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Havering
LONDON BOROUGH

COUNCIL MEETING

**7.30 pm Wednesday, 27 February 2013
AT Council Chamber - Town Hall**

Members of the Council of the London Borough of Havering are hereby summoned to attend a meeting of the Council at the time and place indicated for the transaction of the following business

**Acting Assistant
Chief Executive**

**For information about the meeting please contact:
Ian Buckmaster Tel: 01708 432431
ian.buckmaster@havering.gov.uk**



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 PRAYERS

2 APOLOGIES FOR ABSENCE

To receive apologies for absence (if any)

3 MINUTES (Pages 1 - 44)

To sign as a true record the minutes of the Meeting of the Council held on 30 January 2013.

4 DISCLOSURE OF PECUNIARY INTERESTS (Pages 45 - 46)

Members are invited to disclose any pecuniary interest in any of the items on the agenda at this point of the meeting.

Members may still disclose any pecuniary interest in an item at any time prior to the consideration of the matter.

Note – please also refer to note (2) attached.

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

To receive announcements (if any)

6 PROCEDURE

To consider any procedural motion in relation to the conduct of business for this meeting.

7 THE COUNCIL'S BUDGET 2013/14 (Pages 47 - 68)

Council, 27 February 2013 - Agenda

- A To consider the report of the Cabinet of 13 February 2013:
- B To note the decision of the Greater London Authority on its budget and precept for 2013/14 and the effect thereof on the Council's budget (to be tabled at the meeting)
- C To agree a budget for 2013/14; and then
- D To set the Council Tax for 2013/14

The Greater London Authority's budget and precept will not be confirmed until Monday, 25 February. Details of the final GLA decision will be tabled at the meeting.

7A Amendment by the Residents' Group

That the alternative budget proposals set out in Table 7A attached be adopted and all necessary consequential adjustments made.

**Note:
the deadline for amendments to the following item is
midnight, Monday 25 February**

8 MEMBERS' ALLOWANCES SCHEME 2013/14 (Pages 69 - 88)

To consider the report of the Chief Executive (attached)

8A Amendment by the Residents' Group

That the amended Special Responsibility Allowances shown in Table 8A be adopted and all necessary consequential adjustments made.

**MEMBERS ARE ASKED TO RETAIN THE
REPORT TO CABINET ON 13 FEBRUARY
FOR REFERENCE AT THIS MEETING**



MINUTES OF A MEETING OF THE COUNCIL OF THE LONDON BOROUGH OF HAVERING Council Chamber - Town Hall 30 January 2013 (7.30 - 10.55 pm)

Present: The Mayor (Councillor Lynden Thorpe) in the Chair

Councillors Councillors June Alexander, Michael Armstrong, Clarence Barrett, Robert Benham, Becky Bennett, Sandra Binion, Jeffrey Brace, Denis Breading, Wendy Brice-Thompson, Andrew Curtin, Keith Darvill, Michael Deon Burton, Osman Dervish, Nic Dodin, David Durant, Brian Eagling, Ted Eden, Roger Evans, Gillian Ford, Georgina Galpin, Peter Gardner, Linda Hawthorn, Linda Van den Hende, Lesley Kelly, Steven Kelly, Pam Light, Mark Logan, Barbara Matthews, Paul McGeary, Robby Misir, Ray Morgon, Eric Munday, Pat Murray, John Mylod, Denis O'Flynn, Barry Oddy, Fred Osborne, Ron Ower, Garry Pain, Roger Ramsey, Paul Rochford, Geoffrey Starns, Billy Taylor, Barry Tebbutt, Frederick Thompson, Linda Trew, Jeffrey Tucker, Melvin Wallace, Keith Wells, Damian White, Michael White and John Wood.

Approximately 45 Members' guests and a representative of the press were also present.

There were no apologies for absence,

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

Father Roderick Hingley, of the Church of St Alban, Protomartyr, Romford opened the meeting with prayers.

The meeting closed with the singing of the National Anthem.

65 **COUNCILLOR DENNIS BULL**

The Mayor announced that Councillor Dennis Bull had died on the morning of the meeting following a brief illness. All present stood in silence as a mark of respect.

Councillors Michael White, Leader of the Council, Clarence Barrett, Leader of the Opposition, Keith Darvill, Leader of the Labour Group, Jeffrey Tucker, Leader of the Independent Residents' Group and Keith Wells paid tribute to Councillor Bull.

66 MINUTES (agenda item 3)

The minutes of the meeting of the Council held on 28 November 2012 were before the Council for approval.

The minutes were **AGREED** without division and it was **RESOLVED**:

That the minutes of the meeting of the Council held 28 November 2012 be signed as a correct record.

67 DISCLOSURE OF PECUNIARY INTERESTS (agenda item 4)

The following Members disclosed interests in the subject matter of agenda item 14B (motion: closure of police stations): Councillors Wendy Brice-Thompson and Frederick Thompson; Councillor Jeffrey Tucker subsequently disclosed an interest in the subject matter of agenda item 14A (Motion: CCTV in Rainham).

68 MOTION WITHDRAWN AND PROCEDURAL MOTIONS

With the consent of the Council, the Labour Group motion at agenda item **14C (Closure of St. George's Hospital Hornchurch)** was withdrawn.

A procedural motion was proposed that agenda item **14D (parking in the Hildene Shopping area)** be referred to the Highways Advisory Committee and was **CARRIED** by 30 votes to 19 (see division 1).

A procedural motion to limit the time for debate of agenda items 14A, 14B and 14C to 40 minutes each was **LOST** by 20 votes to 31 (see division 2).

69 ANNOUNCEMENTS BY THE MAYOR, BY THE LEADER OF THE COUNCIL OR BY THE CHIEF EXECUTIVE (agenda item 5)

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

The Leader of the Council announced that, owing to doubt about calculations in the Local Government Finance Settlement, there was a possibility of delay in the budget and Council Tax setting (see also minute 70 below).

70 PETITIONS (agenda item 6)

Pursuant to Council Procedure Rule 23, petitions were presented as follows, by Councillors:

Councillor David Durant - from members of Rainham Allotment Users Group seeking to be added to the Melville Road allotment waiting list

Councillor Pat Murray - opposing plans to introduce Pay & Display parking and Residents Parking Permits at Hildene Shopping Area

It was **NOTED** that each petition would be passed to Committee Administration for attention in accordance with the Council's Petitions Scheme.

71 **COUNCIL TAX MEETING - POSSIBLE ADJUSTMENTS TO MEETING TIMETABLE (agenda item 6a)**

The Department for Communities and Local Government had indicated revisions would be necessary to the financial settlement for local government. It was possible therefore that it would be necessary to amend the dates and associated timescales of the forthcoming Cabinet and Council meeting at which the Council Tax would be set for 2013/14.

Accordingly, it was recommended that permission be granted by Council to amend the dates and timescales for the Council Tax meeting of Council in order take into account the late announcement of the revised financial settlement.

The recommendations of the Chief Executive Committee were **APPROVED** without division and it was **RESOLVED**:

- 1 **That, having regard to the expected late announcement of the revised financial settlement by the Secretary of State for Communities & Local Government, the Mayor (in consultation with the Group Leaders) be authorised:**
 - (a) **to agree if necessary a revised date for the Council Tax meeting of the Council; and**
 - (b) **to agree such adjustments to the timetable for the submission of motions and amendments as may be necessary to secure the proper consideration of those motions and amendments.**

- 2 **That so far as necessary to achieve the objective of recommendation 1, Council Procedure Rules be suspended.**

72 **THE COUNCIL'S FINANCIAL STRATEGY (agenda item 7)**

There had been a number of changes recently announced by central Government in the way in which local Government was funded. These included the localisation of business rates and of Council Tax support, revised arrangements for school funding and pupil referral units and changes to Capital funding.

Accordingly, Cabinet recommended to Council that the revenue and capital strategy statement, as set out in appendix 2 to these minutes, be approved.

The recommendations of Cabinet were **APPROVED** without division and it was **RESOLVED**:

That the revenue and capital strategy statement, as set out in Appendix 2 of the minutes be approved.

73 **LOCALISATION OF COUNCIL TAX SUPPORT (agenda item 8)**

The Council had been required to implement a local council tax support scheme that would also meet a 10% reduction in central Government expenditure. A consultation on the scheme had been carried out with local residents and a share of £100 million funding would be available to assist the transition from council tax benefit to local council tax support.

The report before the Council included details of the proposed Scheme, an Equality Assessment and details of the responses received to consultation undertaken by the Council on the scheme proposals. The Mayor reminded Members of their obligation to take account of these supporting documents when coming to a decision on the report's recommendations.

The recommendations of Cabinet were **APPROVED** without division and it was **RESOLVED** that:

1. **The proposed local council tax support scheme as set out in Appendix 3 of the minutes be adopted.**
2. **The proposals to vary the discounts in respect of certain classes of empty dwellings as summarised in Appendix A of the report be adopted.**
3. **The responses to consultation on council tax support and the council tax technical reforms be noted.**

4. The financial pressure of a £1.9 million reduction in government grant for council tax support in 2013/14 be noted.
5. The content of the transitional grant scheme be noted and the band D restriction to local council tax support be deferred to April 2014.
6. The delegation of responsibility to make any minor and consequential changes necessary to the detailed provision as a result of any changes to the draft regulations upon which the scheme is based to the Director of Finance & Commerce and the Portfolio Lead Member, be approved so far as the Council is concerned.

74 **HOUSING REVENUE ACCOUNT (HRA) CAPITAL PROGRAMME 2013/14 AND 2014/15 (agenda item 9)**

Cabinet had asked Council to approve certain key recommendations of the 2013/14 Housing Revenue Account (HRA) capital programme. Approval was sought, in advance of approval of the full programme, for elements such as the replacement of windows and installation of new kitchens and bathrooms under the Decent Homes programme. This would allow earlier consultation with tenants, leaseholders and contractors and hence more timely delivery of the work.

The recommendations of Cabinet were **APPROVED** without division and it was **RESOLVED** that:

The following allocation of capital resources within the HRA Capital Programme for 2013/14 be approved:

	£'000s in 2013/14
Kitchens	7,900
Windows	1,600
Bathrooms	1,365
Non-traditional houses	1,467
Tower block refurbishment (for New Plymouth and Napier Houses)	600
Tower block works beyond Decent Homes (for New Plymouth and Napier)	900

<i>Houses)</i>	
Planned preventative maintenance	1,500
Total	15,332

75 **MEMBERS' ALLOWANCES SCHEME: AMENDMENT - INDEPENDENT PERSON FOR STANDARDS OF MEMBERS' CONDUCT (agenda item 10)**

Council had previously approved the appointment of a new Independent Person for standards of Members' conduct. Accordingly, Governance Committee now requested Council to approve an amendment of the Council's Members' Allowances Scheme in order to reflect that the Independent Person was entitled to be paid an allowance for carrying out those duties.

The recommendation of Governance Committee was **APPROVED** without division and it was **RESOLVED** that:

Paragraph 15 of the Council's Members' Allowances Scheme, be amended to read:

15 Co-Optees and Independent Persons' Allowances

The standard rate of allowance for statutory co-optees is £117 per meeting attended.

The Independent Person for standards of Members' Conduct will be paid an annual allowance of £1,000, in monthly instalments.

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

76 **KEY DECISIONS - AMENDMENT OF DEFINITION (agenda item 11)**

Recent changes had been made to the law with the aim of ensuring that decision-making by the executives of local authorities was more transparent and more open to public scrutiny. Accordingly, the Governance Committee had recommended that Council approve a change in the Executive Procedure Rules to make explicit that the meaning of "saving" in the definition of a key decision included expenditure avoided, additional revenue income generated or capital receipts obtained.

The recommendation of Governance Committee was **APPROVED** without division and it was **RESOLVED** that:

The note to paragraph (14)(a)(i) of the Council's Executive Procedure Rules be amended to read:

In determining the meaning of "significant", regard must be had to any guidance issued by the Secretary of State. For the avoidance of doubt, "savings" includes expenditure avoided, additional revenue income generated or capital receipts obtained.

77 **CALL-IN OF EXECUTIVE DECISIONS - ARRANGING FOR REVIEW BY AN OVERVIEW & SCRUTINY COMMITTEE (agenda item 12)**

In order to make the call-in procedure clearer, Governance Committee had recommended that the relevant Overview and Scrutiny Committee be required to meet within 10 working days of the requisition being received unless an ordinary meeting of the Committee was due within 15 working days.

The recommendation of Governance Committee was **APPROVED** without division and it was **RESOLVED** that:

The Overview & Scrutiny Procedure Rules be adjusted by amending paragraph 17(b) of the Rules to read as follows:

- (b) If the Committee Administration and Member Support Manager is notified of a requisition of a decision shown on that notification within three working days in Calendar Brief (or any supplementary Calendar Brief) of a decision, then that decision shall not be acted upon but shall be submitted to the OSC as soon as possible, either at the next ordinary meeting if due within 15 working days of receipt of the requisition or at a special meeting convened for the purpose (to be held, so far as practicable, within 10 working days of the receipt of the requisition), for determination.

78 **MEMBERS' QUESTIONS (agenda item 13)**

Twelve questions were asked and replies given.

The texts of those questions, and their answers, together with those not asked orally, are set out in **Appendix 4** to these minutes.

Following the Leader of the Council's reply to question 2 (Veterans' Champion), Members indicated agreement to the submission of a report to the Governance Committee about establishing that appointment.

79 **CCTV IN RAINHAM (agenda item 14A)****Motion on behalf of the Independent Residents' Group**

Given the success of CCTV cameras in reducing crime in the borough's town centres, in the interest of the residents south of the borough, this Council will continue with that success and make further progress in reducing crime with the installation of CCTV cameras in Rainham town centre.

Amendment on behalf of the Administration

Amend to read:

This Council notes the success of CCTV cameras in Havering and accepts that, when the further funding becomes available, priority will be given to those communities in Havering where official crime statistics suggest that the local need is greatest.

Amendment on behalf of the Labour Group

Amend as follows:

In the first line, insert after the word "cameras" the following:

"and Safer Neighbourhood Teams"

At the end of the motion, after the word "centre" insert the following:

"and oppose vigorously the proposal of the Mayor of London to close front counter facilities of the Rainham SNT and to cut its dedicated resources"

Following debate, the Administration amendment was **CARRIED** by 31 votes to 12 (see division 3). The Labour amendment was **LOST** by 11 votes to 32 (see division 4). The Administration amendment was then **CARRIED** as the substantive motion by 31 votes to 12 (see division 5).

RESOLVED that:

This Council notes the success of CCTV cameras in Havering and accepts that, when the further funding becomes available, priority will be given to those communities in Havering where official crime statistics suggest that the local need is greatest.

80 **PROCEDURAL MOTION**

During the debate of the motion recorded in the preceding minute, a procedural motion that the meeting continue until item 14B had been fully debated was **LOST** by 19 votes to 32 (see division 6).

81 **CLOSURE OF POLICE STATIONS (agenda item 14B)****Motion on behalf of the Residents' Group**

In recognition of the valuable role Police Stations play in the community, this Council expresses its serious concern over any proposals to close our police stations and resolves to:

- a) Express our collective concerns in writing to the Mayor of London, the Commissioner of the Metropolitan Police
- b) Seek the support of our MPs and GLA Member in opposing any closures
- c) Support any other London wide activity in opposing such closures

Amendment on behalf of the Administration

Amend to read:

This Council is aware of the on-going consultation by the MPS on future strategies for policing in Havering. We note with concern the proposals to close some police stations, but welcome the proposed increased in manpower. We therefore call on all of Havering communities to play an active part in the current consultation.

Amendment on behalf of the Labour Group

Amend as follows:

In the second line after the words "any proposals" insert the following:-

"by the Mayor of London and the Metropolitan Police Authority"

In the third line after the word "stations" insert the following:-

"and to close Safer Neighbourhood front counter facilities"

In the third line after the word "and" insert the following:-

"reduce the dedicated resources to the SNTs and"

In view of the time, and in accordance with Council Procedure Rule 9.1(b), the motion and amendment were dealt with by vote only. The Administration amendment was **CARRIED** by 31 votes to 19 (see division 7); the Labour Group motion was **LOST** by 21 votes to 31 (see division 8); the Administration amendment was then **CARRIED** as the substantive motion by 31 votes to 21 (see division 9).

RESOLVED that:

This Council is aware of the on-going consultation by the MPS on future strategies for policing in Havering. We note with concern the proposals to close some police stations, but welcome the proposed increased in manpower. We therefore call on all of Havering communities to play an active part in the current consultation.

82 **VOTING RECORD**

The record of voting divisions is attached as **Appendix 5**.

Mayor

**Appendix 1
(Minute 69)**

Good evening everyone and welcome.

May I take this opportunity to wish you a happy 2013.

Twenty twelve was an incredible year for the borough, with the Queen's Diamond Jubilee, the Olympics, and a visit by the Queen.

It was a very busy time with many challenges, but we continued to deliver our services with little or no disruption and helped make it a memorable year for our residents.

So a big thank you to everyone involved. I look forward to 2013 and another successful year for Havering.

It was busy time for my Consort David and me during Christmas and the New Year. We visited patients at the Queen's Hospital where we heard glowing reports about the nursing staff.

We also went to the Salvation Army and chatted to 50 local residents enjoying a Christmas lunch and learnt of the sterling work the Salvation Army do for the homeless.

I welcomed 2013 in with members of the community players from the Havering Theatre Trust at the London's New Year's Day Parade. It was a terrific day for everyone and we won a prize. So well done to all those involved in giving up their time to take part in the Parade.

I would now like to welcome Joy Hollister, our new Group Director for Social Care & Learning to Havering. Joy joins us from the Corporation of London.

I recently visited 100 Avelon Road, our day centre, which cares for people with disabilities. The clients are delighted with the refurbished building and the facilities available. It really is state of the art. I would urge Members to go and see it.

I believe a fantastic garden is being created there thanks to Cllr Pam Light and some of our Havering in Bloom Allotment winners.

I was delighted to hear that the Heritage Lottery Fund has provided funding to support two projects in the borough. One of these projects is the restoration of Upminster Windmill, which has received development funding.

The HLF also provided funding to go towards a project which aims to digitise historic exhibits, making them available online and more accessible to the public. This project, called "Romford: the birth and death of a Victorian town" is based in the Local Studies & Family History Centre in Romford Central Library.

Last Sunday I attended the Holocaust Memorial day service, along with more than 100 people in Coronation Gardens, Romford. This year, it had a national theme: Communities Together - Build a Bridge.

During the coming months I will be hosting visits from pupils of 20 primary schools to give them an insight into the workings of the Mayoralty and the Town Hall.

As we prepare for the setting of this year's Council tax, may I remind you that that the consultation on our budget proposals for 2013/14 is now online for our residents to have their say. This closes on Monday 4 February.

And finally, I would like to thank our Council staff, who worked hard during the recent cold snap, some through the night, to ensure our essential services were delivered and our roads were safe. They did a tremendous job.

**APPENDIX 2
(Minute 72)****REVENUE BUDGET STRATEGY**

The Council will ensure that there is an effective Medium Term Financial Strategy in place to drive forward the financial planning process and resource allocation. The financial strategy will be determined by policies and priorities set out in the Council's Corporate Plan, together with other key Strategies, and with appropriate linkages in place to the Service Planning process.

The Council is clear about, and remains committed to, its *Living Ambition*, the long-term vision for the future of the borough, which is to provide Havering's residents with the highest possible quality of life, in a borough that thrives on its links to the heart of the capital, without ever losing the natural environment, historic identity and local way of life that makes Havering unique.

Underpinning the *Living Ambition* are five key goals: Environment, Learning, Towns and Communities, Individuals and Value, with a number of strategic objectives under each Goal. The Council is committed to allocating resources in a way that will support the achievement of these objectives.

The Council recognises the pressures on its budget, and while seeking to protect and enhance front-line services as far as possible, will aim to contain these pressures within existing resources. Cabinet Members will examine all budget pressures and seek reductions where possible.

The Council will wherever possible seek new funding and new ways of working. The Council will continue to look at new methods of service delivery to improve services to the public and the value for money that they provide, including working in partnership with others.

The Council will continue to seek to improve efficiency and deliver value for money, in particular, the Council will aim to identify efficiencies that will not impact on service delivery, and to identify options that will improve the value for money of its services through improving performance, and/or reducing service costs.

The Council will ensure that, given the severe financial pressures it is facing, growth will only be supported in priority areas, or where the Council is required to fund new responsibilities.

The Council will however ensure that the most vulnerable members of its community are protected, will continue to lead in the development of social cohesion, and will ensure that the services provided and resources allocated reflect the diverse nature and needs of our local community and our responsibilities to the local environment.

The Council will lobby to ensure that the Government provides adequate funding to take on any new responsibilities and to illustrate the impact of the low funding basis for Havering and its residents, but will ensure that, in broad terms, its spending is in line with the basis on which the Government allocates grant funding, and that spending levels will be realigned against any reductions in funding.

The Council will ensure that it engages with its local community, its partners and individual stakeholders in developing financial plans, and will reflect on the outcome of its consultation process in the identification of priorities and the allocation of resources.

That, while addressing its priorities and setting a balanced and prudent budget, the Council will seek to keep any increase in the Council Tax to the lowest possible level and in line with its stated aspirations whilst maintaining reserves at the minimum level of £10m.

And as part of that process, the Council will not utilise those reserves, or any reserves earmarked for specified purposes, to subsidise its budget and reduce Council Tax levels as this is neither a sustainable nor a robust approach.

The Council will seek to ensure that sufficient financial resources are available to enable it to deliver a long-term savings plan within the constraints of funding available to it from both local taxpayers and the Government, and will seek to utilise any unallocated funds with that purpose in mind.

The Council will adopt a prudent capital programme designed to maintain and where possible enhance its assets, in line with the Living Ambition.

The Council will finance capital expenditure through a combination of external funding and capital and Section 106 receipts, and will only apply prudential borrowing as a last resort, unless a business case can be made to finance investment through borrowing, where there is an income or savings stream arising from the investment.

CAPITAL BUDGET STRATEGY

The capital budget strategy sets out the Council's approach to capital investment over the medium term. It has been developed in consultation between senior officers, Members and the Council's key strategic partners and is integrated with Havering's *Living Ambition*, set out in the Council's Corporate Plan.

The Council will ensure it engages with the local community and wider stakeholders in developing its financial plans.

The Council has adopted a prudent capital programme in line with the *Living Ambition* designed to:

- protect, maintain and develop existing assets and infrastructure – the backlog of repairs to existing assets such as school buildings, office accommodation, and infrastructure assets such as roads and paths;
- develop new facilities for which there is significant public demand or upgrading assets to meet the expectations of local people, and obtaining value for money from the use of our assets and resources;
- support the delivery of the Council's transformation programme and further initiatives to improve efficiency and effectiveness e.g. through the adoption of new technology to release revenue savings or improve service delivery to the community.

The Council will seek to continue to improve efficiency and value for money, in particular to:

- maximise asset utilisation;
- ensure assets are fit for purpose and health and safety compliant;
- facilitate and promote community use;
- explore alternative management arrangements e.g. leases to community groups;
- explore opportunities for innovative ways to procure and deliver capital projects to maximise the resources available;
- consider the wider aspects of capital projects, for example whole life asset costs, equality and diversity, and environmental implications;
- investigate shared usage/ownership arrangement with other local authorities, partners and stakeholders.

As well as the above, the Council's approach to capital asset management includes the review of existing assets in terms of suitability for purpose, alternative and future use, and maintenance requirements. The aim for the Council to rationalise its asset portfolio and only hold assets that support the delivery of its goals, offer value for money or in some other way are important for community, heritage or other significant social purpose.

The capital budget strategy is intrinsically linked to the revenue budget strategy. The revenue implications of capital expenditure and funding decisions are explored and accounted for on an ongoing basis. These are reflected as appropriate and include the consideration of the challenging financial climate which the Council faces.

The Council will finance capital expenditure through a combination of:

- Receipts
- External Funding
- S106 Contributions
- Revenue Contributions to Capital
- Capital Grants
- Capital Allowances
- Supported Borrowing
- Prudential Borrowing.

Each funding stream is considered in terms of risk and affordability in the short and longer term.

The current and future economic climates have a significant influence on capital funding decisions. As a result planned disposals are kept under regular review to ensure the timing maximises the potential receipt where market conditions are not favourable.

Capital expenditure will only be permitted where funding streams have been identified and confirmed. Prudential borrowing will only be used as a last resort, unless a business case can be made to finance the investment from an income or savings stream.

Every effort is made to maximise grant funding, leverage opportunities and other external funding opportunities, where they are consistent with the Council's *Living Ambition* vision, goals and strategic objectives set out in the Corporate Plan. Use of grant funding will however only be made where the cost to the Council is minimised or where this – both capital and revenue – can be contained within existing resources.

Where expenditure is to be financed through capital, this will only occur where funds have been realised. Neither capital receipts generated through disposals nor S106 contributions are committed until they are actually received. This is due to the complex conditions and timing issues that can be associated with them.

The Council is also continuing to attract private investment into Council facilities through exploration of potential partnership and outsourcing arrangements.

This funding approach has been made with reference to the Council's current and longer term financial position, the prudential code, the current and projected economic climate, and the Council's asset management strategy as set out in the Corporate Asset Management Plan.

The capital programme will be reviewed on an annual basis. This will consider items such as new funding opportunities and Member priorities. In year changes e.g. the availability of additional external funding, will be made on an ongoing basis as part of routine programme management. These will be implemented with regard to the Council's Constitution and agreed procedures.

**Appendix 3
(Minute 73)**

Final Option for Local Council Tax Support

Impacts working age claimants and people with second homes

Final Option	
<p>From April 2013, increase non-dependant deductions from: £0.00 to £0.00* £3.30 to £6.00 £6.55 to £9.00 £8.25 to £15.00 £9.90 to £20.00 Increase council tax for certain properties in line with the Council Tax Technical Reforms for 2013 as follows: Remove the second homes discount completely (currently 10%). Remove Class A exemption (empty and undergoing major structural repairs). Remove the Class C exemption (unoccupied and unfurnished) completely. Take the savings from the abolition of Class L (mortgagees in possession).</p> <p>From April 2014, the maximum council tax support award will be capped to the top of band D, which is currently £28.80 per week.</p>	
2013 Reduction: £1.8 mil	2013 Contingency: NIL

*Under the current benefit rules, non-dependant deductions are based on the gross income of the non-dependant. However, where the non-dependant is in receipt of an out-of-work benefit, the deduction remains at zero in line with the current scheme.

For 2013/14, this option uses a combination of increased non-dependant deductions and reductions in property exemptions.

For 2014/15, the CTS scheme will use a combination of increased non-dependant deductions, reductions in property exemptions and capping weekly council tax support to a band D charge which is currently £28.80.

The non-dependant deductions above have been calculated using 2012/13 rates. The DWP will provide 2013/14 non-dependant deduction rates in December 2012 from which savings can be calculated.

Potentially 582 claimants residing in properties banded E, F, G and H could be affected by restricting benefit to Band D Claimants. Further analysis will continue to determine more exactly the numbers affected.

This option comprising elements of benefits and council tax to make the savings could affect 8,296 households of which 715 will be in receipt of benefit and 7,581 will be Council Tax Payers with second homes. These are forecasted figures, which will be monitored up until the implementation of the new scheme.

Proposals in the Local Government Finance Act 2012 are optimized above to attain the savings to offset the Government's 10% reduction in expenditure. The proposed scheme for 2013 also takes advantage of the Government's additional transitional funding which is outlined in paragraph five of the report.

Preferred Option Statistical Data

Description	Properties that may be affected by band	No. cases All CTB lost	Annual LA Saving/Customer Loss £	No. of household affected
a. Increase Non dependant deductions: £3.30 to £6.00 £6.55 to £9.00 £8.25 to £15.00 £9.90 to £20.00	715 cases affected	94	£185k	715
From 2014 b. Restriction to Actual Band D Liability 2012/13 £28.80	Working Age: Band A - 0 Band B - 0 Band C - 0 Band D - 0 Band E - 454 Band F - 87 Band G - 20 Band H - 1	None	Total £89k A £0.00 B £0.00 C £0.00 D £0.00 E £45k F £32k G £11k H £1k	582
Exemption Category	Current scheme	LGFA Enables	Potential Additional Income £	No. of properties affected
c. Second homes	Having apply a Discretionary discount of 10%.	Range of discretion between 0% and 50%. Having propose 0%.	47K	739
d. Exemption Class A – empty and undergoing major repairs/structural alterations	100% up to a maximum of 12 months	Discretionary discount between 0% and 100%. Having propose 0% over 12 months.	240k	468
e. Exemption Class C – unoccupied and unfurnished	100% up to a maximum of 6 months	Discretionary discount between 0% and 100%. Having propose 0%.	1.303k	6289
f. Mortgagees in possession Class L	100% no time limit	Abolition. Having propose 0% from a date to be confirmed by DCLG.	41k	85
Total			1.816k	8,296

London Borough of Havering Final Local Council Tax Support Scheme

Introduction

Council Tax Benefit will be abolished from 1 April 2013. In its place each local authority is required by Section 9 of the Local Government Finance Act 2012 to produce its own scheme to reduce the liability of working age applicants it considers to be in financial need.

This document contains Havering's final Council Tax Support Scheme which the Council is required to produce under the provisions of Schedule 4 of the act.

The Council has decided to adopt its own scheme which has due regard to the Department for Communities and Local Government's policy intentions and unequivocally protects pensioners.

The Local Council Tax Support scheme is to be interpreted and applied in accordance with The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 which set out what must be included in the scheme.

The Council is required to design its own scheme to assist applicants who are below state pension credit age. If it fails to do this by 31 January 2013 it will be required to adopt the default scheme as set out in The Council Tax Reduction Schemes (Default Scheme) Regulations 2012.

It may also be amended if the expected cost of the new scheme changes before 31 January 2013 to such an extent that the scheme requires further amendment.

In this document 'the new scheme' means the proposed CTS scheme and 'the current scheme' means the existing Council Tax Benefit scheme (CTB).

The Regulations provide a detailed scheme for the calculation of CTS where an applicant is a pensioner which are incorporated within the Council's new scheme.

Unless expressly stated otherwise the provisions outlined below relate solely to working age applicants under the new scheme.

Havering's Local Council Tax Support Scheme

This document sets out the Council's Local Council Tax Support Scheme for eligible working age Council Tax payers to receive support.

The scheme applicable to pensioners is defined in The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012, Part 3, Schedules 1 to 6, which is adopted within this scheme.

The procedure for the operation of the Scheme summarised below is made in accordance with Schedules 7 and 8 of the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012.

The principles of the Local Council Tax Support Scheme are:

- Local authorities will be expected to manage the 10% reduction in subsidised expenditure.
- Regulations have been set to protect claimants of state pension credit age.
- Local authorities must consult on their schemes with precepting authorities and the public.
- The Council must adopt the final scheme before 31 January 2013 or the default scheme will apply.
- Local authorities should aim to protect vulnerable groups.
- In developing schemes, local authorities should consider incentivising claimants into work.

The Local Council Tax Support Scheme includes the following:

- Introduction and definitions
- Prescribed of persons
- Provisions relating to entitlement under the scheme
- Applicable amounts
- Maximum Council Tax Reduction
- Alternative Maximum Council Tax Reduction
- Amount of reduction under the scheme
- Assessment of Income and Capital under the scheme
- Students
- Applications
- Extended reductions
- Period of entitlement and changes of circumstances

- Schedules

The new scheme has adopted the existing scheme as defined in the Council Tax Benefit Regulations 2006 as they stand subject to the following amendments:

1. Increase weekly non-dependant deductions

That Paragraph 58 in Part 6 of the Council Tax Benefit Regulations 2006 shall be taken to read as follows:

“58.

(1) Subject to the following provisions of this regulation, the non-dependant deductions in respect of a day referred to in regulation 57 (maximum council tax benefit) shall be—

(a) in respect of a non-dependant aged 18 or over in remunerative work, £20.00 x 1/7;

(b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, £6.00 × 1/7.

(2) In the case of a non-dependant aged 18 or over to whom paragraph (1)(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is—

(a) less than £183.00, the deduction to be made under this regulation shall be that specified in paragraph (1)(b);

(b) not less than £183.00 but less than £316.00, the deduction to be made under this regulation shall be £9.00;

(c) not less than £316.00 but less than £394.00, the deduction to be made under this regulation shall be £15.00.

2. From April 2014, Restrict the maximum council tax support award to the top of Council Tax band D

That Paragraph 57 in Part 6 of the Council Tax Benefit Regulations 2006 shall be taken to read as follows:

“57.

(1) Subject to paragraphs (2) to (5), the amount of a person’s maximum council tax benefit in respect of a day for which he is liable to pay council tax, shall be 100 per cent of the amount A/B where—

- (a) A is the amount set by the appropriate authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and
 - (b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under regulation 58 (non-dependant deductions).
- (2) In calculating a person's maximum council tax benefit any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.
- (3) The level of any Council Tax Support awarded shall be restricted to the level of band D
- (4) Subject to paragraph (5), where a claimant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the claimant who is a student to whom regulation 45(2) (students who are excluded from entitlement to council tax benefit) applies, in determining the maximum council tax benefit in his case in accordance with paragraph (1), the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.
- (5) Where a claimant is jointly and severally liable for council tax in respect of a dwelling with only his partner, paragraph (4) shall not apply in his case.

Applications for Council Tax Support

This part applies to both pensioners and working-age applicants

The following procedure is in accordance with the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012, referred to as 'the Regulations' below and shall be implemented in accordance with those Regulations.

Entitlement to CTS is dependent on an application being made in the following way:

An application may be made:

- (a) In writing
- (b) By means of an electronic communication or
- (c) By telephone following publication by the Council of a number for this purpose.

The form provided by the Council for this purpose must be properly completed, and the Council may require the applicant to complete the form in the proper manner, and may further require that further information and evidence is provided by the applicant.

An application will be defective if the applicant does not provide all of the information the Council requires.

Applications made by telephone will only be valid if the applicant provides a written statement of their circumstances in the format required by the Council.

The Council will provide applicants making their applications with an opportunity to correct any defects in their application.

Applications may be made by those persons set out in paragraph 6 of Schedule 8 of the Regulations.

The Government has indicated that they intend to introduce legislation to the effect that people entitled to Council Tax Benefit on 31 March 2013 will be deemed to have made an application under the new scheme.

Evidence and information

Any person who makes an application or any person to whom a reduction under the Council's scheme has been awarded shall furnish such certificates, documents, information and evidence in connection with the application or award, or question arising out of it as may reasonably be required by the Council in order to determine the person's entitlement. Where the Council requests information it shall inform the applicant or person of their duty to notify the Council of any change of circumstances and shall indicate the kind of changes of circumstances which are to be notified.

Matters related to the electronic communication of information, proof of delivery and content of information will be determined in accordance with Part 4 of Schedule 7 of the Regulations.

Where the person is a pensioner paragraph 7(4) (5) (6) and (7) of Schedule 8 of the Regulations apply which specify matters relevant to evidence and information related to pensioners.

Amendment and withdrawal of applications

Any person who has made an application may amend it at any time before a decision had been made by serving a notice in writing to the Council in accordance with paragraph 8 of Schedule 8 of the Regulations.

Decisions by the Council

The Council will make a decision in respect of any application for a reduction under this scheme in accordance with the criteria set out within the Council Tax Benefit Regulations 2006 (subject to the amendments made to

paragraphs 57 and 58 and Schedule 2 referred to above), and in accordance with Schedules 7 and 8 of the Regulations.

The decision will be made within 14 days of the Council receiving at its designated office the properly completed application or the information requested to complete it or the evidence required. The date upon which the Council is deemed to have received the properly completed application shall be determined in accordance with paragraphs 6 of Schedule 1, paragraph 7 and Part 1 of Schedule 7 of the Regulations being satisfied, or as soon as reasonably practicable thereafter.

The Council will notify the applicant or any person affected by its decision under the scheme in writing forthwith, or as soon as reasonably practicable. Any person affected to whom the Council sends or delivers a notification of a decision to may, within one month of the notification of the decision, request in writing from the Council a statement setting out the reasons for its decision on any matter set out in the notice.

Following receipt of a request for a written statement the Council will provide this within 14 days or as soon as reasonably practicable thereafter.

Where an award or payment of reduction is made the time and manner of granting the reduction under the scheme will be in accordance with Part 5 of Schedule 8 of the Regulations.

Change of circumstances

For persons who are not pensioners the date on which changes of circumstances are to take effect will be determined in accordance with paragraph 4 of Part 2 of Schedule 8 of the Regulations.

Procedure for making an appeal

Any applicant who is not in agreement with the decision of the Council taken under this scheme may service a notice in writing on the Council setting out their reasons and grounds upon which they believe the Council has made the wrong decision.

Following receipt of an appeal in writing the Council will:

- (1) Consider the appeal

- (2) Notify the applicant in writing of the following:
 - (i) Any decision not to uphold the appeal and the reasons for that; or
 - (ii) That steps are being taken to proceed with the appeal and set out what steps.

Where an applicant remains dissatisfied following receipt of any written notice sent by the Council in response to their appeal, they may within two months of the service of that notice, appeal to the valuation tribunal.

Applications for further discretionary reductions

Under Section 13A(1)(c) of the Local Government Finance Act 1992 and The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012, the Authority will consider applications for a further reduction in Council Tax.

There will be financial implications in that the cost of any reduction will be a direct cost to the Council. The cost of any discretionary reduction will, therefore, have to be met by the rest of the council taxpayers.

Applications must be made in writing or by prescribed electronic communications.

The Council will, in making decisions for further discretionary reductions, have due regard to its duties under The Child Poverty Act 2010, The Housing Act 1996, and The Equality Act 2010.

The Council will review all relevant matters when deciding whether to award a reduction including, but not limited to:

- The circumstances of any other person with whom the applicant is jointly and severally liable for Council Tax.
- The overall financial situation of the applicant and the applicant's family.
- The effect the council believes making an award will have on the applicant and any members of the applicant's family.
- Protecting the public purse and maintaining financial budgets.

A person who applies for a discretionary reduction may request that the Council review its decision. Any such request must be made in writing and be received within one month of the date the notification of the decision.

If practicable, another more senior officer, will reconsider the decision in light of all available evidence and, if appropriate amend it. Any change may lead to either a reduction or an increase in any award.

A further right of review will be available against the decision as reviewed which will be considered by a manager but only against the legality of the decision and not the actual outcome.

**APPENDIX 4
(Minute 78)****MEMBERS' QUESTIONS**

Note: Questions 1 to 12 were answered at the meeting. In accordance with Council Procedure Rule 10.6(a), the remainder were treated as if put for written answer

1 PENALTY CHARGE NOTICES: INCOME**To the Cabinet Member for Environment (Councillor Barry Tebbutt)**

By Councillor John Mylod

Income from Penalty Charge Notices (PCNs) amounted to £2.157 million in 2011/12 compared with £1.602 million in 2010/11, an increase of 35%. Would the Cabinet Member explain the reasons behind this significant increase?

Answer:

Income from Penalty Charge Notices amounted to £2.157 million in 2011/12 with a total of 47,001 PCN's issued.

37,420 PCN's were issued in 2010/11 generating an income of £1.602 million. Reasons for the increase in issuing numbers included the Civil Enforcement team being fully staffed. In previous years the service had vacant posts which of course led to less PCN issuance.

More focussed operational changes were also made ensuring that the service concentrated their enforcement presence at locations highly problematic (i.e schools) and at locations specifically requested. These requests were via residents, local traders, transport and emergency services. Our resources were effectively deployed at the right places and at the right times. Since the introduction of the Traffic Management Act, the policy and issuing of PCN's has been the subject of statutory regulation.

In response to a supplementary question, the Cabinet Member explained that the Council's parking enforcement policy in town centres was based on a number of factors including amount of footfall, preventing commuter parking and income generation. It was also necessary to use the policy to establish access and the free flow of traffic through the borough, particularly for buses.

2 VETERANS' CHAMPION**To the Leader of the Council (Councillor Michael White)**

By Councillor Denis O'Flynn

Will the Administration support the Labour Group proposal that the Council appoint a 'Veterans Champion' to act as a single point of contact and support for Armed Forces Veterans and Service leavers?

Answer:

Thank you Councillor O'Flynn for your question.

I think this is an excellent idea and I would like to request that Governance Committee brings forward a recommendation to Annual Council.

3 RAINHAM LIBRARY - DELAY

To the Cabinet Member for Culture, Towns & Communities (Councillor Andrew Curtin)

By Councillor Jeffrey Tucker

Can this Council inform residents the reasons for the delay in building as promised, the proposed new Rainham Library?

Answer:

The new library, lifelong learning centre and flats in Rainham Village Conservation Area were a joint project between Havering Council and The London Thames Gateway Development Corporation.

As a result of the impending winding up of Thames Gateway Development Corporation, their role in the project passed to the Greater London Authority in April 2012

The Greater London Authority is responsible for £2,105,000 of the funding for the project.

The GLA approval process to enable them to commit to the project was finalised in late October 2012.

In December last year GLA solicitors forwarded the necessary draft legal agreements for construction to begin to Havering Council's solicitor.

The Council has done due diligence on the proposed agreements.

It is anticipated that final versions of the agreement will be signed off in early February.

As the construction contract has already been tendered, once the agreement is signed construction on site can begin.

Should the agreement be signed in early February it is hoped that construction can start in March 2013.

In response to a supplementary question, the Cabinet Member confirmed that he would continue, with officers, to keep a close watch on progress with the project and was hopeful that it would now proceed in accordance with the schedule he had outlined.

4 TREE REMOVAL POLICY

To the Cabinet Member for Culture, Towns & Communities (Councillor Andrew Curtin)

By Councillor Ray Morgon

Would the Cabinet Member confirm under which criteria of the council's tree policy were the trees in Hornchurch High Street and King George's Playing Fields removed?

Answer:

The Council's Tree Strategy applies to street trees only, under the conditions of the Highways Act 1980. Trees in parks are not subject to the same pressure from items of street furniture, highways usage, transport and other issues which affect street trees, and so are not subject to the same legislative framework as that which affects trees on the highway. Parks Grounds Maintenance Teams, Parks Protection Team and Parks Development Officers examine and report any Health and Safety issues relating to trees in parks for necessary action. In this context, work at King George's Playing Fields was governed by Policy DC60 on Trees and Woodlands of the borough's Local Development Framework. The Council's Regulatory Services Committee considered the proposals for King George's Playing Fields and concluded that they do accord with this and other relevant policies contained in the LDF, and so an area where trees have been removed will be replaced with alternative appropriate tree planting in accord with that decision.

Removal of trees in Hornchurch High Street was carried out under the terms of section 8 of the Council's Tree Strategy. 18 native trees will replace 13 trees which have been removed in accord with both this policy and decisions taken by Highways Advisory Committee. The new trees will be semi-mature species which will be more appropriate to this town centre location. The use of root deflectors will ensure they do not disrupt the footway, will ensure the robustness of the new footways, and maintain a level, trip free pavement. As part of a wide range of measures to strengthen nature conservation in and around Hornchurch, the new trees will extend some aspects of nature corridors on the edge of the village through the High Street itself, strengthen the link between the centre of the village and the natural environment around it, and link some aspects of nature corridors at either end of the village, which are currently divided by the High Street.

In response to a supplementary question, the Cabinet Member asked Councillor Morgon to submit his request that the damage to highways policy be applied to all roads in the borough to the Cabinet Member for the Environment who would provide a written response.

5 HOMELESS PEOPLE IN HAVERING

To the Cabinet Member for Housing (Councillor Lesley Kelly)

By Councillor Paul McGeary

How many people in Havering are currently:

A) Registered as homeless and the Council have a statutory duty to house them; and

B) Rough sleeping?

Answer:

A) There are currently 535 households whose circumstances have been investigated and the Housing Service has concluded that they are homeless and a duty to secure accommodation applies. Of these:

- the vast majority, 498, are currently housed in good quality private sector accommodation leased and managed by the Council under the Private Sector Leasing, PSL, scheme. Typically a homeless household lives in PSL accommodation for three to five years during which time housing officers work with them to secure council, housing association or alternative private rented accommodation
- another 35 households are temporarily housed in one of the Council's hostels awaiting PSL or alternative accommodation – the average hostel stay is 12 weeks
- two households are living in specialist women's refuge accommodation.

B) Based on the Housing Service's work with London Street Rescue, the charity specialising in outreach to homeless people in East London, the Housing Service estimates that three people were rough sleeping in Havering on any one night during the period October to December 2012.

As soon as someone is reported as rough sleeping in the borough either an officer from the Homelessness and Housing Advice Team or London Street Rescue attends to try to find the person and make contact. Both the Housing Service and London Street Rescue are able to provide temporary accommodation to rough sleepers if required.

In response to a supplementary question, the Cabinet Member confirmed that she was aware of the Hope for Havering project and had held discussions with the project officers. The Cabinet Member felt that there was a need to bring together all parties involved in homelessness issues locally.

6 **EMPTY ROOMS IN COUNCIL PROPERTIES**

To the Cabinet Member for Housing (Councillor Lesley Kelly)

By Councillor Michael Deon Burton

As one who proudly supports local residents with family members who heed the call of their country, I am deeply concerned upon hearing of plans to penalise people in council housing who leave bedrooms empty for more than 13 weeks.

The results of which I am told will mean households with serving members of the Armed Forces will lose hundreds of pounds.

If this is the ramification of the clumsy construction of the governance, I ask the Executive to give assurance that they will accede to my request 'That we in Havering will take all

necessary steps to obviate this most unfair affect upon a most cherished section of our community'.

Answer:

Councillor Burton is referring to changes in Welfare Benefit rules that have been introduced by Central Government. The rules on the changes to Housing Benefit apply to all households who are in receipt of benefits, irrespective of their occupation. There are no special exemptions for people who are in, or who have been in the Armed Forces.

All households where the head of household is under the age of 61, will only receive benefit for the number of bedrooms that they need, as opposed to the number of bedrooms in the property. Therefore, households that under occupy their homes by one bedroom, will have their Housing benefit reduced by 14%, and those who under occupy their homes by two bedrooms will have their Housing Benefit reduced by 22%.

All households in this situation have a number of options. They can move to a home, that meets their housing needs, rather than under occupying their home. They can take in a lodger. They can meet the difference in costs themselves from their other resources. The final option available to a claimant, who wants to remain in the same homes, is that they can obtain employment.

In Havering we are doing our best to ensure that all claimants in this situation are aware of the impact of the changes to welfare benefits that will take place in April, and we are discussing those options with claimants face to face.

This measure however is designed to ensure that homes are occupied fully and also to pay benefit that meets household's needs, rather than to support them in homes that are larger than they need.

Briefings on the welfare reforms are being arranged for all Councillors.

In response to a supplementary question, the Cabinet member explained that the Council's allocations policy did give priority to armed forces personnel. As regards welfare benefits however, there was very little the Council or individual Councillors could do as this was a central Government directive.

7 PENALTY CHARGE NOTICES: MISUSE OF PARKING FOR THE DISABLED

To the Cabinet Member for Environment (Councillor Barry Tebbutt)

By Councillor Barbara Matthews

Of the 47,001 Penalty Charge Notices (PCNs) issued in 2011/12, would the Cabinet Member disclose how many were for parking in a disabled bay without a legitimate blue badge?

Answer:

Between 01/04/2011 and 31/03/2012, a total of 245 Penalty Charge Notices were issued to vehicles parked in designated Disabled Persons parking places without displaying a valid disabled persons parking badge.

8 GREATER LONDON FIRE STATION CLOSURES AND REDUCTION OF FIRE ENGINES

To the Cabinet Member for Community Safety (Councillor Geoffrey Starns)

By Councillor Denis Breading

What representations do the Administration propose to make to the Commissioner of the London Fire & Emergency Planning Authority about his proposals to close 12 Fire Stations and reduce the number of fire engines at 7 other Fire Stations, reducing the fire fighting capacity in Greater London significantly?

Answer:

The draft fifth London Safety Plan set out proposals for how the London Fire Brigade will deliver its services in the current economic climate while maintain its existing response times. Part of these proposals included plans for the closure of some fire stations across London, some loss of appliances as well as a reduction in firefighter numbers. However, Havering's Fire Station located in Harold Hill, which opened in 2010, is not on the planned list for closure and Havering was not proposed to be negatively affected by these proposals, which I am sure we will all agree is to be welcomed.

In response to a supplementary question, the Cabinet member explained that plans would allow the transfer into Havering of additional appliances should any Havering appliances be in use at instances in central London. There would be no change in response times nor any adverse effect on Havering.

9 LAND IN WILLOUGHBY DRIVE

To the Cabinet Member for Individuals (Councillor Steven Kelly)

By Councillor Mark Logan

Why have a family of gypsies been allowed to park and stay on a parcel of council owned land at Willoughby Drive Rainham RM13 7SX?

Answer:

There are two sites to the north of Willoughby Drive where temporary planning permission has been granted for the stationing of a mobile home and residential use. Neither of these sites is owned by the Council.

There is a site, known as 1A Willoughby Drive, with a mobile home on it which is subject to a Planning Enforcement Notice, served in October 2011. This land is not owned by the Council. Any action in relation to the non-compliance with the planning enforcement notice will be considered once the Council has adopted its Gypsy and Traveller Local Plan.

Further east along Willoughby Drive is an area of land containing two private plots, with a third plot being confirmed as in Council ownership. There are no families living on these plots.

In response to a supplementary question, the Cabinet Member stated that it was not the role of the Council to forcibly move people from one property to another. Planning enforcement was under way at the 1A Willoughby Drive site but this was a very lengthy process.

10 COST OF HORNCHURCH LIVE EVENT

To the Cabinet Member for Community Empowerment (Councillor Robert Benham)

By Councillor John Wood

Would the Cabinet Member disclose the cost of the 2012 Hornchurch Live event against the allocated budget?

Answer:

£50,000 was allocated for Hornchurch Live and a total of £49,959 was spent. The 2012 event was a pilot and there was not therefore any base budget. Many of the infrastructure costs were shared with the Havering Show.

11 WARD COUNCILLOR CONSULTATION AND BRIEFING

To the Leader of the Council (Councillor Michael White)

By Councillor Pat Murray

Will the Administration ensure that before specific decisions are made and/or it is decided to put proposals out formally for public consultation which decisions or proposals impact on particular Wards and areas of the Borough, the Ward Councillors for those areas are informally consulted and/or briefed before they are formally announced to the public?

Answer:

The Administration welcomes this suggestion put forward by Cllr Murray. I have asked the Chief Executive to remind all staff to ensure that where consultations are being carried out

that affect particular wards, the relevant ward councillor should be notified before the consultation is made public.

In response to a supplementary question, the Leader of the Council confirmed that the Administration would always listen to the views of residents as it had done in the past. It was however necessary to consider the position in the whole of the borough rather than any one ward in particular.

12 **PROTECTING COUNCIL ASSETS**

To the Cabinet Member for Value (Councillor Roger Ramsey)

By Councillor David Durant

The Town Hall and Mercury House are valuable Council assets.

Therefore is it wise to outsource the Town Hall and Mercury House security staff or is it more prudent to put staff loyalty and the protection of these buildings before the prospect of a small financial gain?

Also is the possible outsourcing of security staff to make savings, beyond that needed to reach departmental targets - and is the process of tendering costing more than the anticipated saving?

Answer:

No firm decision has yet been taken to outsource the Building Superintendent service.

The Facilities Management service is required to deliver its proportion of the corporate savings requirement, in this case £110,000 p.a.

The cleaning specification for back-office areas in Council buildings has already been reduced although this measure will only deliver part of the overall savings requirement. Having considered an options report for future service delivery, Corporate Management Team have agreed that the building cleaning and building superintendent services should be market tested by seeking external tenders for these services - tenders are due next month. The cost and timescale for the tender exercise are significantly reduced by use of the Government Procurement Service (GPS) comprising 8 companies who have already passed a pre-qualification process. Furthermore, the tender costs are a one-off expenditure whereas savings delivered to the service will be a recurring reduction in spend.

The valuable service provided by the individuals is recognised and in the event of the service being outsourced, these staff would be protected by TUPE regulations whereby they would transfer to the new service provider. Consequently, in such an event it is likely that the same personnel would continue to provide security to these buildings.

In response to a supplementary question, the Cabinet Member emphasised that a large degree of further savings across the Council would have to be made in the coming years. The Council did not take security lightly and the good work put in by staff was valued. Savings would however have to be made.

13 DUPLICATE PAYMENTS

To the Cabinet Member for Value (Councillor Roger Ramsey)

By Councillor Clarence Barrett

Would the Cabinet Member set out how much was paid out in duplicate payments in each of the last three years?

Answer:

Year	Identified
2009/10	£44,168.37
2010/11	£11,402.98
2011/12	Currently not available *

For 2011 – 12 we are now working to identify the duplicate payments, with an aim of completion for the end of the year, due for the following reasons:

- IT issues with both the interrogation software and the new Oracle set up.
- Implementing the new Procure to Pay system.
- Training of staff in Dec 2012 who have now commenced work on the backlog - expected completion of backlog April 2013 (this will incorporate two years of payments)

14 COMPENSATION AWARDED TO CLAIMANTS BY THE COUNCIL AS A RESULT OF POORLY MAINTAINED HIGHWAYS IN HAVERING

To the Cabinet Member for Environment (Councillor Barry Tebbutt)

By Councillor Denis O'Flynn

What was the total amount of compensation paid by the Council to claimants for each of the past three financial years in respect of claims for personal injury and damage to vehicles caused by poorly maintained highways?

Answer:

Year	2012	2011	2010
No of claims	121	257	329
No of claims paid	1	19	39
Cost * of claims £	1,755	40,727	378,323

15 **MAKING SAVINGS**

To the Cabinet Member for Value (Councillor Roger Ramsey)

By Councillor Jeffrey Tucker

Will this Council will now consider all points on how to save and make money, that will benefit the Council Tax paying Residents of Havering?

Answer:

Perhaps the member has not noticed the £40 million savings programme that has been underway, can I suggest he look at the savings report of July 2010 and 2011 and to the information contained within last week's Cabinet report.

16 **REMOVAL OF HIGHWAY TREES**

To the Cabinet Member for Environment (Councillor Barry Tebbutt)

By Councillor Ray Morgon

Would the Cabinet Member advise why there is a reluctance for StreetCare to remove trees from the highway even when there is a long history of damage being done to the footway?

Answer:

Each possible tree removal is taken on its own merits. By working together the Area Liaison Officers and the Highway Tree team look at the tree maintenance history and footway repairs are considered prior to any work being carried out to either the footway or the tree. If a mature tree can be saved by root pruning or repairs to the footway then every effort will be made to save it.

17 **HOMELESS FAMILIES IN BED AND BREAKFAST ACCOMMODATION IN HAVERING**

To the Cabinet Member for Housing (Councillor Lesley Kelly)

By Councillor Keith Darvill

How many homeless families are currently placed in bed and breakfast accommodation and how many of them have been placed in such accommodation for more than six weeks?

Answer:

The Housing Service has not routinely used bed and breakfast accommodation to house homeless families or single people since 2004, and there are currently no homeless families or single people in such accommodation.

During 2012, unfortunately eight households had to spend some time in a B&B during the refurbishment of Abercrombie House. The average stay, however, of these eight households was only three nights.

With Abercrombie House now fully refurbished and completion of the Will Perrin Court conversion anticipated in March, the Housing Service does not envisage the need to use bed and breakfast accommodation in anything other than the direst unforeseen emergencies.

18 REGIONAL SPATIAL STRATEGY: ABANDONMENT

To the Cabinet Member for Housing (Councillor Lesley Kelly)

By Councillor Mark Logan

What are the implications for Havering of the recent national Government decision to stop the Regional Spatial Strategy for housing?

Answer:

The Secretary of State announced the revocation of regional strategies on 6th July 2010, although there have been some challenges since to this.

This change, however, did not extend to London where the Mayor of London has separate powers granted under the Greater London Authority Act 1999 to produce spatial strategies. The consequent spatial strategy, known as the London Plan, continues to provide the planning framework for London Boroughs .

Implications of the revocation of regional strategies outside of London therefore are negligible.

19 INTRODUCTION OF “LIVING WAGE”

To the Cabinet Member for Value (Councillor Roger Ramsey)

By Councillor Ray Morgon

Would the Cabinet Member confirm whether Havering will be introducing a 'Living Wage' along with other councils and organisations?

Answer:

I assume that the member is referring to what has been described as the “London Living Wage” covering the Greater London area. This has been adopted as a minimum by some London boroughs. The current Havering position is to include consideration of this issue in the review of a Pay and Reward review strategy paper which will be presented to CMT in late spring.

20 SUNSET DRIVE CARAVAN SITE LICENCE

To the Cabinet Member for Housing (Councillor Lesley Kelly)

By Councillor Keith Darvill

Will the Council make urgent representations to the site owner to ensure that it grits the roadways serving the Sunset Drive Mobile Home Site during freezing weather conditions?

Answer:

An email has been sent to the owner asking him to grit the road and pavements as soon as freezing weather conditions are forecast for the area to ensure that he complies with the licence condition which states that:

"Roads shall be maintained in a good condition"

21 CHAFFORD SCHOOL: SIXTH FORM

To the Cabinet Member for Children & Learning (Councillor Paul Rochford)

By Councillor David Durant

Has the Administration any plans to restore a 6th Form to Chafford school, Rainham - and if not why not?

Answer:

With regards to the Administration's strategy for school places - whilst the number of primary pupils in Havering is set to increase by 2,833 (15%) between 2011/12 and 2016/17. At secondary level the pattern is different with projected decline until 2016/17. Currently there are 1,297 surplus places, 7% of total places.

There are no LA plans to expand the age range at any LA secondary school, including Chafford.

22 SPENDING ON RECRUITMENT

To the Cabinet Member for Value (Councillor Roger Ramsey)

By Councillor Clarence Barrett

Would the Cabinet Member set out how much has been spent on recruitment over each of the last three years in the following two categories:

- a) Adverts in newspapers/journals/trade magazines
- b) Recruitment Consultants

Answer:

a) Havering works in partnership with other London boroughs as part of the London Boroughs recruitment partnership to provide recruitment advertising in newspapers, journals and trade magazines at very competitive rates.

All of Havering's recruitment is posted on the Council website at nil cost. In circumstances where the role may be difficult to recruit or we have a statutory obligation to advertise in an external publication, then spend is approved.

The total spend on adverts in newspapers, journals and trade magazine over the last three years was £128,292.

b) Recruitment consultants are only used in Havering to recruit to senior roles i.e. Head of Service and above. Where possible, internal resources are used to facilitate a recruitment exercise. The only roles at Head of Service and above recruited to in the last three years were:

Head of Children and Young People - facilitated internally, no spend on recruitment consultants

Interim Director of Adult Social Care - cost of recruitment consultants: £27,000

Head of Strategic HR and OD - cost of recruitment consultants: £20,217

Director of Social Care and Learning: cost of recruitment consultants: £22,404

23 QUEENS HOSPITAL: HYGIENE

To the Cabinet Member for Individuals (Councillor Steven Kelly)

By Councillor Mark Logan

Has the Queens hospital been meeting the required NHS hygiene standards?

Answer:

BHRUT have a formal policy for infection control and with that they have a suite of documents which relate to multiple different areas of infection prevention. BHRUT are updating their infection prevention control strategy and the commissioning organisation is reviewing this on Monday.

There is a comprehensive training programme for infection control and with that they have a training needs analysis of all staff and to ensure that the training programme is effective and the outcomes are improving they are running an audit programme. They have recently implemented the National Guidance for management of the Norovirus.

24 ACADEMIES AND FREE SCHOOLS: SEN ADMISSIONS

To the Cabinet Member for Children & Learning (Councillor Paul Rochford)

By Councillor Gillian Ford

There has recently been national concern over Academy and Free schools discriminating against SEN admissions. Would the Cabinet Member advise this Council if this has become an issue in Havering?

Answer:

No, this is not currently an issue; however it is something that we do keep under permanent review, so that we could intervene if necessary.

25 ACCESS TO DVLA DATABASE

To the Cabinet Member for Environment (Councillor Barry Tebbutt)

By Councillor Nic Dodin

Would the Cabinet Member confirm whether this Council has been denied access to the DVLA database at any time over the past four years?

Answer:

No

26 BINS FOR DOG WASTE

To the Cabinet Member for Environment (Councillor Barry Tebbutt)

By Councillor Ray Morgon

Would the Cabinet Member consider installing suitable bins which can be used for dog waste close to areas of green open space in the borough?

Answer:

Residents can utilise the existing street litter bins for dog waste so there is no need for installing additional bins on the highway.

27 SALE OF FORMER GARAGE SITES

To the Cabinet Member for Value (Councillor Roger Ramsey)

By Councillor Ron Ower

Would the Cabinet Member reveal how much has been raised from the sale of former housing garage sites since 2010?

Answer:

The overall capital receipt from the sale of former housing garage sites since 1st January 2010 is £5,525,777.

The receipts are supporting the Council's overall capital priorities, including £2,088,010 provided as grant for housing associations to build new affordable homes for local people on the garage sites. This investment has in turn levered in £7,260,000 Homes and Communities Agency grant for housing associations to develop on further garages sites. The combined Council and HCA grants have funded a total of 135 new affordable homes on council garage sites since 2010, consisting of 113 houses, 6 bungalows and 16 flats.

Out of the overall 135 new homes, 84 have been completed to date with the remaining 51 currently under construction.

28 PARTNERSHIPS WITH OTHER LOCAL AUTHORITIES

To the Leader of the Council (Councillor Michael White)

By Councillor John Mylod

It was recently reported that 337 councils have set up partnerships between each other to help drive down costs. Would the Leader set out:

- a) How many partnerships have we with other local Councils and which ones?
- b) Details of any savings achieved through these partnerships?
- c) Have we an indication whether they are successful?

Answer:

Due to the length of the answer I will provide a written to the Member.

29 STAFF SICKNESS

To the Leader of the Council (Councillor Michael White)

By Councillor Gillian Ford

Would the Leader set out the average levels of staff sickness over each of the last three years and the cost to the authority respectively?

Answer:

Financial Year		£ sickness cost
09/10	(8.90 average days per person)	£2,120,859.19
10/11	(7.11 average days per person)	£1,668,532.38
11/12	(8.16 average days per person)	£1,949,618.38

30 **AGENCY STAFF****To the Cabinet Member for Value (Councillor Roger Ramsey)**

By Councillor Linda Hawthorn

Would the Cabinet Member set out how much has been spent on agency staff in each of the last two years broken down by division?

Answer:

Division	Total Charge April 2010 - March 2011
Culture and Community	£5,807,846
Finance and Commerce	£4,781,007
Legal and Democratic Services	£644,354
Social Care and Learning	£4,697,116
Grand Total	£15,930,315

Division	Total Charge April 2011 - March 2012
Culture and Community	£6,205,593
Finance and Commerce	£3,431,983
Legal and Democratic Services	£546,113
Social Care and Learning	£4,153,274
Grand Total	£14,336,962

<i>DIVISION NUMBER:</i>	1	2	3	4	5	6	7
The Mayor [Cllr. Lynden Thorpe]	O	O	O	O	O	O	O
The Deputy Mayor [Cllr. Eric Munday]	O	X	X	✓	X	✓	✓
<u>CONSERVATIVE GROUP</u>							
Cllr. Michael White	✓	X	X	✓	X	✓	✓
Cllr. Michael Armstrong	✓	X	X	✓	X	✓	✓
Cllr. Robert Benham	✓	X	X	✓	X	✓	✓
Cllr. Becky Bennett	✓	X	X	✓	X	✓	✓
Cllr. Sandra Binion	✓	X	X	✓	X	✓	✓
Cllr. Jeff Brace	✓	X	X	✓	X	✓	✓
Cllr. Wendy Brice-Thompson	✓	X	X	✓	X	✓	✓
Cllr. Andrew Curtin	✓	X	X	✓	X	✓	✓
Cllr. Osman Dervish	✓	X	X	✓	X	✓	✓
Cllr. Ted Eden	✓	X	X	✓	X	✓	✓
Cllr. Roger Evans	✓	X	X	✓	X	✓	✓
Cllr. Georgina Galpin	✓	X	X	✓	X	✓	✓
Cllr. Peter Gardner	✓	X	X	✓	X	✓	✓
Cllr. Lesley Kelly	✓	X	X	✓	X	✓	✓
Cllr. Steven Kelly	✓	X	X	✓	X	✓	✓
Cllr. Pam Light	✓	X	X	✓	X	✓	✓
Cllr. Robby Misir	✓	X	X	✓	X	✓	✓
Cllr. Barry Oddy	✓	X	X	✓	X	✓	✓
Cllr. Frederick Osborne	✓	X	X	✓	X	✓	✓
Cllr. Gary Pain	✓	X	X	✓	X	✓	✓
Cllr. Roger Ramsey	✓	X	X	✓	X	✓	✓
Cllr. Paul Rochford	✓	X	X	✓	X	✓	✓
Cllr. Geoffrey Starns	✓	X	X	✓	X	✓	✓
Cllr. Billy Taylor	✓	X	X	✓	X	✓	✓
Cllr. Barry Tebbutt	✓	X	X	✓	X	✓	✓
Cllr. Frederick Thompson	✓	X	X	✓	X	✓	✓
Cllr. Linda Trew	✓	X	X	✓	X	✓	✓
Cllr. Melvin Wallace	✓	X	X	✓	X	✓	✓
Cllr. Keith Wells	✓	X	X	✓	X	✓	✓
Cllr. Damian White	✓	X	X	✓	X	✓	✓
<u>RESIDENTS' GROUP</u>							
Cllr. Clarence Barrett	X	✓	✓	O	O	O	X
Cllr. June Alexander	X	✓	✓	O	O	O	X
Cllr. Nic Dodin	X	✓	✓	O	O	O	X
Cllr. Brian Eagling	X	✓	X	X	✓	X	X
Cllr. Gillian Ford	X	✓	✓	O	O	O	X
Cllr. Linda Hawthorn	X	✓	✓	X	O	O	X
Cllr. Barbara Matthews	X	✓	O	O	O	O	X
Cllr. Ray Morgon	X	✓	✓	O	O	O	X
Cllr. John Mylod	O	✓	✓	O	O	O	X
Cllr. Ron Ower	X	✓	✓	X	✓	X	X
Cllr. Linda Van den Hende	X	✓	✓	O	X	X	X
Cllr. John Wood	X	✓	✓	O	O	O	X
<u>LABOUR GROUP</u>							
Cllr. Keith Darvill	X	✓	✓	X	✓	X	X
Cllr. Denis Breading	X	✓	✓	X	✓	X	X
Cllr. Paul McGeary	X	✓	✓	X	✓	X	X
Cllr. Pat Murray	X	✓	✓	X	✓	X	X
Cllr. Denis O'Flynn	X	✓	✓	X	✓	X	X
<u>INDEPENDENT LOCAL RESIDENTS' GROUP</u>							
Cllr. Jeffery Tucker	X	✓	✓	X	✓	X	X
Cllr. Michael Deon Burton	A	A	✓	X	✓	X	X
Cllr. David Durant	X	✓	✓	X	✓	X	O
Cllr. Mark Logan	X	✓	✓	X	✓	X	O
One vacancy							
TOTALS							
✓ = YES	30	20	19	31	11	31	31
X = NO	19	31	32	12	32	12	19
O = ABSTAIN/NO VOTE	3	1	2	10	10	10	3
ID = DECLARATION OF INTEREST/NO VOTE	0	0	0	0	0	0	0
A = ABSENT FROM MEETING	1	1	0	0	0	0	0
	53	53	53	53	53	53	53

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Agenda Item 4

Notes

- (1) The Council has a legal obligation to set a Council Tax for 2012/13.
- (2) Section 106 of the Local Government Finance Act 1992 imposes restriction on voting in respect of any Member by whom any Council Tax has remained unpaid for at least two months.

Any Member in doubt as to the position may seek advice before the meeting from the Group Director, Finance & Commerce or the Assistant Chief Executive, Legal & Democratic Services.

- (3) The Cabinet's Report will refer to the Chief Executive's report to the Cabinet.

Members are asked to retain their copy of the Cabinet Report for this purpose.

- (4) Council Procedure Rule 3 applies to the order of business at this meeting.
- (5) By Council Procedure Rule 13.4(d), the speech of any Group Leader (or Member nominated to speak on behalf of a Group Leader: any Group Leader should announce any such nomination when the Mayor invites that Leader to speak) on any motion or amendment relating to the Council Tax should not exceed **twenty minutes** and participants in general debate for five.
- (6) Council Procedure Rule 11.8 governs amendments to motions and reports at this meeting. Any amendment must be such that the it would, if passed, enable a robust budget to be set in the view of the Chief Financial Officer [as it is imperative that there is a level playing field, any new base information relating to or affecting Council tax that comes to light after the Cabinet has made its Council tax recommendations will be supplied to all Groups at the same time by the Section 151 Officer].

**MEMBERS ARE ASKED TO RETAIN THE
REPORT TO CABINET ON 13 FEBRUARY
FOR REFERENCE AT THIS MEETING**



REPORT OF THE CABINET

The purpose of this report is to enable the Council to calculate and set the Council Tax for 2013/14.

The Localism Act 2011 made significant changes to the Local Government Finance Act 1992 ("the Act"), and now requires the billing authority to calculate a Council Tax requirement for the year, not its budget requirement as previously.

The Council has to formally resolve that it calculates certain figures, which broadly are:

- its gross expenditure, including contingency and levies (but not precepts)
- its gross income from fees & charges and other sources, specific grants, external finance from the Government, and any surplus/deficit on the collection fund
- the difference between the two, being the amount which the Council needs for its own services to be paid from the collection fund, defined as the Council Tax requirement
- the basic amount of Council Tax for the net position of all these figures, including precepts, and
- the amount of Council Tax for each other category of dwelling.

The Council is also required to formally approve the management of the Council's treasury management functions, including the Treasury Management Strategy, and the proposed revenue budget for both the General Fund and schools' delegated budgets, and the capital programme.

Members are asked to bring their copy of the Cabinet reports including the appendices and supplementary paper with them to the meeting, as the recommendations before Council make specific reference to these reports.

Attached to this report are:

- a revised Council Tax statement, originally provided in the Cabinet report marked as Appendix E, amended following the final notification of the levies
- Annex A to this report which provides supporting information to the resolutions
- Annex B which are the draft minutes of the Cabinet meeting.

The Treasury Management Strategy and related documents were reported to Cabinet separately but are being submitted to Council as part of this report for approval, as they are directly related to the budget. The Capital Programme was originally provided in the Cabinet report marked as Appendix I. A separate report also covers the proposed Members Allowances scheme for 2013/14.

The HRA Budget for 2013/14 and HRA Capital Programme 2013/14 – 2014/15 were also reported separately to Cabinet. The HRA Capital Programme was originally provided in the Cabinet report on the HRA budget as Appendices 2 and 3. The report is referred to as the “HRA Budget report”.

Members are advised that there are no changes to the Cabinet report as a result of the Trade Union consultation undertaken after the Cabinet meeting.

In the light of the above **Cabinet recommends the Council to adopt the following resolutions as set out below.**

The effect of adopting these resolutions would be to set the Council Tax for a Band D property at £1,498.18

RECOMMENDATIONS

1. That the following as submitted in the report to Cabinet be approved:
 - a) The General Fund revenue budget for 2013/14, as set out in the revised Appendix E attached to this report.
 - b) The delegated schools’ budget for 2013/14, as set out in Appendix E of the report to Cabinet.
 - c) The Capital Programme for 2013/14, as set out in Annexes 2, 3 and 4 of Appendix I of the report to Cabinet.
2. That, in accepting recommendation 1, Council is mindful of the advice of the Chief Finance Officer as set out in Appendix H of the report to Cabinet.
3. That it be noted that under delegated powers the Chief Finance Officer has calculated the amount of 79,401 (called T in the Act and Regulations) as its Council Tax base for the year 2013/14 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) made under Section 31B of the Local Government Finance Act 1992 as amended.
4. That the amount of £94,898,487 be now calculated as the Council Tax requirement for the Council’s own purposes for 2013/14.
5. That the following amounts be now calculated by the Council for the year 2013/14 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended:

(a)	£448,440,793	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	(£353,542,306)	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£94,898,487	being the amount by which the aggregate at 5(a) above exceeds the aggregate at 5(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
(d)	£1,195.18	being the amount at 5(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

6. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the amounts shown in the table below as the amounts of Council Tax for 2013/14 for each of the categories of dwellings.

Valuation Bands London Borough of Havering	
	£ p
A	796.78
B	929.59
C	1,062.38
D	1,195.18
E	1,460.77
F	1,726.37
G	1,991.97
H	2,390.36

7. That it be noted for the year 2013/14 the major precepting authority (the GLA) has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below as proposed by the Mayor and as due to be considered by the London Assembly at its meeting on 25th February 2013.

Valuation Bands Greater London Authority	
	£ p
A	202.00
B	235.67
C	269.33
D	303.00
E	370.33
F	437.67
G	505.00
H	606.00

8. That, having calculated the aggregate in each case of the amounts at 6 and 7 above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2013/14 for each of the categories of dwellings shown below:

Valuation Bands	£ p
A	998.78
B	1,165.26
C	1,331.71
D	1,498.18
E	1,831.10
F	2,164.04
G	2,496.97
H	2,996.36

The effect of adopting this resolution would be to set the Council Tax for a Band D property at £1,498.18

8. That Council having considered the principles approved under the Local Government Finance Act 1992 by the Secretary of State concludes that the Council's basic relevant amount of Council Tax for 2013/14 is not excessive.
9. That any Council Tax payer who is liable to pay an amount of Council Tax to the Authority in respect to the year ending on 31st March 2014, who is served with a demand notice under Regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 as amended and who makes payment to the Authority of the full balance of the estimated amount shown on that demand by 1st April 2013, may deduct a sum equivalent to 1.5% of and from the estimated amount and such reduced amount shall be accepted in full settlement of that estimated amount.
10. That Council agrees that the Capital Programme be expanded for schemes during the year which are funded via additional external funding under the authority of the Cabinet Member Value and the relevant service area Cabinet Members.
11. That Council approves the Treasury Management Strategy Statement, the Minimum Revenue Provision Strategy and the Annual Investment Strategy 2013/14.
12. That Council agrees the proposed HRA Capital Programmes for 2013/4 and 2014/15, as set out in Appendices 2 and 3 of the HRA Budget report.

REPORT DETAIL

As set out in the reports to Cabinet of the 13th February 2013 and the attached Annexes.

APPENDIX E

LONDON BOROUGH OF HAVERING
PROVISIONAL COUNCIL TAX STATEMENT – 2013/14 BUDGET

Estimate 2012/13 £		Estimate 2013/14 £	
171,782,580	Havering's Expenditure	167,525,909	
2,000,000	Service Expenditure	2,000,000	
<u>173,782,580</u>	General Contingency	<u>169,525,909</u>	
	Havering's Own Expenditure		
	Levies		
10,956,000	East London Waste Authority	11,653,000	Final
163,574	Environment Agency (Thames)	172,766	Final
16,091	Environment Agency (Anglia)	17,367	Final
258,783	Lee Valley Regional Park Authority	260,569	Final
304,600	London Pensions Fund Authority (LPFA)	318,236	Final
<u>11,699,048</u>	Sub Total – Levies	<u>12,421,938</u>	
	Unringfenced Grant		
-22,698,196		-12,374,328	
<u>162,783,432</u>	Sub Total – Total Expenditure	<u>169,573,519</u>	
	External Finance		
-1,027,691	Revenue Support Grant	-45,378,456	
N/A	Business Rates Top-up	-9,032,069	
-53,015,411	National Non Domestic Rate	-20,741,507	
<u>-54,043,102</u>	Sub Total – External Finance	<u>-75,152,032</u>	
-1,008,000	Collection Fund Deficit/(Surplus)	477,000	
<u>107,732,330</u>	Havering's Precept on the Collection Fund	<u>94,898,487</u>	

The Collection Fund			
Estimate 2012/13 £		Estimate 2013/14 £	
	Expenditure		
	Precepts		
107,732,330	London Borough of Havering	94,898,487	1,195.18
27,647,434	Greater London Authority (provisional 2013/14)	24,058,503	303.00
	London Borough of Havering – Retained Business Rates (Final)	20,741,507	261.22
	Greater London Authority – Retained Business Rates (Final)	13,827,671	174.15
	Central Government – Retained Business Rates (Final)	34,569,179	435.37
67,589,650	Contribution to NNDR pool	0	0.00
272,933	Cost of NNDR collection	274,180	3.45
<u>203,242,347</u>	Total Expenditure	<u>188,369,528</u>	<u>2,372.38</u>
	Total Income		
	National Non-Domestic Rate		
-67,862,583	NNDR receivable	-69,412,537	-874.20
<u>135,379,764</u>	COUNCIL TAX per Band D property	<u>118,956,990</u>	<u>1,498.18</u>
90,139	Council Tax Base	79,401	
			Council Tax percentage change (0.2)%

Council (Council Tax and Budget), 27 February 2013

Valuation as at 1/4/91	Council Taxes Per Property Band			Change	
	£	p		£	p
Under £40,000	1,001.26		Band A	998.78	(2.48)
£40,000 - £52,000	1,168.15		Band B	1,165.26	(2.89)
£52,001 - £68,000	1,335.02		Band C	1,331.71	(3.31)
£68,001 - £88,000	1,501.90		Band D	1,498.18	(3.72)
£88,001 - £120,000	1,835.65		Band E	1,831.10	(4.55)
£120,001- £160,000	2,169.41		Band F	2,164.04	(5.37)
£160,001- £320,000	2,503.17		Band G	2,496.97	(6.20)
Over £320,000	3,003.80		Band H	2,996.36	(7.44)

ANNEX A

BUDGET AND CORPORATE PLAN AND COUNCIL TAX 2013/14

SUPPLEMENTARY INFORMATION

A. THE GREATER LONDON AUTHORITY AND LEVIES

The Greater London Authority precept proposed by the Mayor was advised as being £303.00 per Band D property (1.2% decrease). The London Assembly was due to consider this budget and precept on 25th February 2013. Confirmation of formal approval to the budget is awaited and a supplementary paper will be issued prior to the Council meeting.

Information on the other levies is as set out in the report to Cabinet or as subsequently advised to Council as part of this report, and is reflected accordingly in the revised Appendix E.

B. THE COUNCIL TAX (DEMAND NOTICES) (ENGLAND) REGULATIONS 2011 AND 2012

The Regulations set out the information which the billing authority must supply with the Council Tax Demand Notice, and the National Non-domestic Rate Notice as well as matters required to be contained in those Notices.

The 2011 Regulations require the following information to be provided within the Demand Notice:

Amounts of gross expenditure

The gross expenditure of—

- (a) the billing authority,
- (b) each relevant precepting authority, and
- (c) each relevant levying body,

for the relevant year (ie the year for which the budget is being set) and the preceding year.

Amounts of council tax requirement

The council tax requirement of—

- (a) the billing authority, and
 - (b) each relevant precepting authority,
- for the relevant year and the preceding year.

Statements concerning gross expenditure and council tax requirement

The billing authority's reasons for any difference between the amounts stated in respect of the gross expenditure and council tax requirement for the billing authority and each precepting authority for the same year.

The billing authority's opinion of the effect that its gross expenditure has on the level of council tax set for the relevant year.

Each relevant precepting authority's opinion of the effect that its gross expenditure has on the level of its precept issued for the relevant year.

In accordance with these Regulations, these calculations are as follows:

Council (Council Tax and Budget), 27 February 2013

	2012/13	2013/14
	£	£
Amounts of Gross Expenditure		
Aggregate of the items which are attributable to the services administered by the Authority during the year	447,298,449	448,440,793
excluding allowances for contingencies	2,000,000	2,000,000
and contributions to financial reserves	<u>1,077,620</u>	<u>499,579</u>
Gross Expenditure	<u>444,220,829</u>	<u>445,941,214</u>
 Amounts of Council Tax Requirement		
LBH element of the Council Tax Band D for a Property	1,195.18	1,195.18
multiplied by the Council Tax Base	<u>90,139</u>	<u>79,401</u>
Council Tax Requirement	<u>107,732,330</u>	<u>94,898,487</u>
 Statements concerning Gross Expenditure and Council Tax Requirement		
Gross Expenditure	444,220,829	445,914,214
less Council Tax Requirement	<u>107,732,330</u>	<u>94,898,487</u>
	<u>336,488,499</u>	<u>351,042,727</u>
 Reason for Difference		
Gross income	284,515,017	278,867,274
Retained Business Rate	53,015,411	20,741,507
Business Rate Baseline (Top-Up)	0	9,032,069
Revenue Support Grant	1,027,691	45,378,456
Collection Fund Deficit/Surplus	<u>1,008,000</u>	<u>-477,000</u>
	339,566,119	353,542,306
Less contingencies and contribution to reserves	<u>-3,077,620</u>	<u>-2,499,579</u>
	<u>336,488,499</u>	<u>351,042,727</u>

An additional calculation, setting out an explanatory breakdown of the statutory calculations, was required under the Local Government Finance Act 1992, but has been superseded by the changes brought about by the Localism Act 2011. Details of the calculation are as set out above.

The 2012 Regulations do not impact on the setting of the Council Tax but include a requirement that:

- Demand notices refer to reductions and premiums through introduction of local council tax reduction schemes and local premiums for long term empty dwellings
- A new statement should be included on a demand notice where a reduction under a local scheme or a local premium applies explaining the amount of the reduction or premium, the reasons for it and the possible consequences of failing to comply with duties to notify the billing authority of relevant changes in circumstance
- Demand notices include a statement of the procedure by which a person may request to pay their council tax in 12 monthly instalments and makes certain other consequential amendments
- Demand notices include another statement where the billing authority has published certain information which must be supplied with demand notices on

its website to explain that and to give the address where that information can be found.

C. CALCULATION OF CHANGE IN HAVERING'S EXPENDITURE

The following calculation was previously required under Council Tax (Demand Notice) Regulations, known as the budget requirement, and is included here to set out how the Council's expenditure, prior to taking into account Government funding, has changed. These figures reflect the significant changes caused by the new funding system and the impact of the localisation of Council Tax support.

Change in Council's Expenditure

	£m
2012/13 Budget	162.8
2013/14 Budget	169.6
Net Increase	6.8
Budget Pressures	1.4
Inflation	1.7
Increase in Levies	0.7
Provisions & Other Issues (including Grant & Funding Changes)	20.3
Sub Total	24.1
Efficiencies/Savings	-17.3
Net Total	6.8

D. REFERENDUMS RELATING TO COUNCIL TAX RISES

Schedule 5 of the Localism Act 2011 makes provision for Council Tax referendums to be held if an authority increases its basic relevant amount of Council Tax in excess of principles determined by the Secretary of State and approved by the House of Commons.

A Council Tax referendum will be required in 2013/14 if the increase in the basic relevant amount of Council Tax set by an authority exceeds the Council Tax excessiveness principle which applies to that year. The Secretary of State has proposed that, for that year, an authority will be required to seek the approval of their local electorate if, compared with 2012/13, an increase in that amount exceeds 2% for local authorities.

Under section 52ZE of the 1992 Act, the Secretary of State can make a report specifying an amount ("an alternative notional amount, or ANA") which he considers should be used by an authority as the basis of any comparison in an authority's basic relevant amount of Council Tax for the preceding year, in this case 2012/13. Owing to the changes resulting from the localisation of Council Tax support, the Secretary of State has proposed ANAs for affected authorities in relation to 2012/13. Those local authorities which have been set an ANA need to use this figure as a comparison of whether their increase in their basic relevant amount of Council Tax in 2013/14 is excessive.

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The definition of *basic relevant amount of Council Tax* is set out in section 52ZX of the 1992 Act. It is essentially an adjusted Band D amount which is derived from a calculation of the authority's basic amount of Council Tax which has been modified by omitting local precepts issued to or anticipated by a local authority, and levies issued to or anticipated by an authority, from the calculation.

The calculations for Havering are as follows:

Basic relevant amount of Council Tax 2012/13	£1,195.18
Alternative Notional Amount of Council Tax 2012/13, as specified by the Secretary of State	£1,046.38
ANA for 2013/14, as calculated below	£1,038.73
Percentage change in the ANA	-0.7%

On the basis of this calculation, the relative change in the Council's ANA resulting from its budget proposals is below the level set by the Secretary of State. Accordingly, the amount of Council Tax cannot be considered as excessive.

The calculation for Havering for 2013/14 is as follows:

Council Tax Requirement	94,898,487
Less levies	<u>12,421,938</u>
	<u>82,476,549</u>
Council Tax Base	79,401
ANA	1,038.73

Method for calculation of alternative notional amounts

The alternative notional amount for each authority is calculated in accordance with the formula:

$$\frac{(R - (P + L + A))}{(T - (A \div B))}$$

where –

A is the notional amount allocated to the authority in relation to the financial year 2012/13 for the localisation of council tax support, being its share of the CTB amount for 2012/13 allocated in the same manner as is set out in Annex E to the Local Government Finance Report 2013/2014 in relation to 2013/14 including any local precept issued to it in relation to that year;

B is the basic amount of the authority's council tax for the financial year 2012/13 in relation to a band D dwelling in its area excluding any local precept issued to it, that is, the amount calculated in accordance with section 31B(1) or 42B(1) of the 1992 Act in relation to that year;

L is the amount of any levies and special levies –

(a) issued to the authority for 2012/13; or

(b) anticipated by it for that financial year in pursuance of regulations under section 74 or 75 of the 1988 Act, being the figures for such levies for that year supplied to the Secretary of

State pursuant to section 52ZY(2) of the 1992 Act;

P is the amount of any precepts –

(a) issued to the authority for 2012/13 by local precepting authorities; or

(b) anticipated by it for that financial year in pursuance of regulations under section 41 of the 1992 Act, being the figure listed in relation to that authority in the Council Tax statistics document;

R is the authority's council tax requirement calculated by it for 2012/13, being the figure listed in relation to that authority in the Council Tax statistics document;

T is the authority's council tax base for 2012/13, that is, item T in the formula in section 31B(1) or 42B(1) of the 1992 Act (expressed as a number of band D dwellings in the authority's area) being the figure listed in relation to that authority in the Council Tax statistics document.

DRAFT MINUTES OF THE CABINET MEETING 13 FEBRUARY 2013

44 THE COUNCIL'S BUDGET 2013/14 - including the setting of fees & charges

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

The report before Cabinet outlined the context within which the 2013/14 budget was due to be set and identified the Council's overall policy direction, statutory duties and financial strategy.

It was reported that the Council's budget needed to reflect the level of funding allocated to it by the Government. It was noted that since the 2010 General Election, the Government had made a series of announcements, with the most recent being the Autumn Budget Statement, which preceded the announcement of the provisional Local Government Settlement. This saw the introduction of fundamental and complex changes to the funding regime for local authorities, probably the biggest in 20 years. Whilst this reflected the localisation of responsibilities, it also brought increased financial risk, and this had to be reflected as part of a robust budget setting process.

In anticipation of the changes that these various announcements had brought about, and in response to the Emergency Budget announced in 2010, Cabinet had previously agreed a range of savings proposals in July 2010, and again in July 2011, designed to deliver savings approaching £36m. These proposals were in the process of being implemented, subject to consultation where appropriate.

It was noted that the provisional settlement had been announced on 19 December, the details of which had been included in the previous report to Cabinet in January. Interpretation of the impact of the settlement had been extremely difficult due to the continual flow of information from central government. More recently, there had been speculation that the final settlement would not be available until mid-February. Supplementary papers were issued which provided further detailed information on the final local government financial settlement and other levies. It was noted that the final settlement provided a 1.1% reduction in funding. The delay in the announcement had increased the level of uncertainty at a time when the pressure on public sector budgets continued to grow.

In the light of the ongoing financial climate, and with the prospects for "more of the same" for the foreseeable future, information on a small number of budget pressures and savings proposals was released for formal consultation in January and as part of this process, was submitted to the joint Overview and Scrutiny Committee. The results of this consultation were set out in the report. Subject to any further changes made by Cabinet arising from the consultation and scrutiny, the report set out the factors being recommended for inclusion within the 2013/14 budget.

It was noted that there was no proposed increase to the Havering element of the Council Tax, which would enable the Council to take advantage of the new Council Tax freeze grant on offer.

Final confirmation of the Greater London Authority (GLA) precept was not expected until the day on which the London Assembly was due to meet, which was two days prior to the Council budget setting meeting. It was reported that the Mayor had proposed a small reduction in the current precept, and this had been the subject of a similar consultation process. On the assumption that this was approved by the London

Assembly, there would be a small overall reduction in Council Tax. The band D figure would reduce to £1,498.18.

The report provided details of the various components of the budget with appendices also included.

Reasons for the Decision

The Council is required to set a budget for 2013/14 and, as part of that process, undertake relevant consultation in respect of the proposals included within the budget.

Alternative Options Considered

There were no alternative options in so far as setting a budget was concerned. However, there were options in respect of the various elements of the budget. These were considered in preparing the budget and covered such things as alternative savings proposals, the totality of budgetary pressures and different levels of Council Tax.

Members praised staff for their hard work in drafting the report in difficult circumstances given the inaccuracies in the final settlement delivered by central government.

The Cabinet Member emphasised the challenging financial circumstances that the Council found itself in, particularly as further savings were required in the next financial year and beyond.

Cabinet, in view of the need to balance the Council's policies, statutory requirements, government initiatives, inspection regimes and Council Tax levels:

1. Noted the advice of the Chief Finance Officer as set out in Appendix H when recommending the Council budget.
2. Noted the comments received during the consultation exercise, which are set out in the report from the joint Overview and Scrutiny Committee, which is attached as Appendix J to this report, when recommending the total Council budget.
3. Approved the Council's General Fund draft budget for 2013/14 as set out in Appendix E of the report, formulated on the basis of:
 - an ELWA levy based on the anticipated budget and levy increase
 - the budget items shown at Appendix F of the report
 - the other assumptions set out in this report.
4. Approved the delegated schools' draft budget as set out in Appendix E.
5. Delegated to the Leader and the Cabinet Member for Value authority to approve spending plans for new sources of grant funding or for confirmed amounts where estimates have previously been used, as set out in paragraph 3.3.5 of the report, for both revenue and capital grant funding.
6. Delegated to the Cabinet Member for Children's Services, in conjunction with the Cabinet Member for Value, authority to take action to reduce Council spend resulting from the further transition of schools to academy status, as set out in paragraph 3.4.22 of the report.

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7. Delegate to the Chief Executive and Group Directors to make any necessary changes to service and the associated budgets relating to any subsequent specific grant funding announcements, where delays may otherwise adversely impact on service delivery and/or budgetary control, subject to consultation as appropriate.
8. Approved, with effect from 1 April 2013, that the financial assets and liabilities of the commercial properties currently held in the Housing Revenue Account be appropriated to the General Fund, the final list of properties appropriated to be agreed by the Group Director Finance & Commerce.
9. Approved the schedule of Fees and Charges set out in Appendix L, with any recommended changes in year being implemented under Cabinet Member delegation.
10. Approved the Capital Programme for 2013/14 as set out in Annexes 2, 3 and 4 of Appendix I of the report.
11. Delegated to the Chief Executive and Group Directors to implement the 2013/14 capital and revenue proposals once approved by Council unless further reports or Cabinet Member authorities were required as detailed.
12. Agreed that if there were any changes to the GLA precept and/or levies, that the Group Director Finance & Commerce (in the absence of the Chief Executive) be authorised to amend the recommended resolutions accordingly and report these to Council on 27 February 2013.
13. Agreed that information be made available to members of the public, staff, trade unions, etc. explaining the decisions made by Cabinet, and the final decision on the Council Tax setting.
14. Delegated to the Cabinet Member Value and the relevant service area Cabinet Members authority to commence tender processes and accept tenders where these relate to Capital schemes within the Capital Programme.
15. Delegated to the Chief Executive authority to consider the comments of the trade unions and to reflect any changes and/or comments in the recommendations to Council.

Cabinet:

16. Recommends to Council, subject to recommendation 3 above, the General Fund budget, and the Council Tax for Band D properties, and for other Bands of properties, all as set out in Appendix E, as revised and circulated for the Greater London Authority (GLA) Council Tax.
17. Recommends to Council the delegated schools' budget, also as set out in Appendix E.
18. Recommends to Council that a resolution be passed based on the proposals as set out in this report in order to set the Council Tax – the final text/figures to be advised to Council once the final GLA position is known.
19. Recommends to Council to pass a resolution as set out in section 8.4 of this report to enable Council Tax discounts to be given at the existing level

20. Recommends to Council the Capital Programme for 2013/14 as set out in Annexes 2, 3 and 4 of Appendix I.
21. Recommends to Council to agree that the Capital Programme be expanded for schemes during the year which are funded via grant funding under the authority of the Leader and the Cabinet Member Value.

Cabinet Noted:

22. The monitoring arrangements for 2013/14.
23. The prospects for 2014/15 and beyond, which indicate a very challenging financial environment still lies ahead, with the continuation of the Government's austerity programme, and that the need for continued financial prudence is especially important.
24. The likely date for the announcement of the final settlement and the potential need for a further report, should the figures be materially different.
25. That supplementary information would be provided to Cabinet where information was awaited, such as from external bodies such as the GLA and the other levying bodies, as well as the final settlement itself.
26. That any further reductions in grant funding introduced by the Government subsequent to the setting of the budget would be reported back to Cabinet, together with any consequent recommendations on maintaining financial stability.
27. That a further report would be brought to Cabinet setting out proposals to reduce spend associated with Early Intervention activities, in line with the reduced funding provided by Government.
28. That a report would be brought to Cabinet in March setting out the Council's proposed policy for dealing with business rates relief.
29. The effect of Council Procedure Rules with regard to the moving of any amendment to the Council Tax Setting report.
30. That consultation with the Trades Unions would continue in respect of any proposals within the Budget that have an impact on staff.
31. The virement and contingency rules set out in Appendix G.
32. That it had previously agreed that any future underspends from the Corporate Contingency Fund, from the Transformation budget, and from any service revenue underspends, were allocated to the Strategic Reserve.
33. The indicative Capital Programme for 2014/15 as set out in the report and Appendix I.
34. That the Treasury Management Strategy was being presented to Cabinet concurrently with this report as a separate agenda item.
35. That **Midnight on Monday 18 February 2013** is the deadline for amendments to the Council Tax Setting and Budget Report.

45 **HOUSING REVENUE ACCOUNT (HRA) BUDGET FOR 2013/14 AND HRA CAPITAL PROGRAMME 2013/14 – 2014/15**

Councillor Lesley Kelly, Cabinet Member for Housing & Public Protection, introduced the report

The report before Cabinet detailed a budget for the Council's Housing Revenue Account (HRA) and HRA Capital Programme. It was explained that from 2012 the position of the HRA had changed as a result of the introduction of Self Financing HRAs. An update to the HRA Business Plan was provided as an appendix to the report.

It was noted that the HRA remains a ring-fenced account that is used to manage the Council's own housing stock. The proposed budget would enable the Council to manage the stock to a reasonable standard and to deliver the next phase of the Council's Decent Homes Programme. The report sets out the income resources the Council has available to spend on housing; it also set out the current HRA financial position and proposed spending plans for 2013/14.

In addition, the report detailed the proposed rents, service charges and other charges for Council tenants for the year 2013/14.

Reasons for the Decision

The Council is required to set the housing rent, service charges and a budget in accordance with the Local Government and Housing Act 1989.

Other Options Considered

There were no alternative options in so far as setting a budget was concerned. However, there were options in respect of the various elements of the budget. These were considered in preparing the budget and cover such matters as the rent and service charge increase, budget growth and capital programme proposals.

A view was expressed that the above-inflation increases in rents and service charges would have a detrimental effect on the living standards of the poorer sections of society. Members were reminded that the rents in Havering were the lowest across Greater London and that any increase in rents and service charges would be reinvested into the Decent Homes fund.

Cabinet:

1. Agreed the Housing Revenue Account Budget as detailed in Appendix 1.
2. Agreed that the average rent for Council properties owned by the London Borough of Havering be increased by £4.55, from £81.21 to £85.76 (5.60%) with effect from 1 April 2013, in line with the Government's policy to restructure rents. This means in effect that rents would increase as set out in the table below:

	Rent 2012/13 – 52 weeks	Rent 2013/14 – 52 weeks	Increase (£)	% increase
Bedsit	£62.96	£66.55	£3.59	5.70%
1 Bed	£67.49	£71.91	£4.42	6.55%
2 Bed	£80.11	£84.58	£4.47	5.58%
3 Bed	£97.29	£102.16	£4.87	5.01%
4 Bed	£110.90	£116.17	£5.27	4.75%
5 Bed	£122.20	£127.68	£5.48	4.48%
Average Rent	£81.21	£85.76	£4.55	5.60%

3. Agreed that the rent free weeks for 2013/14 be w/c 26 August 2013, the two weeks commencing 23 December 2013, and the week commencing 31 March 2014.
4. Agreed that tenants' service charges and heating and hot water charges for 2012/13 be increased or decreased as follows:

Service Charges reviewed and recommended	2012/13 Weekly Charge – 52 weeks	2013/14 Weekly Charge – 52 weeks	Increase (decrease)	% increase (decrease)
Caretaking	£3.41	£3.33	(£0.08)	(2.3%)
Internal Block Cleaning	£0.71	£1.02	£0.31	43.7%
Bulk Refuse Collection	£0.49	£0.45	(£0.04)	(8.1%)
CCTV - Mobile Service	£0.55	£0.55	£0.00	0%
CCTV - Static Service	£1.30	£1.38	£0.08	6.2%
Neighbourhood Wardens	£0.85	£0.83	(£0.02)	(2.4%)
Door Entry	£1.38	£1.38	£0.00	0%
Ground Maintenance	£2.57	£2.39	(£0.18)	(7.0%)
Sheltered Cleaning	£2.67	£2.93	£0.26	9.7%
TV access	£1.25	£1.32	£0.07	5.6%
Heating	£10.85	£9.52	(£1.33)	(12.3%)
Hot Water	£8.22	£6.02	(£2.20)	(24.3%)

5. Agreed that the service charge for homeless households accommodated in the Council's hostels be increased by 3.1% to £24.15 a week.
6. Agreed that charges for high and medium demand garages be increased by 2.6% and that rents for low demand garages be frozen.
7. Agreed that support charges for mobile support for older people be increased by 3.1% as follows:

Service	Weekly support charge in 2012/13 – 52 weeks	Weekly support charge in 2013/14 – 52 weeks
Support – low level	£5.12	£5.28
Support – medium level	£10.24	£10.56
Support – high level	£12.81	£13.21
Community support (previously called 'Itinerant round')	£1.10	£1.13

8. Agreed that the Careline support charge be increased by 3.1% as follows:

Service	Weekly support charge in 2012/13 – 52 weeks	Weekly support charge in 2013/14 – 52 weeks
Careline – sheltered tenants	£4.10	£4.23
Careline – community users	£4.37	£4.51

9. Agreed that Telecare support charges be increased by 3.1% as set out below:

Service	Weekly support charge in 2012/13 – 52 weeks	Weekly support charge in 2013/14 – 52 weeks
Telecare – base unit plus two sensors	£6.37	£6.57
Additional Telecare sensor	£1.06	£1.09

10. Agreed to maintain the transitional arrangements to correct the undercharging, by £4.18 increase plus inflation a week, of tenants in the former Hornchurch mobile support pilot scheme, whereby the full charge will be gradually increased over the five year period 2012/13 to 2016/17 inclusive for the 13 tenants paying for this service; for 2013/14 this amounts to an increase to the weekly charge (52 weeks) of £0.87.
11. Agreed the detailed expenditure items in the 2013/14 and 2014/15 HRA Capital Programmes, based on total resources of £35.7m and £43.781m respectively, as presented in Appendix 2 & 3 and agreed to refer the Programmes to Council for final approval for expenditure.
12. Approved the development of an affordable housing scheme consisting of nine bungalows for older people at the Garrick House sheltered scheme in Hornchurch, (the funding for which was included in detail in the exempt Appendix 5), consisting of capital grant from the GLA under the Mayor of London's Care and Support Specialised Housing Fund, subject to the successful outcome of a bid made in January 2013. Also included were right-to-buy receipts allocated to new building housing under the agreement signed with the Department for Communities and Local Government in 2012, and s106 commuted sums to meet the remainder, the exact amount being dependent on the level of GLA grant allocated.

46 **TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2013/14**

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

Each year the Council receives and approves, as a minimum, three main reports which incorporate a variety of policies, estimates and actuals. It was noted that such reports were scrutinised by the Audit Committee before presented to Cabinet for recommendation to Council.

The subject of the report before Cabinet members was the 'Prudential and Treasury Indicators and Treasury Strategy'. The report covered the following areas:

- the capital plans (including prudential indicators);
- a Minimum Revenue Provision Policy (how residual capital expenditure was charged to revenue over time);
- the Treasury Management Strategy (how the investments and borrowings were organised) including treasury indicators; and
- an investment strategy (the parameters on how investments were managed).

The Treasury Management Strategy Statement, which incorporates the Minimum Revenue Provision Policy Statement and the Annual Investment Strategy, were attached as an appendix to the report.

Reasons for the decision:

The statutory Codes set out that the Council ought to approve a Treasury Management Strategy Statement, the MRP Strategy and the Annual Investment Strategy for 2013/14.

Other options considered:

There were no good reasons to depart from the provisions of the relevant Codes.

Cabinet agreed the Treasury Management Strategy Statement (TMSS) which incorporated the MRP Strategy and the Annual Investment Strategy 2013/14, and recommends to Council that the TMSS be approved.

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TABLE 7A

RESIDENTS' ASSOCIATION GROUP BUDGET AMENDMENTS 2013/14+

BUDGET ADDITIONS		2013/14	2014/15	BUDGET SAVINGS		2013/14	2014/15
		£'000	£'000			£'000	£'000
RA1a	HELPING OUR VOLUNTARY SECTOR Community Support Bank This builds on the one-off funding pot made available in 2011/12 by making £70,000 available on an on-going, year-on-year basis. The 'Community Support Bank' will provide a source of funding (up to £5,000 per submission) which will be available for voluntary groups via a grant application process.	70	70	RA1s	Review of Special Responsibility Allowances (SRAs) This brings forward the proposal set out by the Administration to reduce SRAs with a reduction in allowances for Cabinet, Overview & Scrutiny and other committees/positions by reviewing structure and number of positions.	134	134
RA2a	HELPING OUR BUSINESS SECTOR Havering Works Further to the £1million earmarked for transformation, this £100,000 adds to the business development strand with a particular emphasis on promoting and marketing Havering as a place for businesses to locate and to invest. The funding can be used to enhance or pump prime initiatives that will enhance the appeal of Havering as a place to do business.	100	100	RA2s	Interest received Increase budget for interest received by £66,000 (from £967,000 to £1,033,00) Interest received has exceeded budget by an average of £500,000 over the last three years. This £66,000 is in addition to the £300,000 added to the budget by the Administration in 2013/14+	66	66
RA3a	PARK 'N' SHOP Christmas/New Year Free Parking for first 2 hours Building on the 'Helping our Business Sector' strand, this initiative is designed to boost business and promote our local economy around the Christmas period. This proposal will allow the first two hours of parking free of charge in all council managed car parks across the borough. Charges beyond that time period will be as per existing schedule. Effective weekend of 14th/15th December, weekend of 21st/22nd December then from 24th December through to 1st January inclusive. An assessment of associated costs (enforcement /ticket machine adaptations, etc) has been built into the figure and will be subject to a detailed analysis before implementation.	30	30				
Total		200	200	Total		200	200

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COUNCIL, 27 FEBRUARY 2013

REPORT OF THE GROUP DIRECTOR FINANCE & COMMERCE

SUBJECT: MEMBERS' ALLOWANCES

SUMMARY

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

This report proposes no changes and that the existing scheme effectively continues and is adopted as the new scheme for 2013/14. In reviewing the scheme, regard was given to the May 2010 report of the Independent Remuneration Panel of London Councils' and the allowances in the scheme are set with regard to their bands of recommendations. The current level of allowances have remained unchanged since 2007/08.

RECOMMENDATIONS

It is recommended:

1. That the Members' Allowances scheme becomes effective from 1st April 2013 and the existing scheme be revoked with effect from the same date.
2. That subject to the decision of Members with regard to recommendation 1, the total number of SRAs may exceed the recommended 50%. In the event of this occurring, Council endorse the justification set out in the report.

REPORT DETAIL

1. BACKGROUND INFORMATION – THE CURRENT SCHEME

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 provides that a Local Authority shall make a scheme in accordance with these Regulations in respect of each year. Regulation 10 provides that such a scheme shall be made before the beginning of each year commencing on 1st April. Such a scheme may be amended during the year, but only revoked with effect from the beginning of a year.
- 1.2 In establishing the Members' Allowances scheme, regard has been given to the May 2010 report of the Independent Remuneration Panel of London Council's and the allowances in the scheme have been set with regard to their bands of recommendations.
- 1.3 The level of allowances has remained unchanged since 2007/08.
- 1.4 The proposed list of members' allowances is as follows:

Category of Allowance	Amount Per Member £
<u>Basic Allowance</u>	10,208
Special Responsibility Allowances:	
Leader of the Council	51,191
Deputy Leader of the Administration	35,705
Cabinet Members	32,705
Leader of Principal Opposition	18,000
Leader of Principal Minority Opposition	6,390
Leader of Minority Opposition	2,227
Deputy Leader of Principal Opposition	3,825
Mayor	14,418
Deputy Mayor	7,650
Overview and Scrutiny Committees Chairmen	14,418
Licensing and Regulatory Services Committee Chairmen	20,430
Audit, Pension, Highways, Governance, Appointments, Adjudication and Review Committee Chairmen	7,650

Note:

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

2. Basic Allowance

- 2.1 Each Member of the Council receives a Basic Allowance of £10,208. In accordance with the 2012/13 scheme, this is subject to an inflationary increase in line with the annual Local Government Pay Settlement of the Joint Negotiating Committee for Chief Officers of Local Authorities or its replacement. No increase has been proposed at this stage.
- 2.2 If a Councillor becomes entitled to any allowance during the year, he/she is entitled to the relevant proportion of that allowance as set out in the Constitution.

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

- 2.3 Where a Member is suspended or partially suspended from their responsibilities or duties as a Member of the Authority in accordance with Part III of the Local Government Act 2000, or Regulations made under that part, the part of basic allowance payable to him/her in respect of the period for which he/she is suspended or partially suspended will be withheld by the Council.

3. Special Responsibility Allowance

- 3.1 When a Councillor would otherwise be entitled to more than one special responsibility allowance, then the entitlement shall be to only one, that being the one attracting the higher rate.
- 3.2 Where a Member is suspended or partially suspended from his responsibilities or duties as a Member of the Authority in accordance with Part III of the Local Government Act 2000, or Regulations made under that part, the part of Special Responsibility allowance payable to him in respect of the period for which he/she is suspended or partially suspended will be withheld by the Authority.

The Scheme provides that only basic allowances will be increased from 1st

April in line with the annual Local Government Pay Settlement of the Joint Negotiating Committee for Chief Officers of Local Authorities or its replacement.

- 3.3 Statutory Government Guidance recommends that only a maximum of 50% SRAs should be paid. The scheme assuming single occupancy provides for 33 SRA's as compared to 54 Councillors (61%).

This exceeds the recommended level of 50% and whilst there may be some reduction in this proportion where a Member has two positions and can only receive a single SRA; this is unlikely to change the proportion so it is in line with the guidance recommendation. The Council justify this on the basis of:

- (a) the number of Overview and Scrutiny Committees;
 - (b) to facilitate a diverse and meaningful contribution to decision making and governance of the Council;
 - (c) to develop Member skills and roles to enable seamless succession into senior roles;
 - (d) maximise the skills, experience and contributions brought to the borough by its Members;
 - (e) to take account of the increasing functions of Local Government.
- 3.4 The Mayor and Deputy Mayor allowances cover the cost of all Mayoral activities such as clothing, personal expenses and sundry expenses - including items such as attendance at dinners, raffle tickets, sponsorship and donations.

The Mayor and Deputy Mayor are responsible for all such payments via the SRA which will be taxed. The Council meets the cost of:

- the Mayor's "At Home" and other Havering Civic receptions;
- award pins and certificates at the civic award ceremony;
- the medals, certificates and frames in the event of there being any ceremony associated with Honorary Alderman/Freeman of the Borough awards;
- gifts given on behalf of the Council in reciprocation or gifts initiated by the Council for promotional purposes;
- the cost of maintaining and provisioning the beverage machine in the Parlour;
- postage costs and all costs associated with the Mayoral transport, robes etc.

4. **Dependent Carers Allowance**

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

5. **Travelling and Subsistence Allowance**

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

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

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

5.1 **Public Transport**

The rate for travel by public transport shall not exceed the amount of the ordinary (second class) fare or any available cheap fare. The authorising officer may authorise the use of car rather than public transport where it is more economical or practical to do so (taking account of matters such as the comparative journey times, start times, numbers travelling, equipment being transported etc). The relevant authorising officer in doing this must have due regard to the cost effectiveness of any such decision. Prior approval must be sought where mileage claims are likely to exceed the cost of public transport

5.2 **Private Motor Vehicle**

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

Cylinder capacity up to 999cc 46.9p per mile
Cylinder capacity over 1,000cc 52.2p per mile

5.3 **Taxi/Mini-cabs**

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

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

5.4 **Subsistence Allowance**

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

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

Breakfast Allowance – More than 4 hours away from normal place of residence before 11 a.m.	£4.48
Lunch Allowance – More than 4 hours away from normal place of residence including lunchtime between 12.00 and 14.00 hours.	£6.17
Tea Allowance - More than 4 hours away from normal place of residence including the period 15.00 to 18.00 hours.	£2.43
Evening Meal Allowance – More than 4 hours away from normal place of residence after 19.00 hours.	£7.64
Overnight absence for the purpose of attendance at an annual conference (with or without an annual meeting) e.g. the Local Government Association or such other association of bodies as the Secretary of State may, from time to time, approve or other professional institute bodies	The full cost of accommodation as arranged and agreed by the Council and the reasonable cost of meals taken at the place of accommodation (where provision for meals is available).
Other overnight absence which arises from Council business will be based on the Officer rate as detailed here. If, however, in a particular case, accommodation cannot be found then other arrangements will be	£50.97

approved by the Group Director Finance and Commerce prior to booking and be in line with the above.	
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Allowances are payable on the basis of expenditure incurred and Members will be reimbursed actual expenditure incurred up to a maximum of the rates set out above. Receipts must be submitted to support claims for subsistence allowance and travel costs. Petrol receipts are required to support mileage claims.

6. Co-optees and Independent Persons' Allowances

The standard rate of allowance for statutory co-optees is £117 per meeting attended.

The Independent Person for standards of Members' Conduct will be paid an annual allowance of £1,000, in monthly instalments.

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

7. Pensions

These are not available.

8. Election to Forgo Allowances

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

9. Claims and Payments

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

10. Other Requirements of a Scheme

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

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

The London Council's Independent Review Panel published a report, The Remuneration of Councillors in London 2010, in May 2010. The report is available on the London Council's website.

This discusses the role of Councillors and sets out recommended allowance levels. This includes the basic allowance and special responsibility allowances.

Special Responsibility Allowances are presented in 5 bands determined by the types of role a Member may have. The allowance levels for each band are shown in a range and as a percentage of the remuneration package for a Council Leader. This gives flexibility and takes into account the different level of complexity similar roles may have between Councils.

Due consideration of this report has been taken in determining the proposed scheme.

11. Health and Well Being Board

As a consequence of the transfer of Public Health responsibilities to the Council a Health and Well Being Board will be formed from April 2013. This will become a formal committee of the Council. It is expected that allowances will be payable to members of the Council who sit on the board but not to external members. In any case, it is expected that these additional costs will be met from the Public Health Grant.

Financial Implications and Risks:

The cost of the existing scheme on the basis of single occupancy of SRA positions is £1,158k. The cost on the basis of the existing occupancy is £1,125K plus National insurance of £102K (£1,227k in total). These figures exclude any inflation increase for 2013/14 as they have yet to be agreed.

The 2012/13 budget provision is £1,184k and any fluctuations in year are met by or drawn into the central contingency as appropriate given that occupancy of positions vary.

The additional cost of allowances which may arise from the creation of the Health and Well Being Board are expected to be met from the Public Health grant.

Human Resource Implications and Risks:

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

Legal Implications and Risks:

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

The Regulations set out various detailed requirements in respect of:

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

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

Regulation 19 provides that before a local authority makes or amends a scheme, the authority shall have regard to the recommendations made to it by an independent remuneration panel. This does not mean that a local authority has to adopt only those recommendations but it does mean that if an authority is going to depart from those recommendations it should objectively justify those departures and the rationale for them so that if the decision making of the

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authority is called in to challenge there are both reasoned and reasonable grounds for its decision taking into account all the material factors in issue.

Payments for greater than 50% of Special Responsibility Allowances might be justified as set out in paragraph 3.3.

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**CHERYL COPPELL
Chief Executive**

Background Papers

None

Members' Allowances Scheme

Agreed at the meeting of the Council on 27th February 2013. The new Scheme is agreed with effect from 1st April 2013 and the revocation of the Members' Allowance Scheme (2011) is effective from 31st March 2013.

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

- 1 This scheme may be cited as the Havering London Borough Council Members' Allowance Scheme. The new scheme shall have effect from 1st April 2013.
- 2 In this scheme, "councillor" means a councillor of the London Borough of Havering and "year" means the period ending on 31st March 2014 and any period of 12 months ending on 31st March in any year after 2014.
- 3 **Basic allowance (Schedule 1)**

Subject to paragraphs 7 and 12, for each year a basic allowance of £10,208 shall be paid to each councillor.
- 4 **Special responsibility allowance (Schedule 1)**
 - (a) For each year a special responsibility allowance shall be paid to those councillors who hold the special responsibilities in relation to the Council that are specified in schedule 1 to this scheme.
 - (b) Subject to paragraph 7, the amount of each such allowance shall be the amount specified against that special responsibility in that schedule.
 - (c) When a councillor would otherwise be entitled under the scheme to more than one special responsibility allowance, then the entitlement shall instead be only to one of them, being the one attracting the higher rate.
 - (d) Where a member is also a Member of another Authority, that Member may not receive allowances from more than one Authority in respect of the same duties.

5 Child and dependent care allowance

These expenses are expected to be met from the Basic Allowance.

6 Renunciation

A councillor may by notice in writing given to the Group Director Finance and Commerce elect to forego any part of his/her entitlement to an allowance under this scheme.

7 Part-year entitlements

(a) The provisions of this paragraph shall have effect to regulate the entitlements of a councillor to basic and special responsibility where, in the course of a year, this scheme is amended or that councillor becomes, or ceases to be, a councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.

(b) If an amendment to this scheme changes the amount to which a councillor is entitled by way of a basic allowance or a special responsibility allowance, then in relation to each of the periods:

(i) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, or

(ii) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year.

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

(c) Where the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor to a basic allowance shall be to the payment of such part of the basic allowance as bears to the whole the same proportion as the number of days during which his/her terms of office subsists bears to the number of days in that year.

(d) Where this scheme is amended as mentioned in paragraph 7(b), and the term of office of a councillor does not subsist throughout the period mentioned in paragraph 7(b)(i), the entitlement of any

such councillor to a basic allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that paragraph) as bears to the whole the same proportion as the number of days during which his/her term of office as a councillor subsists bears to the number of days in that period.

- (e) Where a councillor has during part of, but not throughout, a year such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he or she has such special responsibilities bears to the number of days in that year.
- (f) Where this scheme is amended as mentioned in paragraph 7(b), and a councillor has during part, but does not have throughout the whole, of any period mentioned in paragraph 7(b)(i) of that paragraph any such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.

8 Travelling and Subsistence (Schedule 2)

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

9 Claims and payments

- (a) Payments shall be made in respect of basic and special responsibility allowances, subject to paragraph 8(b), in instalments of one-twelfth of the amount specified in this scheme on the last working day of each month.
- (b) Where a payment of one-twelfth of the amount specified in this scheme in respect of a basic allowance or a special responsibility allowance would result in the councillor receiving more than the amount to which, by virtue of paragraph 7, he or she is entitled, then payment shall be restricted to such amount as will ensure that

no more is paid than the amount to which he or she is entitled.

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

10 Pension Scheme

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

11 Financial Limits

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

12 Increases in Allowances

Basic Allowances as quoted will be updated for 2013/14 by the 2013/14 increases as agreed under the annual Local Government Pay Settlement of the Joint Negotiating Committee for Chief Officers of Local Authorities or its replacement under the local pay agreement. The amounts so calculated are to be rounded up to be divisible for payment purposes.

The amended basic allowance will be found on the Internet once any annual % uplifts have been agreed.

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

13 Suspension of Basic and Special Responsibility Allowance

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

14 Mayor and Deputy

The Mayor and Deputy Mayor allowance covers the cost of all Mayoral activities such as clothing, personal expenses and sundry expenses -

including items such as attendance at dinners, raffle tickets, sponsorship and donations.

The Mayor and Deputy Mayor will be responsible for all such payments via the SRA, which will be taxed. The Council will meet the cost of:

- the Mayor's "At Home" and other Havering Civic receptions, award pins and certificates at the civic award ceremony;
- medals, certificates and frames in the event of there being any ceremony associated with Honorary Alderman/Freeman of the Borough awards;
- gifts given on behalf of the Council in reciprocation or gifts initiated by the Council for promotional purposes;
- maintaining and provisioning the beverage machine in the Parlour;
- postage costs and all costs associated with the Mayoral transport, robes etc.

15 Co-Optees and Independent Persons' Allowances

The standard rate of allowance for statutory co-optees is £117 per meeting attended.

The Independent Person for standards of Members' Conduct will be paid an annual allowance of £1,000, in monthly instalments.

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

16 Note

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

Schedule 1: Members' allowances

Category of Allowance	Amount Per Member £
Basic Allowance	10,208
Special Responsibility Allowances:	
Leader of the Council	51,191
Deputy Leader of the Administration	35,705
Cabinet Members	32,705
Leader of Principal Opposition	18,000
Leader of Principal Minority Opposition	6,390
Leader of Minority Opposition	2,227
Deputy Leader of Principal Opposition	3,825
Mayor	14,418
Deputy Mayor	7,650
Overview and Scrutiny Committees Chairmen	14,418
Licensing and Regulatory Services Committee Chairmen	20,430
Audit, Pension, Highways, Governance, Appointments, Adjudication and Review Committee Chairmen	7,650

NOTES: The basic allowance will be uplifted each year in accordance with paragraph 12.

Schedule 2: Travel and Subsistence

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

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

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

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

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TABLE 8A

MEMBERS ALLOWANCES SCHEME 2013/14

AMENDMENT ON BEHALF OF THE RESIDENTS' ASSOCIATION GROUP

Category of Allowance	Amount Per Member £
<u>Basic Allowance</u>	10,208
Special Responsibility Allowances:	
Leader of the Council	45,000
Deputy Leader of the Administration	30,000
Cabinet Members	24,900
Leader of Principal Opposition	17,000
Leader of Principal Minority Opposition	6,390
Leader of Minority Opposition	2,227
Deputy Leader of Principal Opposition	3,825
Mayor	14,418
Deputy Mayor	7,650
Overview and Scrutiny Committees Chairmen	10,000
Regulatory Services Committee Chairman	20,430
Licensing Committee Chairman	10,000
Audit, Pensions, Highways, Governance Committee Chairmen	10,000
Licensing Committee Vice-Chairmen	4,260

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