LONDON BOROUGH OF WALTHAM FOREST

Meeting Date: 8 November 2017

Report Title: Themed Review Report 2016/17 for the Budget and Performance Scrutiny Committee

Cabinet Portfolio: Councillor Simon Miller, Portfolio Lead Member for Economic Growth and High Streets

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Wards affected: All

Public Access: Open

2. Officers response
3. EIA Screening

1. SUMMARY

1.1 This report sets out the findings and recommendations of the Budget and Performance Scrutiny Committee’s themed review report on maximising the benefits of economic growth.

1.2 Cabinet is asked to note the findings of the Budget and Performance Scrutiny Committee report, which can be found in full in Appendix 1, and the response of officers to the recommendations, which can be found in Appendix 2.

2. RECOMMENDATIONS

2.1 That Cabinet note the content of this report.

2.2 That Cabinet Members note the suggested response from officer, and adopt all of the recommendations from the Budget and Performance Scrutiny Committee.
3. PROPOSAL

3.1 In June 2016, the Budget and Performance Scrutiny Committee agreed to carry out a themed review into maximising the benefits of economic growth. The primary concern of the review was to ensure that the Council operates in a commercially aware way through optimising income generation income against a background of falling central government grant. Also, that the Council dedicates a significant proportion of these resources to promote new business growth and the employment opportunities that accompany it.

3.2 The Committee dedicated its meeting of 14th December 2016 to considering this issue, examining each of the three relevant areas within the review scope as separate items on the agenda:

i. the role of the Council's new housing development vehicle (Waltham Forest Development Company)

ii. future levels of council tax and business rates and the income they generate

iii. Community Infrastructure Levy and s106 agreements and their contribution to stimulating economic growth.

3.3 The report (Appendix1) was finalised following the last meeting of the Committee on 3rd May, where the report was considered and adopted. The report detailed the key issues arising from the evidence gathering session and incorporating additional information gathered before and after the meeting.

3.4 The report puts forward recommendations to secure the maximum advantage for the all the residents of Waltham Forest as a result of rapid economic growth. It is not anticipated that the recommendations will result in any direct additional expenditure for the Council.

3.5 The recommendations made by the Report were:

1. Ensure the process for reviewing the CIL charging schedule is accelerated wherever possible, to ensure the Council can benefit from a more appropriate schedule at the earliest opportunity.

2. Through the process of reviewing the CIL schedule, the Council should take into account continued pressures both on housing and infrastructure locally and across London, to ensure any future schedule remains fit for purpose over its intended lifetime.

3. The Council should investigate options for developing a process of deciding S.106 spending priorities that is linked more closely to
corporate priorities and the capital programme, as well as including the involvement of elected members.

4 The Council should investigate putting in place a clear framework for decision making around disposal of Council land assets, which should include a presumption that prior to any decision making stage, the development vehicle is consulted to propose an in-house option for the site.

5 Working together, the Housing and Growth directorates should consider whether there is scope for the vehicle to play a more ambitious role in delivering and capturing value from key development areas in the borough. This should form part of the relevant Scrutiny Committees agenda going forwards.

6 Finance officers should explore the scope to improve planning around reserves, and there potential for use in investment, by establishing a clearer articulation of the Council’s risk appetite for reserves.

7 As the tax base continues to grow, the Revenue and Benefits Service should explore options for improving Council Tax collection rates, for example by bringing collection back in-house or reducing the lag in payments between tenancies by automatically targeting landlords. These could provide valuable pilots for widening the use of data driven approaches to maximising revenue collection.

8 Waltham Forest should engage closely with other London councils to ensure it is well placed to capitalise on the transition towards 100% retention of business rates. The opportunity to enter into a pilot pool in 2018/19 could provide a valuable chance to support this.

3.6 Officers have commented on the recommendations, and are recommending that the Cabinet endorse all eight recommendations.

4. OPTIONS & ALTERNATIVES CONSIDERED

4.1 It is established practice for the Cabinet to consider each individual scrutiny committee themed review and to make comments on issues contained within the report. Officers have considered the individual recommendations and suggested that they all be adopted.

5. SUSTAINABLE COMMUNITY STRATEGY PRIORITIES (AND OTHER NATIONAL OR LOCAL POLICIES OR STRATEGIES)

5.1 The recommendations contained in this themed review report take into account the Council’s priorities and aims to implement those where relevant to the themed review’s topic.
6 CONSULTATION

6.1 The evidence that informed the conclusions of this review was provided at a single Committee meeting by relevant officers. No public consultation was arranged specifically for this themed review, as the scope and issues addressed have recently been consulted on separately by the Council.

7 IMPLICATIONS

7.1 Finance, Value for Money and Risk

The recommendations have been developed so that they can be implemented within the existing budgets available to relevant services. However, if in preparing to implement the recommendations contained within the themed review report, they are not sustainable within existing resources and officers find that additional expenditure is required, a report should be brought back to Cabinet to explain either: a) why the recommendations cannot be implemented; or b) proposals to finance their implementation.

7.2 Legal

Part of the Council’s constitution sets out the Overview and Scrutiny procedure rules including, in paragraph 6, the procedure for policy review and development. This report has been prepared as part of the annual work programme agreed by Council following consultation with the relevant directors and portfolio lead member (part 6 para.5.1). The procedure rules provide that in carrying out any such policy review or development, Overview and Scrutiny must have regard to available budgets and resources (para.6.2) and make recommendations to Cabinet (6.1.1).

7.3 Equalities and Diversity

The Council must further take into account its wider Public Sector Equality Duty (PSED) under s.149 of the Equality Act 2010 when making a decision. The Council will consider the impact of changes that might arise as a result of implementing the recommendations on those with protected equality characteristics, in particular where there is likely to be an impact on residents or service users from any changes to, or decommissioning of existing services.

7.4 Sustainability (including climate change, health, crime and disorder)

As outlined above, the report and its recommendations are expected to have a positive impact on all residents. Sustainability issues will be carefully monitored to identify any adverse effects from the
implementation of any of the recommendations. Where a negative impact arises, mitigating action will be taken.

7.5 Council Infrastructure

The recommendations that Cabinet is asked to agree are intended to be cost neutral, with a process for referral back to Cabinet if this is not the case. As such the recommendations in the themed review report do not impact on the Council’s transformation programme.

These recommendations will be implemented within existing staffing requirements. If any of the recommendations lead to a need for additional HR resource, further Cabinet approval will be sought.

BACKGROUND INFORMATION (as defined by Local Government (Access to Information) Act 1985)

None.