



MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Wednesday, 16 February 2022
(7.30 - 9.50 pm)

Present:

Councillor Damian White (Leader of the Council), Chairman

Councillor Dilip Patel

Councillor Robert Benham

Councillor Osman Dervish

Councillor Joshua Chapman

Councillor Jason Frost

Councillor Roger Ramsey

Councillor Viddy Persaud

Councillor John Crowder

Councillor Ciaran White

Cabinet Member responsibility:

Deputy Cabinet Memembr for
Business Recovery

Cabinet Member for Education,
Children & Families

Cabinet Member for Environment

Cabinet Member for Housing

Cabinet Member for Health & Adult
Care Services

Cabinet Member for Finance &
Property

Cabinet Member for Public
Protection and Safety

1 ANNOUNCEMENTS

2 APOLOGIES FOR ABSENCE

There were no apologies for absence.

3 DISCLOSURES OF INTEREST

There were no disclosures of interest.

4 MINUTES

There were no minutes to approve.

5 REFERENCE TO CABINET FROM THE OVERVIEW AND SCRUTINY BOARD

A reference to Cabinet in respect of the Budget reports was received from the Overview and Scrutiny Board by way of a supplementary agenda. This document was considered by Cabinet, and in relation to those matters was considered later on the agenda.

6 APPROVAL OF THE HRA BUDGET 2022/23 & CAPITAL PROGRAMME 2022/23–2026/27

Cabinet considered the Approval of the HRA Budget 2022/23 & Capital Programme 2022/23-2026/27 report presented by Councillor Joshua Chapman.

It was explained that a budget for the Council's Housing Revenue Account (HRA) and HRA Major Works and Capital Programme was set out in the report. Cabinet had approved the Housing Asset Management Plan 2021-2051 in October 2021.

Furthermore, the budgets and projections of expenditure required maintenance of the stock to a good standard and was used in the preparation of the capital programme contained in the report. A summary of the HRA Business Plan 2022-52 was provided in the report.

The HRA was a ring-fenced account that was used to manage and maintain the Council's own housing stock. The proposed budget would enable the Council to manage and maintain the housing to a good standard and provide funding for a significant acquisition, new build and estate regeneration programme. It further set the rents, service charges and other charges for Council tenants and leaseholders for the year 2022/23.

It was explained that as part of the new regulatory framework for local government housing services, councils were now subject to the Regulator of Social Housing's (RSH) Rent Standard. This ended the annual 1% reduction and re-established the CPI + 1% increase.

In order to change any HRA rent liability, the local authority was required to notify tenants and give 28 days' notice of any change after the authority had made a properly constituted decision of that change. Therefore, any Cabinet decision on rent levels to be charged in any year, required the local authority to write to all tenants and advise them of the new rent liability for the following 12 months.

Should the Cabinet adopt the recommendations, a notification would be sent to tenants in the first week of March 2022, to make the new charge effective from the first week of April 2022.

Councillor Chapman explained that the increase on council rents was based on inflation and that half of the cost was passed on to help residents. There

was a further provision in the budget for health and safety and recovery from the government. Match funding was available for investment in decarbonisation of council homes and an increased buy back scheme for local families was in place. There was also an increase in affordable homes through joint venture schemes with the HRA and a welcome association centre for the homeless had recently opened.

Concern was raised by Members about tenants being refunded for services they were not receiving. It was noted that service charges were auditing by officers and that any complaints around this were investigated thoroughly. Furthermore, there was an openness and transparency with resident's charges and this was set out in the resident engagement strategy.

It was also explained that a £5m upgrade on CCTV technology would be undertaken and that a report would be provided at the next cabinet meeting.

In terms of the decarbonisation program, there was a requirement to ensure investment was done correctly and building control were already implementing the 2025 changes around no gas boilers.

The Leader summarised the discussion and commented around the new welcome centre. He said he had received comments around the quality of the environment of the centre and the service and support that residents there had received. Havering Council was championing on this and had the numbers to support people. The buyback scheme and wider regeneration synergies created meant that funding was secured to ensure that sites could be acquired and he was confident that a framework would be created across the authority within the next 10 years.

Cabinet:

AGREED the following:

1. To approve the Housing Revenue Account Budget as detailed in paragraph 3.4.
2. To agree that the rents chargeable for tenants in general needs Council properties owned by the London Borough of Havering be increased by 4.1% from the week commencing 5th April 2022.
3. To agree that the rents chargeable for tenants in supported housing Council properties, such as sheltered housing and hostels, owned by the London Borough of Havering, are increased by 4.1% from the week commencing 4th April 2022.
4. To agree the four rent-free weeks for 2021/22 are: week commencing 22nd August 2022, the two weeks commencing 19th and 26th December 2022, and the week commencing 27th March 2022.
5. To agree that service charges and heating and hot water charges for 2022/23 are as detailed in paragraph 2.10 of this report.
6. To agree that charges for Houses in Multiple Occupation (HMO) leased and managed by the Council (General Fund) are set at the LHA applicable on the 4th April 2022.
7. To agree that charges for garages should be increased by 4.1% in 2022/23 as detailed in paragraph 2.7 of this report.

8. To agree that the service charge for the provision of intensive housing management support in sheltered housing for 2022/23 shall be as detailed in paragraph 2.17 of this report.
9. To agree the Supported Housing Charge for HRA Hostels as detailed in paragraph 2.22.
10. To agree that the Careline and Telecare support charge should be increased by 4.1% for 2022/23 as detailed in paragraph 2.19 of this report.
11. To approve the HRA Major Works Capital Programme, detailed in Appendix 1a of this report and refer it to full Council for final ratification.
12. To approve the HRA Capital expenditure and financing for the 12 Sites Joint Venture and other acquisition and regeneration opportunities detailed in section 4 and Appendix 1b of this report and refer it to full Council for final ratification.

7 2022/23 BUDGET AND 2022-2026 MEDIUM TERM FINANCIAL STRATEGY

Cabinet considered the 2022/23 Budget and 2022-2026 Medium Term Financial Strategy report presented by Chief Financial Officer Jane West.

It was explained in the report that the Council's current financial situation and its approach to achieving financial balance over the period 2022/23 to 2025/26.

The Council continued to deliver key services to residents during the pandemic and it remained on track to deliver the four year £40 million capital spend on roads (2019/20- 2022/23).

The 2022/23 budget and four year medium also recognised the additional demand and cost pressures the Council was facing following the pandemic. It assumed there would be no further lockdowns and that services would be able to operate without further restrictions. As this was a national issue, if further restrictions were put in place, the Government would provide funding to cover additional pressures.

It was to be noted that the Council had experienced high increases in demand for Social Care in the period following lockdown. The numbers of discharges from hospitals continued to be at very high levels and placed extreme pressures on the Adult Social Care budget to meet the needs of these clients. Demand was also rising in Children's services as the number of referrals post lockdown increases at a fast rate.

The medium term financial strategy modelled the impact of this demand and also modelled the extent to which the pressure will change in future years. There would be risk associated with those assumptions and they would be monitored closely.

The Council's medium term financial strategy presented to Council in March 2021 identified a financial gap for 2022/23 to be closed. The increased demand on social care together with rising inflation had increased this gap over the last year and required the Council to find significant savings and efficiencies to close the gap and set the balanced budget proposed in the report.

Jane West explained that although there was a balance of the budget there would be challenges in later years. There are savings of £28.4m set over four years but there was lots of uncertainty around future of central government funding and therefore reserves needed to be kept as high as possible. Risks included in the report were those around adult social care, levels of inflation, debt charges and overspend driven by capital programme would need to be monitored closely and carefully.

Other comments were made on how the main focus was on delivery and that £54m of contract value had been awarded with £18.5 of that gone to local businesses. The increase of growth and economic development led to local people getting jobs and upskilling and helped the high street to continue trading.

The Leader and other Members discussed and commented on how the pandemic had brought about many wider far reaching issues and demand specifically within health and social care but that the community had come together and staff within the Council, NHS and wider community had a spirit of dedication and service.

The concept of levelling up was also discussed and the Leader and Andrew Blake Herbert confirmed that they were taking every opportunity to lobby central government on this matter, rather than waiting on an outcome.

In terms of further reduction of the budget, voluntary redundancies for Council staff had been underway and further redundancies were being proposed. However the focus was on a culture change of gaining efficiency and looking at specific jobs and tasks and not individuals. There was a focus on training and finding creative and innovative ways to cut costs and using apprenticeship levies were possible.

Cabinet:

AGREED the following:

1. The Council Tax requirement for 2022/23 to be set at £140.823m as set out in section 6 and Appendix G of the report.
2. The Delegated Schools' draft budget set out in section 5.13 of this report.
3. A 1.99% increase in core Council Tax for 2022/23 as set out in paragraph 6.8.

4. An additional 1% Council tax increase for the Adult Social Care Precept.
5. To note the Medium Term Financial Strategy position as set out in Section 8.
6. To agree the fees and charges schedule as set out in Section 9 and Appendix C.
7. To note the risks to the 2022/23 budget as set out in Section 12.
8. To note the requirements of S106 of the LGA 1992 Act as set out in Section 1.
9. To agree that to facilitate the usage of un-ringfenced resources, the Chief Financial Officer in consultation with Service Directors will review any such new funds allocated to Havering; make proposals for their use; and obtain approval by the Leader and the Cabinet Member for Finance and Property.
10. To delegate to the Chief Financial Officer in consultation with Service Directors the authority 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 with Cabinet Members as appropriate.
11. To delegate authority to the Cabinet Member for Adult Social Services and Health and the Leader to approve an annual spend plan for the Public Health grant.
12. To delegate to the Directors of Children's and Adults authority to agree inflation rates with social care providers for 2022/23.
13. To read the Equalities Impact Assessment in respect of the CTS Scheme as set out in Appendix E to this report.
14. To read the summary version of the Council Tax Support Scheme for 2022/23 as set out in Appendix F to this report (unchanged from 2021/22).
15. To delegate authority to the Chief Executive, in consultation with the Leader and with the Council's recognised trade unions, to devise and implement a voluntary release scheme for staff as part of the Medium Term Financial Strategy position set out in Section 8.2.

Recommendations for consideration and agreement at Council Meeting:

1. To agree the Council Tax requirement for 2022/23 to be set at £140.823m as set out in section 6 and Appendix G of the report.
2. The Delegated Schools' draft budget set out in section 5.9 of this report; Page 57.
3. A 1.99% increase in core Council Tax for 2022/23 as set out in paragraph 6.8;
4. An additional 1% Adult Social Care Precept ;

5. That it pass a resolution as set out in section 14 of this report to enable Council Tax discounts for early payment to be given at the 2021/22 level of 1.5%.
6. Recommend to Full Council that the Council Tax Support Scheme for 2022/23 is adopted as set out in Section 15 of this report (unchanged from 2021/22).

8 5 YEAR CAPITAL PROGRAMME AND STRATEGY - 2022/23 TO 2026/27

Cabinet considered the Year Capital Programme and Strategy – 2022/23 to 2026/27 report presented by Chief Financial Officer Jane West.

It was explained in the report that the Council was required by statute (the Prudential Code for Capital Finance in Local Authorities, 2017 Edition) to agree the capital programme and associated capital strategy. Local authorities were required to have regard to the current editions of the code by regulations 2 and 24 of the Local Authorities (Capital Finance and Accounting) Regulations 2003 [SI 3146]. The report set out the Authority's Capital Strategy and presented the Council's proposed capital budget for 2022/23 and five year Capital Programme to 2026/27.

Jane West explained that the report was a rollover capital programme and that it was the 4th year of investment in the road's programme and investment in ICT. Work had also started on the swimming pool and that the paper set out the capital spend requirements and indicators, affordability, and risks (both regulation and reputational).

Cabinet:

AGREED the following:

1. To recommend to Council for consideration and approval the 2022/23 and 5 year Capital Programme noting the changes in accessing new borrowing set out in section 1.3
2. That the Chief Financial Officer be authorised to allocate funding from the Capital Contingency included within the draft Capital Programme.
3. That externally funded schemes can be added to the capital programme up to £500k as and when funding is confirmed. Any external funding over £500k will be subject to approval by the Chief Financial Officer.
4. To approve the capital strategy contained within this report noting its impact on both the capital programme and the financial implications for setting the revenue budget for 2022/23 and beyond.
5. To note the capital prudential indicators included within the capital strategy when approving the capital programme to ensure affordability.

6. To approve the Minimum Revenue Provision Policy Statement which determines the amount of money set aside each year for the repayment of debt.
7. That the Chief Financial Officer be authorised to re-profile capital budgets mid-year based on the updated forecasts provided by services and reported to the Senior Leadership Team as part of the capital monitoring process. This will assist in producing more accurate information for treasury management purposes.

9 TREASURY MANAGEMENT STRATEGY STATEMENT

Cabinet considered the Treasury Management Strategy Statement 2022/23 and Annual Investment Strategy 2022/23 (“TMSS”) report presented by Chief Financial Officer Jane West.

It was explained in the report that The TMSS was part of the authority’s reporting procedures as recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) TM Code and its Prudential code (“The CIPFA Prudential Code”) for capital finance in local authorities. The Local Government Act 2003 required authorities to comply with both codes. The TMSS also set out recently introduced changes to the legislative framework, which were generally designed to place restrictions on authorities’ commercial activity.

The report fulfilled the authority’s legal obligation under the Local Government Act 2003 to have regard to both the CIPFA TM Code and Government Guidance, and it covered the following:

- The Borrowing and Investment Strategies.
- Treasury Management and Prudential Indicators - there was a change to them from the revised CIPFA TM published in December 2021 and was discussed later in the report and would be reported upon in the 2023-24 TMSS.

Jane West explained that the report contained information around the governance of treasury spending and borrowing, the surplus cash that was held and set out the Council’s appetite for risk which she assured was low and therefore money was kept very safe.

The Cabinet Members took an opportunity to thank Jane for all her hard work and balanced budgets over the years and wished her best of luck in the future as she was leaving her post at the Council.

Cabinet:

AGREED the following:

1. To approve the TMSS 2022/23.
2. To approve the Prudential and Treasury Indicators set out in Appendices 2 and 3 of the report.

3. To recommend the annual TMSS 2022/23 to Council for approval.
4. To delegate future changes required to the Strategy to the Chief Financial Officer in the consultation with the Cabinet Member for Finance and Property. This would provide the additional flexibility to swiftly respond to changing circumstances.

10 **FORMAL ADOPTION OF EAST LONDON JOINT RESOURCES AND WASTE STRATEGY**

Cabinet considered the Formal Adoption of the East London Joint Resources and Waste Strategy report presented by Barry Francis, Director of Neighbourhoods.

It was explained in the report that as Waste Collection Authorities (WCAs) the London Borough of Havering and the other 3 constituent Boroughs of the East London Waste Authority (ELWA) (Barking and Dagenham, Newham, and Redbridge – the ‘Constituent Councils’) collect household and other waste that was subsequently treated and/or disposed of by ELWA as the Joint Waste Disposal Authority (JWDA).

ELWA and its Constituent Councils were statutorily required to produce a Joint Strategy for East London’s Resources and Waste (“Joint Strategy”) to replace the existing strategy which was expiring.

The new Joint Strategy was developed in close cooperation between officers and Members of the Constituent Councils (Appendix 1).

The context around the Constituent Councils delivering waste management services was subject to considerable change over coming years, with changes to national waste policy, obligations through the London Environment Strategy (LES), and the ending of ELWA’s current treatment contract in 2027 with the need to develop successor arrangements.

The Preliminary Draft of the Joint Strategy was agreed by Cabinet in July 2021, and was then subject to public consultation for eight weeks to September 2021 to understand the public opinion on its priorities and actions. The results of this were provided in Appendix 2. Future service changes would be subject to consultation as appropriate in line with statutory obligations.

Barry Francis explained that the strategy that was developed for 30 year ends in 2027. The report further outlined targets, priorities and actions. However, financial implications and funding were not proposed at this stage.

Members commented that this was a timely report due to the work on-going within the internal management of public realm and contract renewal. Concerns of costs were raised and Barry Francis confirmed that regular review points within contracts would be considered.

The Leader also suggested that an incoming training program would be required for incoming Councillors after the election.

Cabinet:

AGREED to approve the adoption of the East London Joint Resources and Waste Strategy (Joint Strategy).

11 **THE REQUIREMENTS OF THE BUILDING SAFETY BILL AND REGULATORY REFORM (FIRE SAFETY) ORDER 2005 FOR THE COUNCIL AS A LANDLORD.**

Cabinet considered the requirements of the Building Safety Bill and Regulatory Reform (Fire Safety) Order 2005 for the council as a landlord presented by Councillor Joshua Chapman.

It was explained in the report that the implications arising for the Council as a landlord were as a result of the Building Safety Bill. The report set out the requirement of the bill, the progress the council had made to prepare for the bill and made recommendations for what additional actions would be required.

Councillor Chapman further explained that there were implications for the Council and it was a holistic review of building safety of a new bill that had been debated in parliament. The report also set out management plans and best practice.

Concerns were raised by Members regarding compliance and Officers confirmed that there were extensive case files for each property that the Council held and a certification system in place.

Cabinet:

AGREED the following:

1. That Cabinet note the requirements of the Building Safety Bill and Regulatory Reform (Fire Safety) Order 2005 for the council as a landlord.
2. That Cabinet notes the progress that has been made to prepare for the implementation of the bill.
3. That Cabinet recommends to Council that the post of Assistant Director of Property Services is designated as the Accountable Person within the Council's constitution and scheme of delegation and the Monitoring Officer is given delegated authority to make any consequential amendments to the Council's Scheme of Delegation.

4. That the Towns and Communities Scrutiny Committee should be provided with a quarterly report on performance relating to fire, electrical, gas, lifts, asbestos and legionella safety.

12 SUPPORTED HOUSING STRATEGY

Cabinet considered The Supported Housing Strategy 2022-2025 report presented by Councillor Joshua Chapman.

It was explained in the report that supported housing was key to providing the right accommodation and support to enable Havering's vulnerable residents' to live fulfilled lives.

The Supported Housing Strategy (*appendix 1*) set out the key commitments and objectives under each aim and the actions that would seek to drive the service delivery in Supported Housing over the coming years.

Councillor Chapman explained that housing solutions for the most vulnerable were being developed to increase provision for adults and young people which aimed to increase and maintain their independence. The private and independent sector could not seem to provide and place people locally and lacked the links to family and support networks. The report contained clear recommendations to meet future demands with a reduction in costs.

Officers pointed out that demand had been researched and for the next five years and to 2030 the report summarised what could be delivered. Sourcing options in various places were being examined and there were people on site and trained to support residents to improve their skills and become independent in the most cost effective manner. The timescale was set at three years and would need to be reviewed due to the dynamic needs of residents.

The Leader suggested that regeneration schemes transformed lives of those who needed it most and that a Member induction and All Member Briefing would be set for the this topic.

Members discussed and made comments on area supply and demand and having a joint commission with other boroughs. It was explained that the consideration was to seek supply within Havering and there was a confidence that could be met but specialist services may be required. Furthermore, it was suggested that there were two to this. There was the procurement required to ensure ownership of the building and then that overhead costs with larger providers so investment was primarily focused on the care. Joint commissioning work with providers would encourage delivery of service at good standing.

Cabinet:

AGREED the proposed Supported Housing Strategy attached to the report.
(Appendix 1).

13 **EXCLUSION OF THE PUBLIC**

14 **HAVERING WATES REGENERATION LLP - UPDATE TO BUSINESS
PLAN FOR 2022/2023**

15 **BRIDGE CLOSE REGENERATION LLP BUSINESS PLAN REFRESH
2021-22**

Chairman