

**MINUTES OF A MEETING OF THE
OVERVIEW & SCRUTINY BOARD
Virtual Meeting
16 February 2021 (7.30 - 9.45 pm)**

Present:

COUNCILLORS

Conservative Group	Ray Best, Philippa Crowder, Judith Holt, Sally Miller, Nisha Patel, Christine Smith, Maggie Themistocli and Michael White (Vice-Chair)
Residents' Group	Ray Morgon and Barry Mugglestone
Upminster & Cranham Residents' Group'	Linda Hawthorn and Christopher Wilkins
Independent Residents' Group	Natasha Summers and Graham Williamson
Labour Group	Keith Darvill
North Havering Residents' Group	Darren Wise (Chairman)

Councillors Joshua Chapman and Roger Ramsey were also present.

Officers present:

Andrew Blake-Herbert, Chief Executive,
Jane West, Chief Operating Officer
Patrick Odling-Smee, Director of Housing Services
Julie Oldale, Head of Finance for Business Partnering
Sandy Hamberger, Assistant Director of Policy, Performance & Community
Andrew Beesley, Head of Democratic Services
Anthony Clements, Principal Democratic Services Officer

There were no apologies for absence.

All decisions were taken with no votes against.

44 DISCLOSURE OF INTERESTS

There were no disclosures of interest.

45 PROTOCOL FOR MEETING

The protocol for meetings being held during the Covid-19 pandemic was noted by the Board.

46 **MINUTES**

The minutes of the meetings of the Board held on 24 November 2020 and 2 December 2020 were agreed as a correct record and would be signed by the Chairman at a later date.

47 **2021/22 BUDGET SETTING CYCLE**

The Board was invited to consider the reports on the budget and associated matters and agree any comments to be considered by Cabinet at its meeting on 17 February.

Introducing the reports, the relevant Cabinet Members stated that the Council was facing a challenging financial situation and that a total Council Tax increase of 4.5% was being recommended. This included a 3% increase to address higher social care costs for the Council. Most capital programmes were continuing such as investment in highways and the new Rainham Leisure Centre.

The HRA budget enabled investment in Council homes and estates. Rent increases were based on the rate of inflation and rent levels in Havering remained one of the lowest in London and considerably lower than the private sector. Some 35 former Council properties had been bought back to be used for lettings and it was anticipated around 70 such properties would be purchased next year. A homelessness centre was also developed in Harold Hill.

The Chief Operating Officer agreed that there was a lot of uncertainty around financial matters due to issues such as the pandemic, concerns over the economy and uncertainty over the future of local government funding itself. The Council was already an efficient, low cost Authority and it was proposed that the Council Tax Support Scheme would be unchanged. Budget savings of £17.1m were still however required.

It was emphasised that the Council had a legal requirement to balance its accounts. Delays in the capital programme had taken some pressure off the budget. The outcomes of a number of business rates appeals were currently being awaited. Some £6.5m had recently been allocated by the Government for Covid pressures in the coming year. It was felt that the biggest risks to the budget proposals would be from the impact of the pandemic and rising demand for adult social care.

Some 205 responses had been received to the budget consultation. The most important issues for respondents were considered to be the pandemic and the position with the economy. The majority of respondents were in favour of the main budget proposals with the only proposal not finding overall support being the delay in the extension of library opening hours.

Most respondents were in favour of rebuilding Council reserves and there was also some support for the proposed Council Tax increase.

There would be a need to borrow funds to finance some capital projects but interest rates had fallen which would make this cheaper. The low interest rates were also reflected in the Treasury Management Strategy Statement which detailed the Council's borrowings and investments. The HRA report detailed income and expenditure for housing and was also not allowed to be in deficit.

Officers would supply written responses on why charges for crossovers had risen and on the position with contributions to the Lea Valley Recreation Park. It was confirmed that there had been no update from the Government as yet as regards public health funding.

The Havering Music School was self-financing and had delivered a lot of its lessons remotely during the pandemic. The School was expected to recover financially relatively quickly, following the pandemic.

Members felt that there was insufficient detail in the reports to enable an understanding of the impact of the proposed savings on services and staff. It was clarified that the Better Living project was an Adult Social Care project that had been in place for a number of years and had already delivered some savings. It was agreed that a presentation giving further details of the Better Living project should be given at a future meeting of the Board.

Funding allocated to refurbishment of the Sapphire leisure centre would be spent as required over future years rather than in the coming financial year. Details of spending in parks could be provided to Members outside of the meeting.

Some contingency funding had been spent on funding a higher than expected pay award. The business case for the new CCTV system would be included within a later report to Cabinet. Further details could be supplied on the impact of extending the School Streets scheme to the rest of the borough. A reduction in capital receipts had been due to a rise in numbers of Compulsory Purchase Orders but some capital receipts had been received back from Joint Ventures.

It was agreed that details of the Council's Transformation Programme should be brought to a future meeting of the Board. The Council's reserves were currently at £13.6m but an overspend of £10m would leave a balance of £3.6m. £5m due from the East London Waste Authority was expected to go into reserves. It was hoped the £20m target level for reserves could be reached within 4 years. It was clarified that the new Local Area Coordinator posts had been financed in partnership with the health sector.

Officers were confident the proposals were deliverable with no detriment to services or residents. The proposed increase in hostel charges covered the

cost of the service and could be recouped via the benefits system if necessary.

Members felt that the low number of responses to the budget consultation had been disappointing and that consideration should be given to the use of technology such as Zoom and to other meetings in order to seek to increase engagement in future years.

It was clarified that only small changes were planned to the planning system. The business systems team referred to in the papers were already employed by the Council. The move to work previously undertaken by the Public Advice and Service Centre being undertaken by libraries would not require any capital expenditure.

The expenditure on safety works listed in the HRA account was mainly due to the rolling programme of fire door replacement but further details could be supplied to Members. The cost of the decarbonisation programme was an estimate at this stage. Plans were in place to improve void performance and return income to pre-pandemic levels by the end of April 2021.

Spending on ICT covered a number of areas including work on firewalls, the Cloud, smart working and an expanded digital platform for customers. Information on bigger Council projects could be brought to the Board as part of its work on scrutiny of the Forward Plan.

The Bridge Close scheme was part of the HRA and any surplus generated would be returned to that account. Joint Ventures were already included within the HRA business plan.

Monies had been allocated in the budget for the expansion of schools to accommodate more children with special educational needs or disabilities.

The following comments were agreed by the Board to be submitted to the Cabinet meeting of 17 February 2021:

- **The reports contained an overall lack of sufficient detail on the proposals and on what the impact of proposed savings would be on the delivery of current services. This had made it more difficult for the issues to be fully evaluated and scrutinised and for alternative budget proposals to be put forward.**
- **The Board was disappointed at the relatively low numbers of responses to the consultation and suggests that consideration be given to the increased use of remote meeting technology etc in order to facilitate a higher level of consultation responses in future years.**
- **That presentations giving details of the following specific issues be given to a future meeting of the Overview and Scrutiny Board:**

1. **The Better Living Project**
2. **The Council's Transformation Programme**

The Board thanked officers for their work on the budget reports.

48 **TOPIC GROUPS UPDATE**

The Board noted the following updates as regards the work of its topic groups:

Pandemic Command Response – It was planned for the Group's report to be presented to the Board at its meeting of 10 March.

Impact of the Pandemic on Care Homes and the Third Sector – The Group had held positive discussions with representatives of the management of local care homes as well as with Third Sector organisations commissioned to supply services on behalf of the Council. The Group would shortly be meeting with a director of Healthwatch Havering prior to considering its recommendations.

Debt Recovery – Discussions had been held with senior officers and the Group would meet again early in the new financial year in order to ascertain the impact of pandemic restrictions on debt levels at that point.

Chairman