



MINUTES OF A CABINET MEETING
Havering Town Hall, Romford
Wednesday, 13 July 2011
(7.40pm – 11.25pm)

Present:

Councillor Michael White (Leader of the Council), Chairman

Cabinet Member responsibility:

Councillor Steven Kelly (Deputy Leader)	Individuals
*Councillor Michael Armstrong	Transformation
Councillor Robert Benham	Community Empowerment
Councillor Andrew Curtin	Towns & Communities
Councillor Lesley Kelly	Housing
Councillor Roger Ramsey	Value
Councillor Paul Rochford	Children & Learning
Councillor Geoffrey Starns	Community Safety
Councillor Barry Tebbutt	Environment

Councillors Clarence Barrett, Sandra Binion, *Wendy Brice-Thompson, Keith Darvill, *David Durant, Linda Hawthorn, Paul McGeary, Denis O'Flynn, Billy Taylor, Frederick Thompson, Linda Van Den Hende, Keith Wells and John Wood also attended.

* - for part of the meeting.

11 members of the public and a representative of the Press were present.

The decisions were agreed with no vote against.

Agenda item 6 concerning the requisition of Cabinet decision relating to the provision of travel assistance to school for children with SEN, and agenda item 9 (E1) regarding the requisition of Cabinet decision concerning the Romford Leisure Development proposals were not dealt with as the relevant Overview & Scrutiny Committees had declined to support the requisition of the decisions referred to in those items.

7 MINUTES

The minutes of the meeting held on 15 June 2011 were agreed as a correct record and were signed by the Chairman.

8 THE COUNCIL'S FINANCIAL STRATEGY

Councillor Michael White, Leader of the Council, introduced the report. Individual Cabinet Members commented on matters within their respective portfolios.

The report explained that last Summer, Havering Council agreed a package of savings to mitigate the impact of very significant cuts in central government funding to local authorities.

The savings, totalling over £19 million to be delivered across three years, were made up of a range of measures designed to reduce back-office costs, cut bureaucracy and focus resources where they would have the most impact - while remaining fair to those local residents who most rely on the Council for their day-to-day support.

It was noted that one year on, most of the savings had already been implemented, with some to be delivered over the next two years. It was reported that last year's savings package was swiftly implemented to ensure Havering had begun to achieve its savings requirement as soon as possible and therefore minimised the impact of later decisions on both the community and the organisation.

The report summarised the position reached after the reductions in government funding had been comprehensively analysed following the two year settlement agreed for local government in December 2010 and took into account the agreed savings already approved.

The report also set out more than £16 million of further savings to be delivered over the next three years, in order to balance the Council's budget position by 2014. It was anticipated that the savings in the report, together with the savings agreed last Summer, should close the budget gap sufficiently that no further major savings announcements would be necessary before 2014 and the imposition of a new local government financial settlement, and any Council Tax increases would be able to be kept low. It was reported however that the Council remained committed to seeking out and delivering efficiencies wherever possible, in the interests of council tax payers.

If agreed, the report would provide residents, business and staff with a degree of certainty about how the Government's reductions in public sector spending would affect Havering over the next few years – provided there were no further cuts made to the Authority's funding.

Members also noted that it would also provide reassurance for residents that many of the Council's services that they most value, or have highlighted as a priority – such as weekly rubbish collections, street cleaning, roads and pavement repairs, libraries and parks – would remain in place.

The savings detailed in the report retained the Council's commitment to reduce the authority's running costs first and protect frontline services where possible to do so. It was noted that where the delivery of frontline services was subject to review or change, the proposals in the report had sought wherever possible to focus efforts and target resources to where they would do the most good. This responsible approach was designed to ensure that

the people who most rely on the Council's help – including vulnerable residents and children who are at risk of harm – remain well served by the Authority.

Reasons for the decision:

Decisions to progress efficiency programmes and other savings measures set out in the report to Cabinet were required in view of the need for the Council to make substantial efficiency reductions over the coming financial years.

Other options considered:

Not taking action to bridge the large funding gaps which the Council faced over the coming years would leave the Council vulnerable to having to take reactive action that was not fully planned or thought through, which might endanger direct service provision in future. The measures outlined in the report would enable the Council to address predicted increases in demand for services by some of the most vulnerable residents whilst keeping to the Council Tax commitments of the Administration.

Not taking action, or deferring action to future years would also increase the uncertainty faced by residents and staff within the organisation. The measures outlined in the report provided clarity and certainty regarding the savings required by the Council in order to meet the challenge of reduced funding.

A number of questions were posed by members concerning the proposed financial strategy to which responses were given by Cabinet members with assistance by officers present at the meeting.

Cabinet Agreed:

1. **To approve the actions being taken to address the projected budget gap and endorse the early implementation of the proposals set out in the report to Cabinet.**
2. **To approve the items in the schedule of savings proposals set out in Appendix 4 to the report, for appropriate consultation and equality impact assessments where necessary, as indicated in the schedule, to be undertaken by the Chief Executive or appropriate Group Director or Assistant Chief Executive prior to final decisions on those proposals in accordance with the constitutional position on each item.**
3. **To instruct Group Directors to make as much progress as possible on the savings items listed in Appendix 4 to the report during the course of this financial year, in order to ensure that these were implemented in sufficient time to deliver full-year savings when these were required.**
4. **To authorise the Chief Executive or the appropriate Group Director or Assistant Chief Executive, in consultation with their**

Lead Cabinet member, in furtherance of the matters set out in the report and schedules, to give appropriate notices, terminate, withdraw from or re-negotiate contracts and undertake or carry out any other matters which were necessary in order to deliver the savings set out in the report.

5. To authorise the Chief Executive and/or each Group Director or the Assistant Chief Executive, to seek to minimise redundancies by applying the Council's policies and procedures but where necessary determine the extent of the potential redundancies, undertake consultations with Trade Unions, consult with staff and issue redundancy notices, undertake staff selection, withdraw notices where appropriate, and hear and determine any appeals, with the exception of any adjustments to Chief Officer posts, including Assistant Director and Heads of Service posts, where appointments and dismissals might be decided by the Appointments Committee.
6. To authorise the Chief Executive and/or each Group Director or the Assistant Chief Executive, to make any further temporary or fixed term appointments necessary in order to support the delivery of the budget strategy.
7. To approve the continued commitment of £2m of Capital per year for the period of the medium term financial strategy for highways.

Cabinet Noted:

8. That the proposals contained in the report, building on both the decisions taken last July and in February, would ensure a stable financial position and bring as much certainty as possible to residents.
9. That the Chief Executive, in consultation with the Leader of the Council and appropriate lead member, would continue to negotiate and enter into contracts or arrangements with other boroughs to facilitate the provision of shared services.
10. That the report would go to all Overview and Scrutiny Committees, at a joint meeting to be held on 28 July 2011.

9 LOCAL IMPLEMENTATION PLAN ANNUAL SPENDING SUBMISSION 2012/13

Councillor Barry Tebbutt, Cabinet Member for Environment, introduced the report.

The report informed Members that the Council made an annual Local Implementation Plan (LIP) Spending Submission to Transport for London (TfL) for funding transportation initiatives across the Borough. It must be consistent with the Mayor of London's Transport Strategy and the Council's own Local Implementation Plan (as approved by the Mayor of London

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following sign off by Cabinet). The report outlined the process for the Council preparing its LIP Annual Spending Submission for 2012/13.

The Council had been notified by TfL that it had been awarded an indicative amount of £3.074m LIP funding for the 2012/13 financial year which is broadly typical of most outer London boroughs. Members noted that later in the year, the Council must submit to TfL how it plans to spend the funding, taking into account TfL's most recent LIP guidance. The report outlined the issues that must be addressed in the Council's Submission and how that would be progressed.

Following Cabinet, it was reported that Officers would prepare the final detailed 2012/13 LIP Submission prior to forwarding it to TfL in October 2011. There would also be consultation with the Highways Advisory Committee before the submission was finalised.

The report recommended that approval of the final LIP Submission be delegated to the Cabinet Member for Environment who has responsibility for strategic transport, and the Cabinet Member for Community Empowerment who has responsibility for local transport schemes. It was expected that TfL would issue final confirmation of the allocation to the Council in late 2011.

The report confirmed that the Council would continue to explore additional opportunities for funding transport programmes/policies to supplement those from the LIP allocation such as other TfL funding streams, eg Biking Boroughs, other external funding sources and Section 106 contributions from development proposals.

Reasons for the decision:

The LIP Funding Submission was required annually to TfL in order to secure funding for a range of transportation-related initiatives in the Borough.

Other options considered:

There were no alternatives if the Council wished TfL to confirm its LIP funding award to Havering for 2012/13.

Cabinet:

- 1. Noted the guidance provided by TfL outlined in paragraphs 7 and 8 of the report, and other aspects to consider detailed in paragraphs 9 and 12 of the report in respect of Havering's Submission to TfL for LIP funding for 2012/13.**
- 2. Approved in principle the development of the LIP Submission for 2012/13 having particular regard to the range of considerations set out in paragraph 12 of the report.**
- 3. Agreed that the advice of the Highways Advisory Committee be sought on the proposed LIP submission before it was finalised.**

4. **Agreed that approval of Havering's final LIP Funding Submission for 2012/13 to TfL be delegated to the Cabinet Members with responsibility for Environment and for Community Empowerment.**
5. **Noted that other opportunities for investment in transportation initiatives would continue to be sought from TfL outside the LIP Annual Submission process, and from other stakeholders and funding sources.**

10 **REQUIREMENT FOR ADDITIONAL BURIAL GROUND**

Councillor Lesley Kelly, Cabinet Member for Housing, introduced the report.

The report before Cabinet explained that there were currently around 370 full burials and 150 cremated remains burials carried out in Havering each year. It was noted that at that rate, the Council had sufficient burial ground until September 2013. Preparation and construction of appropriate facilities for the extension or development of additional burial space on average took five years after the land was selected.

It was reported that a project to extend Upminster Cemetery had completed the preparation phase with the final design and tender process scheduled for 2011 in readiness for construction from April 2012, subject to member approval. Landscaping could be completed during spring 2013 in readiness for September 2013.

It was noted however that implementation costs had risen significantly above a previous cost forecast of £1m. The current actual budget provision made was only £457,000. Therefore decisions needed to be taken on whether the Council wished to continue to make provision for burials within the Borough, the number of years to be provided for and how this would be funded.

Reasons for the decision:

The decision was presented to Members in view of the fact that the London Borough of Havering would have insufficient burial grounds for those wishing to be buried in the borough, after September 2013. Members had to decide whether to invest in this service, in order to continue with the provision of burial ground for local residents.

Other options considered:

The report set out three options for Members to consider:

1. Make no further provision for burials in the borough.
2. Examining alternative ways of providing additional burial space in the Borough.
3. Expansion of Upminster Cemetery.

Cabinet Agreed:

1. **To provide additional burial land in the borough and the implications of such choices.**

2. To proceed with the option to develop the site (Stage 1) at Upminster to provide sufficient land for burials until 2019, at an estimated cost of £1.733m with the additional expenditure to be met by prudential borrowing.
3. That Members note that no alternative sites to Upminster have been identified at a reasonable cost.
4. In principle, to implement a review of fees in September 2011 to generate the necessary additional resources to fund the development of additional burial land at Upminster.
5. To delegate authority to the Cabinet Members for Value and Housing and Public Protection to approve the detailed schedule of fees.
6. To recommend to Council revision of the Cemetery Regulations to address the anomaly which enables non-residents of Havering who have died within the borough to claim the reduced cemeteries fees.
7. To recommend to Council amendment of the Cemetery Regulations to require that the first burial in a standard grave be for a full burial, rather than a burial of cremated remains.
8. The temporary suspension of the option to pre-purchase graves in Upminster Cemetery until the revised grave purchase fees have been implemented and that this service is re-instated at the new fee level immediately after implementation.

11 **CHANGES TO LONDON BOROUGH GRANT SCHEME – IMPLICATIONS FOR HAVERING**

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

It was reported that London Councils administered the London Borough Grants Scheme (LBGS) on behalf of the London boroughs, commissioning and grant-funding services provided by voluntary organisations. The operation of the LBGS had been amended and, with effect from 15 August 2011, the LBGS would only fund selected high priority London-wide services. It was noted that decisions about which other voluntary sector services should be grant-funded following 15 August had been devolved to individual boroughs to decide locally. These decisions would be required urgently by organisations which had relied on the central LBGS grant to enable them to deliver services.

The report recommended a series of interim criteria for Havering Council to adopt when considering grant applications for the period up to 31 March 2012, from organisations which had, until now, received funding centrally from the LBGS. It recommended immediate consultation on the criteria with affected organisations, and that decisions on grant applications be delegated to the relevant lead Cabinet Members following consideration of the interim

criteria, any responses received from consultation, and the equalities and financial implications of each decision.

It was reported that because of the changes to the scope of the LBGS, borough contributions were likely to reduce in 2011/12 and subsequent years, but there was considerable uncertainty about the future budgetary position. The most appropriate use of any funds thereby released would need to be decided in the context of the overall financial constraints on the Council.

Reasons for the decision:

The rationale for the changes to the LBGS was that boroughs were best placed to take decisions locally about whether to provide grant funding for all but category A* services. A number of voluntary organisations would have their funding agreements terminated on 15 August 2011, including some which were providing services in Havering. It was important that the Council had clear, transparent, and justifiable criteria for deciding which organisations it may fund, in the context of the Council's overall financial position.

Other options considered:

It would be possible to attempt to assess grant applications on their individual merits without setting a framework of criteria for assessing them, but this risks inconsistency and unfairness in the way applications were processed, and may mean that important considerations were not properly taken into account.

Cabinet Agreed:

- 1. To note the changes to the operation of the London Borough Grant Scheme and the implications for Havering.**
- 2. To approve the interim criteria set out in paragraph 2.5 of the report for considering grant applications for the period up to 31 March 2012, from organisations whose grants from the London Borough Grant Scheme will be determined on 15 August 2011.**
- 3. To agree to consult immediately on the interim criteria with organisations affected by the changes that are delivering a substantial level of service in Havering, and that any responses received from the consultation be taken into account in reaching decisions on grant applications.**
- 4. To delegate decisions on whether to approve any grant applications, to the Cabinet Member for Value and the Cabinet Member for Culture, Towns and Communities (with the Leader of the Council acting in the place of either or both of those Members if they declare an interest in the decision), following consideration of the interim criteria, any responses received from consultation, and the equalities and financial implications of each decision.**

12 **EXCLUSION OF THE PUBLIC**

Cabinet decided on the motion of the Chairman that the public should be excluded from the remainder of the meeting on the ground that it was likely that, in view of the nature of the business to be transacted, if members of the public were present there would be disclosure to them of exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972 and it was not in the public interest to publish the information.

13 **EXEMPT MINUTES**

Exempt minute (57) of the meeting held on 15 June 2011 which referred to the Romford Leisure Development Proposal was agreed as a correct record and signed by the Chairman.

14 **AWARD OF CATERING CONTRACTS FOR BREAD AND CAKES, FRESH MEAT AND CATERING LIGHT EQUIPMENT - exempt information**

Councillor Paul Rochford, Cabinet Member for Children & Learning, introduced the report.

Cabinet received a report (containing exempt information and not available to the press or public) setting out proposals for the award of catering contracts for Bread and Cakes, Fresh Meat and Catering Light Equipment.

Members noted that the contracts for the supply of Bread and Cakes, Fresh Meat and Catering Light Equipment were joint contracts with members of the London Contracts Supplies Group (LCSG), which included representatives of all London Boroughs. The aim of the LCSG was to work in partnership to place joint consortia contracts to obtain the best value for the supply of various goods and services.

Each participating LCSG member managed their own requirements independently including managing their own contractual/supplier relationships.

The existing contracts for the supply of Bread and Cakes and Catering Light Equipment were awarded in September 2006 and would expire at the end of August 2011: There was currently no contract in place for Fresh Meat.

Reasons for the decision:

To ensure that the London Borough of Havering and other members of the LCSG had cost effective and value for money contracts awarded for the purchase of Bread and Cakes, Fresh Meat and Catering Light Equipment from the 1st of September 2011 until 31 August 2015.

Other options considered:

That contracts were not awarded, and each Council department enters into individual arrangements with suppliers. Corporate contracts provide a framework for fixed costs and agreed levels of service.

That service users source their own Bread and Cakes, Fresh Meat and Catering Light Equipment in the wider marketplace. This would create a situation whereby the less reputable companies in this market would be provided with an opportunity to sell to Havering and/or the LCSG. There were a number of companies that approached Councils to provide various catering contracts but past experiences had shown that the true cost of sourcing such contracts via this route was more expensive than a corporate contract.

There was no option to extend the existing contracts For Bread and Cakes and Catering Light Equipment.

There was no contract in place for Fresh Meat which was a growing commodity within the school meals service and a contract needed to be in place to ensure value for money when purchasing this item.

Chairman
17 August 2011