



Havering

L O N D O N B O R O U G H

TOWNS & COMMUNITIES OVERVIEW & SCRUTINY SUB- COMMITTEE AGENDA

7.30 pm	Thursday 7 September 2017	Committee Room 3B - Town Hall
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Members 9: Quorum 4

COUNCILLORS:

Conservative (4)

Steven Kelly
Robby Misir
Frederick Thompson
Carol Smith

Residents' (2)

Jody Ganly
June Alexander

East Havering Residents' (1)

Linda Hawthorn
(Vice-Chair)

UKIP (1)

Lawrence Webb
(Chairman)

Independent Residents' (1)

Michael Deon Burton

For information about the meeting please contact:

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Protocol for members of the public wishing to report on meetings of the London Borough of Havering

Members of the public are entitled to report on meetings of Council, Committees and Cabinet, except in circumstances where the public have been excluded as permitted by law.

Reporting means:-

- filming, photographing or making an audio recording of the proceedings of the meeting;
- using any other means for enabling persons not present to see or hear proceedings at a meeting as it takes place or later; or
- reporting or providing commentary on proceedings at a meeting, orally or in writing, so that the report or commentary is available as the meeting takes place or later if the person is not present.

Anyone present at a meeting as it takes place is not permitted to carry out an oral commentary or report. This is to prevent the business of the meeting being disrupted.

Anyone attending a meeting is asked to advise Democratic Services staff on 01708 433076 that they wish to report on the meeting and how they wish to do so. This is to enable employees to guide anyone choosing to report on proceedings to an appropriate place from which to be able to report effectively.

Members of the public are asked to remain seated throughout the meeting as standing up and walking around could distract from the business in hand.

What is Overview & Scrutiny?

Each local authority is required by law to establish an overview and scrutiny function to support and scrutinise the Council's executive arrangements. Each overview and scrutiny sub-committee has its own remit as set out in the terms of reference but they each meet to consider issues of local importance.

The sub-committees have a number of key roles:

1. Providing a critical friend challenge to policy and decision makers.
2. Driving improvement in public services.
3. Holding key local partners to account.
4. Enabling the voice and concerns to the public.

The sub-committees consider issues by receiving information from, and questioning, Cabinet Members, officers and external partners to develop an understanding of proposals, policy and practices. They can then develop recommendations that they believe will improve performance, or as a response to public consultations. These are considered by the Overview

and Scrutiny Board and if approved, submitted for a response to Council, Cabinet and other relevant bodies.

Sub-Committees will often establish Topic Groups to examine specific areas in much greater detail. These groups consist of a number of Members and the review period can last for anything from a few weeks to a year or more to allow the Members to comprehensively examine an issue through interviewing expert witnesses, conducting research or undertaking site visits. Once the topic group has finished its work it will send a report to the Sub-Committee that created it and will often suggest recommendations for the Overview and Scrutiny Board to pass to the Council's Executive.

Terms of Reference

The areas scrutinised by the Committee are:

- Regulatory Services
- Planning and Building Control
- Town Centre Strategy
- Licensing
- Leisure, arts, culture
- Housing Retained Services
- Community Safety
- Social and economic regeneration
- Parks
- Social inclusion
- Councillor call for Action

AGENDA ITEMS

1 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS

(if any) - receive.

2 DECLARATION OF INTERESTS

Members are invited to declare any interests in any of the items on the agenda at this point of the meeting. Members may still declare an interest in an item at any time prior to the consideration of the matter.

3 CHAIRMAN'S ANNOUNCEMENTS

The Chairman will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

4 MINUTES (Pages 1 - 6)

To approve as a correct record the minutes of the meetings of 20 June 2017 and to authorise the Chairman to sign them.

5 PRESENTATION ON 'MOBILE FURNITURE RULES' (Pages 7 - 16)

6 CABINET REPORT UPDATE - ROMFORD DEVELOPMENT FRAMEWORK (Pages 17 - 22)

7 ROMFORD MARKET TRANSFORMATION PROGRAMME - UPDATE (Pages 23 - 28)

8 CABINET REPORT UPDATE - AWARD OF THE SPORT AND LEISURE MANAGEMENT CONTRACT (Pages 29 - 34)

9 URGENT BUSINESS

To consider any other item in respect of which the Chairman is of the opinion, by reason of special circumstances which shall be specified in the minutes, that the item should be considered at the meeting as a matter of urgency.

Andrew Beesley
Head of Democratic Services

**MINUTES OF A MEETING OF THE
TOWNS & COMMUNITIES OVERVIEW & SCRUTINY SUB- COMMITTEE
Committee Room 3B - Town Hall
20 June 2017 (7.30 - 8.45 pm)**

Present:

Councillors Lawrence Webb (Chairman), Linda Hawthorn (Vice-Chair), Frederick Thompson, Jody Ganly, Michael Deon Burton, Carol Smith and June Alexander

Apologies for absence were received from Councillor Steven Kelly and Councillor Robby Misir

32 MINUTES

The minutes of the meeting of the Sub-Committee held on 19 April 2017 were agreed as a correct record and signed by the Chairman.

33 CORPORATE PERFORMANCE UPDATE - QUARTER FOUR

The Sub-Committee was provided with the latest Corporate Performance data for the 14 indicators which fall under the remit of the Sub-Committee. These related to the Clean and Proud goals.

The report detailed that nine related to the PROUD goal and five to the CLEAN goal. Nine of the RAG indicators had a status of green, three had a RAG status of Amber and two a RAG status of Red.

The Sub-Committee noted the following areas that required improvements with the CLEAN goal:

- That Major applications often required a legal agreement which could take the application beyond the target 13 week period.
- That various activities were taking place to process planning applications in the required times. These included an increased promotion of Planning Performance Agreements for significant major applications and promotion of the pre-application advice offer.
- The report also indicated that there were separate proposals still progressing to outsource the initial part of planning

application process which had the potential to improve overall performance. Planning service restructure had been completed and went live in June 2017, savings identified from the new structure would contribute towards the outsourcing model.

- Member were informed that that the performance figures for planning applications processed in the required timescales do not include extension of time (EoT) agreements. Taking extension of time agreements into account, performance was significantly better, however, the service was looking at ways to reduce reliance on EoT agreements.

The Sub-Committee also noted the following areas that required improvements with the PROUD goal:

- The percentage of housing repairs completed on time was below target for 2016/17. During the course of 2016/17 several assurances were given by the contractor about improving performance which did not come to fruition. In direct response the Council issued a detailed Recovery Plan for the service with a deadline of March 2017 for performance to achieve 95%. This was achieved and the outturn for March was 95.4%. This improved performance should continue into 2016/17.
- During 2016/17 Housing Services started the stock regeneration programme. The programme had an effect on the void re-let times (where lower was better) as properties were ring-fenced for decanting tenants requiring support to move. The average void to re-let time excluding regeneration properties was 13.4 days, which was below target (14 days).
- There were 65 units under construction for Mercury Land Holdings at the end of 2016/17 against a profiled target of 100 at the Oldchurch Hospital Site in Romford. A further 44 units at 75 North Street in Hornchurch were due to start construction during Q4. However due to delays in obtaining planning permission, construction had been delayed. The developments would all be private rented flatted accommodation.

In addition, the Sub-Committee agreed to put forward the following three Performance Indicators that would be monitored from Quarter 2 onwards during 2017/18:

- Complaints relevant to the Towns & Communities
- Housing Repairs

- Contractor liaison with residents during housing regeneration works

The Sub-Committee **noted** the performance information for quarter four.

34 REVIEW OF CABINET REPORT - REVISED HOUSING ALLOCATIONS SCHEME AND INTRODUCTION OF NEW HOMELESSNESS PLACEMENTS POLICY

The Sub-Committee received a report that provided an update following Cabinet approval in June 2016 for Housing Services to implement a revised Housing Allocations Scheme and new Homelessness Placements Policy.

The report informed Members that the Council's Housing Allocations Scheme was used to determine which households were offered housing assistance in Havering and to explain how vacant social housing properties were let. The revised scheme provided a fair and transparent framework for determining priority between those in housing need.

The key objectives of the revised Housing Allocations Scheme were to:

- To provide a fair and transparent system by which people were prioritised for social housing.
- To help those most in housing need.
- To recognise residents who make a contribution to a local community.
- To make the best use of Havering's social housing including those of our partner Registered Social Landlords.

The new scheme introduced the following changes in key policy areas and the impact of each area detailed whether the desired objectives have been achieved.

- Qualifying Criteria: Extending the residency period to a continuous period of residency from 5 to 6 years

Since the implementation period July 2016 to March 2017, 198 (10%) applicants were declined from joining the housing register because they did not meet the 6 year continuous residency criteria. The policy change had shown to have had a low adverse impact, with relatively low numbers of new applications rejected.

- Qualifying Criteria: Financial circumstances - income threshold increased from £27,500 to £36,000

The change in household income increased the income level to £36,000. This was based on the fact that rents on private sector properties had increased and become unaffordable for household with less than

£36,000. Evidence shows residents were benefitting from the change because the number of applications rejected due to income has reduced.

Following the policy change, for the period July 2016 to March 2017, only 58 applicants (average of 6 a month) were rejected due to having household income higher than the threshold. Support was also being offered to rejected applicants to find homes in the private rented sector at levels they can afford.

- **Qualifying Criteria: Unacceptable behaviour**

Since the date of policy implementation to date, no applicant had been rejected from joining the housing register as a result of unacceptable behaviour, it was noted that the change was likely to have acted as a deterrent for any applicant with a history of unacceptable behaviour from submitting an application.

- **Restricting the housing register to those applicants who can demonstrate a housing need**

Members were informed that following the policy implementation, 353 tenants were removed from the housing register after the transitional period as they were living in a suitable home. In addition, since the implementation period to March 2017, 1510 applicants (75% of those rejected) were declined from joining the housing register as they were suitably housed. Every household on the housing register now has a housing need for alternative accommodation.

- **Reduced Housing Priority 6**

It was noted that in order to ensure that the Council meets its obligations under the homelessness legislation and the Housing Act, a reduced priority band (RP) was introduced for accepted homeless households who do not meet the 6 year residency period.

Following the policy implementation, around 46% of residents in temporary accommodation who were on the housing register were awarded the 'Reduced Priority' band. Most of the applicants are in private sector leased accommodation that meets their need. Over the period July 2016 to March 2017 only one allocation was made to a household on the RP band.

- **Policy Change 7 – One Offer Only Policy**

The report outlined that the change in policy was meant to encourage applicants to make informed decisions before placing a bid for a property. Since the implementation of this change, refusals had reduced to 45.

- Policy Change – Sheltered Housing Eligibility Criteria

The Sub-Committee noted that under the previous scheme there was no eligibility criterion for Sheltered Housing. The change was made to ensure that the lifestyle of those residing in sheltered accommodation was compatible with the scheme. Residents who met the following criteria could be housed in sheltered accommodation:

- People aged 60 years and over or aged 55-59 requiring a high level of support due to frailty, ill health or restricted mobility
- A person in need of the housing support provided by the scheme
- Single or joint applicants

Since implementation of the change, 51 residents aged 55-80 has expressed a wish to move into sheltered accommodation; it represented 13% (402) of all older residents on the housing register.

Applicants also have a right to request a review if they do not agree with the placement. In terms of the settled private rented sector properties in Harlow, a total of 15 reviews were received, of which 13 were dismissed and 2 were upheld (for the 2 upheld, they were made alternative offers within Havering.

- Policy Change 8 – Priority Banding System

The change in policy was to simplify the priority banding system to five priority bands with clear criteria to make it easier to administer and explain to residents how allocations operated.

- Policy Change 10 – Choice based lettings and assisted bidding

Further to a Cabinet agreement to continue to operate a Choice Based Lettings system by advertising properties through the East London Lettings Company, the change limited the circumstances of when assisted bids / direct offers could be made and it was agreed that any properties being directly offered would not be advertised. It was also agreed that the aim would be to retain access to 70% of properties through bidding. For the period July – March 2017, 77 out of the 408 (19%) lettings were made through direct offers.

Members noted that since the policy change, the Council has embarked on a large regeneration programme in the borough affecting 12 council sites. Consequently, direct offers were being made to tenants on the regeneration programme and therefore form a greater proportion than the 30% previously intended. The impact of the regeneration scheme was being monitored.

The Sub-Committee **noted** that the policy objectives of both the Housing Allocations Scheme and Homeless Placements Policy have been achieved.

35 ANNUAL REPORT OF THE SUB-COMMITTEE

The Sub-Committee agreed its annual report 2016-17 and further agreed that the report be referred to full Council.

36 DRAFT WORK PROGRAMME OF THE SUB-COMMITTEE

The Sub-Committee agreed the work programme for the year commencing June 2017 as presented.

Chairman

TOWNS AND COMMUNITIES OVERVIEW AND SCRUTINY SUB-COMMITTEE 7 SEPTEMBER 2017

Subject Heading:	Presentation on Mobile Phone Furniture Rules
CMT Lead:	Steve Moore, Director of Neighbourhoods
Report Author and contact details:	Helen Oakerbee, Planning Manager
Policy context:	Havering Council Corporate Plan 2016-17: Havering - Making a Greater London 2017: Places and Opportunities
Financial summary:	There is no financial implications of the report for the Council

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

Communities making Havering	[X]
Places making Havering	[]
Opportunities making Havering	[X]
Connections making Havering	[X]

SUMMARY

This presentation is to brief Members on Mobile Phone Furniture rules.

RECOMMENDATIONS

Members are asked to note the presentation on Mobile Phone Furniture rules.

REPORT DETAIL

Officers will present and summarise the main features of the Mobile Phone Furniture rules

IMPLICATIONS AND RISKS

Financial implications and risks: None of this covering report.

Legal implications and risks: None of this covering report.

Human Resources implications and risks: None of this covering report.

Equalities implications and risks: None of this covering report.

BACKGROUND PAPERS

None.



Havering

LONDON BOROUGH



Towns and Communities Overview and Scrutiny Sub-Committee - 7 September 2017

Permitted development rights for telecommunications operators

Page 10



Legislative Basis

- Covered by Class A, Part 16 of what is called the 'Town and Country Planning (General Permitted Development) Order 2015
- Enables operators to undertake certain types of development without requiring permission
- So what does Class A, Part 16 actually say?

Class A, Part 16

- Development can be carried out in, on, over or under land if it consists of:
 - The installation, alteration or replacement of any apparatus
 - The use of land in an emergency for not more than 18 months and the operation of moveable apparatus to replace that sited elsewhere
 - Development ancillary to radio equipment housing

When is permission needed?

- Telecommunications development will fall into one of three categories:
 - Full planning permission is needed
 - Prior approval is needed (siting and appearance only, 56 day procedure otherwise default approval)
 - No prior consent is needed at all as the works are permitted development

When is permission needed?

If an operator is proposing:

- A mast which over 15m in height, full planning permission is needed
 - A mast up to 15m in height or equipment cabinets with a volume more than 2.5 cubic metres, then prior approval is needed
 - An equipment cabinet with a volume less than 2.5 cubic metres, then no consent is needed, although the operator should notify the Council before undertaking the works
-
- Tighter controls are in place with Conservation Areas

Use of the Highway

- Under the New Roads and Streetworks Act, a telecommunications operator can install equipment on the highway
- Council receives no rental income from installations

Any Questions?

TOWNS AND COMMUNITIES OVERVIEW AND SCRUTINY SUB-COMMITTEE 7 September 2017

Subject Heading:	Romford Development Framework Update
SLT Lead:	Steve Moore, Director of Neighbourhoods
Report Author and contact details:	Chris Hilton, Assistant Director of Development chris.hilton@havering.gov.uk 01708 434844
Policy context:	Havering - Making a Greater London 2017: Communities, Places, Opportunities and Connections National Planning Policy Framework 2012 London Plan 2015 (Consolidated with Alterations since 2011) Havering Local Development Framework 2008 Proposed Submission Havering Local Plan 2017

SUMMARY

This report provides an update on the Romford Development Framework that was approved by Cabinet in July 2015.

RECOMMENDATIONS

Members are asked to review the report and note its content.

REPORT DETAIL

1. **Background**

- 1.1 On the 8th July 2015 Cabinet approved the Romford Development Framework and agreed that it should be a material planning consideration when considering development proposals.
- 1.2 Cabinet also agreed to work pro-actively with developers and key stakeholders to bring forward developments that meet the aspirations of the Framework and to take forward the actions proposed in the framework.

2. **Implementation of the Romford Development Framework**

- 2.1 Since its approval in 2015, the Council has successfully used the Romford Development Framework in its planning and regeneration activities as detailed below.

Romford Housing Zone

- 2.2 The Development Framework has helped to raise the profile of Romford as a key regeneration area in east London with significant development potential and investment opportunities. It is clear from scrutiny of the development and investment market that there is considerable interest in Romford and the scope that it provides for investment
- 2.3 Following the launch of the Framework, Romford was awarded Housing Zone Status by the Mayor of London in early 2016. The success of the Council's Housing Zone bid was directly linked to the strength of the Romford Development Framework.
- 2.4 The designation of Romford as a Housing Zone will support the economic vitality of the town and will add to the opportunities provided by Crossrail. The funding (£35m) will support the delivery of approximately 3,300 new homes that are split across a number of sites in the town including Bridge Close and Waterloo Estate.
- 2.5 Housing Zone grants and recoverable grant funding is essential in dealing with the challenges of viability, site assembly and reducing risk. Without this funding sites would not come forward, or deliver the quantum of quality of housing that Havering needs.
- 2.6 The Housing Zone funding will accelerate delivery and support our private sector partners to create a new Romford Town Centre with quality new homes and pedestrian linkages. The private sector will have the increased

confidence to invest in key development sites to deliver a place which will be the vibrant heart of the borough.

- 2.7 Linked to Romford's Housing Zone status and development potential it is anticipated that the Town will be identified as an opportunity area by the Mayor of London in the new London Plan.

Planning Decisions

- 2.8 The Development Framework is a material planning consideration and as such is considered by officers and the Regulatory Services Committee when determining planning applications in Romford.
- 2.9 As an example, the Framework was considered when assessing and determining applications for the construction of two additional storeys of residential units on Morland House, Eastern Road (P0110.16) and a rooftop extension on Queens Moat House, St Edwards Way (P0183.17). In both cases, the Development Framework provided planning policy guidance on the acceptability of increased building heights in the area that the development sites are located. These applications were approved at Committee
- 2.10 It should be noted that the major development sites identified within the Romford Development Framework have not yet come forward as planning applications and therefore it is not yet possible to comment on what impact the Framework will have on these sites.

The Havering Local Plan

- 2.11 The Council is preparing a new Local Plan for Havering which, once adopted, will replace the key documents in the 2008 Local Development Framework. The Romford Development Framework forms part of the evidence base for the Local Plan and has been used to inform the policies within the Proposed Submission version of the Plan which is currently subject to public consultation.
- 2.12 Within the Local Plan, the Framework has specifically influenced:
- The Spatial Strategy - which sets out the borough wide strategy for growth and recognises Romford's development potential and the key role it will play in accommodating Havering's growth:
 - The Romford Strategic Development Area Policy - which sets out the Council's strategic policy requirements for the area in relation to residential development, commercial development, transport and connections, social infrastructure, design and heritage; and
 - Housing sites and capacities - the detailed design work underpinning the Framework has been used to inform the housing sites included in the Local Plan and the potential capacity of these sites.

- 2.13 Following the current public consultation, the Council will submit the Local Plan to the Secretary of State for examination by an independent Planning Inspector. Once adopted, the Local Plan will provide the overarching strategic planning policy context for the borough as a whole and Romford.

Other matters

- 2.14 The Framework has influenced, and contributed to, the identification of other potential projects and programmes. These have included the potential for major strategic transport linked interventions involving parts of the Ring Road and the preparation of schemes to be the subject of bids to Transport for London for Liveable Neighbourhoods funds.

3. Summary and next steps

- 3.1 The Romford Development Framework has now been in place for two years and as demonstrated by this report it has been a valuable tool which has assisted in developing new planning policy (The Local Plan), provided guidance when determining planning applications and has raised the profile of Havering and helped achieve housing zone status.
- 3.2 Romford continues to be an important regeneration and growth area and the future development of the town is a key priority for the Council particularly the new Assistant Director of Development, Chris Hilton and the Development service. Work is currently underway to determine the most appropriate way of taking forward the Council's vision for Romford and for facilitating and optimising the development opportunities that exist. It is anticipated the potential options will be discussed with Cabinet Members in due course.

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no financial implications arising from this report.

Legal implications and risks:

There are no legal implications arising from this report.

Human Resources implications and risks:

There are no HR implications arising directly as a result of this report.

Equalities implications and risks:

There are no legal implications arising from this report.

BACKGROUND PAPERS

None

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**TOWNS AND COMMUNITIES OVERVIEW AND SCRUTINY
SUB-COMMITTEE**

7 September 2017

REPORT

Subject Heading:

Romford Market Update

CMT Lead:

Steve Moore, Director of Neighbourhoods

Report Author and contact details:

Lauren Gee, Regeneration Officer,
Development

Lauren.Gee@havering.gov.uk

Lindsay Hondebrink, Interim Business
Development Manager, Development

Lindsay.Hondebrink@havering.gov.uk

Policy Context:

Havering Council Corporate Plan 2016-17:
Using our influence to 'Supporting business
to create jobs'

Havering - Making a Greater London 2017:
Places and Opportunities

SUMMARY

This report provides an update regarding the Romford Market Transformation Programme.

RECOMMENDATIONS

Members are asked to review and note that alternative proposals for the delivery of the Transformation Programme are being developed.

REPORT DETAIL

The original Cabinet report (November 2015) tasked officers to progress implementation of a Transformation Programme covering four key areas:

- Physical transformation and improved use of space
- Branding, identity and vision
- Business growth and development of market offer
- Operational management

The programme covered a range of activity including rebranding, better control and management of stalls, delivery of public Wi-Fi, increasing and diversifying the number of traders and to physically transform the space.

In progressing implementation, officers focussed initially on the physical transformation by working up proposals for a new Market House, which aimed to deliver a high-quality food offer with public realm space for seating and a play area for children.

In February 2017, planning permission was obtained. It was intended that the other activities in the Transformation Programme, such as rebranding, would be implemented to align with the construction and launch of the building.

However, the final costing for the Market House indicated an additional cost of almost £1m for groundworks, which has made it unviable. This is clearly a major set-back in the delivery of the Transformation Programme. However, it should be stressed that the principle activities in the Programme as set out in the November 2015 Cabinet paper remain and alternative proposals are now being developed.

The technical studies and consumer research completed as part of the original Programme will continue to be utilised to inform the future proposals.

Proposals currently in development and being costed include:

- Creation of a public dwell space, which can be used for seating and events.
- Re-branding and promotion of the market, digitally and traditional media.
- Measures to continue the upward trend of increasing market traders and diversifying the market offer.
- Reconfiguration of stalls, with matching covers and an aligned layout.
- Maximising the opportunity created through delivery of public Wi-Fi in the Market Place, including contactless payments.
- Introduction of additional market events to trial concepts and inform the transformation moving forward.

In addition, proposals are being developed for a masterplan for Romford town centre, accompanied by a delivery strategy, to provide an overarching vision for the regeneration and development of the town.

Romford Market Place is a key and historical asset to the town and a Masterplan will carefully consider how to maximise its potential for the benefit of the town.

Heritage Action Zone Proposal

Romford Market Place is an integral part of Romford Conservation Area, which is currently on the 'At Risk' Register. As such, it is believed that the future of the market is intrinsically linked to the protection, promotion and restoration of the heritage assets which surround it.

On 7th August 2017, a proposal was submitted to Historic England to designate Romford as a Heritage Action Zone. A Heritage Action Zone (HAZ) is an area based partnership programme, aimed at recognising the importance of heritage and history and the impact it can have on economic and social growth. The programme is made up of a number of project objectives, aimed at regenerating and repairing areas of historical importance and building the capacity of local people and visitors to allow them to understand and engage with local heritage.

If successful, it will enable increased investment, particularly in the public realm around the market and build the capacity of local people and visitors to understand and engage with the market's heritage.

Christmas Events 2017

An ice rink is being planned for Christmas 2017, following the successful ice rink at the Eastern End of Market Place last year, which attracted a total of 12,268 skaters.

The annual Christmas Lights Switch On will take place on Thursday 16th November 2017 in the Market Place and it is planned that an ice rink will be opened the following week.

The market will be temporarily expanded to complement this Christmas offer, with bespoke Christmas stalls and products available, a corresponding catering proposition and additional trading days over the Christmas period.

Operational Management

Despite a set back in delivery of the programme, an operational focus has continued on growing trader numbers, expanding the offer and making small changes to refresh the look of the market.

Since May 2017, the following outputs have been achieved:

- 3.5% increase in licenced traders, from 70 to 75
- 21 additional casual traders, total of 48 new casual traders this year to date.
- 10 new casual catering traders, which has improved the food offer and provided a more varied range.
- Footfall has remained steady with a monthly average of approximately 143,000 in May and July, with an increase to approximately 150,000 in June.

The aim is to continue this upward trend, culminating in a market which feels vibrant and busy, with an improved choice of quality products.

Since April 2017, the following operational changes have been achieved:

- Full Health & Safety checks and process/procedure assessment completed.
- A review of operational procedures was completed resulting in several minor changes. The most significant adjusted market staff working hours to provide better cover and improved trader contact from 6am to 7pm on Market days.
- Following discussion with the Police Counter Terrorism Unit, some additional safety measures have been put in place based on their advice.
- A review of Return on Investment for advertising was completed. This has resulted in more a more targeted and effective approach.
- Trader vehicle movements are now managed by Market Staff allowing safer and coordinated access at peak times.

IMPLICATIONS AND RISKS

Financial implications and risks:

Financial implications and risks will be considered and consulted on as part of the development of the new proposal for delivery of the Transformation Programme.

This will also be dependent on the outcome of the Heritage Action Zone proposal. Shortlisted proposals are expected to be announced in October/November 2017.

Legal implications and risks:

There are currently no legal implications arising directly as a result of this report.

Human Resources implications and risks:

There are no HR implications arising directly as a result of this report.

Equalities implications and risks:

An Equality Impact Assessment was completed at programme level for the Transformation Programme. This will be fully reviewed in development of the new delivery proposal.

BACKGROUND PAPERS

Details of the original Transformation Programme for Romford Market are outlined in the 18th November 2015 Cabinet Report.

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TOWNS AND COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE

7 September 2017

Subject Heading:	Review of Cabinet Report - The Sport and Leisure Management Contract
SLT Lead:	Sarah Homer, Interim Chief Operating Officer
Report Author and contact details:	Guy Selfe, 01708 433866, guy.selfe@haverling.gov.uk
Policy context:	The Council's Culture Strategy
07 September 2017	

SUMMARY

On 12 July 2016 following a competitive procurement process, Cabinet agreed a report to award the Council's Sports and Leisure Management Contract for a period of 20 years from 01 October 2016 to the company SLM. The report also sought Member agreement in principle to the building of a new Hornchurch Sports Centre, investment in new health and fitness facilities at Central Park Leisure Centre, the operation of the new Sapphire Ice and Leisure and to the continued Council funding of the Chafford Sports Complex, within the parameters identified in the Cabinet report of 12 July 2016.

This report sets out progress made during the first year of the Sports and Leisure Management Contract.

RECOMMENDATIONS

That the Towns and Communities Overview and Scrutiny Committee notes progress with the Sports and Leisure Management Contract during the first year since the award of contract that commenced on 01 October 2016.

REPORT DETAIL

1. Background

- 1.1 This report sets out the key activities progressed during the first ten months of the contract in effect as it commenced on 01 October 2016 and Committee is sitting on 07 September 2017. Due to paper clearance processes the report of necessity is reflecting this shorter period.

- 1.2 Following a robust tender process lasting over two years, Sport and Leisure Management Ltd (SLM) were awarded the Sports and Leisure Management Contract. Theirs was the most financially advantageous bid to the Council and the bid met the quality requirements specified in the Tender documents. The bid generated a £1.2m revenue saving for the Council which was factored into the medium term financial strategy. The identified savings assumed that planning permission is secured for the major investment proposals included in the tender award.
- 1.3 SLM commenced the contract to manage the facilities below on 01 October 2016:
- Hornchurch Sports Centre
 - Central Park Leisure Centre
 - Noak Hill Sports Complex (from January 2017)
 - Sapphire Ice and Leisure Centre (once opened – Spring 2018)
- 1.4 SLM continue to manage Chafford Sports Complex under the terms of the previous Sports and Leisure Management Contract whilst negotiations continue with the aim of agreeing a variation to the Contract that would secure the future operation of the Chafford Sports Complex.
- 1.5 The major investment proposals at the award of Contract that secure the financial position as set out in SLM's Tender were:
- A new build Hornchurch Sports Centre
 - An extension to Central Park Leisure Centre
 - Opening of the Sapphire Ice and Leisure Centre

2. Sports and Leisure Management Contract – the First Ten Months

- 2.1 Officers are pleased to report that the contract is progressing well. Attendances at the leisure centres for the first nine months of the new contract are better than expected. The attendances from April to June 2017 increased by 2,756 compared to the same period the previous year. There has been a 35% increase in disability participation rates across the centres through SLM working in partnership with local disability groups. Activities for this group included archery and swimming. Female participation in netball has increased across the Borough with over 80 women now playing in the weekly 'Back to Netball' league. The Everyone Active Referral Scheme (EARS) is steadily increasing its referral numbers from local GP's and more patients are completing the 12 week programme and using the leisure facilities on a regular basis. SLM have also hosted a number of high profile Regional events e.g. CHKA Karate competition, Kororo Kai Ju Jitsu and Ultra-White Collar Boxing.
- 2.2 **Noak Hill** - The opening of Noak Hill Sports Complex in January 2017 was completed on time. This is a new facility comprising a small sports hall, club room for Havering Disability Sports Association, a dance/exercise studio, changing accommodation for the outdoor pitches, four tennis courts/multi use

games area and a full size 3G artificial turf pitches. The facility has had 7,092 attendances in the first six months of operating and already developed strong links with several football clubs from within Havering. The facility is also used by Havering College for the delivery of their sports courses. Good use is being made of the sprint track and outside areas for bootcamps and other fitness classes. There is scope to further develop the site at the back with additional facilities e.g. another 3G pitch or additional tennis courts.

- 2.3 **Hornchurch Sports Centre** - Following contract award to SLM, Cabinet became aware of a desire, primarily from local swimming clubs, to consider a 50m swimming pool as part of the facility mix. Whilst this has been under consideration, with plans being developed and costs obtained to build a facility with a 50m swimming pool, the progression of submitting a planning application for a new Hornchurch Sports Centre has been delayed.
- 2.4 Once the costs were analysed for a 50m facility and the associated revenue and cost implications were known, the decision was taken to return to the 25m swimming pool proposal in May 2017. However, the design of a 50m pool option has been a benefit as it is far more space efficient than the original 25m pool design submitted with SLM's Tender. This is now the basis of the design for the 25m pool and has reduced 'wasted' circulation space. At the time of writing, the tender costs for building a new Hornchurch Sports Centre with the new design are awaited. It is hoped a verbal update can be provided to the Committee at the meeting.
- 2.5 Should planning permission not be secured for a new 25m development the contract will revert to a 10 year model, rather than the current 20 years.
- 2.6 The new Leisure Centre at Hornchurch was a central part of the procurement of the Leisure Contract which was a lengthy and detailed process over two and a half years. Funding of the costs for the new Leisure Centre was factored into the evaluation of the Tenders, along with the cost of borrowing, the income to be received from SLM over the life of the contract and the savings that would be delivered. Within the tender was the estimated cost of a new Hornchurch Leisure Centre - which prior to contract award was commercially sensitive and not in the public domain. SLM carry the risk on the build of this centre. They are currently in the process of tendering for this work and therefore the costs remain commercially sensitive and not in the public domain.
- 2.7 The 50m pool evaluation has impacted the original timeline for the build which has had an initial financial implication for the contract for 2017/18 and across the life of the contract. The financial model is being reprofiled.
- 2.8 Under the terms of the contract the Council are required to pay SLM per month from the start of the contract until 6 months after the 25m decision date. Whilst the amount payable for 16/17 remains unchanged the effect is that in 2017/18, rather than receiving income from SLM, the Council will be paying SLM. The financial implications of this are currently being reviewed against revised timelines.

- 2.9 Following this, the amount due from SLM in each of the subsequent years moves back by 1 year, resulting in a further reduction in income over the life of the contract. However, this will be offset by a reduction in the revenue costs of borrowing. Over the longer term life of the asset there will be no change in the total cost of borrowing, profiled over 50 years. This is also being reassessed and reprofiled and will be presented to Cabinet when complete.
- 2.10 The Council is also due to reimburse SLM for the abortive design fees in relation to the 50m Pool. At the time of writing the report the costs have not been received.
- 2.11 Once the costs of the 25m build are known the revised financial model over the contract life will be presented to Cabinet.
- 2.12 The revised timetable for a new build Hornchurch Sports Centre is:
- September 2017 – Public engagement events
 - October 2017 – Planning application submitted
 - January 2018 – Planning application outcome
 - May 2018 – Construction commences of new centre (subject to planning)
 - January 2020 – Construction complete
 - February 2020 – New centre opens/demolition commences of existing centre
 - July 2020 – Demolition of existing centre complete and new car park opens
- 2.13 **Central Park Leisure Centre** – the extension of the gym is underway and on track to open in October 2017. The extension will allow a larger fitness suite (gym) area (722 metres) and provide new dance/fitness studio space. The fitness suite will increase from an 80 station gym to a 140 station gym. Further work to refurbish the health and fitness changing areas for both male and female users is also taking place.
- 2.14 **Sapphire Ice and Leisure Centre** – the new centre in Romford is progressing well and on schedule to be handed over to SLM by Wilmott Dixon in January 2018. Following this, SLM will complete the fit out of the facility e.g. health and fitness equipment. There will also be a period of staff training at the facility before it opens to the public. This is on target and set to take place by 01 April 2018. The new 25m swimming pool will be used by Romford Town Swimming Club and will also be the base for the new Havering Borough swim squad, made up from the best club swimmers within Havering. London Raiders Ice Hockey Club (previously Romford Raiders) will also be returning to the new facility mid-way through next season.
- 2.15 **Chafford Sports Complex** – the Complex is operated by SLM whilst discussions continue with Harris Academy Rainham (HAR) about committing the facility to be in the current contract as envisaged. Post award of contract to SLM, it became apparent that the proposed investment and status of ownership of the site that the Complex sits on could result in VAT implications for HAR.

- 2.16 Whilst HAR seek the appropriate advice regarding VAT, SLM continue to manage and operate the Chafford Complex under the terms of the previous Leisure Management Contract. This was covered in the new contract.
- 2.17 Cabinet delegated authority to negotiate and agree a variation to the Contract concerning the future operation of the Chafford Sports Complex. This work will be undertaken when the HAR position is known regarding VAT.
- 2.18 **Cleaning** – a significant concern was raised by Towns and Communities Overview and Scrutiny Committee in July 2016 about the standard of cleanliness at the Leisure Centres. This was addressed extremely robustly with the operator. A regime of inspections and challenges (including financial penalties issued under the terms of the contract) has ensured that the standard of cleanliness has greatly improved and is being consistently maintained. Lessons learnt from this have been rolled out by SLM across their other contracts. We can also report public feedback clearly noting the step change in cleaning standards.
- 2.19 There is ongoing monitoring of the centres, SLM are working hard to ensure these higher standards of cleanliness are maintained. The improvements have been noted during a recent Quest visit by external assessors.

IMPLICATIONS AND RISKS

Financial implications and risks:

This report is for information only. The VAT implications associated with the SLM contract required the Council to Opt to Tax all of the sites. An Executive Decision was taken as necessary by the S151 Officer. There are no financial implications for the residents using the sites. Overall, there are significant financial implications associated with the operation of the contract and associated capital works. These will be raised through the appropriate channels as required. A report will be submitted to Cabinet later in 2017 once the costs of the new Hornchurch Sports Centre are known.

Legal implications and risks:

No additional implications or risks than those identified in the July 2016 cabinet report.

Human Resources implications and risks:

There are no Human Resources implications arising from this report.

Equalities implications and risks:

An Equalities Impact Assessment (EIA) for this report is not required as one was completed for the decision to award the Sports and Leisure Management Contract by Cabinet at their meeting on 12 July 2016. An EIA was completed for this report at that time and is still relevant to this report.

BACKGROUND PAPER

There is a statutory obligation to list papers relied on in the preparation of the report, unless:

- 1 It is an exempt report*
- 2 Papers relied upon are already in the public domain as “published papers”. This can include: books, magazines and newspapers; Government publications; Council publications (including previous reports and minutes of meetings)*

If in doubt, please seek advice from Committee Administration