



MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Wednesday, 26 September 2012
(7.30 - 8.55 pm)

Present:

Councillor Michael White (Leader of the Council), Chairman

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

Councillors Wendy Brice-Thompson, Dennis Bull, Keith Darvill, David Durant, Gillian Ford, Linda Hawthorn, Paul McGeary and Frederick Thompson were present for the meeting.

There were 3 members of the public present during the meeting.

Unless otherwise indicated, all decisions were agreed unanimously.

The Chairman reminded those present of the action to be taken in the event of an emergency.

17 MINUTES

The minutes of the meeting of Cabinet held on 15 August 2012 were agreed as a correct record and signed by the Chairman.

18 THE COUNCIL'S FINANCIAL STRATEGY

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

It was explained that over the course of the previous two years, Havering Council had agreed a package of savings to mitigate the impact of very significant cuts in central government funding to local authorities.

These savings, totalling in excess of £19 million in the first tranche, with a further £16 plus in the second tranche, consisted 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 relied most on the Council for their day-to-day support.

Government plans for radical changes to a number of areas had been announced over this period, with more detail gradually emerging. These changes would fundamentally alter the way in which local authorities were funded.

The report also updated Cabinet Members on developments relating to the localisation of business rates. The current arrangement where local authorities effectively collected business rates on behalf of the Government and receive general grant funding, would be replaced with a system whereby local authorities would retain funds generated locally through business rates. However, the proposals announced by the Government would not see full retention. Instead, it had been proposed that authorities would retain only 50% of the sum collected, with the remaining 50% being returned to the Government. In return, local authorities would receive a general grant. There would also be limits on how much authorities could “gain” or “lose” through local shifts in the level of business rates, so for example, a material reduction in local business rates would be compensated for.

Details of funding, including the base amount for business rates and the level of general grant, would be set out in the Local Government Financial Settlement (LGFS). The exact funding position would not be known until the settlement was released which was not expected until December. This would mean that a significant amount of work would need to be undertaken at that time and that it would not be possible to provide details to Cabinet until January, when budget proposals were formally submitted for consultation purposes.

It was noted that further reports would be submitted to Cabinet as more information became available on the various issues covered in the report. It was proposed to provide an update to Cabinet at the next meeting on a range of other financial matters and an assessment of the financial position and its potential impact on 2013/14.

A joint Overview and Scrutiny Committee meeting would be held to consider budget proposals, however the date for that meeting could not be fixed as the precise date for the receipt of the Local Government Financial Settlement was not yet known although it was anticipated to be towards the latter half of December.

Cabinet AGREED:

- 1. To note the current position with developments relating to the funding of local authorities through the localisation of business rates.**
- 2. To note that details of the Local Government Financial Settlement for 2013/14 would be reported to Cabinet in full in January.**
- 3. To delegate to the Cabinet Member for Value approval of the Council's response to the technical consultation on the localisation of business rates.**

4. **To note that a further report would be submitted to Cabinet on a range of other financial matters.**

Reasons for the decision:

It was essential that the Council's financial strategy took due account of Government plans, and any other material factors where these were likely to have an impact on the Council's financial position. The report provided an update to Cabinet on the most immediate issue relevant to the budget setting process.

Other options considered:

None. The Constitution required the report as a step towards setting the Council's budget.

19 **CORPORATE PERFORMANCE REPORT 2012/13 - QUARTER 1**

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

The report before Member set out the performance of the Council's Corporate Performance Indicators for the first quarter (April-June 2012), against the five Living Ambition Goals of the Corporate Plan:

- Environment
- Learning
- Towns and Communities
- Individuals
- Value

Of the 68 Corporate Performance Indicators, 39 were measured quarterly. The remaining indicators were collected on an annual or bi-annual basis only.

The report identified where the Council was performing well and not so well. The report highlighted what action the Council was taking to address poor performance where appropriate.

Also included for indicators measured quarterly was a Direction of Travel (DoT) column which compared performance in Quarter 1 2012/13 with performance in Quarter 1 2011/12.

Appended to the report was a chart which detailed each of the 68 Corporate Performance Indicators. Officers provided responses to queries raised by Members in respect of some of the performance indicators.

Cabinet AGREED to note the contents of the report.

Reasons for the decision:

The report provided Cabinet Members with a quarterly update on the Council's performance against the Corporate Performance Indicators.

Other options considered:

There were no other options considered.

20 **DRAFT ANNUAL REPORT 2011/12**

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

It was explained that the purpose of the Annual Report 2011/12 was to provide information to the public, partners and staff on the Council's performance and progress towards achieving the Living Ambition goals and objectives, as set out in the Corporate Plan 2011-14. It was also an opportunity to promote the Council's key projects and achievements in 2011-12.

The Annual Report had a similar structure to the Corporate Plan, with a chapter on each corporate goal and a list of performance indicators at the end. Each chapter lists the key achievements in that area, followed by case studies on a particular project/achievement. Where a performance indicator was relevant, it had also been included in this section (as well as listed at the end of the document).

It was proposed that the Annual Report be published as an electronic resource to keep costs to a minimum. Copies would only be printed upon request.

In response to a query, it was explained that the production costs were kept to a minimum through the use of existing in-house service provision. Some Members remarked that the Annual Report could have been included in the Council's former 'Living in Havering' publication, which had been discontinued by Central Government.

Cabinet AGREED to approve the Annual Report 2011/12 for publication on the Council's website, under the Living Ambition page, with one amendment to include the estimated allocations for the 2013/14 Local Government Financial Settlement.

Reasons for the decision:

To provide Cabinet Members with the opportunity to receive and review the draft Annual Report 2011/12, and to approve its publication on the Council's website.

Other options considered:

There were no other options considered.

21 **PRIMARY SCHOOL EXPANSIONS 2013-14**

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

The report to Cabinet on 11 July 2012 on Commissioning School Places recommended consultation on a draft strategy for ensuring the sufficiency of school places over the next five years. At that meeting it was noted that there was a projected need for 103 permanent Year Reception classes for September 2013 and to meet this projected growth it was proposed to expand the capacity of a sufficient number of schools each by 15 or 30 pupils per year group, that is by either 0.5 or 1 form of entry (FE) for September 2013.

The way in which the Local authority was proposing to meet that agreed need was detailed in the report before Cabinet. It set out the individual schools which had

been selected to expand, the rationale for their inclusion and the indicative costs of each scheme. The schools had been selected based on the local authority's Commissioning School Places Strategy which had been approved in slightly amended form by the Cabinet Member for Children & Learning on 17 September 2012 but was out for further consultation.

The report highlighted the shortage of primary school places projected for September 2013. It was explained that for those schools with accommodation that could be brought back to general teaching use the Council could decide to admit pupils beyond their Published Admission Numbers ('PAN'). However, for those schools that needed additional accommodation to admit 200 pupils or more than 25% (as long as this was more than 30 pupils) of their existing 'net capacity' (whichever was the smaller figure), a statutory process of consultation would be necessary before the Council could agree the expansion. Therefore the second element that had been included was for those schools requiring a statutory consultation process.

It was explained that for the Upminster area Branfil Primary was proposed school for expansion. A statutory process was required and this process was started much earlier than for the remaining eight schools in need of statutory proposals because major building works had already been planned and there was a need to complete the statutory process as soon as possible to enable expansion works to be included within the major project, thereby achieving best value.

Those consultations had now concluded and the Strategy finalised with some minor amendments. Appended to the report was the list of 15 schools proposed for permanent expansion from September 2013. Also appended were the responses to the consultation representation Period for the proposals to expand Branfil Primary School.

Reasons for the decision:

The decisions were necessary to provide sufficient additional primary places to meet the forecast rise in primary pupil numbers projected from Sept 2013 and beyond. The reasons for proposing specific schools for expansion were given in an appendix to the report.

Other options considered:

The option of adapting existing accommodation for 'bulge' (temporary) classes to respond to the projected deficit of primary places had been considered as this would be more affordable and avoid the risk of providing permanent accommodation that might then become surplus in the foreseeable future.

This option had been rejected because of the high level of confidence in the latest pupil forecasts for 2012 which projected the birth rate to be sustained at the current high level for the medium term and the corroboration of these projections by the latest ONS forecasts. Given the long term confidence in forecasts the permanent expansion proposals were considered to provide best value for money and the preferred option of schools for responding to expansions.

In some planning areas there was more than one option for deciding on a school to expand for September 2013 and a clear rationale was given for each school being proposed and detailed in appendix to the report. As projections of rising pupil numbers were forecast to continue, all schools that had not been proposed for expansion in 2013 would be fully considered for any future programme.

The decision to proceed with planning applications and tendering arrangements in parallel with the statutory consultation process had been a necessity in order to avoid delays in delivering the required capacity. In the event of the statutory consultation being unsuccessful, the planning permission and contract award would not be implemented.

In reaching its decision, members were advised that an Equalities Impact Assessment had been conducted from which it was concluded that there would be no identified adverse impacts.

Cabinet AGREED:

1. **The 15 schools listed in Appendix 1 to the report for proposed permanent expansion from September 2013 to meet the projected deficit of primary places;**
2. **The statutory processes to be initiated to permanently expand the capacity of eight of those 15 schools by September 2013: Harold Court Primary; Harold Wood Primary; Pyrgo Priory Primary; St Patrick's Primary; Rise Park Infant and Junior schools; and Towers Infant and Junior schools;**
3. **The proposal to expand Branfil Primary School from 1 September 2013, following the Representation Period which ended on 31 August 2012;**
4. **That staff take all necessary steps in order to deliver the expansion programme, including the submission of planning applications**
5. **The commencement of a tendering process for construction/refurbishment works at issue of tenders for Harold Court Primary, Harold Wood Primary, Mead Primary, Parsonage Farm Primary, Rise Park Infant and Junior schools, Towers Infant and Junior schools, together with all associated investigations e.g. soil survey**
6. **That the final allocation of available Capital funding as detailed within the report be delegated to the Cabinet Members for Children and Learning and Value, and the Group Directors of Children's Services and Finance and Commerce.**

22 LOCALISATION OF COUNCIL TAX SUPPORT

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

At its meeting on 11 July 2012, Cabinet received a report which provided details of the Welfare Reform Act 2012 which will abolish the national Council tax Benefit scheme from April 2013. In addition, details were provided regarding the proposed Local Government Finance Bill which will enable Local Authorities to design their own local council tax support schemes. That report set out 8 options with equalities implications set out for each option.

Cabinet Members considered eight options from which a local Council Tax Support Scheme could be developed and authorised consultation with the Greater London Authority (GLA) on these options with the Council's preferred option being option eight.

It was noted that a report was presented to the Value Overview and Scrutiny committee on 31 July 2012 detailing the options for a new local scheme.

The report before Members sought a commitment to make Option Eight (the details of which can be found in the 'Other Options considered' section in this minute) the basis of the draft local council scheme from which consultation can commence with members of the public and affected persons.

Reasons for the decision:

The report arose as a result of the Local Government Finance Bill 2012 which requires the Council to design a Local Council Tax Support Scheme to support people who were liable to pay Council Tax and were in financial need.

Other options considered:

The options available were summarised below.

Option	Projected Saving £	Impacts
1. Absorb 10% reduction into council financial reserves.	1.9 mil	No impact on Council Tax Benefit claimants or wider Council Tax
2. Restrict Council Tax liability to 80% for benefit purposes.	1.9 mil	All working age Council Tax Benefit claimants
3. Reduce Council Tax Benefit by 18%	1.8 mil	All working age Council Tax Benefit claimants
4. Restrict benefit to average band D award, increase taper & non dependant deductions	1.8 mil	All working age Council Tax Benefit claimants, particularly those with non dependants in household.
5. Restrict benefit to average band D award, increase taper & non dependant deductions, reduce premiums	1.8 mil	All working age Council Tax Benefit claimants
6. Increase Council Tax in line with technical reforms.	1.8 mil	Direct impact on the wider Council Tax collection for residents with certain discounts and exemptions
7. Increase Council Tax for all tax payers by £22 per year.	1.85 mil	All residents in borough not claiming maximum CTS (approx 87,000)
8. Restrict benefit to band D, increase non dependant deductions, increase council tax for second homes in line with technical reforms.	1.8mil	Working age claimants who have non dependants or who reside in properties banded E to H. Also affects people who have second homes or homes that are not inhabited

Cabinet AGREED:

- 1. The draft local council tax support scheme (set out in Appendix E to the report) and amendments to council tax discounts as summarised in**

Appendix A to the report for consultation with members of the public and other interested parties.

2. **To note the financial pressure of a £1.9 million reduction in government grant for council tax support in 2013/14.**

23 **REVISED HOUSING ALLOCATIONS SCHEME AND NEW TENANCY STRATEGY COVERING THE LETTING AND MANAGEMENT OF HOUSING IN THE LONDON BOROUGH OF HAVERING**

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

The report proposed to Cabinet a fully revised Allocations Scheme covering the eligibility for, and letting of, council housing in the borough. The revisions took account of the new freedoms and flexibilities afforded local authorities with regard to the letting of council homes brought in by the Localism Act 2011. The revisions had been informed by thorough and detailed consultation with residents likely to be affected and stakeholders both within and outside the Council.

The report also set out a draft Tenancy Strategy for approval. It was a new requirement of each housing authority, brought in by the Localism Act 2011, that a Tenancy Strategy be published by no later than 15 November 2012 covering the authority's approach to the use of fixed term tenancies, rather than lifetime secure tenancies.

Housing associations operating in the borough were required to have regard to the Tenancy Strategy when setting their own tenancy policies. Given this influencing role of the Strategy, it also included details of the Council's approach to affordable rents, these being rents of up to 80% of local market rents, introduced in 2011.

The draft Tenancy Strategy had been produced following thorough and detailed consultation with residents, registered providers (also known as housing associations or registered social landlords) and other stakeholders.

Reasons for the decision:

Housing Allocations Scheme

The Localism Act 2011 gives housing authorities greater freedom and flexibility over which households are and are not eligible for social and affordable rented accommodation. The Council's current Allocations Scheme was approved in 2005 and it was now timely to review the existing scheme in light of the Localism Act and subsequent Code of Guidance and statutory instrument.

Tenancy Strategy

The Localism Act 2011 placed a new duty on housing authorities to publish a Tenancy Strategy by 14 January 2013. Approval and adoption of the Strategy would set out clear guidance and support the Council and registered providers operating in the borough to make best use of social and affordable housing stock in the borough.

Options considered:

Housing Allocations Scheme

1. Not to change the existing Allocations Scheme – REJECTED because the Council would not be availing itself of the new freedoms introduced under the Localism Act and people in the lowest priority bands would continue to have an unrealistic expectation of securing social or affordable rented housing.
2. Review and amend the Allocations Scheme – PROPOSED so as to remove the problems identified above.

Tenancy Strategy

No alternative was considered because the Council had a statutory duty under the Localism Act 2011 to publish a Tenancy Strategy.

Cabinet Members were reminded that, when considering what decision to make, they were under a personal duty to have due regard to s149 Equality Act 2010, namely that the Local Authority when exercising its functions must have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it. Relevant protected characteristics included age, disability, and sex.

Cabinet Members attention was drawn to the Equality Analyses which were contained in Appendices D and E of the report.. Within those documents particular attention was drawn to section 5 (Likely Impact).

Having had careful regard to the Equality Analyses, and also the Consultation responses, Cabinet members were also under a personal duty to have due (that is, proportionate) regard to the matters set out above and (i) to consider and analyse how the decision would likely affect those persons with protected characteristics, in practical terms, (ii) to remove any unlawful discrimination, harassment, victimisation and other prohibited conduct, (iii) to consider whether practical steps should be taken to mitigate or avoid any adverse consequences that the decision would likely have, for persons with protected characteristics, and, indeed, to consider whether the decision should not be taken at all, in the interests of persons with protected characteristics, (iv) to consider whether steps should be taken to advance equality, foster good relations and generally promote the interests of persons with protected characteristics, either by varying the recommended decision or by taking some other decision.

Cabinet Members were reminded that they could also take into account other considerations, such as the desirability of providing fair strategies based on local priorities.

Cabinet AGREED:

1. **To approve the draft revised Allocations Scheme attached at Appendix A to the report as the Council's new Allocations Scheme to be implemented with effect from Monday 1 April 2013 and with local lettings policy from 1 October 2012 in accordance with section 7.3 of the Allocations Scheme.**

2. The draft Tenancy Strategy attached at Appendix B to the report, with publication before 14 January 2013 and to be implemented with effect from Monday 1 April 2013.
3. To delegate to the Cabinet Member for Housing authority to make any minor amendments to the revised Allocations Scheme and/or Tenancy Strategy, necessitated by any future guidance, further legal advice, national government or operational requirements, unless these would have a significant financial impact in which case a further report would be brought to Cabinet.
4. To delegate to the Cabinet Member for Housing authority to approve the necessary policies and procedures for reviewing the circumstances of individual households when their fixed term tenancy comes to an end.
5. To delegate to the Head of Housing and Public Protection authority to review the circumstances of every household on the Housing Register to enable a reassessment of their priority for housing prior to implementation of the new Allocations Scheme, and to take measures to protect those households on the Register who had bid for a property within the last three months prior to the implementation date and their bid had been in the top five by affording the Head of Housing and Public Protection the discretion to allow them to continue to bid for a period of three months after the date of the implementation of the new scheme.
6. That in advance of the full implementation of the revised Allocations Scheme on 1 April 2013, Cabinet approved from 1 October 2012 giving notification to households living outside of the borough, except serving and ex-service personnel and other exceptions as included under the revised Scheme of their removal from the Housing Register from 1 April 2013.
7. To delegate authority to the Lead Member for Housing to approve any local lettings policies under the new Allocations Scheme, in particular Dreywood Lodge, formerly known as Snowden Court.

Chairman