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MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Wednesday, 12 February 2014
(7.30 - 9.10 pm)

Present:

Councillor Steven Kelly (Leader of the Council), Chairman

	Cabinet Member responsibility:
Councillor Michael Armstrong	Deputy Leader of the Council and Cabinet Member for Transformation
Councillor Andrew Curtin	Cabinet Member for Towns and Communities
Councillor Roger Ramsey	Value
Councillor Paul Rochford	Children & Learning
Councillor Geoffrey Starns	Community Safety
Councillor Barry Tebbutt	Client Services
Councillor Lesley Kelly	Housing

Apologies were received for the absence of Councillor Robert Benham.

Councillors Clarence Barrett, Keith Darvill, Paul McGeary, Pat Murray, Michael Deon Burton, Lyndon Thorpe and Robby Misir also attended.

Three members of the public were present.

The decisions were agreed with no vote against.

111 MINUTES

The minutes of the meeting held on 22 January 2014 were agreed as a correct record and were signed by the Chairman.

112 THE COUNCIL'S FINANCIAL STRATEGY - SETTING OF FEES & CHARGES FOR 2014/15

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

The report outlined the context within which the 2014/15 budget was being set and identified the Council's overall policy direction, statutory duties and financial strategy.

The Council's budget needed to reflect the level of funding allocated to it by the Government. Since the General Election, the Government had made a series of announcements, with the most recent being the Autumn Budget Statement, which preceded the announcement of the provisional Local Government Settlement. Last year saw the introduction of fundamental and complex changes to the funding regime for local authorities, probably the biggest in 20 years. Whilst this reflected the localisation of responsibilities, it had also brought increased financial risk, and this had to be reflected as part of a robust budget setting process.

In anticipation of the changes that these various announcements had brought about, and in response to the Emergency Budget announced in 2010, Cabinet previously agreed a range of savings proposals in July 2010, and again in July 2011, designed to deliver savings approaching £36m. These proposals were now largely implemented, with the final year of this programme being 2014/15.

The provisional Local Government Financial Settlement had been announced on 18th December. Details were included in the previous report to Cabinet. Consultation ended on 15th January and the final settlement had been expected two weeks later.

In the light of the on-going financial climate, and with the prospects for "more of the same" for the foreseeable future, information on a small number of budget pressures proposals had been released for formal consultation in January and as part of the process, was also submitted to the joint Overview and Scrutiny Committee. The results of this consultation were set out in the report. The report set out the factors being recommended for inclusion within the 2014/15 budget.

The Cabinet Member stated that the current position was that there would be no increase to the Havering element of the Council Tax which would enable the Council to take advantage of the latest Council Tax freeze grant on offer.

Final confirmation of the Greater London Authority (GLA) precept was expected at the meeting of the London Assembly on 14th February, which was after the date of the Cabinet meeting. The Mayor of London had proposed a small reduction in the current precept, as previously advised to Cabinet, and this had been the subject of a similar consultation process. Those changes to the GLA position were reported at the Cabinet meeting and an update would be provided for the forthcoming Council meeting.

On the assumption that the proposal was approved by the London Assembly, there would be a small overall reduction in Council Tax. The band D figure would then reduce to £1,494.18.

Reasons for the Decision

The Council is required to set a budget for 2014/15 and, as part of that process, undertake relevant consultation in respect of the proposals included within the budget.

Alternative Options Considered

There are no alternative options in so far as setting a budget is concerned. However, there are options in respect of the various elements of the budget. These are considered in preparing the budget and cover such things as alternative savings proposals, the totality of budgetary pressures and different levels of Council Tax.

The Cabinet Member emphasised the challenging financial circumstances that the Council found itself in, particularly as further savings were required in the next financial year and beyond.

Cabinet decided that in view of the need to balance the Council's policies, statutory requirements, government initiatives, inspection regimes and Council Tax levels, to:

1. Consider the advice of the Chief Finance Officer as set out in Appendix H when recommending the Council budget.
2. Consider the comments received during the consultation exercise, which were set out in the report from the Joint Overview and Scrutiny Committee, which was attached as Appendix J to the report, when recommending the total Council budget.
3. Approve the following budgets for 2014/15:
 - the Council's draft General Fund budget as set out in Appendix E, formulated on the basis of:
 - an ELWA levy based on the anticipated budget and levy increase
 - the budget items shown at Appendix F, and
 - the other assumptions set out in the report
 - the delegated schools' draft budget, and the capital programme as set out in Annexes 2, 3 and 4 of Appendix I of the report,and delegate to the Chief Executive and Group Directors to implement the 2014/15 capital and revenue proposals once approved by Council unless further reports or Cabinet Member authorities were required as detailed.
4. Delegate to the Chief Executive and Group Directors to make any necessary changes to service and the associated budgets relating to any subsequent specific grant funding announcements, where delays might otherwise adversely

impact on service delivery and/or budgetary control, subject to consultation as appropriate.

5. Agree to make a one-off cash investment in the Pension Fund, as set out in Section 3.17 of the report, and delegate to the Leader and the Cabinet Member for Value, in consultation with the Group Director Resources, the final amount, which would be subject to the year-end position.
6. Approve the schedule of Fees and Charges set out in Appendix L, with any recommended changes in year being implemented under Cabinet Member delegation.
7. Agree that if there were any changes to the GLA precept and/or levies, that the Group Director Resources (in the absence of the Chief Executive) be authorised to amend the recommended resolutions accordingly and report these to Council on 26th February 2014.
8. To Delegate authority to the Cabinet Member for Individuals to approve the draft submission of the Better Care Fund application to NHS England by 14th February 2014, and the final submission on 4th April 2014.
9. To authorise the Chief Executive to make minor amendments to the Corporate Plan, as set out in the "Plan on a Page" agreed by Cabinet in January 2014.

In addition, Cabinet:

10. **Recommends to Council**, subject to recommendation 3 above, the following:
 - The General Fund budget for 2014/15
 - The Council Tax for Band D properties and for other Bands of properties, all as set out in Appendix E, as revised and circulated for the Greater London Authority (GLA) Council Tax.
 - The delegated schools' budget for 2014/15, as set out in Appendix E to the report.
 - The Capital Programme for 2014/15 as set out in Annexes 2, 3 and 4 of Appendix I of the report.
11. **Recommends to Council** to pass a resolution as set out in section 8.4 of the report to enable Council Tax discounts to be given at the existing level

113 HOUSING REVENUE ACCOUNT CAPITAL AND REVENUE BUDGET 2014 - 2015

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

The report set a budget for the Council's Housing Revenue Account (HRA) and HRA Capital Programme. From 2012 the position of the HRA had changed from previous years because of the introduction of a regime, known as "Self Financing". An update to the HRA Business Plan was provided.

The HRA remained a ring-fenced account that was used to manage the Council's own housing stock. The proposed budget would enable the Council to manage the stock to a reasonable standard and to complete the Council's Decent Homes Programme. It further set rents, service charges and other charges for Council tenants for the year 2013/14.

Reasons for the Decision

The Council was required to set the housing rent, service charges and a budget in accordance with the Local Government and Housing Act 1989.

Alternative Options Considered

There were no alternative options insofar as setting a budget was concerned. There were, however, options in respect of the various elements of the budget. These were considered in preparing the budget and covered such things as the rent and service charge increase, budget growth and capital programme proposals.

Cabinet agreed:

1. The Housing Revenue Account Budget as detailed in Appendix 1 to the report.
2. That the average rent for existing tenants in Council properties owned by the London Borough of Havering be increased by £5.06, from £85.74 to £90.80 (5.90%) with effect from 7 April 2014, in line with the Government's current policy to restructure rents. This would mean in effect, that rents were increased as set out in the table below:

	Rent 2013/14 – 52 weeks	Rents 2014/15 52 weeks	Increase (£)	% increase
Bedsit	£66.61	£70.55	£3.94	5.92%
1 Bed	£71.91	£76.61	£4.70	6.54%
2 Bed	£84.61	£89.60	£4.99	5.90%
3 Bed	£102.05	£107.66	£5.61	5.50%
4 Bed	£115.65	£121.77	£6.12	5.29%
5 Bed	£127.66	£134.13	£6.47	5.07%
Average Rent	£85.74	£90.80	£5.06	£5.90%

3. That rents for new lettings from 7th April 2014 would be set at formula rents.

4. That the rent-free weeks for 2014/15 be w/c 25 August 2014 the two weeks commencing 22 December 2014, and the week commencing 30 March 2015.
5. That tenants' service charges and heating and hot water charges for 2013/14 should be increased or decreased as follows:

Service Charges reviewed and recommended	2013/14 Weekly Charge – 52 weeks	2014/15 Weekly Charge – 52 weeks	Increase (decrease)	% increase (decrease)
Caretaking	£3.33	£3.18	(0.15)	(4.50)
Internal Block Cleaning	£1.02	£1.21	0.19	18.63
Bulk Refuse Collection	£0.45	£0.46	0.01	2.22
CCTV - Mobile Service	£0.55	£0.42	(0.13)	(23.64)
CCTV - Static Service	£1.38	£1.38	0.00	0.00
Neighbourhood Wardens	£0.83	£0.78	(0.05)	(6.02)
Door Entry	£1.36	£1.36	0.00	0.00
Ground Maintenance	£2.39	£2.61	0.22	9.21
Sheltered Cleaning	£2.93	£3.27	0.34	11.6
TV access	£1.32	£1.38	0.06	4.55
Heating	£9.52	£8.97	(0.55)	(5.78)
Hot Water	£6.02	£6.37	0.35	5.81

6. That the service charge for homeless households accommodated in the Council's hostels should be increased by 3.7% to £24.85 a week.
7. That charges for high and medium demand garages were increased by 3.7% and that rents for low demand garages should be frozen.
8. That support charges for mobile support for older people were increased by 3.7% as follows:

Service	Weekly support charge in 2013/14 – 52 weeks	Weekly support charge in 2014/15 – 52 weeks
Support – low level	£5.28	5.48
Support – medium level	£10.56	10.95
Support – high level	£13.21	13.70

9. That the Careline support charge be increased by 3.7% as follows:

Service	Weekly support charge in 2013/14 – 52 weeks	Weekly support charge in 2014/15 – 52 weeks
Careline – sheltered tenants	£4.23	4.39
Careline – community users	£4.51	4.68

10. That Telecare support charges be increased by 3.7% as set out below:

Service	Weekly support charge in 2013/14 – 52 weeks	Weekly support charge in 2014/15 – 52 weeks
Telecare – base unit plus two sensors	£6.57	6.81
Additional Telecare sensor	£1.09	1.13

11. To maintain the transitional arrangements to correct the undercharging, by £4.18 increase plus inflation a week, of tenants in the former Hornchurch mobile support pilot scheme, whereby the full charge would be gradually increased over the five year period 2012/13 to 2016/17 inclusive for the 13 tenants paying for this service; for 2014/15. This amounted to an increase to the weekly charge (52 weeks) of £0.87p.

114 TREASURY MANAGEMENT STRATEGY STATEMENT, PRUDENTIAL INDICATORS AND MINIMUM REVENUE PROVISION STATEMENT FOR 2014/15

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

In February 2011 the Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code).

The Council was required to receive and approve, as a minimum, three main reports each year, which incorporated a variety of policies, estimates and actuals. These reports were required to be adequately scrutinised by committee before being recommended to the Council. This role was undertaken by the Audit Committee.

Treasury Management Strategy Statement (This report) - The first, and most important report covered:

- The borrowing and investment strategies

- Treasury Management indicators
- Prudential Indicators
- A Minimum Revenue Provision Policy (how residual capital expenditure was charged to revenue over time)

Treasury Management Reports to Audit Committee – This would provide an update on the prudential and treasury indicators and would include information on the current treasury position.

An Annual Treasury Report – This provided details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Reasons for the decision:

The statutory Codes set out that the Council ought to approve a Treasury Management Strategy Statement, the MRP Strategy and the Prudential Indicators for 2014/15.

Other options considered:

There were no good reasons to depart from the provisions of the relevant Codes.

Cabinet Recommends that Council approve the Treasury Management Strategy Statement, the Prudential Indicators and the Annual Minimum Revenue Provision statement for 2014/15.

115 **RECOMMENDATION TO ADOPT THE SEX ESTABLISHMENT LICENSING POLICY AND THE ADOPTION OF SCHEDULE 3 OF THE LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1982, AS AMENDED BY SECTION 27 OF THE POLICING AND CRIME ACT 2009**

Councillor Geoffrey Starns, Cabinet Member for Community Safety, introduced the report

The report sought the approval of Cabinet following the recommendation of the Licensing Committee on the 18th December to approve the adoption of Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 (as amended by section 27 of the Policing and Crime Act 2009) and the Council's Sex Establishment Licensing Policy.

The Cabinet Member explained that a profile of each of the borough's wards had returned a clear message that sex establishments were not wanted in any of them and, this being the case, it would be prudent for the Council to have a clear zero requirement policy. This would mean that although there were no impediment to anybody

applying to open and licence such an establishment, they would have to show that there were exceptional reasons for approval.

Reasons for the decision:

The LG(MP)A 82 was the most appropriate legislation to use to control sexual entertainment venues. It allowed the Local Authority to make its own Policy and regulations. The policy had a rebuttal presumption for applications based on ward profiles. The regulations controlled the application process conditions of premises. The licence would be valid for one year and the applicant could apply to renew the licence. By re-adopting Schedule 3 to include lap dancing premises it brought all sexual entertainment under the same legislation and procedure.

Other options considered:

To leave lap dancing under the Licensing Act 2003 as it was at present. This option was not considered appropriate as the presumption of the Licensing Act 2003 was to grant applications and once granted licences had no renewal date.

Cabinet noted the details of the report and approved:

1. The adoption of Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 and
2. The Sex Establishment Licensing Policy.

116 CORPORATE PLAN ON A PAGE

The Chairman informed those present that this item had been an administrative error as it had already been considered at the previous meeting and so should be disregarded.

117 RAINHAM COMPASS PROGRAMME

Councillor Michael Armstrong, Deputy Leader of the Council and Cabinet Member for Transformation, introduced the report

At the beginning of this term, ten Strategic Administration Projects were established to help deliver services more effectively and in new ways. The Projects were each to be driven by a Member of the Cabinet, working with a select team of officers, representing a diverse variety of disciplines within the Council.

The projects were:

Council Effectiveness

**Neighbourhood
Responsibility**

**Think Family
Open Government
Community Action
Harold Hill Ambitions**

**Civic Pride
Future Financing
Rainham Compass
Romford Regeneration**

In the last year of this Administration, it was intended that each Project would report back to Cabinet, to note the achievements attained and the progress made.

The Rainham Compass vision, agreed by Cabinet in June 2009, outlined the Council's ambition for Rainham Village and the surrounding area. Set around the 4 key points of Village, Enterprise, Community and Riverside it detailed ambitious plans to preserve and promote Rainham's rich heritage while further strengthening the community and providing greater cultural, educational and economic opportunities for local people.

The vision brought together a number of projects and programmes developed through wide-ranging consultation and engagement with the local community and partner organisations to ensure that the community was fully engaged with and contributed to the transformative projects that reflected the aspirations of local people and transformed the quality of life in the area for the better.

Importantly it also took into account what local people had identified as desirable in their areas - such as improved environment, services and safety. The vision was summarised in the Rainham Compass document which, for the past four years had provided a framework to guide future changes. As such, the Rainham vision was an important part of Havering Council's 20 year "Living Ambition" – to improve the quality of life for all of Havering's residents and create towns and communities that were places of culture, commerce, community and beauty of which residents would be proud.

At the commencement of the Rainham Compass Programme, the Place Surveys and "Your Council, Your Say" survey indicated that the residents of Rainham had some of the lowest levels of satisfaction with Council services and initiatives in the Borough, with only 30 % satisfied with services and 28% feeling safe in their area.

The report reviewed the achievements of the Rainham Compass Programme to date in delivering on the 23 recommendations agreed by Cabinet in June 2009. Key projects which had been successfully consulted upon and delivered included:

- Rainham Village Transport Management System and public realm improvements
- Rainham Library, learning and community centre - a new community and cultural facility for local people, due to complete and open May 2014.
- Rainham Station Interchange

- Rainham Primary School – integrated children’s’ centre and education provision
- Rainham Hall Gardens restoration, creation of a community open space in the heart of Rainham Village
- Orchard Village – the demolition of unpopular tower blocks and the creation of decent homes for local people
- High quality employment space on Easter Park, a 30 acre business park owned by the GLA for over 1,000 local jobs
- A new Tesco distribution centre on Beam Reach 5 - a 90 acre employment site owned by the GLA, creating 800 local jobs
- The re-election of the London Riverside Business Improvement District to support business growth in the strategic employment area and
- Wildspace – a new community park, reconnecting the Rainham community back to the river and the marshes and connecting people to green space

The first four years of the Programme had been highly successful in delivering and initiating a complex series of physical change projects which had improved the built and natural environment. In taking the programme forward, the objective was to build on the successful delivery of key physical projects and the significant development of large brownfield sites and capitalise on this investment. This would ensure that the economic growth fostered, with an even stronger focus on economic and housing opportunities for local people could be sustained - particularly through the development of the GLA owned brownfield employment and housing sites.

In particular, there would be a renewed focus on the creation of a new garden suburb at Beam Park, - a GLA owned 70 acre site spanning across Havering and Barking and Dagenham - to create a residential-led mixed-use development providing family homes for local people in line with the Council’s existing planning policies.

Overall the Compass Programme had delivered a steady rise in local residents satisfied with their local area, with 67% satisfied in 2013 compared to just 57% in 2011. Further environmental improvements had seen a 22% rise in Rainham residents agreeing that the local parks and open spaces were clean and tidy - from 55% in 2012 to 77% in 2013. Projects that were reshaping the public realm and creating new civic spaces had contributed to a 27% rise in people feeling very safe in Rainham, from 28% in 2009 to 55% in 2013.

Reasons for the decision:

Rainham Compass, in its first four years of delivery had successfully delivered major investment in its physical environment and infrastructure. Most of these schemes had been completed, whilst other elements were at advanced contractual and development stages.

It was envisaged that the next phase of the Rainham Compass programme would focus on securing family housing and employment development opportunities along the A1306 and Beam Park and on Beam Reach 5 & 6 improving the housing and employment prospects of local people. Work would also continue with TfL to improve the transport within - and through - the London Riverside and its communities and with a range of partners to ensure that the right level of community facilities were delivered to support the local community

Other options considered:

The Council, as part of its on-going management of the Programme, constantly sought to improve delivery with various options considered throughout the Programme. These included various options considered as part of the initial scoping of the Programme prior to the original June 2009 Cabinet Report.

Cabinet:

1. **Noted** the progress made to date on the Rainham Compass Programme.
2. **Authorised** the Head of Economic Development and other officers and portfolio holders to work with the GLA and London Borough of Barking and Dagenham to develop proposals for a residential led mixed-use development on Beam Park providing homes for local people in line with the Council's existing planning policies.

Chairman