

London Borough of Havering

Record of Decisions at the

Meeting of Cabinet 18th September, 2019

1. **TITLE: Quarter 1 Corporate Performance Report**

2. **DECISION MADE BY:** Cabinet

3. **DECISION:**

Cabinet:

- Considered the performance set out within the report and noted the corrective action that is being taken.

4. **REASON FOR DECISION**

To provide Cabinet Members with an update on the Council's performance against each of the strategic goals set out in the Corporate Plan.

5. **ALTERNATIVE OPTIONS CONSIDERED**

There are no alternative options.

6. **DOCUMENT CONSIDERED:** Report - Corporate Performance
Appendix - Corporate performance report

1. **TITLE: Update Reports on the 2021 Budget and Medium Term Financial Strategy (MTFS)**

2. **DECISION MADE BY:** Cabinet

3. **DECISION:**

Cabinet:

1. **Noted** the financial context.
2. **Agreed** the proposed consultation process and associated timetable as set out in section 1.6.
3. **Will Recommend** to Full Council that additional capital budget is added into the 2019/20 Capital Programme of £4 million to fund the Smart Working Programme, with the revenue costs of the capital funding to be met by the income raised through renting out spare office capacity freed up by the programme.
4. **Will Recommend** to Full Council that £14.7 million is added into the 2019/20 Capital Programme to replenish the capital allocation for new opportunities with capital charges funded from the business cases

4. **REASON FOR DECISION**

The Council has a statutory obligation to consult on its budget proposals. The report set out the proposed method to be used for the 2020/21 budget and MTFS.

The Council strongly values the opinion of its residents and key stakeholders and welcomes their input into the budget process.

5. **ALTERNATIVE OPTIONS CONSIDERED**

There are no alternative options.

6. **DOCUMENT CONSIDERED:** 190910 Budget Update - report final 100919
190910 Budget Appendix A 100919
190910 Appendix B 100919

1. **TITLE: Approval for Cemetery Extension Phases 2 and 3**

2. **DECISION MADE BY:** Cabinet

3. **DECISION:**

Cabinet:

1. **Agreed** to proceed with Option 4 as outlined within the report to further develop the site (Phases 2&3) at Upminster to provide sufficient land for burials until approximately 2040.
2. **Agreed**, subject to 1 above, to endorse and recommend the inclusion of an additional budget of £3.1m for the Phase 2 and 3 Cemetery Extension within the proposed capital programme that will be considered in Cabinet in February 2020.

4. **REASON FOR DECISION**

This decision is presented to Members in view of the fact that the London Borough of Havering will have insufficient burial grounds for those wishing to be buried in Upminster beyond June 2023, at current burial rates. Members have to decide whether to invest in this service, in order to continue with the provision of burial ground for local residents.

5. **ALTERNATIVE OPTIONS CONSIDERED**

The report details all options available.

6. **DOCUMENT CONSIDERED:** Report - cemetery extension

1. **TITLE: Smart Working Programme**

2. **DECISION MADE BY:** Cabinet

3. **DECISION:**

Cabinet:

1. **Will recommend** to Council to approve additional capital budget of up to £4.637 million funded from borrowing for the proposed rollout of the Smart Working programme, across the 19/20 and 20/21 financial years, to deliver all elements of the programme, which will support delivery of the Council's digital and efficiency aspirations as set out within the Havering Vision and Corporate Plan and will be funded by invest to save.
2. **Approved** £410k from Business Risk Reserves
3. **Approved** the award of a contract for the supply of laptop equipment and associated peripherals to **XMA Ltd** via the Crown Commercial Services Framework CCS National Aggregated call off (EA16) from RM1054

4. REASON FOR DECISION

The broad adoption of the Smart Working programme including the related 'People' and 'Place' proposals will deliver a wider range of service improvements operational and organisational benefits than simply the rollout of new ICT hardware and software in isolation.

Experience both in Havering and other organisations confirms that the co-ordinated delivery of the complementary activities proposed within the 'People' and 'Place' strands of the programme will ensure that organisational change is fully embedded and opportunities are realised in full.

5. ALTERNATIVE OPTIONS CONSIDERED

- *Do Nothing'*
 - from an ICT perspective, the fact that the current corporate operating system (Windows 7) will have support withdrawn from Microsoft by the end of 2019 means that there is little alternative but to proceed with the ICT refresh including the rollout of Windows 10, if business resilience is to be maintained across Council services.
- *'Progress the ICT refresh without the supplementary 'Place' and 'People' elements of the Smart Working Programme'*
 - whilst this would maintain business resilience, the Council would fail to fully exploit the digital potential presented by the ICT refresh. Working practices would be likely to remain as existing in many service areas with the results that few of the benefits outlined in this paper would materialise.
- *'Comprehensive refurbishment of Council administrative buildings'*
 - A more comprehensive refurbishment of Council office accommodation could theoretically be considered but the more significant level of investment required would not provide an attractive return on investment when considered in the context of the Council's longer term accommodation proposals as set out within the Asset Management Strategy.

6. **DOCUMENT CONSIDERED:** 190910 Smart Working Programme - September Cabinet report 10.09.2019
190910 Smart Working Programme - September Cabinet report - Appendix A 10.09.2019

1. **TITLE: Social Value Strategy**

2. **DECISION MADE BY:** Cabinet

3. **DECISION:**

Cabinet:

1. **Approved** the Havering Council Social Value Strategy, attached at Appendix A of the report

2. **Agreed** that the monitoring of the Strategy and its outcomes be undertaken by the Opportunities Theme Board.

4. **REASON FOR DECISION**

The local authority has a legal obligation to consider Social Value ahead of a procurement process. Above this, Social Value provides an opportunity for the Council to secure added, societal benefits for local people, businesses and the environment in line with aspirations for improved social and economic wellbeing.

5. **ALTERNATIVE OPTIONS CONSIDERED**

The Council could chose not to adopt the proposed strategy, however in doing so will lose the opportunity to take a leading role in leading Social Value activities which are carried out in the Borough. By establishing its priorities, the Council is able to direct Social Value in a manner that compliments the work that the Council already undertakes meets the needs of the local community and achieves the aspirational vision that the Council has for the Borough.

6. **DOCUMENT CONSIDERED:** Social Value Strategy - report
Social Value strategy - Cabinet Sept 2019

1. **TITLE: Statement of Gambling Policy 2019-2022 Consultation**

2. **DECISION MADE BY:** Cabinet

3. **DECISION:**

Cabinet:

- **Authorised** commencement of a consultation on adopting the Statement of Gambling Policy 2019 to 2022.

4. **REASON FOR DECISION**

- It is a legal requirement under s349 of the Gambling Act 2005 for each licensing authority to prepare a statement of principles that they propose to apply when exercising their licensing function. The Authority is required to review the policy at least every 3 years. The current policy has expired and we are legally required to publish a new policy for 2019 to 2022.

- Before the Statement of Gambling Policy can be adopted the Gambling Act 2005 requires the licensing authority to consult with:
 - The Chief Officer of Police;
 - One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area;
 - One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Act.

5. **ALTERNATIVE OPTIONS CONSIDERED**

A number of other options were considered:

- **Do nothing** - Not to update the current Statement of Gambling Policy. This was rejected, as the authority is required by law to have a Statement of Gambling policy under the Gambling Act 2005.
- **Adopt and Publish a revised Statement of Gambling Policy** - To complete a full review of the current policy, produce a revised document for consultation; and then adopt and publish the Statement of Gambling Policy 2019-2022.

6. **DOCUMENT CONSIDERED:** Gambling Policy - report
 App 1 Statement of Gambling Policy 2019-2022 Draft for Consultation
 App 2 EqHIA Gambling Policy Consultation Final

EXCLUSION OF THE PRESS AND PUBLIC

Cabinet proceeded in open session until discussion took place on except documents when the meeting went into closed session.

1. **TITLE: Update to Phase 4 and Phase 5 School Expansion Programme**
2. **DECISION MADE BY:** Cabinet
3. **DECISION:**

Cabinet:

1. **Agreed** Phase 5 school expansion programmes should continue to be developed based on the following approach in line with the [decision on the Commissioning Plan for Education Provision 2019-2023](#)

- i. To have a preference for expanding **existing popular and high-performing schools** and inclusion of nursery provision and Additional Resource Provisions (ARPs) where appropriate and in areas where there are no schools with high surplus capacity.
 - ii. To consider the expansion of existing schools, but only to a maximum size of 4 FE in the primary phase, ensuring at all times that high standards of education are paramount.
 - iii. To consider the delivery of additional primary and secondary places as a result of major regeneration through establishment of new schools.
- 2. **Agreed** that in respect of all proposals set out below that all relevant statutory processes, including planning, should be followed and where the process is the responsibility of an Academy to provide all necessary support. Where consultation is necessary the proposals below are subject to the outcome of such consultation.
- 3. **Approved** Capital Budget of £33.500m to fund Phase 5 of the Schools Expansion Programme from 2020/21 to 2023/24 including:

3.1. Increase in Early Education and Childcare Places including implementation of :

- i. New 20 place nursery provision at Forest Approach Academy following the outcome of a successful bid for grant of Capital funding from the Department for Education to create new high-quality school-based nursery places, targeted at closing the gap for disadvantaged children.
- ii. A maintained nursery at The R J Mitchell Primary School of 47 places for 2, 3 and 4 year olds from 2021/22
- iii. A 47 place nursery provision on Beam Park School for 2, 3 and 4 year olds from 2021/22
- iv. A 47 place nursery on Bridge Close for 2, 3 and 4 year olds from 2023/24

3.2. Increase in Primary Places including implementation of:

- 3.2.1. Establish one-off bulge classes as an interim measure to increase Primary places in 2020/21
- 3.2.2. Permanent Primary Places expansion proposals in the following planning areas where there is clear evidence of a sustained need over the next five years subject to planning and consultation where necessary:
 - i. Elm Park Planning area:
 - Expansion of The R J Mitchell Primary School from 2FE to 3FE from 2021/22
 - ii. Harold Hill Planning area:
 - Expansion of Drapers' Pyrgo Priory Primary from 2FE to 3FE for 2022/23
 - Expansion of Broadford Primary from 3FE to 4FE for 2023/24 if growth is sustained
 - iii. Rainham and South Hornchurch Planning area:
 - To agree for LBH to enter into a 125 year peppercorn lease with Emmanuel Community Trust for a site on the Beam Park estate following practical completion of the school build and drawing down the freehold

interest of the site. The new school on Beam Park is due to open on 1 September 2021.

- iv. Romford Planning area
 - Agree to seek proposals to establish the Bridge Close School under the Free School presumption process.
- v. Upminster and Cranham Planning area
 - 1 FE permanent expansion from 2023/24 if growth is sustained.

3.2.3. Increasing SEND Places

- i. Nursery SEND places
 - To approve the implementation of the 20 place nursery provision at Forest Approach Academy for 2, 3 and 4 year old pupils with SEND
 - ii. Primary SEND places:
 - One Additionally Resourced Provision (ARP) for primary children with Communication and Interaction Needs with 12 places in Scotts Primary School for 2020/21.
 - One Additionally Resourced Provision (ARP) for primary children with SEMH (Social, Emotional, Mental and Health) needs with 12 places at Suttons Primary School for 2020/21
 - An ARP for 12 places (4-11) for pupils with ASD/SEMH on Beam Park School for 2021/22
 - An ARP for 18 places – 6 places (2-4) and 12 places (4-11) for pupils with ASD and SEMH for 2023/24 as part of the Bridge Close development
 - iii. Secondary SEND places:
 - Agree to establish two ARPs containing 20 places each in secondary schools to meet the needs of secondary pupils with Communication and Interaction (mainly ASD) and SEMH needs. One to be delivered in 2020/21 and one to be delivered in 2021/22
 - iv. Special Schools:
 - Agree to expand Corbets Tey School from 155 to 170 places for 2021/22
 - New special free school (3-16) with 60 places for ASD and SEMH in 2022/23
 - Agree for the LA to submit bids for a new special school when the DfE announces another Wave of special (SEND) and alternative provision (AP) free school applications round.
- 4. Delegated** the power to take further decisions regarding the implementation of these proposals and the approval of which settings/schools should be expanded including any amendments to the proposals above, such as a decision not to proceed or to expand a different setting/school, in the light of developing circumstances or the results of consultation (subject to the appropriate statutory processes) for Phase 5 of the Expansion Programme to the Lead Member for Children & Learning.
- 5. Delegated** to the Director of Asset Management authority to submit planning applications after consultation with planning officers, commission all associated surveys/investigations (including transport assessment, soils survey, environmental check etc.) and commence tender processes as required to support the development of options appraisals to deliver Phase 5 expansions required- noting that tender awards will remain the subject of separate Executive Decision(s).

6. **Delegated** to the Assistant Director of Education authority to select proposers for new schools and make recommendations to the Secretary of State for Education in respect of free school processes.

7. **Approved** virement of £1.526m from Schools Expansion Programme Unallocated Fund

4. **REASON FOR DECISION**

This decision is necessary to ensure the provision of sufficient school places to meet the forecast rise in early years, primary, secondary and SEND pupil numbers projected beyond Phase 4 of the Council's Programme of School Expansions.

5. **ALTERNATIVE OPTIONS CONSIDERED**

There are in theory many different options for expanding existing provision, however, given the expansions that have been happening over the previous four phases the proposals set out in this paper are the only ones considered realistic at the current time. So far none of the options set out in the Report have been rejected.

Not providing any additional places is not an option as the Council would be failing to meet its statutory duties.

6. **DOCUMENT CONSIDERED:** Final - School Expansion Programme Phase 4 and 5
- report
Appendix 1- Updated forecasts and GLA data
Appendix 2 Bridge Close free school presumption process and timeline
Appendix 3 - Financial costings for Phase 5
Appendix 4 - EqHIA for CPEP2019-23
Background paper- Letter from Lord Agnew - 30-05-2018

1. **TITLE: Public Realm Transformation**

2. **DECISION MADE BY:** Cabinet

3. **DECISION:**

Cabinet:

1. Reviewed and approved exempt Appendix 1: Business Case for the Public Realm Transformation and future delivery of Public Realm services to meet Council priorities and the optimum delivery option(s) which includes:

- The case for change and the considerations for the various options assessed.
- The chosen service delivery model for the future delivery of the Public Realm services to meet the Council's priorities.
- The commercial case for the procurement process.
- The governance, risks and control framework for the Public Realm Transformation Programme to ensure successful delivery.

- In consideration of the Procurement Strategy, to approve the commencement of the procurement for the Public Realm Provision which includes:
- The choice of procurement procedure that will be implemented to procure a new Integrated Public Realm Services Contract.
- The initial contract length of 8 years with the option for the Council to extend for up to a further 8 years (extension could range from one to eight years, subject to relevant decisions at the time).
- The evaluation criteria for the award of the new Contract based on a 50% Price / 50% Quality split.
- The indicative procurement timetable.

4. REASON FOR DECISION

1. The recommended option for the future delivery of the Public Realm services is to procure an Integrated Public Realm Services Contract.
2. The Outsourcing option is capable of delivering the “best” balance of benefits and risks:
 - A well understood solution with predictable implementation costs and timetable.
 - The ability to transfer most of the financial risks to the selected contractor.
 - The opportunity to attract competition during the procurement process to secure best value and achieve the savings target of £500k.
 - The ability to maximise market innovation to secure a contract which is fit for the future.
3. The procurement of an integrated contract achieves some of the following benefits:
 - Reducing demarcation inefficiencies and conflicts at the interface of service delivery.
 - Increased operatives’ accountability and more collaborative working.
 - Improved co-ordination and sharing of resources.
 - Efficiencies in the client management structures.
 - Increased value of the potential contract to the market which could lead to improved competition and better demonstration of best value.
4. The Council has a legal obligation to tender contracts of this value. It also provides an opportunity to demonstrate that the Council is obtaining best value for money by carrying out an open and transparent process and engaging with the market. The competitive tension provided through a procurement process incentivises innovation and reduces costs.

5. ALTERNATIVE OPTIONS CONSIDERED

1. PRT Board considered options for the future service delivery model and to achieve the strategic outcomes.

The selection of the options was mainly driven by the following considerations:

- The nature of the services in scope.
- The solutions available, taking into account existing and new ways of working, re-design of the business process and configuration.
- The availability of service providers, ranging from within the organisation to external service providers.
- The ability of the supply side to deliver the required services within the constraints of delivery timeframe, the option of phasing the introduction of the services over time.

The three options identified for a more detailed review were:

- Option 1: Contracting Out (Outsourcing).

The option of “Contracting Out the services” through a procurement process was considered and taken forward for additional analysis. This option was considered viable given the Council’s aspiration to deliver an integrated solution for the entirety of the Public Realm services.

- Option 2: Combination of keeping and bringing the services in-house.

The option of “Insourcing the services” was considered and taken forward for additional analysis. This option was considered viable given the Council’s aspiration to deliver an integrated solution for the entirety of the Public Realm services.

- Option 3: Setting up a Local Authority Company.

The option of “Delivering the services through a LAC” was considered and taken forward for additional analysis. This option was considered viable given the Council’s aspiration to deliver an integrated solution for the entirety of the Public Realm services.

Officers engaged external consultants to carry out a detailed review of the three shortlisted commissioning options.

The three commissioning options were appraised against the following two criteria:

- cost modelling and financial assessment, and
- assessment of qualitative factors and risks.

6. **DOCUMENT CONSIDERED:** Public realm 1 - Cabinet report V3 (18 Sept 2019) - Public Realm Transformation - report .._
Public Realm 2 EXEMPT Cabinet Appendix 1 (18 Sept 2019)
Public Ream 3 EXEMPT Cabinet Appendix 2 V2 (18 Sept 2019)
Public Realm 4 Cabinet Appendix 3 EqHIA

1. **TITLE: Mercury Land Holdings Annual Business Plan**

2. **DECISION MADE BY:** Cabinet

3. **DECISION:**

Cabinet:

1. **Approved** the Mercury Land Holdings Limited Business Plan 2020/21 (Contained with the Appendices to Exempt Agenda)
2. **Agreed** to delegate authority to the Leader of the Council, after consultation with the s151 Officer, the Director of Regeneration Programme Delivery and the Director of Legal and Governance, to approve the detailed business cases, related viability assessments and funding requirement for the individual schemes noted within the Business Plan as they may be presented during the business plan period in order to enable them to proceed.
3. **Agreed** in principle to provide additional gross investment of £92.6m capital funding to MLH up to a maximum of £228 million (effective from 2020/21) in respect of projects contained in Exempt Agenda through a combination of equity investment and state aid compliant loans subject to detailed approved business cases made under delegated authority in recommendation 2 above.
4. **Agreed** to delegate authority to the S151 Officer to agree, after consultation with the Director of Legal and Governance, the completion of all relevant agreements and appointments of relevant professionals relating to the provision of debt finance by the Council to MLH.
5. **Agreed** to delegate to the S151 Officer, following consultation with the Director of Asset Management, and the Director of Legal and Governance, the authority to determine the principles and processes by which any assets shall be disposed of and the terms of disposal to MLH.

4. **REASON FOR DECISION**

The 2020/21 business plan meets the objectives stated in 1.1 of the report and contributes to the financial objectives of the Council.

5. **ALTERNATIVE OPTIONS CONSIDERED**

A review of the alternative option of “do nothing” is not feasible as it would not fulfil the objective of growing the company.

6. **DOCUMENT CONSIDERED:** MLH report - public agenda
MLH BP Cabinet EXEMPT AGENDA v7
MLH Business Plan 2020(exempt)

