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Haverling
LONDON BOROUGH

CABINET

7.30 pm	Wednesday 17 August 2011	Council Chamber - Town Hall
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Members 10: Quorum 5

Councillor Michael White (Leader of the Council), Chairman

	Cabinet Member responsibility:
Councillor Michael Armstrong	Transformation
Councillor Robert Benham	Community Empowerment
Councillor Andrew Curtin	Culture, Towns & Communities
Councillor Lesley Kelly	Housing
Councillor Steven Kelly (Vice-Chair)	(Deputy Leader) Individuals
Councillor Roger Ramsey	Value
Councillor Paul Rochford	Children & Learning
Councillor Geoffrey Starns	Community Safety
Councillor Barry Tebbutt	Environment

Ian Buckmaster
Committee Administration & Member Support Manager

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 DECLARATIONS OF INTEREST

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 (Pages 1 - 10)

To approve as a correct record the minutes of the meeting held on 13 July 2011, and to authorise the Chairman to sign them.

5 THE COUNCIL'S FINANCIAL STRATEGY (Pages 11 - 28)

The report sets out a summary of the issues raised by each of the Overview and Scrutiny Committees at their joint meeting on 28 July 2011. The meeting was convened in response to the agreement by Cabinet of a report which set out budget savings in the light of the Government's Comprehensive Spending Review and the subsequent Local Government Financial Settlement.

6 STUBBERS ADVENTURE CENTRE (Pages 29 - 34)

7 EXCLUSION OF THE PUBLIC

To consider whether the public should now be excluded from the meeting on the grounds that it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present during the following item there would be disclosure to them of exempt information within the meaning of paragraph 9 of Schedule 12A to the Local Government Act 1972 which it is not in the public interest to publish; and, if it is decided to exclude the public on those grounds, Cabinet to resolve accordingly on the motion of the Chairman.

8 CONSIDERATION OF REPORTS CONTAINING EXEMPT INFORMATION



MINUTES OF A CABINET MEETING
Havering Town Hall, Romford
Wednesday, 13 July 2011
(7.40pm – 11.25pm)

Present:

Councillor Michael White (Leader of the Council), Chairman

Cabinet Member responsibility:

Councillor Steven Kelly (Deputy Leader)	Individuals
*Councillor Michael Armstrong	Transformation
Councillor Robert Benham	Community Empowerment
Councillor Andrew Curtin	Towns & Communities
Councillor Lesley Kelly	Housing
Councillor Roger Ramsey	Value
Councillor Paul Rochford	Children & Learning
Councillor Geoffrey Starns	Community Safety
Councillor Barry Tebbutt	Environment

Councillors Clarence Barrett, Sandra Binion, *Wendy Brice-Thompson, Keith Darvill, *David Durant, Linda Hawthorn, Paul McGeary, Denis O'Flynn, Billy Taylor, Frederick Thompson, Linda Van Den Hende, Keith Wells and John Wood also attended.

* - for part of the meeting.

11 members of the public and a representative of the Press were present.

The decisions were agreed with no vote against.

Agenda item 6 concerning the requisition of Cabinet decision relating to the provision of travel assistance to school for children with SEN, and agenda item 9 (E1) regarding the requisition of Cabinet decision concerning the Romford Leisure Development proposals were not dealt with as the relevant Overview & Scrutiny Committees had declined to support the requisition of the decisions referred to in those items.

7 MINUTES

The minutes of the meeting held on 15 June 2011 were agreed as a correct record and were signed by the Chairman.

8 THE COUNCIL'S FINANCIAL STRATEGY

Councillor Michael White, Leader of the Council, introduced the report. Individual Cabinet Members commented on matters within their respective portfolios.

The report explained that last Summer, Havering Council agreed a package of savings to mitigate the impact of very significant cuts in central government funding to local authorities.

The savings, totalling over £19 million to be delivered across three years, were made up of a range of measures designed to reduce back-office costs, cut bureaucracy and focus resources where they would have the most impact - while remaining fair to those local residents who most rely on the Council for their day-to-day support.

It was noted that one year on, most of the savings had already been implemented, with some to be delivered over the next two years. It was reported that last year's savings package was swiftly implemented to ensure Havering had begun to achieve its savings requirement as soon as possible and therefore minimised the impact of later decisions on both the community and the organisation.

The report summarised the position reached after the reductions in government funding had been comprehensively analysed following the two year settlement agreed for local government in December 2010 and took into account the agreed savings already approved.

The report also set out more than £16 million of further savings to be delivered over the next three years, in order to balance the Council's budget position by 2014. It was anticipated that the savings in the report, together with the savings agreed last Summer, should close the budget gap sufficiently that no further major savings announcements would be necessary before 2014 and the imposition of a new local government financial settlement, and any Council Tax increases would be able to be kept low. It was reported however that the Council remained committed to seeking out and delivering efficiencies wherever possible, in the interests of council tax payers.

If agreed, the report would provide residents, business and staff with a degree of certainty about how the Government's reductions in public sector spending would affect Havering over the next few years – provided there were no further cuts made to the Authority's funding.

Members also noted that it would also provide reassurance for residents that many of the Council's services that they most value, or have highlighted as a priority – such as weekly rubbish collections, street cleaning, roads and pavement repairs, libraries and parks – would remain in place.

The savings detailed in the report retained the Council's commitment to reduce the authority's running costs first and protect frontline services where possible to do so. It was noted that where the delivery of frontline services was subject to review or change, the proposals in the report had sought wherever possible to focus efforts and target resources to where they would do the most good. This responsible approach was designed to ensure that

the people who most rely on the Council's help – including vulnerable residents and children who are at risk of harm – remain well served by the Authority.

Reasons for the decision:

Decisions to progress efficiency programmes and other savings measures set out in the report to Cabinet were required in view of the need for the Council to make substantial efficiency reductions over the coming financial years.

Other options considered:

Not taking action to bridge the large funding gaps which the Council faced over the coming years would leave the Council vulnerable to having to take reactive action that was not fully planned or thought through, which might endanger direct service provision in future. The measures outlined in the report would enable the Council to address predicted increases in demand for services by some of the most vulnerable residents whilst keeping to the Council Tax commitments of the Administration.

Not taking action, or deferring action to future years would also increase the uncertainty faced by residents and staff within the organisation. The measures outlined in the report provided clarity and certainty regarding the savings required by the Council in order to meet the challenge of reduced funding.

A number of questions were posed by members concerning the proposed financial strategy to which responses were given by Cabinet members with assistance by officers present at the meeting.

Cabinet Agreed:

- 1. To approve the actions being taken to address the projected budget gap and endorse the early implementation of the proposals set out in the report to Cabinet.**
- 2. To approve the items in the schedule of savings proposals set out in Appendix 4 to the report, for appropriate consultation and equality impact assessments where necessary, as indicated in the schedule, to be undertaken by the Chief Executive or appropriate Group Director or Assistant Chief Executive prior to final decisions on those proposals in accordance with the constitutional position on each item.**
- 3. To instruct Group Directors to make as much progress as possible on the savings items listed in Appendix 4 to the report during the course of this financial year, in order to ensure that these were implemented in sufficient time to deliver full-year savings when these were required.**
- 4. To authorise the Chief Executive or the appropriate Group Director or Assistant Chief Executive, in consultation with their**

Lead Cabinet member, in furtherance of the matters set out in the report and schedules, to give appropriate notices, terminate, withdraw from or re-negotiate contracts and undertake or carry out any other matters which were necessary in order to deliver the savings set out in the report.

5. To authorise the Chief Executive and/or each Group Director or the Assistant Chief Executive, to seek to minimise redundancies by applying the Council's policies and procedures but where necessary determine the extent of the potential redundancies, undertake consultations with Trade Unions, consult with staff and issue redundancy notices, undertake staff selection, withdraw notices where appropriate, and hear and determine any appeals, with the exception of any adjustments to Chief Officer posts, including Assistant Director and Heads of Service posts, where appointments and dismissals might be decided by the Appointments Committee.
6. To authorise the Chief Executive and/or each Group Director or the Assistant Chief Executive, to make any further temporary or fixed term appointments necessary in order to support the delivery of the budget strategy.
7. To approve the continued commitment of £2m of Capital per year for the period of the medium term financial strategy for highways.

Cabinet Noted:

8. That the proposals contained in the report, building on both the decisions taken last July and in February, would ensure a stable financial position and bring as much certainty as possible to residents.
9. That the Chief Executive, in consultation with the Leader of the Council and appropriate lead member, would continue to negotiate and enter into contracts or arrangements with other boroughs to facilitate the provision of shared services.
10. That the report would go to all Overview and Scrutiny Committees, at a joint meeting to be held on 28 July 2011.

9 LOCAL IMPLEMENTATION PLAN ANNUAL SPENDING SUBMISSION 2012/13

Councillor Barry Tebbutt, Cabinet Member for Environment, introduced the report.

The report informed Members that the Council made an annual Local Implementation Plan (LIP) Spending Submission to Transport for London (TfL) for funding transportation initiatives across the Borough. It must be consistent with the Mayor of London's Transport Strategy and the Council's own Local Implementation Plan (as approved by the Mayor of London

following sign off by Cabinet). The report outlined the process for the Council preparing its LIP Annual Spending Submission for 2012/13.

The Council had been notified by TfL that it had been awarded an indicative amount of £3.074m LIP funding for the 2012/13 financial year which is broadly typical of most outer London boroughs. Members noted that later in the year, the Council must submit to TfL how it plans to spend the funding, taking into account TfL's most recent LIP guidance. The report outlined the issues that must be addressed in the Council's Submission and how that would be progressed.

Following Cabinet, it was reported that Officers would prepare the final detailed 2012/13 LIP Submission prior to forwarding it to TfL in October 2011. There would also be consultation with the Highways Advisory Committee before the submission was finalised.

The report recommended that approval of the final LIP Submission be delegated to the Cabinet Member for Environment who has responsibility for strategic transport, and the Cabinet Member for Community Empowerment who has responsibility for local transport schemes. It was expected that TfL would issue final confirmation of the allocation to the Council in late 2011.

The report confirmed that the Council would continue to explore additional opportunities for funding transport programmes/policies to supplement those from the LIP allocation such as other TfL funding streams, eg Biking Boroughs, other external funding sources and Section 106 contributions from development proposals.

Reasons for the decision:

The LIP Funding Submission was required annually to TfL in order to secure funding for a range of transportation-related initiatives in the Borough.

Other options considered:

There were no alternatives if the Council wished TfL to confirm its LIP funding award to Havering for 2012/13.

Cabinet:

- 1. Noted the guidance provided by TfL outlined in paragraphs 7 and 8 of the report, and other aspects to consider detailed in paragraphs 9 and 12 of the report in respect of Havering's Submission to TfL for LIP funding for 2012/13.**
- 2. Approved in principle the development of the LIP Submission for 2012/13 having particular regard to the range of considerations set out in paragraph 12 of the report.**
- 3. Agreed that the advice of the Highways Advisory Committee be sought on the proposed LIP submission before it was finalised.**

4. **Agreed that approval of Havering's final LIP Funding Submission for 2012/13 to TfL be delegated to the Cabinet Members with responsibility for Environment and for Community Empowerment.**
5. **Noted that other opportunities for investment in transportation initiatives would continue to be sought from TfL outside the LIP Annual Submission process, and from other stakeholders and funding sources.**

10 **REQUIREMENT FOR ADDITIONAL BURIAL GROUND**

Councillor Lesley Kelly, Cabinet Member for Housing, introduced the report.

The report before Cabinet explained that there were currently around 370 full burials and 150 cremated remains burials carried out in Havering each year. It was noted that at that rate, the Council had sufficient burial ground until September 2013. Preparation and construction of appropriate facilities for the extension or development of additional burial space on average took five years after the land was selected.

It was reported that a project to extend Upminster Cemetery had completed the preparation phase with the final design and tender process scheduled for 2011 in readiness for construction from April 2012, subject to member approval. Landscaping could be completed during spring 2013 in readiness for September 2013.

It was noted however that implementation costs had risen significantly above a previous cost forecast of £1m. The current actual budget provision made was only £457,000. Therefore decisions needed to be taken on whether the Council wished to continue to make provision for burials within the Borough, the number of years to be provided for and how this would be funded.

Reasons for the decision:

The decision was presented to Members in view of the fact that the London Borough of Havering would have insufficient burial grounds for those wishing to be buried in the borough, after September 2013. Members had to decide whether to invest in this service, in order to continue with the provision of burial ground for local residents.

Other options considered:

The report set out three options for Members to consider:

1. Make no further provision for burials in the borough.
2. Examining alternative ways of providing additional burial space in the Borough.
3. Expansion of Upminster Cemetery.

Cabinet Agreed:

1. **To provide additional burial land in the borough and the implications of such choices.**

2. To proceed with the option to develop the site (Stage 1) at Upminster to provide sufficient land for burials until 2019, at an estimated cost of £1.733m with the additional expenditure to be met by prudential borrowing.
3. That Members note that no alternative sites to Upminster have been identified at a reasonable cost.
4. In principle, to implement a review of fees in September 2011 to generate the necessary additional resources to fund the development of additional burial land at Upminster.
5. To delegate authority to the Cabinet Members for Value and Housing and Public Protection to approve the detailed schedule of fees.
6. To recommend to Council revision of the Cemetery Regulations to address the anomaly which enables non-residents of Havering who have died within the borough to claim the reduced cemeteries fees.
7. To recommend to Council amendment of the Cemetery Regulations to require that the first burial in a standard grave be for a full burial, rather than a burial of cremated remains.
8. The temporary suspension of the option to pre-purchase graves in Upminster Cemetery until the revised grave purchase fees have been implemented and that this service is re-instated at the new fee level immediately after implementation.

11 **CHANGES TO LONDON BOROUGH GRANT SCHEME – IMPLICATIONS FOR HAVERING**

Councillor Roger Ramsey, Cabinet Member for Value, introduced the report.

It was reported that London Councils administered the London Borough Grants Scheme (LBGS) on behalf of the London boroughs, commissioning and grant-funding services provided by voluntary organisations. The operation of the LBGS had been amended and, with effect from 15 August 2011, the LBGS would only fund selected high priority London-wide services. It was noted that decisions about which other voluntary sector services should be grant-funded following 15 August had been devolved to individual boroughs to decide locally. These decisions would be required urgently by organisations which had relied on the central LBGS grant to enable them to deliver services.

The report recommended a series of interim criteria for Havering Council to adopt when considering grant applications for the period up to 31 March 2012, from organisations which had, until now, received funding centrally from the LBGS. It recommended immediate consultation on the criteria with affected organisations, and that decisions on grant applications be delegated to the relevant lead Cabinet Members following consideration of the interim

criteria, any responses received from consultation, and the equalities and financial implications of each decision.

It was reported that because of the changes to the scope of the LBGS, borough contributions were likely to reduce in 2011/12 and subsequent years, but there was considerable uncertainty about the future budgetary position. The most appropriate use of any funds thereby released would need to be decided in the context of the overall financial constraints on the Council.

Reasons for the decision:

The rationale for the changes to the LBGS was that boroughs were best placed to take decisions locally about whether to provide grant funding for all but category A* services. A number of voluntary organisations would have their funding agreements terminated on 15 August 2011, including some which were providing services in Havering. It was important that the Council had clear, transparent, and justifiable criteria for deciding which organisations it may fund, in the context of the Council's overall financial position.

Other options considered:

It would be possible to attempt to assess grant applications on their individual merits without setting a framework of criteria for assessing them, but this risks inconsistency and unfairness in the way applications were processed, and may mean that important considerations were not properly taken into account.

Cabinet Agreed:

1. **To note the changes to the operation of the London Borough Grant Scheme and the implications for Havering.**
2. **To approve the interim criteria set out in paragraph 2.5 of the report for considering grant applications for the period up to 31 March 2012, from organisations whose grants from the London Borough Grant Scheme will be determined on 15 August 2011.**
3. **To agree to consult immediately on the interim criteria with organisations affected by the changes that are delivering a substantial level of service in Havering, and that any responses received from the consultation be taken into account in reaching decisions on grant applications.**
4. **To delegate decisions on whether to approve any grant applications, to the Cabinet Member for Value and the Cabinet Member for Culture, Towns and Communities (with the Leader of the Council acting in the place of either or both of those Members if they declare an interest in the decision), following consideration of the interim criteria, any responses received from consultation, and the equalities and financial implications of each decision.**

12 **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.

13 **EXEMPT MINUTES**

Exempt minute (57) of the meeting held on 15 June 2011 which referred to the Romford Leisure Development Proposal was agreed as a correct record and signed by the Chairman.

14 **AWARD OF CATERING CONTRACTS FOR BREAD AND CAKES, FRESH MEAT AND CATERING LIGHT EQUIPMENT - exempt information**

Councillor Paul Rochford, Cabinet Member for Children & Learning, introduced the report.

Cabinet received a report (containing exempt information and not available to the press or public) setting out proposals for the award of catering contracts for Bread and Cakes, Fresh Meat and Catering Light Equipment.

Members noted that the contracts for the supply of Bread and Cakes, Fresh Meat and Catering Light Equipment were joint contracts with members of the London Contracts Supplies Group (LCSG), which included representatives of all London Boroughs. The aim of the LCSG was to work in partnership to place joint consortia contracts to obtain the best value for the supply of various goods and services.

Each participating LCSG member managed their own requirements independently including managing their own contractual/supplier relationships.

The existing contracts for the supply of Bread and Cakes and Catering Light Equipment were awarded in September 2006 and would expire at the end of August 2011: There was currently no contract in place for Fresh Meat.

Reasons for the decision:

To ensure that the London Borough of Havering and other members of the LCSG had cost effective and value for money contracts awarded for the purchase of Bread and Cakes, Fresh Meat and Catering Light Equipment from the 1st of September 2011 until 31 August 2015.

Other options considered:

That contracts were not awarded, and each Council department enters into individual arrangements with suppliers. Corporate contracts provide a framework for fixed costs and agreed levels of service.

That service users source their own Bread and Cakes, Fresh Meat and Catering Light Equipment in the wider marketplace. This would create a situation whereby the less reputable companies in this market would be provided with an opportunity to sell to Havering and/or the LCSG. There were a number of companies that approached Councils to provide various catering contracts but past experiences had shown that the true cost of sourcing such contracts via this route was more expensive than a corporate contract.

There was no option to extend the existing contracts For Bread and Cakes and Catering Light Equipment.

There was no contract in place for Fresh Meat which was a growing commodity within the school meals service and a contract needed to be in place to ensure value for money when purchasing this item.

Chairman
17 August 2011



	5
CABINET 17 AUGUST 2011	REPORT

Subject Heading:	The Council's Financial Strategy
Cabinet Member:	Cllr Michael White
CMT Lead:	Ian Burns Acting Assistant Chief Executive
Report Author and contact details:	Anthony Clements Principal Committee Officer anthony.clements@havering.gov.uk 01708 433065
Policy context:	Comments of Overview and Scrutiny Committees on proposed budget cuts affecting all areas of Council services.
Financial summary:	The Council is required to save in the region of £40 million in the next four years commencing in 2011/12
Is this a Key Decision?	No
Is this a Strategic Decision?	No
When should this matter be reviewed?	N/A
Reviewing OSC:	All

SUMMARY

All the Council's Overview and Scrutiny Committees met in joint session on 28 July to be presented the report agreed by Cabinet and the draft minute of that meeting setting out budget savings in the light of the Government's Comprehensive Spending Review and the subsequent Local Government Financial Settlement. This report contains summaries of the issues raised by each Committee as set out in the committees' draft minutes and asks Cabinet to note these matters.

RECOMMENDATION

That Cabinet note the matters raised in the minutes of the Overview and Scrutiny Committees shown in the appendix.

REPORT DETAIL

- 1.1 At its meeting in February 2011, Cabinet approved a budget that covered the Council's initial response to the Coalition Government's Emergency Budget and the Policy Implications of the Coalition Agreement. This budget also reflected the subsequent outcome of the Comprehensive Spending Review, and the announcement of the Local Government Financial Settlement that followed it. Whilst the budget ensured that the Council had addressed a significant element of the forecast budget gap over the period to 2014, Cabinet agreed to a further report in the Summer that would address the remainder of the gap.
- 1.2 This report was presented to Cabinet on 13 July 2011. It was agreed that this report would be presented to a special meeting of all Overview and Scrutiny Committees. This meeting was held on 28 July 2011 and the minutes of each Overview and Scrutiny Committee's consideration of these matters are contained in the appendix to this report. It should be noted that specific minutes for the Crime and Disorder Committee and Health Overview and Scrutiny Committee are not included as these Committees did not raise any issues in relation to the proposed savings.
- 1.2 As discussed at the meeting of Cabinet on 13 July, Cabinet is now requested to note the comments of the Overview and Scrutiny Committees as part of its decision making process on these matters.

Financial Implications and risks:

None for this report. Full financial implications and risks of the proposed savings are given in the Cabinet report dated 14 July 2010.

Legal Implications and risks:

None for this report. Full legal implications and risks of the proposed savings are given in the Cabinet report dated 14 July 2010.

Human Resources Implications and risks:

None for this report. Full human resources implications and risks of the proposed savings are given in the Cabinet report dated 14 July 2010.

Equalities and Social Inclusion Implications and risks

None for this report. Full equalities implications and risks of the proposed savings are given in the Cabinet report dated 14 July 2010.

Reasons for the decision:

This report accords with the agreement by Cabinet at its meeting on 14 July 2010 that details of the proposed budget savings be presented for consideration at a specially held meeting of all Overview and Scrutiny Committees.

Alternative options considered:

As stated above, the convening of the meeting of all Overview and Scrutiny Committees accords with a previous Cabinet decision. As such, no alternative options were considered.

Appendices and Background Papers

Appendix: draft Minutes of the joint meeting of all Overview and Scrutiny Committees, held 28 July 2011.

There are no background papers.

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**MINUTES OF A SPECIAL MEETING OF THE
OVERVIEW & SCRUTINY COMMITTEES
Havering Town Hall, Romford
Thursday 28 July 2011 (7.30pm – 10.50pm)**

Present:

Children & Learning Overview and Scrutiny Committee –

Councillors Sandra Binion (chairman), Clarence Barrett (substituting for Gillian Ford – vice-chairman), Dennis Bull, Robby Misir, Linda Trew, Billy Taylor, Frederick Thompson, Nic Dodin and Pat Murray.

Co-opted Member present (non-voting) – Margaret Cameron

Crime & Disorder Committee –

Councillors Ted Eden (chairman)*, John Wood (vice-chairman), Rebecca Bennett, Roger Evans, Frederick Osborne, Linda Van den Hende*, Keith Darvill (substituting for Denis Breading) and Jeff Tucker* (substituting for David Durant).

Environment Overview and Scrutiny Committee –

Councillors Jeff Brace (chairman), John Mylod (vice-chairman)*, Dennis Bull, Peter Gardner, Robby Misir (substituting for Garry Pain) Barbara Matthews* and Jeff Tucker (substituting for David Durant).

Health Overview and Scrutiny Committee –

Councillors Pam Light (chairman)*, Clarence Barrett (substituting for Brian Eagling – vice-chairman), Wendy Brice-Thompson, Fred Osborne, Linda Trew and Nic Dodin.

Individuals Overview and Scrutiny Committee –

Wendy Brice-Thompson (chairman), Linda Van den Hende (vice-chairman)*, Jeff Brace, Pam Light*, Keith Wells and Clarence Barrett (substituting for June Alexander).

Towns and Communities Overview and Scrutiny Committee –

Fred Osborne (chairman), Linda Hawthorn (vice-chairman)*, Wendy Brice-Thompson, Osman Dervish, Robby Misir (substituting for Garry Pain) Keith Wells, Ray Morgon, Paul McGeary and Michael Deon Burton.

Value Overview and Scrutiny Committee –

Robby Misir (chairman), Ray Morgon (vice-chairman), Ted Eden*, Billy Taylor, Damian White and Clarence Barrett (substituting for Ron Ower).

Members of the Cabinet

Councillors Michael White (Leader of the Council), Lesley Kelly*, Steven Kelly, Roger Ramsey and Paul Rochford* were present.

Other Members

Councillor Denis O’Flynn

* - for part of meeting

Apologies were received for the absence of Councillors June Alexander, Denis Breeding, David Durant, Brian Eagling, Gillian Ford, Georgina Galpin and Ron Ower.

There were no declarations of interest.

1. CHAIRMAN OF MEETING

With the agreement of all Overview & Scrutiny Committee Members, the Chair was taken at this special joint meeting by Councillor Sandra Binion.

The Chairman advised all present of action to be taken in the event of emergency evacuation of the Town Hall becoming necessary.

2. THE COUNCIL’S FINANCIAL STRATEGY

The Leader of the Council, Councillor Michael White explained that the Council’s financial strategy had sensible financial planning as its bedrock. Investment had continued and could be seen in initiatives such as the My Place youth centre in Harold Hill and the recently announced new leisure facilities in Romford. There remained however an overall funding gap of £40 million and this report brought forward a series of balanced and focussed measures to meet the remainder of this deficit.

Services valued most by residents by residents would be protected under the proposals and there were be no closures of libraries or parks (indeed Havering’s parks has recently won eight green flag awards) nor would there

Councillor Barrett felt that monitoring of the budget savings was very important and asked if this could be done via exception reports brought to the overview and scrutiny committees. Councillor White was however seeking to reduce the cost of committee meetings. It was also part of Councillor Ramsey's role as Cabinet Member for value to ensure close monitoring of the savings. Councillor Ramsey added that monitoring of budgets was very important and that overview and scrutiny committees were welcome to look at the budget if they wished. The budget was considered robust enough for a two-year settlement and a new funding system would be in place after this.

Councillor Darvill asked if each Overview & Scrutiny Committee could look at the proposals but Councillor White pointed out that it was for each Committee to determine its own work programme, including investigations such as that suggested. Staffing implications of some proposals would however mean they could not be discussed in a public forum.

Councillor O'Flynn asked if there was a total saving of £16 million or £19 million as both figures were mentioned in the report. Councillor White confirmed that £4 million was not covered in the papers and there were various options to make this up including Business Rates and technical budget adjustments.

Questions raised and answers given relating to the specific savings proposals are shown in the appendix to the minutes.

Two propositions relating to items in the schedule of Savings Proposals were put to the vote. The details of those votes are set out in the appendix.

During the course of discussions, the Members of all Overview & Scrutiny Committees agreed to suspend Committee Procedure Rule 8(b) in order to complete the agenda of the meeting.

The Committees noted:

- 1. The financial position of the Council.**
- 2. That the report was formally consulting them on the Corporate budget adjustments and that this was the opportunity to scrutinise the Cabinet's decisions.**

APPENDIX (TO MINUTES): QUESTIONS AND RESPONSES RELATING TO INDIVIDUAL SAVINGS PROPOSALS LISTED IN APPENDIX 4 OF CABINET REPORT, 13 JULY 2011

CULTURE AND COMMUNITY
CULTURE AND LEISURE

Item 1: Five a side centre – Could the project plan for this centre be made available?

It was confirmed that the project plan was a public document and could be supplied to Members.

Item 3: Arts Service – Will services be reduced at Fairkytes or prices raised?

The savings would be achieved through better marketing and increased partnership working. Councillor White felt that the savings could be achieved and officers had a clear idea of where these savings would come from. Prospective partners for the Arts Service were Havering Music School and the Queen's Theatre.

It was confirmed that the Council remained committed to opening a new library in Harold Hill with a delivery date of 12-18 months.

Item 4: Community Halls

Could further details be given of the revised management arrangements?

Offices advised that a report on community halls would be presented to Cabinet in September including the amount of repairs needed and options for achieving the identified savings. A consultation paper would be released in the next 3-4 months and it was confirmed that Members could also receive this.

Item 5: Hornchurch Stadium – What would be the impact of the revised management arrangements on users of the stadium?

There were many issues to be worked through with this saving and the precise impact on users was therefore uncertain at this stage.

Item 6: Westland Temporary Camping Site – Could further details be given of the temporary arrangements during the Olympic period?

Councillor White wished to ensure that the Olympic Games were relevant to the people of Havering. Westlands Playing Fields would therefore open as a temporary camping site during the Games period. The plan was supported by St. Edwards School and transport would be provided to and from the camp site. The plans were not subject to the planning process but consultation would be undertaken with St. Edwards School and playing fields users.

Councillor White added that it had recently been announced that more than 300 Chinese journalists would be based in Havering during the Olympic period and a media centre would be set up in Romford.

The income received from the campsite during the Olympic period would offset the costs involved. It was possible however that the facility could be reopened for a

month in the summer in following years. A paper on Travellers in Havering as a whole would be taken at the next Cabinet meeting.

Item 8: Parks commuter parking – Will all people who drive to parks now have to pay for parking?

Most people in fact walked to Havering's parks but Raphael and Lodge Farm parks did suffer from considerable commuter parking and solutions to this had been discussed with residents and ward Councillors.

Officers explained that it was too costly to install barriers that would be lifted after the morning rush hour. There was also the problem of shift workers leaving their cars in the car parks. Officers felt the assessment of income from the policy change was realistic and would supply details to Councillor Barrett.

Is this change detrimental to Havering residents who visit parks?

Councillor White noted that he had visited a park last Sunday which had been very busy but he had not noticed many parking problems. People walked to the park or came by bus or bicycle.

It was proposed to refer item 8 on parks commuter parking to Cabinet for further consideration. This motion was **LOST** by five votes to four. Councillors Deon Burton, Hawthorn, McGeary and Morgon voted in favour of the motion; Councillors Brice-Thompson, Dervish, Misir, Osborne and Wells voted against.

Item 9: Countryside paths – Could more detail be provided for this saving?

Work would be transferred from to the grounds maintenance DSO and countryside rangers which would be more efficient.

Item 10: Libraries – What is the current total libraries expenditure?

Councillor Ramsey indicated this was in the region of £1.5 million and officers would supply the precise figures.

REGENERATION AND COMMUNICATIONS

Item 14: Management Restructure of Community Functions – Could more detail be given on this?

It was proposed to merge the corporate policy and community safety sections but it was not possible to give further details at this stage due to the impact on individual staff.

Item 15: Efficiency in spending grants budget – How many grants were given out in Havering?

Approximately £250,000 of social services grants were allocated with further grants from corporate policy and communications. Officers would supply full details.

STREETCARE

Item 17: Savings on environmental maintenance – Will these changes remove the demarcation between workmen?

Grass cutting used to be a major problem but the establishment of a single team to do the work would overcome this.

Item 19: Parking – Where and when will car park charges be increased?

More pay and display locations were being introduced but the current levels of charges were not changing. The car parks would also be managed in the same way.

Councillor Tucker said that the Council's car park at Tesco in Rainham was barely used and Councillor White invited him to propose any changes to the parking policy. It was accepted that the section 106 agreement in Romford, whereby no operator could charge less than the Council for parking, had led to some inconsistencies in parking charges. Councillor White reiterated that there were no plans to change either the 20p for two hours or 50p for three hours parking charges.

Item 21: Waste Tonnage Reductions – Will extra recycling facilities be introduced?

It was not planned to introduce extra recycling bins. It was planned to reduce waste tonnage by e.g. putting extra controls on recycling sites and ensuring waste was only taken from Havering residents. Councillor White added that there were definitely no plans to reduce the current weekly refuse collection.

HOUSING AND PUBLIC PROTECTION

Item 22: Trading Standards – reorganisation – It was clarified that the proposed £40,000 saving was in addition to the existing saving.

CUSTOMER SERVICES

Item 23: Registrars income improvements – Would dances and other events not be held at Langtons?

Clashes were avoided between musical events and weddings etc. The hall at Langtons could be used for small wedding receptions but these could not take place at the same time as other ceremonies. The savings target was achievable due to the introduction of additional income generation services such as the nationality application checking service.

DIRECTORATE WIDE

Item 24: Could further details be given of the planned efficiency savings?

There was not a detailed savings plan as yet although officers felt that the proposed savings were fully achievable.

SOCIAL CARE AND LEARNING

ADULT SOCIAL CARE

Item 25: Adult Social Care – Could further details be given of savings planned via renegotiation of the community equipment contract?

A new contract with community equipment suppliers would commence from October 2011. Savings would also be generated from a reduced need to store equipment as this would now be delivered direct to retail outlets.

Item 26: Supporting People – Specific cuts to services had not been decided yet but it was anticipated that there would need to be an overall saving of less than 10%. It would be necessary to review which services had the least impact or value and this would be the subject of a future Cabinet report.

Item 28: Service review – How will more efficient working in preventative services be achieved?

Back office efficiencies at Yew Tree Lodge had been identified and it was likely that further efficiency savings could also be found.

Item 29: Day Opportunity commissioning – Could a copy of the Equality Impact Assessment for this saving be supplied?

This saving related to a stimulation of the market for older people's services and was not therefore suitable for an Equality Impact Assessment as each person's needs were assessed individually. Consultation with services users would be carried out by social workers as part of service users' annual reviews.

Item 30: ASC Commissioning – Domestic Violence – How long does the current contract have to run?

The present contract had 18 months to run and the new tender was for three years with a possible extension of two further years.

Item 31: Reablement performance – What is the cost of new reablement beds?

There was no cost for new reablement beds as these were covered by Government funding via the Department of Health. Total funding, including elements for other purposes, was in excess of £2 million.

Item 32: Reducing demand – telecare investment – What is the total investment in telecare?

Total figures would be provided by officers. It was noted that some telecare initiatives were provided by Government rather than Council funding.

Item 34: Reducing demand – falls prevention – Should efforts be made to improve Havering’s pavements in order to reduce numbers of falls?

The Council was working with many partners on its falls reduction strategy. There were also joint efficiencies with the health sector that could be produced in this area. Members felt that carpets, stairs and other areas could also be looked at in order to reduce falls. A higher level of exercise could also mean that falls caused less harm when they did occur.

Item 35: Reducing demand – Hospital Admissions and Re-admissions – Would the cost of CRB checks and recruiting volunteers be excessive?

The proposed network of volunteers to support users with long term conditions was currently being discussed with voluntary organisations. There was confidence that such a network could be established, at no cost to the Council. Members agreed it was important not to take volunteers for granted.

Item 37: Reducing demand – transition planning – How will the transfer of care from children’s to adult services be managed?

There were around 30 transitions from children’s to adults care per year and officers were aware of the risks around transition. Work was now undertaken with children’s services at an earlier stage and with better planning for young people with long term care packages, more cost effective options could be found.

Officers added that this item should be taken in conjunction with item 55 which dealt with the creation of a specific “transitions team” working with people from the age of 12 to 24. The combined adult and children’s directorate allowed for a better, more cost effective transition. It was also clarified that the council was legally required to have a head of children’s services.

Item 42: OP Residential Care – Were the Cabinet confident that a £1 million saving over three years would be achieved in this area?

Officers accepted that the savings target was ambitious but money from central Government had allowed the testing of telecare and telehealth which was already having an impact. 49% of people receiving home care reablement required no further support and half of the remaining recipients required less support than under a different route. Less support was also now needed for people who had gone through Royal Jubilee Court. A reduction in spending on residential care from 50% to 40% would have a significant impact on the Council’s budget, even with increased investment in prevention. Members felt that regular monitoring of these proposals would be essential.

Item 43: Adult Social Care Charging – Was there a danger that people would no longer take up services such as meals on wheels if charges were increased?

The meals on wheels service was no longer subsidised but was now selling more meals than previously. Whilst it was possible that things could change once the outcome of the Dilnott report was known, 60% of service users still paid no charge at all.

Children's Services and Learning & Achievement

Item 45: School Improvement Transformation – What would be the impact of academies not taking up services?

Officers advised that this saving related to grant match funding and was not affected by any decisions made by academies.

Item 46: Traded services – What would the impact of this saving on schools?

This related to removing the Council subsidy on services supporting school improvement but would have no effect on schools themselves. A competitive price and product would still be given to schools. The precise business model was still being worked on and it was too early to say if this would involve any redundancies.

It was proposed to refer item 46 on traded services to Cabinet for consideration. The motion was LOST by six votes to three. Councillors Barrett, Dodin and Murray voted in favour of the motion; Councillors Binion, Bull, Misir, Taylor, Thompson and Trew voted against.

Item 47: Adoption – Would the proposed changes mean fewer adoption panels being held?

It was uncertain at this stage how many panels or meetings would be required. Legal advice would be needed on constituting an adoption panel across three boroughs. The new structure would definitely not delay any child being adopted which would not be cost effective in any case.

Item 48: Information, Advice and Guidance – What discussions have taken place with schools regarding this new model?

Work on this area was at a very early stage. Officers felt that a targeted model would give a more consistent focus. Schools were aware of the proposed model but no discussions had taken place as yet. Legal opinion had not been obtained at this stage. Legal advice could be brought to a future meeting of the overview and scrutiny committee unless the advice made reference to individual staff.

Item 49: Children's Centres – Will these changes lead to any redundancies at the Children's Centres?

There would be no redundancies as a result of any changes. Children's Centres were central to the prevention strategy although there were efficiencies that could be made in a number of the centres. Provision for disabled children was made in all Children's Centres and one Centre specialised in facilities for disabled children. There was not a role for the voluntary sector in achieving this specific item but a role for voluntary organisations in the management of Children's Centres had not been ruled out in the longer term.

Item 51: Children's Transformation – Could further details be given of this proposed saving?

It was important to focus more on prevention programmes which would also produce financial savings. Officers agreed that these savings would need to be continually monitored, Councillor Rochford added that there would be no effect on child protection, only on prevention strategies.

Item 53: Implications of SEN Green Paper – Will the proposed savings be achieved?

Officers felt that the savings could be achieved although this depended on the progress of the Green Paper. There would be no effect on either the funding or provision of services for children with special educational needs.

Item 55: Re-engineering of transitions process and structure – Could further details be given of the proposed savings?

Work had already started on this transition. A lot of expenditure had previously been incurred due to poor planning or decision making previously. Improvements in this would mean savings were achievable.

DIRECTORATE WIDE

Item 56: Review of Structure – Could examples be given of changes as a result of this review?

Officers explained that there was a need to reflect the service in future and this would require different resources and a different shape of directorate structures. There were many uncertainties that had to be planned for e.g. the findings of the Monroe report.

The combined adults and children's directorate allowed greater scope for integration and this also applied to work with the NHS.

FINANCE & COMMERCE **ASSET MANAGEMENT**

Item 57: Increased staff occupation density of Mercury House – Had negotiations taken place with unions over the introduction of hot desking etc?

The current overall ratio for the Council was seven desks to ten staff but it was felt that some ratios could be reduced further. The strategy on flexible working had been agreed with the unions. Talks were being held with several potential occupiers of the two vacant floors of Mercury House.

A number of office-based staff did still require an assigned desk although technology was allowing an increasing amount of remote or home working. There was also more use of scanning and electronic devices in order to reduce the amount of paper used.

Item 58: Reduction in building cleaning – How many redundancies would there be as a result of this reduction?

Cleaning in public or communal areas, toilets etc. would be carried out at the same frequency as currently. Work was in progress to ascertain the staff numbers affected but there would be no redundancies of permanent staff as a result of this saving.

Item 60: Re-introduction of school swim transport – Will new 32 seat coaches be purchased for this service?

The aim was to use school transport vehicles during their down time. The service would need to be marketed to schools but officers felt the projected income was achievable.

Item 61: Deletion of post within Transport service – Would this impact on the current service?

This related to the work of a retired postholder. There were now different reporting arrangements and officers felt management of the section could continue in this way in the future.

Item 62: Staff car parking – Why had last year's savings not been achieved?

It had been agreed to put back the new parking system several months after discussions with the unions. This meant the original projected income was not achieved. Officers would supply further details.

Item 63: Reduction in courier service – What would be the impact of this?

The internal courier run would reduce from three to two deliveries per week.

DEVELOPMENT AND BUILDING CONTROL

Item 72: Emergency Planning shared services – Could more details be given of these proposals?

It was proposed to share the management of the service with Barking & Dagenham and Waltham Forest. This would start in the post-Olympic period. There would be no staff redundancies involved.

LEGAL AND DEMOCRATIC SERVICES

Item 73: Reduced support levels to Mayor – What would be the impact of this?

The Mayor would concentrate more on events within Havering in future and there would therefore be less call on the Deputy Mayor.

Item 77: Reduction in Cabinet Member – Could more details be given of this?

Councillor White explained that, once the Council's transformation programme had completed, there would be no need for a Cabinet member with a transformation

portfolio. It was important that Councillor made decisions or put forward proposals, rather than officers.

Item 78: Road Safety – Whilst noting that there was no proposed reduction in school crossing patrols, would there be a reduction in the number of road safety events held?

Officers confirmed there would be no reduction in school crossing patrols. Efforts would be made to retain the existing number of road safety events but some may have to be reduced. It was possible some events could be held jointly with neighbouring boroughs.

Item 79: Committee Services restructure – What was the rationale for this proposal?

Some committees had been abolished recently which had led to some spare capacity in committee services.

Item 80: Members Allowances. Reduction in IT etc. – Could more details be given of this?

The issuing of Members with I-pads would allow the saving of money via less use of paper etc.

Item 81: CCTV Reduced staffing – Would the Council's CCTV network be brought together with that of Homes in Havering?

An options paper on the CCTV service would be brought forward in the autumn. Discussions were also in progress with two other boroughs re sharing CCTV Control rooms.

CORPORATE ITEMS

Item 82: Car pooling/car club – How many vehicles would be needed for the scheme?

Such schemes had worked well in areas such as Croydon but a pilot would be undertaken first to establish the number of vehicles needed. Approximately 20 vehicles were needed for the pilot scheme which would be purchased at a reduced rate from a third party supplier.

Item 83: Reduction in strategic provisions – How was this saving made up.

The saving was derived principally from provision for the ELWA levy with the rest of the variance put towards carbon trading.

Item 84: Reduction in Senior Management – How would this be achieved?

It was proposed that there be a reduction of 20% in senior management – four senior manager posts being removed out of twenty. Steps would be taken to ensure services could still be run with a reduced senior management. Management levels would need to be increased during the period of change.

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CABINET

17 August 2011

REPORT

Subject Heading:	Stubbers Adventure Centre
Cabinet Member:	Councillor Roger Ramsey
CMT Lead:	Andrew Blake-Herbert
Report Author and contact details:	Garry Green – 01708 432566
Policy context:	Asset Management Plan 2010 -2011
Financial summary:	The proposed disposal of the Centre will provide a significant capital receipt for the Council.
Is this a Key Decision?	No
Is this a Strategic Decision?	No
When should this matter be reviewed?	N/A
Reviewing OSC:	Value Overview & Scrutiny Committee

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

The report refers to the Council's ownership of the Stubbers Adventure Centre.

A previous report concluded that no essential need existed for the Council to continue to own and control the property and it should be offered for sale. The Council has a fiduciary duty to obtain best price when disposing of assets. The Council had been advised that the property should be openly marketed to ascertain its true value and that the existing tenant be encouraged to bid competitively in this process. The marketing has now concluded and this report makes a recommendation that the property be sold to the Essex Youth Trust (who financially support the Centre and have a mutual trustee with Stubbers Adventure Centre charity) on the terms set out in the exempt part of this report.

The proposed purchase will be funded and entered into by the Essex Youth Trust, who will then make suitable arrangements with the Stubbers Adventure Centre Limited to enable the existing operation as a charitable adventure centre to continue in perpetuity.

RECOMMENDATIONS

- 1) To agree the disposal of the Council's freehold interest in the Stubbers Adventure Centre to the Essex Youth Trust on behalf of the Lessee on the terms set out in the exempt part of this report.
- 2) That the Property Strategy Manger be authorised to deal with all matters arising and thereafter to complete the disposal of the site.

REPORT DETAIL

The Council owns the freehold interest in the Stubbers Adventure Centre (previously known as the Stubbers Outdoor Pursuit Centre). This was originally a Council provided and operated outdoor pursuit centre in the control and management of the Education Department, primarily used to serve the needs of schools. The Centre is on a 117-acre Green Belt site and comprises a Residential Centre, Camping Area, Lakes, Boat Storage, Multi Purpose Areas, Climbing Wall, Housing Accommodation and Administrative Offices.

In the mid 1990's, a review of the Centre was carried out as it was making substantial revenue losses and the Council was not able to invest capital in the Centre to the extent required to meet changing needs and to maintain it. The Council decided, therefore, to cease its own direct management of the Centre and instead to seek for an organisation to take over the facility.

Cabinet, 17 August 2011

A marketing campaign was undertaken, the outcome of which was a decision to lease the premises to the trustees of Essex Boys & Girls Clubs (operating as Stubbers Adventure Centre Ltd) for a period of 21 years from April 1996 at a peppercorn rent. The Essex Boys & Girls Clubs have been supported by the Essex Youth Trust throughout its occupation of Stubbers with a start-up grant and funding amounting to £1.5m over the term of the lease. The Essex Youth Trust is a registered charity with substantial assets that it uses to support the education and advancement of young people.

The Centre had approached the Council on the basis that it wished to substantially further invest in the Centre, in particular to replace Summer Tented Villages with a Residential Centre.

The Stubbers Adventure Centre did not feel it could move ahead with these investment proposals without a greater form of tenure, there remaining only 6 years on the existing lease. Indeed, it is a requirement of their major funding offer that at least a 99 year lease is in place. The Adventure Centre had requested that the Council consider either a freehold disposal or an extension of the existing lease to 99 years.

The existing lease is at a peppercorn rent which is a reflection of an initial loss making operation. At the end of the current lease, the lessee will be entitled to claim a new lease under the security provisions of the Landlord and Tenant Act. At this time it would be usual for the landlord, the Council in this case, to seek an open market rent for the premises.

The case for the Council to retain the property - which would ordinarily be part of ongoing review processes - has been brought forward for consideration by the current request of the Lessee for a freehold or lease extension in order to justify capital investment.

In deciding whether to dispose of property the Council, as owner, has to have regard to the statutory requirement to achieve best consideration in any disposal of its assets. It also needs to consider the principle of whether a disposal should proceed.

The operation of Stubbers provides social and community benefits but it is not considered that this is a sufficient reason to retain ownership in this case. This is not a statutory provision and indeed, most local authorities do not own such facilities which are most often provided through private provision, trusts or charities. There is no evidence that disposal will lead to the Centre not operating in the future and one of the underlying reasons for disposal is to permit investment in the facility that cannot be justified under the existing tenure arrangements.

Discussions had taken place with the Essex Boys & Girls Clubs but no agreement could be reached on price with both sides holding different views on value. Preliminary negotiations suggested that due to the unusual nature of the property and its value, an agreement might be difficult to reach if the property was not competitively offered.

The Council, therefore, chose to offer the freehold to the market. This would fully test the market regarding price and provide an opportunity for any bid from the current Lessee – the Essex Boys & Girls Clubs – to be made in a competitive environment so it can be comparatively assessed. Other operators may also be interested and could take a medium term view on running this facility themselves in the future by acquiring at this time. Finally, the freehold interest could be attractive to investors as a market rent will become due on the Centre when the existing lease expires.

As this is a large green belt site, the Council would impose on sale a claw-back covenant to ensure that the Council would benefit from any valuable planning permission granted outside the existing green belt planning use notation currently attached to the site.

Outcome of Marketing

The property was marketed in June and July 2011. The site attracted strong interest and a good number of competitive bids were received, including a bid from the existing tenant - the Essex Boys & Girls Clubs - supported with financial backing from the Essex Youth Trust. The Essex Youth Trust has a mutual trustee with Stubbers Adventure Centre charity. These bids and their benefits, both financial and in terms of their community attraction, have been reviewed by the Lead Member for Value. The outcome is that Cabinet is being recommended to prefer the bid received from the Essex Boys & Girls Clubs, subject to it adhering to the terms of its bid and completing the transaction in a reasonable timescale.

The proposed purchase will be funded and entered into by the Essex Youth Trust, who will take protective ownership of the asset. The Trust will then make suitable arrangements with the Essex Boys & Girls Clubs (operating as Stubbers Adventure Centre Limited) to enable the existing operation as a charitable adventure centre to continue in perpetuity.

REASONS AND OPTIONS

Reasons for the decision:

It has been concluded that Stubbers is not a property that the Council must continue to own and has agreed in principle to its disposal so as to permit sufficient tenure for a new owner to make the substantial investment required in the site to ensure its long term sustainability.

Other options considered:

- 1) Retain the property and let the existing lease run to expiry and at that point review the rent and retain as an investment for the Council or sell to the market as an investment at that time. This would not allow an occupier to now invest in the premises as is operationally required, due to insufficient tenure.

- 2) To negotiate to sell the premises only to the existing tenant. The Council is under no obligation to deal exclusively with the existing tenant. The Council's primary fiduciary obligation is to obtain best price for the asset. Without undertaking a marketing process it would be difficult to establish that the best price is being achieved as these types of property only occasionally come to the market and it is difficult to accurately gauge value without open marketing.

IMPLICATIONS AND RISKS

Financial implications and risks:

The sale will yield a capital receipt which can be used to contribute towards the financing of the Council's capital programme.

The costs of disposal can normally be financed from the capital receipt.

There are no material revenue implications arising from the disposal because the property is currently let at a peppercorn rent.

Legal implications and risks:

There is no legal requirement for the Council to retain this land. While the disposal transfer documentation will include the restrictions referred to above, it is not possible with a freehold sale to absolutely guarantee that the restrictions could not be circumvented in due course. However, this is not identified as high risk and remains the best way to protect for the Council a share of any planning gain that may arise in the future.

All Legal matters arising from this decision to dispose of property will be properly and legally documented to protect the Council's position and record the agreement reached.

Human Resources implications and risks:

None have been identified for the Council.

Equalities implications and risks:

Stubbers Adventure Centre is an outdoor pursuits centre that is openly available to schools, youth organisations and members of the public. It provides activities for these organisations, which will continue to be available after any freehold sale as the existing tenant is the proposed purchaser.

BACKGROUND PAPERS

None

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