Firearms officers would be instructed to attend and they would shoot the dog. The response time for Firearms officer is up to 30 minutes.

Other issues

3.15 The Group was informed that Romford Police Station do receive a number of stray dogs especially over the weekend. The Duty Officer will inform the finder that they need to contact the Council’s out of hours telephone number, but some station officers will take the dog in. The Police Station no longer has the facilities to keep the dogs, and do not keep food and supplies for dogs.

3.16 The Group discussed in detail the introduction of a discount scheme or concessions for those on benefits or for the elderly. This would be to assist with the paying of the fees and charges associated with stray dogs. Following advice the officers, it was decided that this would not be advertised, but would be offered to those owners that came forward and could prove that they could not afford the fees and charges.

4.0 RECOMMENDATIONS

4.1 That the relevant Cabinet Member liaises with the Police Borough Commander, to improve the working relationships between the Dog Warden and Police and also outline the protocol and practices of the Dog Wardens 24 hour service.

4.2 That an explanation be given to all Out of Hours staff about the protocol and practices of the Dog Warden.

4.3 An article in “Living in Havering” be produced about the Re-homing Services of Gemini and the work of the Dog Trust

4.4 That the Re-homing Services of Gemini be promoted at the Havering Show.

4.6 Better promotion of who to contact if residents find a stray dog, both within and out side of office hours.

4.7 That the service promotes better education about the responsibility of care for dog owners.

4.8 An article to be put in the Homes in Havering Tenant’s Newsletter about the responsibility of care of pets.

4.9 That payment by instalments of the stray dog fees be allowed for owners in financial hardship.
APPENDIX 2
(Minute 106)

REPORT OF THE CULTURE & REGENERATION OVERVIEW AND SCRUTINY COMMITTEE – LIVING AMBITIONS TOPIC GROUP

Findings and Recommendations

3.0 FINDINGS

3.1 At the outset, the Topic Group looked through the Havering Sustainable Community Strategy and found that culture ran throughout the document. Members decided that they should focus on two areas; Learning and Individuals.

3.2 The Topic Group met with the Head of Policy and Partnerships who informed the group that he was essentially the owner of the Sustainable Community Strategy.

3.3 Members were given the background to the Sustainable Community Strategy. They were informed that it set the vision for the borough, and provided residents with details of how the borough is moving forward with the different aspects. The plan is written in clear language and captures the details of the Local Area Agreement.

Learning

3.4 The Topic Group met with the Principal of Havering College of Further and Higher Education. He explained that Government funding had shifted so that the emphasis was now on education and training, and not on the recreational programme which included subjects such as Yoga or Pottery.

3.5 The Topic Group were given a number of different items setting out information on training available and undertaken. These were set out under specific headings and were broken down by age groups (19-24 and 25+). The types of training available included Response to Redundancy, Train to Gain, NEET (Not in Education, Employment or Training), together with Work Based learning and Higher Education.

3.6 The Principal informed the group that if there was unlimited funding, he would like to provide more recreational programmes. He added that he felt this would break down the isolation and reduces loneliness and Mental Health issues among students. The Group felt that, notwithstanding those comments, colleges ought to be encouraged to make more recreational and leisure activities available.

3.7 The Topic Group was informed that there is evidence that many adults do not want to do examinations. A provider needs students to take the qualification examination; otherwise it is recorded as a failure, and is also shown in the Ofsted inspections as a failing against the college. The Group considered that those adults attending qualification courses but not sitting an examination ought not to be categorised as a “failure”.

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Individuals

3.8 The Topic Group met with the Head of Culture and Leisure and the Cultural Policy and Project Officer to discuss how cultural facilities are made available to vulnerable groups in Havering, through Libraries, Parks and Arts.

3.9 The Topic Group was informed that the service classified those as “vulnerable” groups or individuals who have additional needs and who tend to experience poorer outcomes. Vulnerability can be expressed across a range of factors, including Age, Health, Ethnicity, Geography and Economic factors.

3.10 Members were informed of the culture and leisure services which are for the whole community. The Service aims to ensure that all the services available are accessible to as broad a range of people as possible.

3.11 The Topic Group looked at all aspects of culture and leisure service including Health and Sports Development, Parks and Heritage, Arts and Libraries. They found that there were lots of activities available across the range of users. Activities include:

- the running of exercise classes and activity sessions for all ages including 50 plus sessions at Hornchurch Leisure Centre three days a week, and a programme for 5-11 year olds;
- all of the borough’s parks are open to all during regular daytime hours throughout the year;
- The majority of the 21 highest quality green spaces include routes accessible to wheelchair users;
- The Having Museum is set to open in early 2010 and will offer a range of community activities for all age groups;
- Fairkytes Arts Centre delivers arts events and activities from pre-school age to older people aged 50+. On average 600 children and 800 adults use the centre every month
- Through the youth arts scheme the team work in partnership with Add-Up (Association for Young People with Attention Deficit Disorder) running dance workshops and summer scheme activities;
- The Queen’s Theatre is fully accessible to visitors and includes reserved disabled seating, disabled facilities, signed performances and lifts to ensure access to the lower level bar.

3.12 The Topic Group discussed the activities that were currently available to the community. They agreed that while there were a number of activities available across the range of users, there were a few gaps. The group discussed different options/activities which could help to capture other groups. The suggestion of opening the art competitions to all age groups was discussed and it was agreed that the establishment of a Culture and Leisure Disability Forum to engage new groups in community based activities would be beneficial.

3.13 The Topic Group were informed that most of the branch libraries provided access to pc and the internet for the public to use. The group discussed how this facility could be made available to the whole community and in particular users with sight problems.

3.14 The Topic Group discussed at length the uses of halls throughout the borough, and whether these could be utilised for smaller community based activities. They found that there were a number of halls, including large community halls,
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church halls, school halls and halls owned by Homes in Havering. Members felt that it would be useful to have one list of all halls available which could be marketed together and, further, that reducing minimum letting periods might be helpful. This would help to utilise the small halls in the communities.

3.15 The Topic Group were informed that a review of fees and charges was carried out a number of years ago, however, if all the halls are amalgamated onto one list then a further review would be necessary. This single source of information could improve marketing and take up.

3.16 The Topic Group was informed that the top 26 principal parks in the Borough had access paths and officers were working to bring the others up to the same standard. Members asked if there were any plans to include a further Sensory Garden, as the borough currently only had one, located at Harrow Lodge Park. Members stated that the current Sensory Garden was well used although it would be beneficial if there could be another one elsewhere in the Borough. Officers informed the group that new planting in the parks would include more visual planting to attract more wildlife.

4.0 RECOMMENDATIONS

4.1 That local colleges be encouraged to make available more recreational and leisure activities.

4.2 That the Committee endorses the view of the Topic Group that students who undertake a course and fail to sit the final examination should be classed as unclassified rather than a fail for the purposes of statistical information.

4.3 That pro-active hiring of halls for shorter periods be introduced to encourage small community groups to carry out activities i.e. Yoga/ Dance/ Pottery.

4.4 A definitive list of all halls available throughout the borough to be compiled, including church halls, library space, school halls, and Homes in Havering owned halls.

4.5 Measures be taken to improve the marketing of all halls as listed above.

4.6 Review of fees and charges for halls be carried out to encourage more community based activities.

4.7 The provision of larger computer screens in libraries be considered for people with sight problems.

4.8 The relevant officers to consider the feasibility of opening art competitions to all age groups

4.9 A Culture and Leisure Disability Forum be set up to engage new groups in community based activities.

4.10 Opportunities for an additional Sensory Garden in the Borough be investigated.
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APPENDIX 3
(Minute 107)

REPORT OF THE HOUSING OVERVIEW AND SCRUTINY COMMITTEE –
DOWNSIZING PROPERTY TOPIC GROUP

Findings and Recommendations

3. FINDINGS

3.1 The current situation in Havering – Housing officers informed the group that numbers on the housing register waiting for a home, had risen, in the last five years, from 2,500 to in excess of 9,000. This meant that an increasing emphasis was being placed on identifying under occupying households i.e. those with a larger property than they needed, and encouraging them to downsize. The Council runs a Downsizing Incentive Scheme to encourage this by offering a cash incentive to tenants to move to a smaller property as well as providing further financial support for home improvements and moving costs. Between its launch in March 2009 and December 2009, 14 Havering households had been helped under the scheme and it was hoped to increase this in the future. The review then looked at ways to encourage tenants to downsize and measures by which such moves could actually be facilitated.

Encouragement of tenants to downsize properties

3.2 Identification of Potential Downsizing Tenants – The group found that although some of the required information did exist on the Housing ANITE database, it had not been collated in such a way to specifically measure the potential demand for downsizing of properties. Although there was some joint working between the Council’s Housing and Council Tax departments, the group felt that this should be increased and strengthened in order that potential under-occupiers could be more accurately located and approached. Members heard that a further strategy adopted in Camden was to identify tenants with long-standing (in excess of 15 years) tenancies and contact these residents to see if they wished to now move to a smaller property.

3.3 Downsizing Publicity – The topic group noted with interest the publicity techniques employed by Camden to raise the profile of downsizing and the benefits that could accrue from this. This included the production of a DVD, viewed by the topic group, which listed possible reasons for downsizing as well as detailing the experiences of a downsizing resident and of a family moving into a larger home. Members felt that any publicity or marketing campaign should be carefully managed in order to avoid a rush of applicants for downsizing. Perhaps a useful first step would be to place an article on downsizing in Homes in Havering’s “At the Heart” magazine.

3.4 Downsizing Events – Members were advised that Camden had arranged a downsizing week in September 2009 which included a series of consultation events held on estates which, with larger properties, were likely to contain a significant proportion of residents who may be interested in downsizing. Partners and stakeholders such as NHS Camden and housing associations who worked with the Council were also present at the events and distributed information. The group felt that such events could be extremely effective and
that consideration should be given to organising a Downsizing Day or similar in Havering.

Providing more opportunities to move to the right-sized accommodation

3.5 Conversion of Larger Properties - The group discussed that there were Council properties, particularly in areas such as Harold Hill, that had very large bedrooms that could be converted into additional smaller bedrooms, hence increasing the stock of sought after properties with larger numbers of bedrooms. It was pointed out that any new bedrooms would still have to meet minimum size requirements but this could be done in certain circumstances. A further suggestion from the topic group was that any such conversion work could be carried out while the property was at void stage in order to save time.

3.6 Decent Homes Standard - The condition of properties for downsizing was also a concern of the group and it was felt that all properties involved in a downsizing move should be at the Decent Homes Standard.

3.7 Use of Mutual Exchange to Assist Downsizing – The existing Havering Downsizing Incentive Scheme did not include a mutual exchange facility. The topic group felt this could be a good way of facilitating downsizing and indeed of freeing up larger properties for families with children. It was noted that ground floor flats that were favoured by downsizing residents were often occupied by people with specific needs who may not wish to exchange for a larger property. It was agreed however that there may also be families occupying smaller accommodation of this type who may well wish to participate in an exchange. The topic group felt that mutual exchange should be more heavily promoted as a means of encouraging downsizing.

3.8 Use of Redundant Garage Sites - The topic group was made aware during discussions with officers of the Council’s strategy on the use of redundant garage sites and felt strongly that consideration should be given to building bungalows on these sites. This would improve the supply of smaller properties and hence encourage downsizing and the associated increase in availability of larger properties for families.

3.9 Joint Offers to Families - The officers from Camden explained that a common scenario was where adult children were living with parents and this could prevent the parents moving to a smaller property. In Camden, a joint offer could be made to both the parents (to downsize to a smaller property) and to the children (to move to accommodation of their own). Joint offers of this type were not routinely made in Havering, unless for example a person in the family had a disability. The topic group felt that Havering should have a specific policy on joint offers to parents and children. Perhaps children in this situation could be given Band B priority in order that they could move to a one bedroom flat.

4. RECOMMENDATIONS

Encouragement of tenants to downsize properties

1. That the Housing Service work more closely with Council Tax officers in order that tenants who are claiming single occupancy discount and may be interested in downsizing can be more clearly identified, subject to Data Protection requirements.
Cabinet, 14 April 2010

2. That the Council put in place a plan, with timeframes, to bring its database up to date with details of all persons living in a property.

3. That contact be made with Havering residents with longstanding Council tenancies in order to ascertain if they would be interested in downsizing.

4. That increased publicity be given to the benefits of downsizing, initially by the use of Homes in Havering’s “At the Heart” magazine.

5. That the Housing Service organise a downsizing day or event to supply information to people interested in downsizing. All potential housing providers should be invited to attend such as sheltered housing companies, Registered Social Landlords and Private Sector Leasing organisations.

Providing more opportunities to move to the right-sized accommodation

6. That, where appropriate, consideration be given to the conversion of properties by splitting larger bedrooms into two smaller bedrooms. This work to be done while the property is at void stage if possible.

7. That, where a person has agreed to move and that property does not meet the Decent Homes standard, the Council agree to bring it to such a level within a specified period of time.

8. That the mutual exchange system be promoted to residents as a means of encouraging downsizing.

9. That the relevant Cabinet Members consider the policy of building bungalows on redundant garage sites in Havering.

10. That a specific policy be developed on joint offers to parents and children to allow parents to downsize their property.
APPENDIX 4
(Minute 108)

REPORT OF THE ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE - OUT OF HOURS NOISE TOPIC GROUP

Findings and Recommendations

3.0 FINDINGS

Definition of Noise and Related Issues

3.1 The Overview and Scrutiny Topic Group were given a presentation at the outset of the review on what noise is and how the Council can help. The group were informed that there is no legal definition of what constitutes a noise nuisance but that case law had defined common law noise nuisance as:

“A noise which unreasonably interferes with an individual’s rights or enjoyment of their land or property.”

There are two types of common law noise nuisance, these are public and private. A public nuisance must affect a whole class of people or be so widespread and indiscriminate in its effects that it would be unreasonable to expect an individual to take action to stop it.

3.2 The topic group were informed how noise behaves and the reaction that people have to it. They also received details of the responsibility and powers held by the Council when dealing with noise nuisance.

3.3 The Topic Group agreed that the Noise Service was an important one for the Community and was only used by complainants who had persistent noise nuisance issues. Members were informed that noise nuisance can cause stress symptoms.

Process of Dealing with a Complaint

3.4 The Topic Group was informed of the process that is followed when a complaint of noise nuisance is received. Once a complaint is received, every attempt is made to visit if the noise is occurring at the time. If the noise occurs intermittently, however, the complainant is sent Noise Event Record Forms (‘log sheets’) and asked to record when the noise occurs and how it is effecting them. Once this evidence is received the officer can then assess the best time to witness the problem being complained about. If a nuisance is confirmed, the officers can then intervene and either visit or send a letter to the perpetrator. Before a notice can be served the investigating officer has to be satisfied that a nuisance exists. If log sheets are not received back after a 2 week period, the complainant is written to with a further set of log sheets asking that they be returned if they wish the Council to investigate the matter; if they are not received, the case is closed.

3.5 The Topic Group found that at present the only way for complainants to receive the log sheets is by phoning in with a complaint and then the log sheets being sent out in the post. The Group felt that this would be something that could be included when visiting the complainant. They also
agreed that the covering letter should be rewording so it was less formal, its was clear that unless log sheets are returned within 4 weeks the case would be closed and that the reference to high volumes of complaints is removed o that complainants felt their complain was valued.

3.6 The Topic Group was informed that officers should serve notices when it is safe to do so. They should also keep the complainant informed so they are aware of what is happening. A notice can be served by hand, or by affixing to the front door, or by sending by recorded delivery. Once a notice had been served, there would be follow up action where the notice required works to be carried out, for example, for commercial plant to reduce the noise. If a notice is not complied with, legal proceedings would be taken against the perpetrator. The group was informed that all complainants are contacted after a few weeks to ascertain whether the problem still existed.

Roles of Out of Hours Noise Officers

3.7 The Topic Group accompanied Out of Hours Noise Officers on visits to complaints about noise nuisance. Members were able to see how officers dealt with the problem first hand and were very impressed with the way they communicated with customers. They were able to witnesses new cases which arose on the night, as well as ongoing cases and were able to see the affect it had on the complainants.

3.8 The Topic Group was informed that the Noise Officers have diary sheets to keep a record of events. Details include the time the call is received, the time the officer called the complainant, the time of the visit and the time the officer arrived back at the office. The group was informed that when Noises Officers are in the office awaiting calls, they should utilise this time to update the Service database, and write up any notes. However, if there is a particularly busy night, the work can spill over into Monday. This then impinges quite heavily on the daily workload of the regular working week.

3.9 All officers have official notebooks where all the evidence is recorded for evidential purposes which are then securely stored when completed. Officers record their activities on the database, correlate this with the complaint details provided by Royal Jubilee Court or update existing case records as appropriate, and produce relevant correspondence.

3.10 During the review, the service piloted a new service, whereby out of hours noise service was provided Sunday night to Thursday night from 8pm to 1am, with Friday and Saturday nights from 10pm to 3am. This was a 2 month trial. This pilot was primarily to investigate a backlog of existing cases but also to deal with new ones that arose on the night. All existing complainants were made aware of the extended service and it was publicised on the Council’s website. However, given the resources available, this extended service could not be sustained.

3.11 The Topic Group discussed at length the workload of officers, and it was agreed that administrative support was beneficial to the service. This would free up time for the field officers to do visits with administration being done by a dedicated officer.
4.0 RECOMMENDATIONS

4.1 When filling a vacant post within Public Protection, look at the potential to utilise the post in the optimum way between Administrative Assistant and Field Officer (with the working times to be agreed by the Head of Service).

4.2 Noise officers to carry Noise Event Record Forms when carrying out visits and issue these where necessary.

4.3 Wording of the covering letter sent with the Noise Event Record Forms to be revised.

4.4 That the service automatically closes all cases where Noise Event Record Forms have not been received in 4 weeks, and complainants are informed that this will be the case.

4.5 IT options to assist officers on visits with recording case notes should be explored, including trialling digital pen technology.

4.6 That the Head of Public Protection and Chief Executive of Homes in Havering to explore and improve joint working practices in relation to Out of Hours Noise.

4.7 That funding is agreed for Police Community Support Officer/ Special to assist during the peak seasons.
Findings and Recommendations

FINDINGS

Introduction

1.1 In 2008 the Government published The Bercow Report, which highlighted the shortcomings and the required provision for children with speech, language and communication needs across the country. The report recommended partnership working between local authorities, the NHS and third sector organisations to effectively deliver the required service.

1.2 At its meeting in October 2008, the Children’s Services Overview and Scrutiny Committee received a report which highlighted that speech and language therapy services in the borough had long been the subject of complaints from parents and schools alike. The Committee heard that those children experiencing delays in their speech or language development were only able to receive limited assessments before entering onto a long waiting list.

1.4 Havering had experienced historical problems with the speech and language service and this had led to the Local Authority having appointed a dedicated advisory teacher for speech and language to assist schools unable to access the main service. The Committee were made aware that the service delivery was restricted by recruitment problems and high-staff-turnover.

Summary of Findings

2. The Current Provision

2.1 The Group met with Marie Gascoigne, an Independent Reviewer of Havering’s Speech and Language Therapy Service. She had been commissioned to review the service by Children’s Services to assess the overall quality of the provision offered within the borough.

2.2 Her report, which was in the process of being finalised and which awaited presentation to the Children’s Trust Board, highlighted numerous problems within the structure of the service. Historical problems within the service had led to recruitment problems characterised by high numbers of locums, this had led to Havering having obtained a negative reputation amongst speech and language professionals and had further exacerbated the existing recruitment difficulties. The service had advertised high-band positions instead of entry-level positions that would encourage new speech and language therapists and would create a better educational environment; further improving the quality provided.

2.3 The speech and language therapists employed by the PCT were highly capable and dedicated, but lacked leadership from a professional with
experience in strategic management of speech and language therapy services. The Performance Indicators (PIs) measuring the current service were inadequate, being unable to show the quality of care and patient support and only able to demonstrate quantitative factors. This fact was evidenced by the fact that Havering seemed to be under-reporting the numbers of children with speech and language needs, based on the demographic make-up of the area, its population and the national average. The PIs revealed that the assessment time for patients was very short; however, the time taken to receive follow up treatment was, in some cases, very long.

2.4 The Group met with Trevor Sim, Educational Psychologist and Liz Dunnett, an Advisory Teacher for Speech and Language, part of the Council’s Learning Support Team. The Council had established a team to meet the needs of SEN children with speech and language needs. The Special Educational Needs Code of Practice considered it important that the nature and extent of provision required for individual children was examined carefully. It considered that while in some cases children might need regular and continuing help from SLTs, for others it may be appropriate for staff at the child’s school to deliver a programme of intervention under the supervision of a SLT and for others a language programme that is an integral part of the whole school day would be more appropriate.

2.5 To provide this range of options the Local Authority had established that there was both a primary (Mead) and a secondary (Redden Court) school especially resourced to address language needs (at a cost of £271,278) and a specialist language team consisting of one advisory teacher and three specialist assistants and an administrative assistant (at a cost of £135,252). This funding came from the Dedicated Schools Grant and Area Based Grant; in addition some school clusters (e.g. Excellence in Cities) had also put separate budget into providing speech and language therapy.

2.6 The Group was informed that the Speech and Language Therapists were very helpful to the SL Team, but their limited scope to conduct visits and leave the clinic in which they were based was stifling the robustness with which they could conduct their duties. There was a new SALT resource centre, which had been granted SALT specialist status; this was Corbets Tey School.

2.7 There was a general concern that much support was being given and much resource was being allocated to the team, but that this was in isolation from the PCT. The Group was told that while there were some examples of good practice which used isolated working (such as Redbridge and Hackney) the situation in Havering needed rethinking and remodelling. The service was seen to be in a serious state of concern; with 4 young speech and language therapists with no clear direction. A Therapy Manager was running too many services including the SALT service, despite SALT not being their particular speciality.

2.8 The Group, on meeting with the Havering’s Speech and Language Therapy Team provided by ONEL CS, heard that the service was moving beyond the historic problems and that Havering was now a good place to work. The team explained that the caseloads were manageable providing that they were carefully selected. The caseloads were typically very large, but part of the job was about the ability to prioritise; these were based on guidelines by the
Royal College of Speech and Language Therapists and included a particular focus upon the 0-5 year old age group.

2.9 It was added that a new post was being recruited in due course to ease the caseload pressures, and there was a renewed drive to involve parents to both provide some support away from the service and to engage in more group-based activity. It was said to take at least 3 sessions for the therapist to build a rapport with any child, these sessions could typically be separated by many months, however, it was crucial to maintain continuity for the child; where this was not possible with the professionals it was hugely important to ensure that parents could continue the work of the therapist outside of sessions.

2.10 The Group asked the Therapists what else they needed or what resources would aid the more effective delivery of the service, the Therapists listed the following:

- Use of laptops was needed
- More rooms to treat children in and better assessment tools
- Access to NHS Trust system
- Move to computerised video system
- Improving the compatibility of the IT with other health services.

2.11 The Group visited Corbets Tey School, to see the Language Resource Centre. The Group heard how Corbets Tey had received specialist communication and interaction status, which had allowed it access to a Capital Build allocation of £100,000, with which it had built the Language Resource Centre; which it used as a centre of the Borough’s advisory teachers and it used to give access to materials, resources and therapists to all schools across the borough, on Thursday afternoon “drop-in sessions”. As part of its specialist status Corbets Tey also received £30,000 of grant funding for work internally with developing services for its pupils with communication needs, as well as £30,000 for external support to other schools and students in the Borough. From these funding streams; two speech and language assistants were employed at £18,000 each.

2.12 Those at Corbets Tey School had regular visits from the PCT-commissioned SALT team, but complaints from schools still occurred. This was largely down to the small number of the team and the demand on the provision. The School had managed to demonstrate good joint-working; playing to the relevant speech-based strengths of the Therapists (which was seen as the more clinical side of the discipline) and the more language-based strengths of the advisory teachers (seen as more educational). Despite much outreach work by the Language Resource Centre, some schools did not engage with the resources offered, which was a matter of some concern and the reasons as to why this was the case needed to be looked into.

2.13 The Group were impressed by the Verbal Behavioural Programme that was being run by Corbets Tey School and heard how the practitioners at Corbets Tey School had been advising other schools on verbal behaviour. Part of the programme had included a conference hosted by Corbets Tey School; the conference explained the strategies that could be used to design learning environments for those with verbal and communication difficulties. The staff at Corbets Tey School had been using verbal behavioural strategies for some time for those children with the more difficult behavioural needs. The Group felt that their expertise could be utilised to produce revenue for the Language
Resource Centre and could be rolled out across the borough to further drive-up standards.

Proposed Changes to the Service

2.14 From meeting with the relevant professionals involved in the delivery of the current provision, the Group was made fully aware of the view, shared by all organisations and practitioners that the service had improved, but that much more improvement was needed. This improvement needed to be fundamental and needed to incorporate changes to strategic management and there had to be improved operational coordination.

2.15 In reporting, the Group is aware that Marie Gascoigne’s report, due to be seen by the Children’s Trust Board (it had already been received by the Children’s Trust Executive) in the next few months, will make recommendations for radical changes to the service structure, which the Group would support. It is understood that these recommended changes will see a shift from two parallel services run separately by the Council and the PCT, towards an integrated service with a Children’s Trust Board member as the strategic lead; and with budgeting decisions to be taken by the Board, through access to a jointly-funded budget from the Dedicated Schools Grant and the PCT, but over which the Board will have responsibility and for which it will be accountable. The jointly-funded budget model would see the Council and the PCT retaining their control over their individual budgets, but a designated manager would request funding from each service respectively and would have control over the funding streams.

2.16 The aim of integrated working is to ensure efficiency, drive up standards and to avoid waste and duplication. The use of resources in a more effective way would enable best value for patients and organisations alike.

2.17 Operationally, the service would be headed by a speech and language therapist on a band 8 pay scale and by 0.5 of an advisory teacher on level 9. The borough would be resourced by being split into six localities; each locality having a dedicated speech and language therapist; two other speech and language therapists, with an advisory teacher, a special teaching assistant and an administrator would then be provided for localities 1 and 2, 3 and 4 and 5 and 6.

2.18 The effect of the changes would, if accepted, translate to an increase in £343,678 for the service as a whole (broken down as an increase in £255,284 from the PCT, from whom a letter of intent had been requested to confirm the funds they would commit, and £88,394 from the Council).

2.19 The broader perspective for parents, children and young people would see a focus on Universal Services (for all children), Targeted Services (for vulnerable children) and Specialist Services (for children with additional needs). The integration of education, health and social care for children means they would be able to access all the services they require – whether universal, targeted or specialist – flexibly and locally.
Implementing the Proposed Changes

3.1 The Group acknowledges the excellent work of the review and would like to support the changes as proposed by Marie Gascoigne as she indicated in her meeting with them. The Group has not yet had sight of her final report, so cannot comment on its particulars, however, the changes recommended in the above section rely on agreed delegation of powers to the Children’s Trust. Work is still ongoing for this delegation to be realised; meaning that the recommendations put forward by Marie Gascoigne, will not be implemented until such delegation is formalised by the Council’s Cabinet and by the Primary Care Trust Board.

3.2 On the basis of the evidence that it has seen and on opinions of relevant experts; the Group would support the recommendations outlined by Marie Gascoigne (as presented to the Group on the meeting of 11th June 2009) and see the Children’s Trust Board as the body that would best facilitate the changes.

4. RECOMMENDATIONS

That Cabinet agree to forward the following recommendations to the Children’s Trust Board for its consideration:

4.1 That the Group supports the model of integrated working proposed by Marie Gascoigne with a view to ultimately achieving a fully integrated service.

4.2 That the commissioners explore the advantages of similar approaches in other services.

4.3 That the commissioners be encouraged to firmly commit to the spending proposals already outlined for speech and language therapy services and to release these funds with urgency.

4.4 That careful consideration be given to improving the current practices of sharing information between Speech and Language Therapists and education specialists.

4.5 That consideration be given to rolling out the Verbal Behavioural Programme across the Borough.

4.6 That the provision of briefing sessions be encouraged for Speech and Language Therapists to enhance their educational knowledge and that similarly such sessions be given to education specialists to enhance their clinical knowledge.

4.7 That the availability of information on speech and language therapy for parents be improved.
### CABINET REPORT

16 June 2010

<table>
<thead>
<tr>
<th>Subject Heading:</th>
<th>Reform of Council Housing Finance</th>
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<tbody>
<tr>
<td>Cabinet Member:</td>
<td>Councillor Lesley Kelly</td>
</tr>
<tr>
<td>CMT Lead:</td>
<td>Cynthia Griffin</td>
</tr>
</tbody>
</table>
| Report Author and contact details: | Sue Witherspoon  
Head of Housing and Public Protection  
Sue.witherspoon@havering.gov.uk  
01708 433747 |
| Policy context:  | Reform of Council Housing Finance - Prospectus |
| Financial summary: | This is a decision in principle only. The financial consequences at this stage cannot be finalised until further government announcements. |
| Is this a Key Decision? | Yes |
| Is this a Strategic Decision? | Yes |
| When should this matter be reviewed? | When the Government makes a further announcement |
| Reviewing OSC:   |                                    |

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

- Clean, safe and green borough: [ ]
- Excellence in education and learning: [ ]
- Opportunities for all through economic, social and cultural activity: [✓]
- Value and enhance the life of every individual: [X]
- High customer satisfaction and a stable council tax: [ ]
Cabinet, 16 June 2010

SUMMARY

This report presents information about the current Housing Revenue Account Subsidy system, and the proposals that have been put forward by the previous Government, for an alternative Self Financing System. It shows that the proposed new system may be workable for Havering, in delivering a decent level of stock investment over a 30 year business plan, as long as the Decent Homes funding originally promised remains in place.

It proposes that Havering welcome the proposal to replace the old deficient Housing Revenue Account system with a new locally determined self financing system, as long as certain conditions are met.

RECOMMENDATIONS

1. That Members agree to respond to Prospectus for a new deal for Council Housing Finance positively because the current housing subsidy system is defective and will not deliver a decent level of stock investment for Havering;

2. That Members welcome the proposals, subject to the following conditions:
   - That the Decent Homes funding remains in place,
   - That it is noted that the funding does not include the resources to address the need for aids and adaptations where tenants are disabled
   - That loan market conditions at the point of loan take-on are reasonable.
   - That a satisfactory mechanism for accounting for debt, between the GF and the HRA be found.
   - That there should be no future government policy changes which materially impact on Business Plans without proper consultation
   - That any changes to the ring-fence rules still permit some degree of local flexibility, to allow councils to respond positively to local issues
   - That the deal proceeds on the basis of the current offer and that the debt figures are not increased should the proposal proceed at a later date;

3. That Members delegate to the Lead Member for Housing and Public Protection, and the Lead Member for Finance to agree the final wording of the response that is delivered to the Communities and Local Government Department.
1 The current Housing Revenue Account Subsidy system

1.1 Every local authority that owns housing is obliged to maintain a Housing Revenue Account (HRA). The account is “ring fenced” in that all income and expenditure on the management of the council’s housing stock is held within the account, and local authorities are not permitted to subsidise it from contributions from the General Fund, and nor are Councils allowed to subsidise the General Fund by contributions from the HRA. The main items of income and expenditure on the HRA are:

**Income**
- Rents and service charges if paid by tenants
- Income from council owned shops on estates
- Interest on council mortgages

**Expenditure**
- Management and maintenance costs
- Provision for bad debt
- Interest on loans

The government operates a notional account to calculate housing subsidy using a number of formulae. If a local authority’s calculated income exceeds its calculated expenditure, then it pays subsidy to the Government, and if a local authority’s calculated expenditure exceeds its calculated income, then it would receive subsidy from Government. What largely determines whether a local authority receives or is paid subsidy is the interest on its loans. Therefore, local authorities with large historic debt were more likely to receive subsidy than local authorities with low levels of housing debt. For 2010/11 128 councils will pay a total of £596m into the HRA subsidy system. This leaves 50 councils in receipt of subsidy payments of £695m leaving a net surplus in the system of £100m. Only five councils accounted for 40% of the money taken out of the system. Southwark and Islington received around £130m between them.

An additional complication to the system is caused by the fact that the costs that the Government uses to determine whether a local authority receives or pays subsidy are not real costs, but notional costs which the Government uses to decide what the local authority ought, in its view, to be spending on its core activities.

A further complication is caused by the fact that in the past the system used to be, in effect a national re-distribution system so that some local authorities paid subsidy into the national pot, whilst others took subsidy out of it, but that the whole pot was, in effect ring fenced on a national
basis. In recent years, however, the overall national pot has gone into surplus, with the national surplus being taken by Central Government to spend on other programmes. A campaign against this system has been in operation for a number of years, on the basis that this system has in effect, become a “tax on tenants”. From 2008/9 the system moved into overall surplus. The estimated surplus for 2010/11 is £100m, this is increasing every year that the system continues to run in its present form. If the current system continues the total contribution will be £17bn over the next 30 years.

2. Problems with the Housing Subsidy system

2.1 The current system of Housing Subsidy has been heavily criticised by a range of reports, from one by the Audit Commission back in 2005. This has led to a number of reviews, including an 18 month pilot to establish whether an alternative system could be provided.

2.2 The main criticisms of the current system are:

- It is an opaque system, which is understood by very few;
- It removes control and accountability from local authorities, making it a national system locally administered, rather than one on which local authorities make real decisions in response to local conditions and preferences
- It removes local decision making, so that tenants have no influence over the efficiency or decisions of their landlord
- It has been proven that certain key elements, such as management and maintenance allowances are under funded
- Key decisions, such as subsidy levels and rent levels are decided on an annual basis, by Central Government and this removes the ability to make proper local term asset management decisions.

2.3 The problems with the current system have been acknowledged by the previous Government. A Consultation Paper was issued last year, which invited local authorities to indicate whether they would prefer to continue with the existing system, make minor tweaks to the system, or move to a new alternative system of “Self Financing” which would enable local authorities to plan and manage their housing stock over a 30 year cycle. The overwhelming response was that local authorities would prefer to move to a new system, although the major concern was how historic debt would be re-distributed.

2.4 The previous Government then moved on to issue a “Prospectus” on 25th March 2010 together with a financial model, which showed each local authority remaining within the current system, the level of debt that they would need to manage in order to exit the Housing Subsidy system. A response date to the Prospectus was set, which is the 6 July 2010. The current Government has said that it will look at the responses, before
deciding what to do with the work that has been carried out so far, on the Housing Subsidy system.

3. The Prospectus

3.1 The Prospectus represents a “deal” which is proposed to be agreed between national government and the local authorities remaining within the Housing Subsidy system. The system could only be ended without the agreement of local authorities by legislation. However, there may be some potential for individual local authorities to exit the system, or possibly groups of local authorities (e.g. London) to leave the system. In effect, the local authorities would get the independence and responsibility for the management of their housing stock that they are seeking, but this would be in return for a “payment” which represents the redistribution of the national housing debt AND a one off payment to Central Government. This payment represents some part of future surpluses that the Government had anticipated that it would have received, had the system continued in its present form.

3.2 The overall national deal is to allocate £27bn of debt (inc. PFI credits) between the approximately 178 local authorities remaining. (The number of local authorities in the system continues to fall, as some are currently balloting their tenants on possible Stock Transfers). £21.5bn of this is the national housing debt; £2bn is the value of PFI credits; £3.6bn is the Government’s “price” to give local authorities that freedom. The deal does include however, uplifted allowances of management and maintenance expenses, which the paper acknowledges are currently under funded. There are local authorities who believe that all the housing debt should be written off and they have campaigned to have this. Initially, this was the position of the LGA as well. However, following detailed discussion and assessment, a high proportion of local authorities now recognise that this is not going to happen, and that this offer may represent the best deal that is likely to be obtained to end the system in the near future.

3.3 The figure that each local authority has been given is the level of national debt that they are being asked to take on. In effect, this is the net present value of future subsidy payments using the increased allowances and presenting it as a sum in present day values, (Net Present Value or NPV) by applying a discount factor. A discount factor of 6.5% has been applied to this calculation, which is similar as is applied to the value of stock transfers. This gives one value to the business. However, within the Prospectus, the Government offered the opportunity of applying a higher discount factor (of 7%) which actually reduces the level of debt that the local authority has to take on. This higher value discount factor is offered on the basis that local authorities use the additional “headroom” to build new homes. Local authorities are asked in their response, to indicate how many new homes they could build. The Prospectus does not deal with how a local authority will be treated if it is unwilling or unable to build new homes, nor if it commits to building new homes but the matching HCA grant is not available.
3.4 The Prospectus re-iterates the commitment to completing the Decent Homes Programme through a regime of capital grants. The Paper states that the backlog of Decent Homes work amounts to £3.2bn, but states that this will only be available subject to the Comprehensive Spending Review (CSR). The new Government has announced that this will take place in the autumn.

3.5 The Prospectus does appear to try and limit the level of borrowing each local authority can take on, to the opening debt settlement level. This is in spite of the fact that in the Government’s own model, the level of debt rises initially in the business plans of most local authorities. It is also proposed that rents will remain under Government control, through the rent restructuring formula. It is proposed that rents will converge at target rents by 2015/16 and rise by RPI + 0.5% thereafter. It appears that the caps and limits regime also remains in place. Currently this compensates local authorities where they cannot recover the full level of rent increase because of the limit on a rent increase in any one year. However under self financing this compensation will not be payable but has been taken into account in calculating the debt settlement figure.

3.6 Management and maintenance allowsances are increased in the proposal and for Havering, this increase amounts to 4.8% for management and maintenance allowances and 24.7% for our Major Repairs Allowance. The average increase for all authorities is 5.4% for Management and Maintenance and 28% for Major Repairs Allowance. The purpose of the MRA is to maintain stock at a Decent level, once the backlog has been carried out. The average MRA is around £912 per property per year; and this equates to around £27,000 per unit over a 30 year life. This is not far from the industry estimate of the cost of maintaining property.

3.7 The Prospectus proposes a new regime for Right to Buy receipts. Currently 75% of RTB receipts are “pooled” back to Central Government. In future, local authorities will be able to retain 100% of their capital receipts, but must use 75% for housing and regeneration purposes, and are free to use 25% for any local authority purpose. There will be a new definition of housing and regeneration, and local authorities will be obliged to certify the use of receipts.

3.8 One factor that should be noted in the new self financing regime, is that in effect the local authority will be paying for “real” debt within the business plan. If a property is sold, and the debt associated with that property is not paid off, then that debt remains to be serviced by a reduced number of properties. This would not necessarily be significant for a small number of properties, but should a small scale stock transfer (say, like the Mardyke Estate) take place, then the debt associated with the properties sold, should be paid off, or the level of debt attributed to the Business Plan may at some stage become unmanageable. What this means is that there would need to be a proper option appraisal in place, before a decision to make any voluntary disposals. This would need to take into account both the
investment requirement for that particular property, which would no longer be required, but also the debt associated with the property, which would need to be paid off or maintained. There may be some cases where the debt of the property might exceed its value. Under the current system, the debt was not a significant factor because the interest costs were covered by the Government within the Housing Subsidy formula. Under the Self Financing regime, the debt is a real debt on Havering’s books and we would be obliged either to pay it off, or pay the interest on it from resources within the Business Plan.

3.8 It is proposed in the Prospectus, that the Tenants Services Authority (TSA) will regulate both the Business Plans of local authorities, as well as the rent regime. It is proposed that there should be a separate HRA balance sheet, which will show on an annual basis, the assets and long term debt liabilities.

3.9 Currently, all local authority debt is “pooled” across all the activities of the Council. If local authorities decide to adopt self financing, there will be a one off event, either a large reduction, or a large increase in the level of debt that a local authority carries. How the debt is dealt with between the different activities is not clear, and the Prospectus proposes three alternatives:

- Debt remains pooled
- New debt taken on for the self financing business plan is ring fenced to the HRA
- An attempt is made to separate out both historic and new debt and attribute all housing debt to the HRA.

This could potentially have an impact on the General Fund depending on what final decision is made. At the moment, the Consolidated Rate of Interest is 4.68%. If new debt is taken on at a lower rate, then if it is kept separately, the general debt of the local authority does not benefit from the new debt interest rate. However, the reverse is also true, in that if the debt is taken on at a higher rate of interest, the General Fund does not suffer from the higher interest rate if it is ring fenced to the HRA. This is currently a matter for consultation, and the Paper proposes that this should be the subject of further discussions with CIPFA (Chartered Institute of Public Finance Accountants).

3.10 The HRA has been ring fenced since 1989, and the guidance on the ring fence is sometimes not always clear. The Prospectus proposes a new definition of the ring fence, and specifically lists services which should not be funded from the HRA.

4. The position in Havering

4.1 The first set of financial models that have been constructed is to look at what would happen if the current system continued in the present form. This would result in a very difficult position for Havering over the forthcoming years. The stock investment work that is required would never be completed; the level of housing debt would never be paid off, and the HRA
would quickly go into deficit and end up at a negative figure of minus £50m by Year 30 if no action is taken to drastically reduce costs. This is illustrated at Appendix 1.

4.2 Under the Self Financing regime, there is a better future in prospect, although of course there are risks associated with this regime that need to be taken into account. The initial assumptions that have been included in the Baseline Business Plan are as follows:

- RPI at 2.5% through the life of the plan
- Financing costs at 4.68% through the life of the plan (?)
- 12 Right to Buy properties sold each year (which is the current level)
- Investment requirement is that identified in the Stock Condition Survey (which is more than is required under Decent Homes)
- Balances in the HRA need to be maintained at £1.5m
- Right to Buy receipts not applied to the housing stock
- Decent Homes funding provided in full (£112m)

4.3 Under the Baseline model, balances can be maintained at the minimum required level, whilst the work is carried out, but initially the stock investment work falls behind and the backlog of work rises to £50m by Year 6. The backlog of work starts to be reduced after this date, but is not completed until Year 17. In the meantime, the debt starts to be paid off at Year 17 when the work is complete, and is finally paid off by Year 27, at which point the balances become very healthy. This is illustrated at Appendix 2.

4.4 A number of alternative scenarios have been examined within the model, to test the impact of a range of actions and approaches to planning for the housing stock over a 30 year business plan. The scenarios are set out below in Table 1, and the summary of the impact is shown in Table 2. All assumptions are as set out above at Paragraph 4.2, apart from the factors identified in this table, which change in each scenario.
### Table 1

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Balances</th>
<th>Investment backlog</th>
<th>Investment work complete</th>
<th>Debt paid off</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>£1.5m to Year 27 then rises thereafter</td>
<td>Peaks at £50m in Year 7</td>
<td>Year 17</td>
<td>Year 28</td>
</tr>
<tr>
<td>1. If the Decent Homes funding is not available</td>
<td>£1.5m throughout</td>
<td>Rises to £170m by Year 5</td>
<td>Year 31</td>
<td>Never</td>
</tr>
<tr>
<td>2. If the Council aims to complete only 90% of the work identified through the stock condition survey</td>
<td>£1.5m to Year 23; rise sharply after</td>
<td>Rises to £27m Year 5; Year 11 Year 23</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. If the 75% RTB receipts are applied to the business plan</td>
<td>£1.5m to Year 25 rise sharply after</td>
<td>Rises to £45m in Year 5</td>
<td>Year 14 Year 25</td>
<td></td>
</tr>
<tr>
<td>4. If RTBs increase to 50 a year, but the receipts are not applied to the business plan</td>
<td>£1.8m throughout</td>
<td>Rises to £58m by Year 6</td>
<td>Year 19 Year 35</td>
<td></td>
</tr>
<tr>
<td>5. If RTBs increase to 50 a year, and the receipts are applied to the business plan</td>
<td>£1.5m to Year 24 and rises after</td>
<td>Rises to £31m at Year 5</td>
<td>Year 9 Year 21</td>
<td></td>
</tr>
<tr>
<td>6. If the Council aims to complete only 90% of the work identified through the stock condition survey, and RTB receipts are applied</td>
<td>£1.5m up to Year 21 rises thereafter</td>
<td>Rises to £24m in Year 5</td>
<td>Year 9 Year 21</td>
<td></td>
</tr>
<tr>
<td>7. If capital inflation increases to 4% (ie 1.5% above the standard assumed RPI of 2.5%)</td>
<td>£1.5m throughout</td>
<td>Rises to £60m in Year 6</td>
<td>Never Never</td>
<td></td>
</tr>
<tr>
<td>8. If interest rates rise to 6% instead of 4.68%</td>
<td>£1.5m throughout</td>
<td>Rises to £75m in Years 5 – 18</td>
<td>Year 25 Never</td>
<td></td>
</tr>
<tr>
<td>9. If interest rates rise to 6% but RTB receipts are applied to the plan</td>
<td>£1.5 until Year 29 then rise sharply</td>
<td>Rises to £58m in Year 6</td>
<td>Year 19 Year 29</td>
<td></td>
</tr>
<tr>
<td>10. Using the baseline discount rate of 7% (available if Havering is willing to build new homes)</td>
<td>£1.5m to Year 27 then rises sharply</td>
<td>Rises to £48m in Year 5</td>
<td>Year 15 Year 27</td>
<td></td>
</tr>
<tr>
<td>11. Using the baseline discount rate of 7% and builds 180 properties</td>
<td>£1.5m to Year 27 then rises</td>
<td>Rises to £75m Year 7</td>
<td>Year 19 Year 29</td>
<td></td>
</tr>
</tbody>
</table>
4.5 What is shown in the Baseline model, is that it is possible to maintain balances and complete all the stock condition work required, but it would not be achieved until Year 17 without either lowering our expectations, or an injection of resources, such a Right to Buy receipts.

4.6 There are an infinite number of alternative scenarios that can be examined, and it is likely in approaching real business planning, the decision makers will approve a mix of factors, rather than adopting an “all or nothing” approach to some variables. For example, in the examples above, it is assumed that either all the RTB receipts are applied to the Housing investment plan, or that none are; but it is possible to put different proportions in the business plan and assess the impact.

4.7 The most significant factors that make a difference to the business plan are:
   - Whether and how much of the RTB receipts are invested in the business plan
   - Whether it is assumed that 100% of the Stock condition survey works are undertaken, or a proportion less than 100%
   - Capital inflation, which if it rises to 4% has a devastating impact upon the plan

4.8 It then becomes a question in planning the way forward, how long it is considered acceptable for tenants to have the work programme completed; and whether it is acceptable to complete less than 100% of the Stock condition survey work. If the Council is minded to agree to carry out some new build development, then the 7% discount rate clearly has a beneficial impact on the plan, although it also delays the completion of the stock condition works.

4.9 There are clearly some major risks associated with this Business Plan. These are however risks that can be, and if we do adopt Self financing either voluntarily, or when it is introduced via legislation, must be managed. For example, it is clear that one of the risks that cause major difficulties is a long and consistent period of high capital inflation. Should this occur, then it would be necessary for the Council to take action to mitigate the risk. This might be either to cut the investment programme for a period, or to inject some additional resources, such a capital receipts.

4.10 A second risk, is the risk of interest rates rising. This is clearly a risk that is quite likely to occur, and the action that might be available to mitigate this risk, is to adopt a range of borrowing tactics, including some long term fixed rate borrowing, to introduce a level of certainty in the business planning. What will be different in the future, under a Self Financing Business Plan, is that the Council will be adopting real business planning, managing these risks pro-actively and making real decisions about rents, investment, borrowing and payment of debt.

5. The Havering response
5.1 Clearly, it is a challenging prospect to move from a situation where the level of Housing Debt (as calculated by the Government) is £26m to a level of £206m debt. This level of debt would represent a debt of around £20,000 per property. However, the first point to note is that the current system, rolled forward 30 years is a completely unacceptable prospect. Secondly the council has already committed to take on £112m of additional debt through the ALMO bidding process (albeit funded through the current subsidy system). It then becomes a question of what price is it worth paying, to get out of the current system.

5.2 Scenario 1, where the Decent Homes funding is not available, is also unacceptable, as tenants would have to wait 31 years to have the work to their homes complete, and the Councils new debt would never be paid off. However there are a range of alternative business planning decisions that could mitigate this impact, and may lead to an acceptable situation where the stock investment work can be delivered, albeit over a longer time period than originally anticipated, and where the newly released RTB receipts can support a realistic investment plan that could deliver a sound business plan, and an acceptable level of stock investment.

REASONS AND OPTIONS

The current system of Housing Revenue Account Subsidy is not fit for purpose. It currently re-distributes resources on an annual basis from local authorities who have little debt, to those who have accumulated a great deal of debt. The defects of the system have been known for a long time, and criticised in several reports since the Audit Commission Report of 2005. The current system does not allow for local accountability, local decision making or local control of rents, investment or business planning.

The alternative of remaining within the existing system is set out in Appendix 1 and shows that Havering would be unable to deliver an acceptable level of investment in its housing stock over the next 30 years, and that the Housing Revenue Account balances would go quickly into deficit, unless services are severely cut.

Some local authorities may adopt the position that they expect or wish the Government to write off all existing housing debt, so that local authorities can run their housing stock with debt free business plans at the start. However, it is considered that this is unlikely given the state of the current national finances, and it would be unwise therefore to hold out for a “better offer” in these circumstances.

It is proposed therefore that Havering welcomes the current proposals and seeks to ensure that the minimum requirements to enable the Council to deliver a good service and good quality homes are set as conditions for entering into a new deal on self financing for the HRA business plan.
IMPLICATIONS AND RISKS

5.1 Financial implications and risks:

- **Recommendation**

  The report recommends that the Council respond positively to this consultation, subject to several riders, the most important of which is that Decent Homes funding remains in place. The Council will be responding to a series of in principle questions, and the response will not legally commit the Council.

- **Likelihood of Proposals being taken forward**

  The proposals were issued by the previous government. It is unclear what priority and stance the new government will take. The proposals indicated that if sufficient councils agreed voluntarily, then they could be effective from 2011/12; it is unclear how likely a 2011/12 start is. In the absence of sufficient agreement, legislation would be needed.

- **Implications to the HRA**

  For the reasons pointed out in this report, the proposals are of potential benefit to the HRA. They provide the opportunity for proper long term business planning, compared to the current annual uncertainty of the subsidy regime. The proposal also assumes increases in both revenue and capital allowances (para 3.6.). The proposal also assumes the HRA is holding more debt than it is – assumption is c£26m, but actual is around £4m, and this works in the HRA’s favour. However, there is also a significant risk. The proposal represents a “once and for all” settlement, and will involve the taking on of c£181m debt. Robust business planning will be required, more on the lines of how Registered Social Landlords operate. A significant element here will be the standard of investment into the stock; it can be seen that the assumed level of investment needed in fact exceeds the “Decent Homes” standard.

  The consultation paper gives an undertaking that if there were major policy changes then “we would consider the consequences for council landlords”.

- **Implications for the General Fund**

  As the report says in para 3.9., the treatment of debt has yet to be agreed. Should the proposals be agreed, the level of HRA would be around four times the level of current GF debt, and thus – if there is debt pooling - the new HRA debt will impact significantly on GF debt costs – either favourably or adversely.
The proposals also propose a refresh of the ring-fence rules. Much more detailed work is required to fully assess this, but there could be a reasonably significant impact on the GF. The Council will ask for as much local flexibility in this regard, to enable it to respond to local priorities.

- **Impact on non HRA capital resources**

The treatment of capital receipts will change.

Currently, 25% of Right to Buy receipts are retained by the local authority for its own uses, and 75% is paid across to the national pool. Non Right to Buy receipts are retained at 50%, and the other 50% kept if it is spent on housing or regeneration.

The proposals on the table now are that 100% of all receipts are retained, as long as 75% is spent on housing or regeneration.

So on RTB’s, currently running at c£1m pa, the council would gain c£750k to spend on housing and regeneration. For non RTB (ie proactive HRA sale), a higher proportion (75% rather than 50%) would need to be spent on housing or regeneration, to enable the council to retain the full receipt.

Clearly, there will be competing demands on capital receipts. For example, there will be wider council priorities to consider, alongside the proposed HRA Business Plan. There will need to be relative consideration of the merits of using some element of receipts for debt repayment (to prudently support the Business Plan), investing in stock, or other council purposes. Linked to this, again, will be an appropriate assessment of the level of investment in HRA stock.

The consultation states that “the self financing model used does not take account of any capital receipts, either in valuing the business or assessing the viability of the opening debt level”.

5.2 **Legal implications and risks:**

The proposal is that the Government will enter into an agreement with the local authority to deliver self financing. The legal implications cannot be identified at this stage, as the Government have not set out the terms of the offer, or the enforcement arrangements should either party not abide by the agreement. These legal implications will have to be considered in detail when any such offer is made.

5.3 **Human Resources implications and risks:**

This decision is in principle only at this stage, and therefore there are no staffing implications from providing a positive response to the proposal.
However, if the offer is condition upon maintaining or ending the current Arms Length Management arrangements, then there will be staffing implications which will need to be assessed at the time.

5.4 Equalities implications and risks:

**BACKGROUND PAPERS**

Council Housing: A real future (Prospectus) issued by Communities and Local Government (CLG) on 25\textsuperscript{th} March 2010.
Appendix 1 – Existing system

HRA Balances

Investment profile

Debt profile
Appendix 2 – Self Financing Baseline

HRA Balances

Investment profile

Debt profile
CABINET 16 JUNE 2010

Subject Heading: PROPOSAL TO MAKE THE LONDON BOROUGH OF HAVERING (MARDYKE ESTATE PHASE 3) COMPULSORY PURCHASE ORDER 2010 AND THE LONDON BOROUGH OF HAVERING (MARDYKE ESTATE PHASE 4) COMPULSORY PURCHASE ORDER 2010.

Cabinet Member: Councillor Lesley Kelly

CMT Lead: Cynthia Griffin

Report Author and contact details: Mark Adams
01708 43 4100
mark.adams@havering.gov.uk

Policy context: Implementation of Housing Strategy

Financial summary: All costs incurred by the Council relating to this report will be reimbursed by Old Ford Housing Association as part of the 2008 Transfer Agreement between the association and the Council.

Is this a Key Decision? Yes

Is this a Strategic Decision? No

When should this matter be reviewed? N/A

Reviewing OSC: N/A

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

- Clean, safe and green borough [✓]
- Excellence in education and learning [ ]
- Opportunities for all through economic, social and cultural activity [✓]
- Value and enhance the life of every individual [✓]
- High customer satisfaction and a stable council tax [ ]
SUMMARY

1.1 The purpose of this report is to seek permission to proceed with the making of compulsory purchase orders (CPO) generally under the Acquisition of Land Act 1981 and specifically under Section 17 of the Housing Act, 1985 to compulsorily acquire the leasehold interests within Phases 3 & 4 of Old Ford Housing Association’s Masterplan for the regeneration of the Mardyke Estate, Rainham, in the event of acquisition by agreement proving to be unsuccessful.

RECOMMENDATIONS

Cabinet is asked to:

2.1 Authorise the making of the London Borough of Havering (Mardyke Estate Phase 3) Compulsory Purchase Order 2010 and the London Borough of Havering (Mardyke Estate Phase 4) Compulsory Purchase Order 2010 under Section 17 and Part XVII of the Housing Act, 1985, and the Acquisition of Land Act 1981 to acquire all leasehold interests in the premises detailed below in Table 1 and shown on the plans in Appendix 1 together with all subsidiary property rights set out in the leases for those premises:

TABLE 1 – List of Leasehold Interests in Phases 3 and 4

<table>
<thead>
<tr>
<th>PHASE 3</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>34 Walden Avenue, Rainham, RM13</td>
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<tr>
<td>36 Walden Avenue, Rainham, RM13</td>
<td></td>
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<tr>
<td>40 Walden Avenue, Rainham, RM13</td>
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<td>42 Walden Avenue, Rainham, RM13</td>
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<td>46 Walden Avenue, Rainham, RM13</td>
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<td>62 Walden Avenue, Rainham, RM13</td>
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<td>70 Walden Avenue, Rainham, RM13</td>
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<td>80 Walden Avenue, Rainham, RM13</td>
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<td>82 Walden Avenue, Rainham, RM13</td>
<td></td>
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<tr>
<td>88 Walden Avenue, Rainham, RM13</td>
<td></td>
</tr>
<tr>
<td>17 Dearsley House, Rainham, RM13</td>
<td></td>
</tr>
<tr>
<td>24 Roman House, Rainham, RM13</td>
<td></td>
</tr>
<tr>
<td>30 Perry House, Rainham, RM13</td>
<td></td>
</tr>
<tr>
<td>61 Chantry Way, Rainham, RM13</td>
<td></td>
</tr>
</tbody>
</table>
PHASE 4
105 Lowen Road, Rainham, RM13
143 Lowen Road, Rainham, RM13

2.2 Authorise the Head of Housing and Public Protection to alter the CPO boundary as shown on the plans in Appendix 1 so as to exclude any land/interests acquired prior to the sealing of the order.

2.3 Authorise the Assistant Chief Executive Legal and Democratic Services to seal the order and to take all necessary steps, including the publication of all statutory notices, to secure confirmation of the order.

2.4 Authorise the Head of Housing and Public Protection to request the Secretary of State to confirm the order with modifications.

2.5 Authorise the Assistant Chief Executive Legal and Democratic Services (in the event that the Secretary of State notifies the Council that it has been given the power to confirm the Order) to confirm the Order, if she is satisfied that it is appropriate to do so.

2.6 Authorise the Head of Asset Management, both in advance of and after the making and confirmation of the CPO, to arrange for negotiations to proceed with the owners of leasehold interests and rights in the land with a view to acquiring those interests and rights by agreement if possible but thereafter by determination, and to pay such compensation for the acquisition of the interests and rights as may be proper and reasonable.

2.7 That, upon acquisition, the leasehold interests so acquired be transferred, subject to any consent required from the Secretary of State under s.32 Housing Act 1985 to Old Ford Housing Association for the purchase value plus disturbance payments.

REPORT DETAIL

3.0 Background

3.1 For some years the Mardyke Estate presented significant difficulties in lettings compared with other estates in the borough, alongside considerable dissatisfaction and frustration from residents. The main concerns with the estate were:

- too many unpopular bedsits and one beds, with Mardyke families needing larger family-sized homes
- 50% of residents having to live in a high rise block
- an outdated design that typically puts bedsits and 1 bedroom flats on the ground floor with family sized accommodation above, often leading to a noise transmission problem.
- the estate is quite densely built with not much room for building more homes.
- a low quality environment and mono-tenure with just 11% owner occupation compared with the boroughwide average of around 85%.
- a high incidence of crime and anti-social behaviour.

3.2 The size, tenure mix and design of the estate were no longer appropriate for current housing and community needs. The estate is also amongst the 10% most deprived in England according to the Index of Deprivation and regeneration is an urgent priority for the Council.

3.3 On account of these concerns Mardyke residents opted for stock transfer and redevelopment rather than having Decent Homes works done. A Steering Group of committed residents worked closely with the Council and Old Ford Housing Association to develop the right plan for the area. This culminated in a successful ballot in the summer of 2007 with 87% of tenants voting for transfer and regeneration based on a turnout of 80%. In addition, of the 59% of leaseholders who responded to consultation on the transfer, 83% were either very supportive or supportive.

3.4 Following these positive results, on 19/09/08 Cabinet agreed in principle to transfer the ownership of the Mardyke Estate in Rainham to Old Ford Housing Association (OFHA), part of the Circle Anglia Group. The transfer duly took place on the 31/03/08. The purpose of the transfer was to improve the quality of the housing and environment on the Mardyke Estate and it has enabled access to £82 million of additional funding to fund the regeneration of the estate, including £12 million from the Government’s Gap Funding programme and £6.3 million from the Circle Anglia Group.

3.5 Compulsory purchase powers are now needed to ensure that OFHA can achieve the regeneration scheme.

3.6 The cost to the Council of making the CPO, and the capital expenditure incurred will be reimbursed by OFHA in accordance with the Mardyke Transfer Agreement (Schedule 10, Part 2) between the Council and the Association.

**APPENDICES:**

1. Plans showing the properties to be acquired (Attached as Appendix 1);
2. Plan showing the boundary of the Mardyke Estate
3. Mardyke Masterplan – Demolition and new Build Strategy
REASONS AND OPTIONS

Reasons for the decision:

4.1 The reason for this decision, that is the making of the Mardyke Estate (Phases 3 & 4) CPO, is to enable the implementation of Phases 3 and 4 of the Mardyke regeneration Masterplan and the improvement of the local housing stock as set out in paragraph 3 of this report.

4.2 Government Circular 06/2004 requires an acquiring authority to have a clear idea of how it intends to use the land or interests which it is proposing to acquire and why the proposals cannot be carried out unless these properties are included.

4.3 As part of the transfer, OFHA agreed to undertake demolition and works to the estate, refurbishment to other parts, as well as constructing new dwellings. The majority of the estate, 506 out of 547 homes, will be demolished and replaced with new homes on a new layout and new homes. This is contained in the Outline Planning application submitted by OFHA, with the diagram of the demolition and new build strategy included as Appendix 3 to this report.

4.4 The demolition will take place in phases as follows:

   - Phase 1 – commenced in Autumn 2009: 1-31 Chantry Way, Chantry House, 57-87 Lowen Road, 90-112 Walden Avenue and the current car park in Walden Avenue;
   - Phase 2 – due to commence Winter 2010: 67-117 Lower Mardyke Avenue, Mardyke House, 60-92 Lower Mardyke Avenue, Templar House and 1-55 Lowen Road;
   - Phase 3 – due to commence Winter 2012: 33-125 Chantry Way, Perry House, 26-88 Walden Avenue and Dearsley House;
   - Phase 4 – due to commence Winter 2014: 2-40 Roman Close, Roman House, 87-119 Lowen Road and 121-143 Lowen Road.

4.5 In addition, 14-70 Queens Gardens and 32-54 Lower Mardyke Avenue have been refurbished to bring them up to modern standards, incorporating Decent Homes standards.

4.6 As with Phases 1 & 2, in order to carry out Phases 3 and 4 of the planned redevelopment it is necessary for the leasehold interests set out in Table 1 to be acquired by OFHA. Without them the redevelopment cannot proceed. OFHA does not have compulsory
purchase powers, but the Council does. It is perfectly proper for the Council to use these powers to assist OFHA acquire the outstanding interests not already owned by it. It is clear that the redevelopment will substantially enhance the living conditions of residents and enhance the urban form of the area.

4.7 OFHA is proceeding with acquisition of the properties listed in Table 1 through negotiation. However, it is recognised that it may not be possible to achieve acquisition by this method in all cases and that the ability to compulsorily acquire need to be available.

Other options considered:

4.7 Since the date of the transfer, OFHA has sought to purchase the leasehold interests in Appendix 1 by agreement. It is likely that negotiations will continue up to and indeed beyond the making of the order. However, there remains a risk of not reaching agreement with one or more leaseholders.

IMPLICATIONS AND RISKS

Financial implications and risks:

5.1 All costs incurred by the Council relating to the making of this CPO, and the associated capital expenditure will be reimbursed by Old Ford Housing Association in accordance with the Mardyke Transfer Agreement, (Schedule 10, part 2) between the Council and the Association.

5.2 It is not possible to estimate at this stage the likely costs the Council will have to incur for this CPO and acquisition, prior to reimbursement by OFHA, as it is not clear whether or not an inquiry will be required, nor how many of the sixteen properties listed in Table 1 will be subject to compulsory purchase.

5.3 The Council would become liable for any Council Tax payments for any properties acquired by the Council which are void for more than 6 months. In the event of any such costs being incurred by the Council as a result of this CPO order these would be reimbursed by Old Ford Housing Association in accordance with the Transfer Agreement. However, this is considered to be a very low risk as any properties acquired would be transferred as soon as possible after acquisition into the ownership of Old Ford Housing Association.

5.4 In the event of compulsory purchase triggering the repayment of RTB discount repayments back to the Council this will be taken account of in finalising the agreed price for acquisition.
5.5 Similarly, account will also have to be taken if any leaseholders being subject to compulsory purchase have a mortgage outstanding with the Council.

Legal implications and risks:

6.1 Section 17(3) of the Housing Act 1985 allows local authorities to acquire land and property by compulsory purchase order for housing purposes. Circular 02/03 states that Section 17 may be used for the purpose of making the land available to a Housing Association for development.

6.2 The CPOs will be subject to confirmation by the Secretary of State and the circular states that there must be a compelling case in the public interest for a CPO given the interference with the property rights of those affected. The body of the report sets out the reasons for the CPOs – the completion of the redevelopment of the Mardyke Estate. Old Ford housing Association has already agreed in the Mardyke Transfer Agreement to fund the costs of the CPOs.

6.3 The Council may need the consent of the Secretary of State to transfer the acquired properties because of the provisions of s.32 Housing Act 1985. If consent is required then the Council will in due course have to resolve to seek that consent.

Human Resources implications and risks:

7.1 There are none.

Equalities implications and risks:

8.1 Members of Havering’s more socially excluded communities, notably residents with low incomes and those from black and minority ethnic communities, are over-represented on the Mardyke Estate. Thus, the ultimate redevelopment and improvement of properties will have a positive impact on these communities’ quality of life.

8.2 In the interests of community cohesion that Mardyke scheme has been developed to encourage as many resident leaseholders as wish to to remain on the new Mardyke. To achieve this the offer to leaseholders includes being able to buy a new property on the estate outright, through shared equity or as part of a shared ownership scheme.
1. Report to LB Havering Cabinet, 19/09/07 giving authorising the transfer of the Mardyke Estate to Old Ford Housing Association.

2. Mardyke Estate Transfer Agreement, 31/03/08, between LB Havering and Old Ford Housing Association.

3. Mardyke Masterplan and Outline Planning Application (P2058.08), Old Ford Housing Association in particular:
   i) Planning Statement (including draft Heads of Terms);
   ii) Description of Development & Parameters

4. Report to cabinet 11/02/09 on Proposal to make Mardyke Compulsory Purchase order (Phases 1 & 2).

5. Report to Cabinet 16/12/09 for inclusion of 70 Lower Mardyke Avenue
The Phasing
Mardyke Estate

Demolition Strategy

New Build Strategy

NOTE
Please note the above is subject to design development and planning permission requirements.
### CABINET REPORT

**16 June 2010**

<table>
<thead>
<tr>
<th>Subject Heading:</th>
<th>Rainham Village Primary and Health Centre Co-location Project.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabinet Member:</td>
<td>Cllr Rochford</td>
</tr>
<tr>
<td>CMT Lead:</td>
<td>Andrew Ireland Group Director Social Care &amp; Learning</td>
</tr>
<tr>
<td>Report Author and contact details:</td>
<td>John Farry Capital &amp; School Organisation Manager</td>
</tr>
<tr>
<td>Policy context:</td>
<td>The RVP Co-location project is a part of Havering's Rainham Compass programme.</td>
</tr>
<tr>
<td>Financial summary:</td>
<td>Overall project costs of approximately £15m of which LBH element re school and childrens centre is approximately £10.4m, funded from a combination of grant, LBH and school resources.</td>
</tr>
<tr>
<td>Is this a Key Decision?</td>
<td>Yes</td>
</tr>
<tr>
<td>Is this a Strategic Decision?</td>
<td>Yes</td>
</tr>
<tr>
<td>When should this matter be reviewed?</td>
<td>November 2012.</td>
</tr>
<tr>
<td>Reviewing OSC:</td>
<td>Children’s Services.</td>
</tr>
</tbody>
</table>

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

- Clean, safe and green borough [x]
- Excellence in education and learning [x]
- Opportunities for all through economic, social and cultural activity [x]
- Value and enhance the life of every individual [x]
- High customer satisfaction and a stable council tax [x]
SUMMARY

In May 2009, Cabinet authorised further investigation of options for procuring the construction of the Rainham Village Primary, Polyclinic and Children's Centre Co-location project. Cabinet also decided that feasibility works be undertaken to RIBA stage B and that authority be given to the Head of Schools for the Future to sign a Memorandum of Understanding between the Council and the Havering Primary Care Trust (PCT).

Since then approval was given to proceed to RIBA stage C with a report back to members at the end of stage C seeking approval to proceed to Financial Close.

In March 2010 Cabinet agreed in principle that the co-location project be procured through a design and build route delivered using the framework contracts procured by, and subject to satisfactory terms being negotiated with, BDHCV and the PCT. Cabinet further agreed to the development of the project to RIBA stage D with a report back to Cabinet before proceeding to RIBA stage F.

RECOMMENDATIONS

That Cabinet:

- Approve the development and construction of this project subject to sign off of the final business case (if satisfactory) at RIBA stage F/ financial close.

- Delegate sign off of the final business case to Cabinet Members for Children & Learning and Value following approval by the Group Director Finance and Commerce and the Group Director Social Care and Learning.

- Approve that the Head of Schools for the Future, the Group Director of Finance and Commerce and the Assistant Chief Executive be jointly authorised to negotiate and conclude the shared use agreement between LBH and the PCT.

- Authorise the Cabinet Members for Children & Learning and Value to determine whether or not the project should continue should a future capital grant decision by government affect the funding of this scheme prior to contractual commitment to the construction phase.
1.0 Since the last report to Cabinet in March the detailed design has proceeded and a presentation was made to the Deputy Leader and members, the Chief Executive, Group Director SCL and senior officers from the PCT. Arising from the consultation it was agreed the school’s Victorian building, currently used by the nursery, should be retained as an integral part of the Co-location project accommodating the Children Centre, adjacent to the Foundation stage of the school.

1.1 Comments relating to the access points to the building and usage of the shared areas have also been acted upon and it was considered more detailed work was needed to ensure the building design fits with the historical and environmental context of Rainham Village.

1.2 Rainham Village is a conservation area with a rich history dating back to the Middle Ages with a period of sustained growth in the Victorian era in which there were many significant architectural developments, some of which are listed, although none on this site. In recognition of the need to conserve this unique heritage the project architects have consulted the Council’s Conservation Planning section and will be taking and acting according to proper process.

1.3 In April a bid was made to London Thames Gateway Development Agency (LTGDA) for £500,000 to develop community facilities in the entrance hub. If the bid is successful this funding would provide a valuable additional resource to the centre at no additional cost to the Council or PCT. The final outcome of the bid should be announced by the end of July.

1.4 We are pleased to be able to report the design work has now been fully developed to RIBA stage D.

2.0 Next steps

2.1 If Cabinet decides to accept the procurement recommendation and proceed to RIBA stage F/delivery of the project the proposed Governance of the scheme would include a Project Board, with representatives of the Council and the PCT.

2.2 The table below details the indicative key milestones if the scheme is developed through a Design and Build contract with a BDHCV contractor.
### Key milestones

<table>
<thead>
<tr>
<th>Stage</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1 and 2 (Design scheme to RIBA stage F)</td>
<td></td>
</tr>
<tr>
<td>Stage D complete</td>
<td>June</td>
</tr>
<tr>
<td>Submit planning application</td>
<td>July</td>
</tr>
<tr>
<td>Stage F</td>
<td>Oct</td>
</tr>
<tr>
<td>Planning decision</td>
<td>Nov</td>
</tr>
<tr>
<td>FBC approved</td>
<td>Nov</td>
</tr>
<tr>
<td>Financial close</td>
<td>Nov</td>
</tr>
<tr>
<td>Appoint contractor</td>
<td>Jan 2011</td>
</tr>
<tr>
<td>Start on site</td>
<td>Feb</td>
</tr>
<tr>
<td>Handover</td>
<td>Aug 2012</td>
</tr>
</tbody>
</table>

### REASONS AND OPTIONS

#### 3.0 Reasons for the decision:

3.1 This decision is necessary to progress the project, approved in principle at previous Cabinet meetings, to ensure the project is completed by Sept 2012, which is a term of the DCSF grant.

#### 4.0 Other options considered:

4.1 At this stage in the project no other options are considered as all alternative procurement options were considered in previous Cabinet reports. If the project were to be delayed then completion by September 2012 would be at risk, as well as meeting the terms and conditions of the DCSF grant.

### IMPLICATIONS AND RISKS

#### 5.0 Financial implications and risks:

5.1 The Council and PCT will each fully fund their share of the project costs through the various mechanisms available to it. This will be a combination of grant and LBH resources in respect of the Council and through a BDHCV initiative in respect of the PCT.

5.2 The PCT have only approved development to Stage D at this stage, however full approval to develop the project is expected. It was previously agreed that
should either party unilaterally withdraw after Stage C they would be liable for all costs incurred by both parties from stage C to date.

Costs and Funding

Capital

5.3 The following revised capital allocations have been identified to fund the Council’s element of the project. Costings are provided by BDHCV as our proposed contractor. Stage D estimates weren’t available at the time of drafting but stage C costings and later updates are both in the region of £10.4m. Costings may change as the design progresses to financial close and as ownership of shared areas is confirmed. However, it is expected that a scheme can be delivered within this overall budget.

<table>
<thead>
<tr>
<th>CAPITAL</th>
<th>£ 000’s (excluding community hub)</th>
<th>£ 000’s (including community hub)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Costs of School &amp; Children’s Centre</td>
<td>10,421</td>
<td>10,946</td>
</tr>
<tr>
<td>Funded by:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DCSF Targeted capital grant* &amp; #</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>DCSF Sure start children’s centre grant *</td>
<td>475</td>
<td>500</td>
</tr>
<tr>
<td>LBH Capital programme funding 08/09**</td>
<td>1,515</td>
<td>1,515</td>
</tr>
<tr>
<td>LBH Capital programme funding 10/11**</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>LBH Capital programme funding 11/12</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>LBH Capital programme funding 12/13 ###</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Land receipts ***</td>
<td>1,900</td>
<td>1,900</td>
</tr>
<tr>
<td>Extended Schools Grant 09/10</td>
<td>199</td>
<td>199</td>
</tr>
<tr>
<td>Modernisation grant 10/11</td>
<td>52</td>
<td>52</td>
</tr>
<tr>
<td>School Contribution (written confirmation awaited)</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>LTGDA Grant</td>
<td>0</td>
<td>500</td>
</tr>
<tr>
<td>Total funding</td>
<td>10,421</td>
<td>10,946</td>
</tr>
</tbody>
</table>

5.4 * These grants are time limited and have various conditions attached including deadlines for the project being completed. There is a risk that if these conditions are not complied with the funding will be withdrawn leaving the Council to locate alternative sources of funding. Plans are being formulated to mitigate this risk. Present cash flows, produced in conjunction of BDHCV’s construction partner indicate that the £3.5m spend can be comfortably achieved within the timescale if the scheme is delivered to programme.
5.5 **Elements of these programmes were allocated to Hylands, Elm Park and Redden Court schemes where it was possible to reallocate S106 and 10/11 PCP targeted capital grant in order to vire LBH programme to these schemes.

5.6 ***Sales of surplus land receipts have been allocated to other schemes where it is now possible to apply S106 monies in order to vire this particular surplus land receipt to this project.

5.7 # Final Terms and Conditions for this grant have yet to be issued by DCSF and formally accepted by LBH.

5.8 ## A bid has been submitted to London Thames Gateway Development Agency (LTGDA) for £500,000 the outcome of which is expected in July. Although the grant will not cover all costs of the community facilities it is anticipated that any other costs will be contained within the budget already set by redesigning the proposals.

5.9 ### All of the 2011/12 LBH capital programme funding and part of the 2012/13 LBH capital programme funding has been allocated to this project. As only an indicative programme has been set for 2011/12 onwards Council approval was given to commit funds against this project. It should be noted that it was originally planned to utilise the 13/14 indicative programme for this project but this would have had cash flow implications and associated revenue costs for the Council. It is now proposed to substitute the 13/14 LBH capital programme with that for 12/13 in order to minimise these issues.

Current Economic Climate

5.10 The current economic climate has led to the government reviewing public sector funding levels. As such there is a possibility that the available funding will be reduced, either as a result of a direct cut to grant, or reprioritisation of spending plans following reductions elsewhere. The position will need to be carefully monitored and action taken as necessary.

Capital costs to date

5.11 To the end of stage C the Council have incurred costs of £274k which includes the PCT Share of stages A/B (approx £43k). For financial purposes it is anticipated that PCT will fund their share and reimburse the Council at financial close. However legal arrangements are yet to be formalised. LBH costs to stage D are estimated at £577k and to financial close are expected to be £988k. Although terms and conditions have yet to be finalised these costs are currently being funded from the DCSF grant of £3m. Should the project not proceed the cost incurred will be reclassified as revenue and the Council would need to identify revenue funding for the costs already incurred.
Revenue (Ongoing)

5.12 Once operational the running costs of the centres will need to be met by the school, children's centre and health centre. The school will be expected to meet their element of costs from their individual school budget. Under the present funding regime, an overall budget will be allocated to them from the dedicated schools budget. Children's Centres are currently allocated Sure Start grant funding to meet their revenue costs. Grant allocations are only confirmed until 2010/11. At this stage it is unclear for how long grant funding will be provided after this date. However should grant funding cease the Council will need to formulate an exit strategy for all of its Children’s Centres regarding the level of service to be maintained and their funding.

5.13 The ongoing revenue costs in relation to the health centre will be the responsibility of the PCT.

5.14 Once the facility is up and running there will be an element of shared costs, e.g. shared office space/plant rooms etc. Costs of shared areas will need to be apportioned between the 3 service users. The ownership of shared areas and the methodology for splitting costs is still being developed.

Treatment of VAT

5.15 The Council would not be directly involved in the development of the health centre and as such, the construction costs would not be relevant to its VAT position.

5.16 With regards to the school and children’s centre, any exempt use such as community lettings, would be subject to the Council’s partial exemption calculation. The arrangements for shared areas such as car parking would also need to be managed carefully.

5.17 On an ongoing basis there would be VAT implications for recharging the cost of joint usage areas of the building. Managed services would be charged at standard rate whilst room lettings would be exempt; however, this is not expected to have a significant impact on the Council’s partial exemption position.

5.18 The development would need to be managed within the Councils’ overall VAT position. This will need to be reviewed as the final design develops and action taken as necessary to avoid any potential liability.

6.0 Legal implications and risks:

6.1 The recommended delivery mechanism does not raise any fundamental legal issues. The Council is able to utilise the BDHCV’s EU compliant framework agreements for the delivery of the project. The detailed terms of the agreements
with the BDHCV have yet to be finalised, as have the terms of the lease with the BDHCV/PCT. The former needs to be resolved before the procurement of the building can proceed and the latter before the building contract can be let.

6.2 Documentation to formalise the interim funding arrangements with the PCT sent in February has not yet been concluded. Until it is completed there is a degree of uncertainty regarding the PCT funding for their part of the development work so far. In the meantime a further letter of commitment has been provided by the Chief Executive of Havering NHS.

7.0 Human Resources implications and risks:

.1 This development will potentially extend the role and remit of the Site Manager at the school which may have training and development implications. The creation of a children’s centre will require the recruitment and/or redeployment of staff which will need to be managed in accordance with the Council’s agreed recruitment and organisational change procedures.

7.2 As the new development will not include a swimming pool, the current swimming instructor (0.4 FTE) employed at the school will be at risk and therefore subject to redeployment. Under the Managing Organisational Change Procedure for school based staff, redundancy is always at last resort and the Schools’ HR team has a successful track record of redeploying staff in such circumstances.

7.3 There are also possible implications with regard to the current cleaning contract. Currently cleaning services are provided by an external contractor and as part of this development a retendering process may be required for which there may be TUPE implications. There would only be possible TUPE implications for the Council if the cleaning contract was taken on in house and the cleaning staff employed under the control of the governing body.

7.4 There are also potential implications for the recruitment and/or redeployment of PCT staff to work within this new facility which would be managed in accordance with their own internal HR procedures.

8.0 Equalities implications and risks:

8.1 As part of Rainham Compass the project plays a part in the overall regeneration of Rainham. There has been an initial high level consultation with representatives from the stakeholder agencies and there will be further consultation, with governors, staff, pupils and the community co-ordinated with Havering’s regeneration team as part of the Rainham Compass.
Cabinet, 16 June 2010

BACKGROUND PAPERS

- ‘Rainham Village Primary and Polytechnic Co-location Project: method of procurement’ Cabinet 27 May 2009
- ‘Improving Rainham for Local People’ Cabinet 24 June 2009
- ‘Rainham Village Primary and Polytechnic Co-location Project’ Cabinet 17 March 2010