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**MINUTES OF AN EXTRAORDINARY MEETING OF THE
OVERVIEW & SCRUTINY BOARD
Virtual Meeting
24 November 2020 (7.30 - 9.50 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	David Durant and Graham Williamson
Labour Group	Keith Darvill
North Havering Residents' Group	Darren Wise (Chairman)

30 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS

Apologies were received from Councillor Natasha Summers, Councillor David Durant substituting.

31 DISCLOSURE OF INTERESTS

There were no disclosures of interest.

32 PROTOCOL ON THE OPERATION OF OVERVIEW AND SCRUTINY BOARD MEETINGS DURING THE COVID-19 PANDEMIC RESTRICTIONS

The protocol on the operation of Board meetings during the pandemic was noted by the Board.

33 PRE-DECISION SCRUTINY PROTOCOL

The pre-decision scrutiny protocol was noted by the Board.

34 **PRE-DECISION SCRUTINY OF A CABINET REPORT: INCLUSIVE GROWTH STRATEGY AND IMPLEMENTATION PLAN**

A report to Cabinet on the Inclusive Growth Strategy had been referred to the Board for pre-decision scrutiny.

Officers explained that the Inclusive Growth Strategy set out a guide to economic development and growth in Havering over the next 25 years. The majority of projects in the strategy were already ongoing and resourced. The Cabinet Member added that the report set out principles and aspirations in this area and that it was planned to increase inward investment and regeneration.

Comments from Members included that there was a need to progress the Rainham CIL but 15.4 hectares of land were being lost from this area. It was felt that the impact of Brexit should be mentioned in the strategy and that aspirations for improved infrastructure may be too ambitious. There was also a feeling that 'dirty' industries should not be diverted from Barking & Dagenham.

Officers agreed about not allowing the diversion of 'dirty' industries into Havering and also that Havering should not become a dormitory borough. The impact of Brexit was unpredictable and, whilst North-South infrastructure would be explored, there was no commitment at this stage. Whilst the London Mayor wanted to move commercial land to residential purposes, there was a wish to avoid any net loss of commercial land in Havering. It was hoped to move towards higher value industries with a higher network of jobs and salaries.

A consultant had been asked to comment on the inward investment aspects of the strategy and officers would confirm the cost of this work. Officers agreed that it was important to have clear targets and timescales in the implementation plan. A lot of engagement with local residents had been undertaken already and this was expected to continue. The cost of infrastructure and the associated delivery plan had been discussed at the Joint Venture Working Party and the process aimed to encourage investment to fund this. Even in the current difficult period, there remained opportunities to attract investment from Central Government.

Concerns were raised that the strategy showed difficulties around the provision of post-16 education and the need to resolve infrastructure issues. A clear list of priorities should be included and a Member added that perhaps the strategy should be paused until the details of the national financial settlement for local government were known.

It was confirmed that businesses that had to move due to regeneration works etc would be relocated within the borough. Officers confirmed that the Public Works Loan Board was currently consulting on no longer loaning for commercial ventures.

It was also felt there should be mention in the policy of how investment can be made in local shops and parades and that there should be a strategy to integrate new communities with older ones. An Equalities Impact Assessment of the strategy had indicated that there should not be any disproportionate impact on disadvantaged groups. The issue of local shopping parades would be included in the final strategy and the Council did have a High Streets and Local Centres officer. Officers agreed that it was important that new developments such as Beam Park were not seen as separate communities and that for example the Rainham area would benefit from the Beam Park development.

It was clarified that the new Beam Park station would be located below the road leading towards the CEME centre. The new communities would be built along the A1306 from Dovers Corner to the Barking Creek roundabout and hence covering parts of both Barking & Dagenham and Havering. Buildings by the river including the Veolia landfill site were not included in the Beam Park project but were covered by the Rainham master plan.

It was accepted that there was uncertainty around Brexit and some funding issues but the Cabinet Member felt it was important that the policy was moved forward. It would be ensured that the success of the strategy could be measured.

Officers clarified that the Wates organisation remained in the Joint Venture and had not pulled out. The Napier and New Plymouth Houses redevelopment had been made a Council scheme due to difficulties encountered during the lockdown period. This would still provide low cost home ownership for local people. It was clarified that all rental social housing in Havering was let to local people (who had lived in the borough for a minimum of six years) via Housing Associations.

The Board agreed that the following comments on the Inclusive Growth Strategy should be passed to the appropriate Cabinet Member:

- The wish to prevent 'dirty' industries coming into Havering.
- The need for clear targets and timescales in the implementation plan.
- To continue with resident engagement and the collecting of feedback.
- That priorities are clearly stated in the strategy.
- That the strategy emphasises the importance of continuing to invest in small, local shopping parades.
- That alternative premises within Havering are secured for businesses relocated due to development.
- Some Members of the Board felt that the need to pause the strategy and look in more detail at the baseline evidence should be considered.

35 UPDATE ON THE COUNCIL'S MEDIUM TERM FINANCIAL STRATEGY AND BUDGET FOR 2021/22

The Chief Operating Officer advised that £19m of savings had been put forward but that a further £8m was still required to be found. The impact of Covid-19 had made budget setting difficult although extra funding received had meant the deficit had been reduced overall from £13m to £10m. It was unclear at this stage if further Covid support funding would be provided by the Government next year.

There was an expected shortfall of £7m on savings delivery and officers were looking at which savings were still likely to be deliverable in 2021/22. It was accepted that it would be a challenge to deliver the savings required although Havering had a low unit cost compared to its benchmarking authorities.

Most proposed savings were in Adult Social Care although it was felt these could also lead to better outcomes. Revised commissioning arrangements should also lead to savings in children's services and housing (via Mercury Land Holdings). Other savings would be achieved via improved service delivery and efficiency in the Neighbourhoods directorate and via increased use of digital services. The increased use of Smarter Working by Council staff would also lead to savings.

There would be an electronic consultation on the budget proposals. Risks to the budget included an increase in the demand for adult social care and the impact of business failure. The requirement to maintain social distancing in facilities such as leisure centres would also impact on revenues. It was confirmed that the level of the Greater London Authority precept was unknown at this stage.

A report on the future use of Mercury House was due to be taken to Cabinet in January 2021. Officers felt that the building was very dated and that increased levels of working from home could mean the building would no longer be needed. Negotiations on the future use of the building were currently in progress with the landlord.

It was felt that the increased use of technology would allow further efficiencies to be introduced. It was hoped to receive around £4m from the Government in view of the loss of income to the Council but officers added that fees and charges could be in excess of this.

It was confirmed that consultation would take place on any extension to the School Streets Scheme. The Better Living Scheme, which aimed to promote independence and keep people in their own homes was now generating larger savings. Staff working from home had been found to be more productive and communication between staff was now easier.

Officers did not feel that their use of the word 'pandemic' in the report was inappropriate. It was the responsibility of the Council to keep its residents as

safe as possible. Officers were also optimistic that the stated savings could be delivered and felt that there had been a reasonable level of funding from the Government, albeit with parameters on how the money could be spent.

The Government was covering 75% of 95% of Council losses due to the pandemic. Staff reductions would be principally among agency staff and redeployment would also be used as necessary.

Efforts were being made to take pressure off the Council's reserves by making savings. Tier 2 funding from the Government had been £3 per head but this had been a one-off. During the lockdown period, there had been funding of £8 per head for all boroughs to control the Covid outbreak.

A Member raised the position with the Brunswick Court supported housing scheme and whether this would have a warden. An update on this could be given outside of the meeting.

Housing Revenue Account costs had not been hugely impacted by the pandemic and good collection rates had meant this area was only showing a small overspend.

The Board noted the update report.

Chairman

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