

Notice of Meeting

CABINET

Tuesday, 17 July 2018 - 7:00 pm
Council Chamber, Town Hall, Barking

Members: Cllr Darren Rodwell (Chair); Cllr Saima Ashraf (Deputy Chair) and Cllr Dominic Twomey (Deputy Chair); Cllr Sade Bright, Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Margaret Mullane, Cllr Lynda Rice and Cllr Maureen Worby

Date of publication: 9 July 2018

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Chief Executive

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AGENDA

1. Apologies for Absence

2. Declaration of Members' Interests

In accordance with the Council's Constitution, Members are asked to declare any interest they may have in any matter which is to be considered at this meeting.

3. Minutes - To confirm as correct the minutes of the meeting held on 19 June 2018 (Pages 3 - 11)

4. Vicarage Field Development Proposals - Use of CPO Powers (Pages 13 - 31)

5. Medium Term Financial Strategy Update 2018/19 to 2020/21 (Pages 33 - 41)

6. **Review of School Places and Capital Investment - Update June 2018 (Pages 43 - 61)**
7. **Review of Parking Fees and Charges (Pages 63 - 94)**
8. **Waiver Request for the Provision of Temporary Accommodation for Families with No Recourse to Public Funds (Pages 95 - 103)**
9. **Procurement Strategy for the Replacement of the Council's Vehicle Fleet (Pages 105 - 116)**
10. **Any other public items which the Chair decides are urgent**
11. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

Private Business

The public and press have a legal right to attend Council meetings such as the Cabinet, except where business is confidential or certain other sensitive information is to be discussed. The list below shows why items are in the private part of the agenda, with reference to the relevant paragraph of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended). ***There are no such items at the time of preparing this agenda.***

12. **Any other confidential or exempt items which the Chair decides are urgent**



Our Vision for Barking and Dagenham

One borough; one community; London's growth opportunity

Our Priorities

Encouraging civic pride

- Build pride, respect and cohesion across our borough
- Promote a welcoming, safe, and resilient community
- Build civic responsibility and help residents shape their quality of life
- Promote and protect our green and public open spaces
- Narrow the gap in attainment and realise high aspirations for every child

Enabling social responsibility

- Support residents to take responsibility for themselves, their homes and their community
- Protect the most vulnerable, keeping adults and children healthy and safe
- Ensure everyone can access good quality healthcare when they need it
- Ensure children and young people are well-educated and realise their potential
- Fully integrate services for vulnerable children, young people and families

Growing the borough

- Build high quality homes and a sustainable community
- Develop a local, skilled workforce and improve employment opportunities
- Support investment in housing, leisure, the creative industries and public spaces to enhance our environment
- Work with London partners to deliver homes and jobs across our growth hubs
- Enhance the borough's image to attract investment and business growth

Well run organisation

- A digital Council, with appropriate services delivered online
- Promote equalities in the workforce and community
- Implement a smarter working programme, making best use of accommodation and IT
- Allow Members and staff to work flexibly to support the community
- Continue to manage finances efficiently, looking for ways to make savings and generate income
- Be innovative in service delivery

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MINUTES OF CABINET

Tuesday, 19 June 2018
(7:00 - 8:21 pm)

Present: Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Sade Bright, Cllr Evelyn Carpenter, Cllr Syed Ghani, Cllr Margaret Mullane, Cllr Lynda Rice and Cllr Maureen Worby

Apologies: Cllr Cameron Geddes

1. Declaration of Members' Interests

There were no declarations of interest.

2. Minutes (20 March 2018)

The minutes of the meeting held on 20 March 2018 were confirmed as correct.

3. Revenue and Capital Outturn Report 2017/18

The Cabinet Member for Finance, Performance and Core Services presented a report on the Council's revenue and capital outturn position for 2017/18, which was expected to represent the final position for the year subject to external audit.

The General Fund revenue expenditure for the financial year was projected at £150.73m against the revised budget of £145.13m, representing an overspend of £5.6m at the year end. The Cabinet Member referred to the main areas of overspend and explained that many were a result of long-standing structural budget deficits that had been corrected as part of the budget setting process for 2018/19. There were also a number of proposed carry forwards and transfers to / from reserves that had been accounted for in the outturn position.

The Housing Revenue Account (HRA) showed a projected year-end surplus of £0.671m which would be transferred to the HRA reserve while Dedicated Schools Grant (DSG) expenditure was £210.713m against the budget of £211.386m after adjustments and Department for Education (DfE) clawback. With regard to the DSG, it was noted that there was an ongoing pressure in the High Needs block due to DfE funding not keeping pace with the population growth in the Borough and the increasing complexity of high-level need for a small number of children with special educational needs. The Cabinet Member for Educational Attainment and School Improvement advised that the Government was being lobbied for a fairer settlement for Barking and Dagenham and Jon Cruddas MP was also expected to raise the Borough's plight in the House of Commons.

The Council's Transformation Programme was on target to deliver £7.7m of the planned £8.1m savings for 2017/18 and the overall Capital Programme showed expenditure of £170.329m against the revised budget of £199.678m, with the most significant variance relating to the Street Property Purchasing Scheme which had allocated only £17.516m of the £30m budget. The need for Cabinet Members to receive early notification of potential slippage on capital projects was reiterated.

The Cabinet **resolved** to:

- (i) Note the provisional outturn position for 2017/18 of the Council's General Fund revenue budget as detailed in section 2 and Appendix A of the report;
- (ii) Approve the carry forwards and transfers to/from reserves as detailed in section 4 of the report;
- (iii) Note the overview of the HRA for 2017/18, as detailed in section 5 and Appendix B of the report;
- (iv) Note the overview of the Dedicated Schools Grant budget for 2017/18 as detailed in section 6 of the report;
- (v) Note the overview of the 2017/18 Capital Programme as detailed in section 7 and Appendix C of the report;
- (vi) Note the overview of the Transformation Programme for 2017/18 as detailed in section 8 and Appendix D of the report; and
- (vii) Note the position of the reserves as detailed in section 9 and Appendix E of the report.

4. Parsloes Park 'Parklife' Football Hub

Further to Minute 28 (11 July 2017), the Cabinet Member for Community Leadership and Engagement presented a report on proposals to significantly enhance the football and associated facilities at Parsloes Park.

The Cabinet Member explained that Parsloes Park was a regionally significant park for its football pitch provision. The pitches and associated facilities had become run down and required significant investment in order to deliver the aims of the Council's Parks and Open Spaces Strategy, the Borough Manifesto and the Corporate Plan. Discussions had taken place with The Football Foundation, Sport England and the Essex County Football Association regarding a major improvement project via the 'Parklife' programme, a national scheme that provided capital investment for sites such as Parsloes Park and the Cabinet Member advised that a c.£6m project had been developed which would deliver accessible, state-of-the-art facilities including:

- New changing facilities incorporating eight team changing rooms (suitable for use by children and adult teams) and changing rooms for officials;
- 55 station gym, dance studio and gym change;
- Bar, café and social space;
- Public toilets and disabled toilets (to 'changing places' standard);
- Three artificial grass pitches with floodlighting that could be used for 11-a-side football matches and compartmentalised to accommodate multiple mini, junior and five-a-side games being played simultaneously; and
- Subject to funding, one of the pitches to be stadia standard (National Ground Grading Category F criteria), which allowed for football to be played up to Step 5 level.

The Cabinet Member outlined the capital funding required for the project to proceed, which included a £3.6m contribution from The Football Foundation and a total of £1.35m of Council funding. Of that sum, £0.6m was proposed to be met from Strategic Community Infrastructure Levy (Strategic CIL) funding and £0.35m from Section 106 funding. It was also acknowledged that all revenue costs associated with the operation of the new facilities would be met by the London Football Trust, a pan-London charitable trust set up to manage the new facilities via a long-term lease from the Council with full repairing and insuring responsibilities at a peppercorn rent.

Cabinet Members spoke in support of the project and were pleased to learn that a minimum of 40% of the available usage time at the new facilities would be made available to local groups. The Leader also referred to the intention to invite the local community to choose between two designs for a statue of Bobby Moore and suggested that Parsloes Park would be an appropriate location as he had honed his skills on the pitches back in the 1950's.

The Cabinet **resolved** to:

- (i) Approve the creation of a football hub of regional significance to replace and greatly enhance the life-expired sports facilities in Parsloes Park, as set out in the report and the site plan at Appendix 1 to the report;
- (ii) Note that the delivery of the c£6 million scheme to the proposed specification shall be dependent on a significant level of external capital funding that had yet to be confirmed, although decisions were pending;
- (iii) Note that there shall be no additional revenue cost to the Council from the operation of the new facilities;
- (iv) Authorise the Director of Law and Governance, or an authorised delegate on her behalf, to enter into a 30-year lease, on a full repairing and insuring basis at a peppercorn rent, for the new Parsloes Park football hub facilities with the London Football Trust, subject to satisfactory negotiation of the lease requirements set out in the proposed funding agreement with the Football Foundation;
- (v) Approve the procurement of a design and build contract for new sports facilities at Parsloes Park (to be funded as part of the Parklife programme) utilising the existing 3G AGP Framework and the Modular Supplier Framework for Changing Rooms used by The Football Foundation and its funding partners, in accordance with the strategy set out in the report;
- (vi) Delegate authority to the Commissioning Director of Culture and Recreation, in consultation with Cabinet Members for Community Leadership and Engagement and Finance, Performance and Core Services, the Chief Operating Officer and the Director of Law and Governance, to conduct the procurement and enter into the contract and all other necessary or ancillary agreements with the successful bidder(s) in accordance with the strategy set out in the report; and

- (vii) Note the intention of the London Football Trust to undertake a single stage tender process to procure the services of a leisure operator to manage the new sports facilities at Parsloes Park via a Service Concession Contract.

5. Allocation of Community Infrastructure Levy to Strategic Projects

Further to Minute 71 (12 December 2017), the Cabinet Member for Finance, Performance and Core Services introduced a report on the proposed allocation of Strategic Community Infrastructure Levy (CIL) funding.

The Cabinet Member advised that three projects had been submitted for consideration and had passed through the assessment route previously agreed by Cabinet. All three bids related to the implementation of strategic projects that formed part of the Council's Parks and Open Spaces Strategy, including the 'Parklife' project referred to in the earlier item on the agenda.

In response to a request for consideration to be given to new children's play facilities in the Becontree ward, the Leader encouraged all Councillors to consider potential initiatives within their wards that could be supported by either Strategic or Neighbourhood CIL funding in the future and to pass on their ideas to the relevant officers.

The Cabinet **resolved** that Community Infrastructure Levy funding be allocated to the following strategic projects:

- Parsloes Park 'Parklife' project - £600,000;
- Children's Play Spaces and Facilities - £275,000 over five years;
- Parks and Open Spaces Strategy 2017 Implementation - £500,000 over five years.

6. Children's Social Care Annual Self-Assessment 2017/18 and OFSTED Focused Visit of Children's Social Care

The Cabinet Member for Social Care and Health Integration presented a report on the first Annual Self-Assessment of Children's Social Care Services in the Borough, as required under the new OFSTED Inspection of Local Authority Children's Services regime, and the outcome of the OFSTED Focused Visit of Children's Social Care Services that took place in March 2018.

With regard to the Annual Self-Assessment, the Cabinet Member commented that a very comprehensive, fair and balanced picture of services had been presented and the response from OFSTED had overall been positive. Areas that received recognition included the "front door" service and Early Help offer to clients via the new Community Solutions service, performance on key safeguarding indicators, the support offered to Care Leavers and effective joint working between the Council's Legal and Social Services teams. Aspects that were highlighted as requiring focus included the agency staff rate and social worker caseloads, although it was acknowledged that the Council had already reduced its agency rate down from 55% to below 30%. All the aspects requiring focus had been addressed under an improvement plan that was outlined in the report, which included the drafting of a Child Sexual Exploitation Strategy and a Neglect Strategy for future consideration by the Cabinet.

In respect of the Focused Visit, Cabinet Members were especially pleased to note that OFSTED had recognised the strong corporate leadership to meet the diverse needs of children and their families, the focus given to equalities issues and the effective working of the multi-agency safeguarding hub (MASH).

The Cabinet Member for Educational Attainment and School Improvement made particular reference to the effectiveness of the Virtual School initiative, the number of Care Leavers going on to University education and the 2016 attainment results which showed that the Borough's Looked After Children were ranked joint first in the country at Key Stage 2. It was also noted that the Council's commitment to "No One Left Behind" had been recognised by OFSTED.

The Cabinet **resolved** to note:

- (i) The first Annual Self-Assessment of Children's Social Care Services in Barking and Dagenham, including the service improvement and challenges contained within and the actions taken, as set out at Appendix A to the report;
- (ii) The areas identified as priorities for 2018/19 as set out in paragraphs 2.36 to 2.47 of the report; and
- (iii) The outcome of the first OFSTED Focused Visit of Children's Social Care Services that took place in March 2018, as set out at Appendix B to the report.

7. Treasury Management Annual Report 2017/18

The Cabinet Member for Finance, Performance and Core Services introduced the Treasury Management Annual Report for 2017/18 which set out the key areas of performance during the year.

Investment income for the year was £4.1m compared to the budget of £2.6m, while the Council's average interest return of 1.22% was 0.51% higher than the average London Peer Group return and 0.61% higher than the Local Authority average return. The Cabinet Member also referred to the investment priorities and borrowing strategy that supported the Council's Investment and Acquisition Strategy. The point was made that the £89m loan secured from the European Investment Bank in January 2015 at just 2.2% over the 30-year term had funded the recent Weaver's Quarter development as part of the regeneration of the Gascoigne Estate. The revenue from the new development was now fully covering the interest payments on the loan while providing genuinely affordable new homes for the local community, including those on the London Living Wage.

The Cabinet **resolved to recommend the Assembly** to:

- (i) Note the Treasury Management Annual Report for 2017/18;
- (ii) Note that the Council complied with all 2017/18 treasury management indicators;

- (iii) Approve the actual Prudential and Treasury Indicators for 2017/18;
- (iv) Note that the Council borrowed £119.6m from the Public Works Loan Board (PWLB) in 2017/18 to fund the Council's regeneration strategy and borrowed a further £15m from other local authorities to fund the Council's land acquisition strategy; and
- (v) Maintain the delegated authority to the Chief Financial Officer, in consultation with the Cabinet Member for Finance, Performance and Core Services, to continue to proportionally amend the counterparty lending limits agreed within the Treasury Management Strategy Statement to reflect the additional cash holdings resulting from borrowing from the European Investment Bank and the PWLB.

8. Pen To Print Project

The Cabinet Member for Community Leadership and Engagement presented a report on the Pen to Print project, a literature development project which was run by the Council's Library Service.

The Council had been successful with an application to the Arts Council for a £720,000 grant over four years to support the expansion of the project in the Borough. The project was first established in the Borough in 2014 and had been very well received, attracting 5,362 people at 141 events to date. As well as encouraging creative writing, with several local authors having had books published as a direct result of the project, a key aim was to improve reading and writing skills at all levels and throughout the local community.

The Cabinet Member explained that Barking and Dagenham was the only Library Service in London, and one of only seven nationally, to secure the four-year grant from the Arts Council. The funding commitment would enable a full programme of classes, events and workshops to be delivered in partnership with local organisations such as the Adult College and Creative Barking and Dagenham.

The Cabinet **resolved** to approve the business plan for the Pen to Print project as set out at Appendix 1 to the report.

9. Procurement of Cashless Catering and Online Payment Supplies and Services

Further to Minute 64 (14 November 2017), the Cabinet Member for Educational Attainment and School Improvement reported on the proposal to vary the procurement strategy for a cashless catering hardware replacement system including software upgrade, support, installation and maintenance of the new system.

The Cabinet Member explained that it was now proposed to follow a Restricted Procurement route, in order to engage and elicit responses from the entire market while restricting the number of tender submissions received to a manageable quantity. The scope of the contract had also been varied to provide for additional functional requirements.

The Cabinet **resolved** to:

- (i) Approve the revised approach for the procurement of supplies and services' contracts for the provision of a cashless catering and online payment solution, in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Commissioning Director for Children's Care and Support, in consultation with the Cabinet Member for Educational Attainment and School Improvement, the Chief Operating Officer and the Director of Law and Governance, to award and enter into the contract(s) with the successful bidder(s).

10. Corporate Plan 2017/18 - Quarter 4 Performance Reporting

The Cabinet Member for Finance, Performance and Core services introduced the corporate performance framework report for the fourth quarter of the 2017/18 financial year.

The Cabinet Member drew attention to the areas of improved performance and those requiring further improvement amongst the Key Accountabilities and the 47 key performance indicators (KPIs) and stressed the importance of setting challenging, realistic targets going forward in order to ensure that the performance monitoring regime was delivering real improvement to the lives of residents. In that respect, the Cabinet Member confirmed that the current performance reporting arrangements were being reviewed.

Issues that arose during the discussions included:

- Green Garden Waste Service – The Cabinet Member for Public Realm advised that the number of subscribers to the paid-for service had increased from the 6,441 quoted in the report and the service continued to prove popular and successful in its second full year.
- Teenage Pregnancy rates – The Cabinet Member for Social Care and Health Integration commented that despite the ongoing reduction in the number of conceptions, Barking and Dagenham continued to have one of the highest rates across London and it was important, therefore, to understand the reasons for this as part of the new performance arrangements.

The Cabinet **resolved** to:

- (i) Note progress against the Key Accountabilities for the 4th quarter 2017/18 as detailed in Appendix 1 to the report; and
- (ii) Note performance against the KPIs for the 4th quarter 2017/18 as detailed in Appendix 2 to the report.

11. Debt Management Performance and Write-Offs 2017/18 (Quarter 4)

The Cabinet Member for Finance, Performance and Core Services introduced the performance report for the fourth quarter of the 2017/18 financial year in respect of the debt management function carried out by the Revenues and Benefits Service

within Elevate East London.

The Cabinet Member advised that the performance of Elevate was predominantly positive against the stretched targets, with more money being collected in real terms during 2017/18 despite the challenges that many faced as a consequence of the Government's austerity programme.

The Cabinet **resolved** to:

- (i) Note the performance of the debt management function carried out by the Revenues and Benefits service operated by Elevate East London, including the performance of enforcement agents; and
- (ii) Note the debt write-offs for the fourth quarter of 2017/18.

12. Urgent Action - Barking Abbey School Longbridge Road Site Sub-Station Lease

The Cabinet Member for Educational Attainment and School Improvement introduced a report advising on action taken by the Chief Executive, on behalf of the Cabinet, to facilitate the expansion of Barking Abbey School Longbridge Road site in time for the September 2018 new intake.

The Cabinet **resolved** to note the action taken by the Chief Executive, in accordance with the Urgent Action procedures set out in Part 2, Chapter 16, paragraph 4 of the Constitution, in relation to the entering into of a 99-year lease with UK Power Networks in respect of a new electricity sub-station at Barking Abbey School Longbridge Road site.

13. 'Made in Dagenham' Film Studios Land Assembly

Further to Minute 85 (23 January 2018), the Cabinet Member for Finance, Performance and Core Services introduced a report on the proposal to purchase the freehold of the Londoneast-uk surplus land site and the freehold purchase of The Cube site at the former Sanofi site, Rainham Road South, Dagenham.

The Cabinet had previously agreed terms for the freehold purchase of the Londoneast-uk surplus land site and the lease of The Cube site. Ongoing discussions with the owner had led to the opportunity to purchase the freehold of both sites, which had been the Council's preferred position from the outset, on revised terms.

The Cabinet Member explained that ownership of both sites, in addition to the land already owned by the Council at the location, should lead to an uplift in land values given the plans for a world-class film studios development as part of the major regeneration of the location. It was also proposed that capital funding be set aside for potential investment in The Cube site, with a view to generating more lettable floorspace or increasing the value of the site for future sale.

The Cabinet **resolved** to:

- (i) Approve the revised terms of the freehold purchase of the Londoneast-uk

surplus land site and the freehold purchase of The Cube site on the terms set out in Appendix 2 to the report, for inclusion in the Council's Investment and Acquisition Programme;

- (ii) Authorise the Chief Operating Officer, in consultation with the Director of Law and Governance and the Cabinet Member for Finance, Performance and Core Services, to enter into all necessary agreements to complete the freehold purchase of the sites identified in the plan at Appendix 1 to the report;
- (iii) Agree that up to £6.5m of capital funding be set aside for improvement / extension works to The Cube to enhance its longer-term viability; and
- (iv) Authorise the Chief Operating Officer, as advised by the Investment Panel and/or Assets and Capital Board as appropriate, to determine the future arrangements for The Cube site in accordance with the Council's Investment and Acquisition Strategy.

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CABINET**17 July 2018**

Title: Vicarage Field Development Proposals - Use of CPO Powers	
Report of the Cabinet Member for Regeneration and Social Housing	
Wards Affected: Abbey	Key Decision: Yes
Report Author: David Harley, Head of Regeneration, Be First	Contact Details: Tel: 0208 227 5316 E-mail: david.harley@befirst.london
Accountable Strategic Leadership Director: Graeme Cooke, Director of Inclusive Growth	
<p>Summary</p> <p>In March 2018 (Minute number 111) Cabinet gave "in principle" approval to the use of the Council's statutory powers including compulsory purchase and appropriation powers, if required, to support and facilitate the delivery of the Vicarage Field regeneration proposals.</p> <p>This report sets out the progress made since March and seeks Cabinet approval to proceed with the compulsory purchase order (CPO).</p> <p>The Vicarage Field development is a significant mixed-use regeneration proposal which will transform Barking Town Centre, improving its image and function, and with the potential to act as a catalyst for further high-quality developments within the Borough. Council policies and objectives, and London and borough planning policies support and promote this regeneration proposal requiring a mixed use, high quality development in the heart of Barking Town Centre.</p> <p>Outline planning consent was granted by the Council in April 2017 for a large mixed-use scheme including retail, offices, a hotel, a primary school, healthcare facilities, leisure uses and around 855 new homes. As part of these current proposals the existing Vicarage Field Shopping Centre and other buildings would be demolished and the redevelopment would provide a new focus for Barking Town Centre with a range of mixed uses, improved public realm and landscaping ("the Consented Scheme").</p> <p>The current scheme is being delivered by developer Lagmar (Barking) Ltd which is an entity of Benson Elliot Capital Management LLP (Benson Elliot). Benson Elliot is an independent private equity real estate fund manager who has experience of delivering town centre projects. The developer has programmed to start construction of the Consented Scheme in early 2020. In addition to obtaining outline planning consent, the developer has been assembling the site ready for redevelopment through the acquisition of the various third-party interests within the site. Whilst the developer and the Council own a large part of the site, in common with other development schemes of this size, the exercise of compulsory purchase and appropriation powers is likely to be necessary to enable the timely delivery of the regeneration proposals. Lagmar (Barking) Ltd has been working closely with Be First to ensure that construction can commence on time and the positive transformation of Barking Town Centre can begin.</p>	

Overall it is considered that the development proposal will significantly improve and transform what is an important gateway site opposite the station, enhancing the immediate environment, attracting investment and creating new housing and employment opportunities within the Borough. At this stage, balancing the regenerative benefits emanating from the development proposal, it is considered that the impact this may have on third parties likely to be affected by the use of CPO is proportionate and that accordingly there is a compelling case in the public interest for authorising the use of CPO powers.

A separate future report to Cabinet will address the Council's freehold interest in the site and the terms of any land agreements between the Council and Lagmar (Barking) Ltd.

Recommendations

The Cabinet is recommended to:

- (i) Agree, subject to consideration of the matters set out in the report and the prior completion of the proposed Compulsory Purchase Order Indemnity Agreement ("CPOIA"), to make a Compulsory Purchase Order (CPO) pursuant to Section 226(1)(a) of the Town and Country Planning Act 1990 and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of land and new rights in respect of the area identified in Appendix 1 to the report "draft CPO Plan" and the Schedule, to facilitate delivery of the Vicarage Field regeneration proposals detailed in the report;
- (ii) Note that a full Statement of Reasons supporting the CPO had been substantially progressed and to delegate authority for its final approval to the Director of Inclusive Growth.
- (iii) Delegate authority to the Director of Law and Governance, in consultation with the Director of Inclusive Growth, to:
 - (a) agree minor amendments to the CPO Plan and CPO Schedule before the making of the CPO (if required);
 - (b) take all steps to secure the making, confirmation and implementation of the Compulsory Purchase Order ("Order") including the publication and service of all notices and the promotion of the Council's case at any public inquiry;
 - (c) negotiate, agree terms and enter into agreements with interested parties including agreements for the withdrawal of blight notices and/or the withdrawal of objections to the Order and/or undertakings not to enforce the Order on specified terms, including (but not limited to) where appropriate seeking the exclusion of land or rights from the Order, making provision for the payment of compensation and/or relocation;
 - (d) in the event the Order is confirmed by the Secretary of State, to advertise and give notice of confirmation and thereafter to take all steps to implement the Order including, as applicable in accordance with the CPO Indemnity Agreement to execute General Vesting Declarations and/or to serve Notices to Treat and Notices of Entry in respect of interests and rights in the Order Land;

(e) take all steps in relation to any legal proceedings relating to the Order including defending or settling claims referred to the Upper Tribunal and/or applications to the courts and any appeals.

- (iv) Agree that, where required to assist in the delivery of the Vicarage Field regeneration proposals, the Council shall appropriate land for planning purposes pursuant to Section 122 of the Local Government Act 1972 to enable Section 203 of the Housing and Planning Act 2016 to be utilised to override any third-party rights; and
- (v) Agree that the making of the CPO be conditional upon the terms for the land agreement(s) between the Council and Lagmar (Barking) Ltd. being in accordance with the arrangements set out in paragraph 2.48 of the report and subject to the approval of the Cabinet at a future meeting.

Reason(s)

The making of a compulsory purchase order pursuant to Section 226(1)(a) of the Town and Country Planning Act 1990 will facilitate the redevelopment of the Vicarage Field site and surrounding area. This will accelerate the Council's regeneration agenda and bring forward homes, inward investment, business growth and job creation, whilst improving skills and productivity, in line with the Council priority 'Growing the borough', thereby contributing to the environmental, social and economic improvement of the borough; accordingly it is considered that there is a compelling case in the public interest to make a CPO.

1. Introduction and Background

- 1.1. The Vicarage Field development is a significant mixed-use regeneration proposal for Barking Town Centre. The scheme would contribute towards the Council's vision for growth and positive change. This is in line with the Growth Commission's recommendations including that Barking Town Centre should continue its direction towards becoming a more urban centre, with an active, interesting street life, a broad range of retail and restaurants and places of employment. The Growth Commission recommended that Barking Town Centre should be the initial priority for growth and investment and that it should be used as an exemplar for the Council's new approach to its urban areas. The delivery of the Vicarage Field scheme has the potential to be an exemplar scheme in delivering these recommendations.
- 1.2. Developer Lagmar (Barking) Ltd are working closely with the Council's regeneration company, Be First, to deliver this scheme and accelerate regeneration in the heart of Barking Town Centre. The proposals will contribute significantly to the delivery of the Borough's regeneration agenda and will deliver the aspirations of Council policies including the Borough's vision and corporate policies, specifically those around promoting growth in the Borough. The proposals will enable the Council's planning policies to be delivered in a coordinated manner including fulfilling the policy objectives and allocations in the Barking Town Centre Area Action Plan and delivering new homes, consistent with the Mayor of London's designation of Barking Town Centre as a Housing Zone.

- 1.3. There is a current scheme (The Consented Scheme) to deliver these regeneration proposals which was granted outline planning consent in April 2017 and Lagmar (Barking) Ltd is programming to start construction of this scheme in early 2020.
- 1.4. The Council owns the freehold of the Vicarage Field shopping centre with the long lease owned by Lagmar (Barking) Ltd with a number of occupiers within the centre itself. Also falling within the development site boundary are separate freehold and leasehold properties which are owned by third parties and not within the control of either the Council or Benson Elliot (BE). BE's development team, has to date been seeking to acquire all third-party interests by agreement or utilising its landlord and tenant powers and whilst there has been a good degree of success, particularly relating to the occupiers of the centre, there are a number of other interests yet to be secured.
- 1.5. Accordingly, the use of the London Borough of Barking and Dagenham's compulsory purchase powers and appropriation powers are being sought to assist in the delivery of the Vicarage Field regeneration proposals. In March 2018 Cabinet gave an "in principle" decision to authorise preparation for the use of CPO powers; officers and professional advisors have prepared the detailed CPO documentation and supporting information and now seek approval to authorise the formal CPO process.

2. Proposal and Issues

- 2.1 This report seeks Cabinet approval of the use of the Council's compulsory purchase powers and to appropriate any land required for planning purposes to enable delivery of the regeneration proposals for Vicarage Field.
- 2.2 The March Cabinet report stated the compulsory purchase powers would only be sought and used if appropriate agreement(s) are in place covering all the Council/Be First's costs including the land purchase, compensation payments and professional fees. The body entering into the agreement would need to have an appropriate covenant strength for the scale of expenditure potentially required. A CPO indemnity agreement between the Council and Benson Elliot (of which Lagmar (Barking) Ltd is a subsidiary) is being finalised addressing appropriate covenant strength and would be entered into prior to the making of the CPO. This will indemnify the Council in respect of any compensation and costs liability which the Council is exposed to in making the CPO.

Proposed Order Land

- 2.3 The extent of the land to be subject to the CPO ("Order Land") is identified in the Plan and Schedule attached to this report (subject to final boundary confirmation).
- 2.4 The Order Land includes the Vicarage Field Shopping Centre, street properties at 13 to 23 Ripple Road and 24 to 38 Station Parade, the Vicarage Field Health Clinic and St Awdry's Walk.
- 2.5 The Order Land is in the heart of Barking Town Centre, opposite Barking Station and is bounded by the railway line to the north alongside St Awdry's Walk, Station Parade to the west, Ripple Road to the south, and Sunningdale Avenue and St

Awdry's Road to the east. Abbey and Barking Town Conservation Area covers a small part of the Order Land boundary including the street properties along Ripple Road and Vicarage Health Centre. None of the buildings on the Order Land are listed.

Property	Description
Vicarage Field Shopping Centre	Land comprising commercial premises.
St Awdry's Walk	Land comprising public footway.
13-23 Ripple Road	Land comprising commercial premises and flats
24-38 Station Parade	Land comprising commercial premises and flats
Vicarage Field Health Clinic and adjoining land	Land and premises known as Vicarage Field Health Clinic and land adjoining the health clinic.

The Vicarage Field regeneration proposals

- 2.6 The Council has ambitious objectives, policies and targets for growth across the Borough including the delivery of more than 50,000 new homes and 20,000 new jobs over the next 20 years. Barking Town Centre is identified by the Council and Be First as one of the key Growth Opportunities/Hubs for significant new development.
- 2.7 The shopping centre itself is allocated within the Barking Town Centre Area Action Plan as a development site and is located within Barking Town Centre which has been awarded Housing Zone status by the Mayor of London. Proposals for Vicarage Field will deliver the planning aspirations of these designations including mixed use, high quality development, integrating the new development into the wider town centre and creating a much more pleasant and enjoyable environment with a retail and leisure offer meeting Barking's future needs.
- 2.8 There are currently proposals for the redevelopment, which Lagmar (Barking) Ltd intend to start constructing in early 2020. Outline planning consent was granted by the Local Planning Authority in April 2017 (application number 16/01325/OUT). The outline planning consent authorises:

Redevelopment of the existing shopping centre to create a mixed-use scheme of up to 138,000 sqm (GEA), comprising;

- Up to 25,650 sqm retail floorspace (A1-A5)
- Up to 1,250 sqm B1 offices
- Up to 81,750 sqm residential floor space (C3) (around 855 new homes)
- Up to 7,750 sqm hotel floor space (C1)
- Up to three-form entry primary school (D1)
- Healthcare facilities (D1)
- Leisure uses (D2)
- Public realm
- Landscaping
- Basement parking

- 2.9 The Consented Scheme comprises the Vicarage Field Shopping Centre and the car park to the rear of the shopping centre and some street properties along Station Parade and Ripple Road, as well as Vicarage Field Health Centre on Vicarage Drive. The site adjoins the Abbey and Barking Town Centre Conservation Areas with a small area comprising the 1920s/30s terrace at 13-23 Ripple Road and the 1930s health centre building on Vicarage Drive falling within the conservation area. There are no listed buildings or unlisted buildings of merit within the development site area.
- 2.10 The Consented Scheme aims to transform Barking Town Centre with the provision of high quality retail floorspace at ground and first floor levels and the creation of new outdoor high streets which will cross through the heart of the development. Leisure and cultural uses will also be distributed across the ground and first floors. Whilst the precise uses are not yet finalised these could include a gym, cinema and music venue. Business floorspace will also be provided including affordable workspace for Barking's local businesses. New homes will be delivered, with the outline application's indicative scheme expecting around 855 units although this could rise to over 900 new homes depending on the final mix of units. A new 150 bed hotel is also to be provided with an alternative residential use to provide more new homes if there is insufficient demand for a hotel. A new 3-form entry primary school and replacement healthcare facilities will also be provided with the Council delivering the school on specified land. The scheme will also significantly improve the public realm linking the station to Ripple Road. It represents a significant investment into Barking Town Centre generating new employment, homes and facilities and a striking gateway into the Borough. It aligns both with the Council's vision and recommendations of the Growth Commission.
- 2.11 The application falls within the Barking Town Centre Area Action Plan (AAP) and the existing shopping centre is located within the Barking Town Centre Site Specific Allocation Area 10. As was concluded by the Council's Barking and Dagenham Council Development Control Board the development proposal is consistent with the strategic principles of the Site Specific Allocation and AAP and as confirmed in the Mayor's Stage II Report, is consistent with the adopted London Plan.

Land acquisition and negotiations

- 2.12 Lagmar (Barking) Ltd has been seeking to acquire the entire development site through private treaty negotiation to enable delivery of the regeneration proposals. The existing Vicarage Field Shopping Centre's freehold is owned by the London Borough of Barking and Dagenham. Lagmar (Barking) Ltd has the long leasehold interest and is in the process of securing vacant possession of the units within the centre as occupational leases come to an end. Currently 65 out of 68 interests are now on short term tenancies, and landlord and tenants powers can be exercised to obtain vacant possession by the required construction start date. Therefore between the Council and the developer, a substantial proportion of the site is already under control.
- 2.13 The interests at 24-38 Station Parade (evens), 13-23 Ripple Road (odds) and the Vicarage Field Health Centre, Vicarage Drive are not currently in the control of Lagmar (Barking) Ltd. However, some of these properties have agreed terms and completion is expected imminently. Part of the site is outside the developer's ownership, therefore the need for additional land assembly was acknowledged by officers when reporting to the Planning Committee and by councillors when making

the decision to grant planning permission. The Planning Committee report made it clear that the applicant would need to acquire the remaining interests through negotiation or through the use of the Council's compulsory purchase powers.

- 2.14 The developers are negotiating with the owners of the remaining interests and where possession cannot be secured using landlord and tenant powers, compensation will be offered in line with the Compulsory Purchase Code. This includes paying compensation to affected parties as if the interest was actually being acquired under compulsory purchase powers even if agreement is actually reached through negotiation.
- 2.15 The developers have made some progress already in acquiring the required interests including land interests both within and outside the shopping centre. This includes Heads of Terms agreed for two of the properties on Ripple Road. Further negotiations are underway and will continue alongside CPO processes.

The need to use the Council's compulsory purchase powers

- 2.16 Whilst the developers are seeking to acquire the required interests through negotiation, consistent with other schemes of this nature it is considered unlikely that all of the third parties will voluntarily agree to sell their interests within the required timescale or at a reasonable cost. It is common practice to seek approval to the use of compulsory purchase powers by the Council in case negotiations fail or cannot be concluded within a reasonable timescale. Furthermore, by starting the formal process of preparing for the use of compulsory purchase powers now, affected parties are more likely to engage in meaningful discussions to sell their interests as the prospect of the CPO will make clear that the scheme will be delivered within a reasonable timescale. Government guidance¹ is clear that negotiations can, and should, continue in parallel with the preparation and making of a CPO. Given the nature of the property owners, dialogue about alternative business premises is likely to form part of the discussions.
- 2.17 The appropriate compulsory purchase power to support the Vicarage Field redevelopment proposals is to use Section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) which permits the compulsory acquisition of land by a Council: *"if the authority think that the acquisition will facilitate the carrying out of development/re-development or improvement on or in relation to the land."*
- 2.18 Under section 226(1A) the power must not be exercised unless Members think that the development, redevelopment or improvement of land is likely to contribute to the achievement or the promotion or improvement of the social, economic and/or environmental well-being of the area. When using CPO powers, it is also necessary to have regard to the national guidance in the '*Guidance on Compulsory purchase process and The Crichel Down Rules for the disposal of surplus land acquired by, or under the threat of, compulsion, updated February 2018*' which provides detailed guidance on the use of compulsory purchase powers including the use of Section 226(1)(a) powers. This guidance sets out the process that should be followed in seeking to use compulsory purchase powers, and this guidance will be followed throughout the CPO process.

¹ "Guidance on Compulsory Purchase Process and the Crichel Down Rules for the disposal of surplus land acquired by, or under the threat of compulsion (updated February 2018)".

- 2.19 The Government guidance sets out that Section 226 powers are intended to provide a positive tool to help acquiring authorities with planning powers to assemble land where this is necessary to implement proposals in their Local Plan. It is normally used to assemble land for regeneration. Effectively this allows local planning authorities to acquire land for planning purposes if the development is likely to contribute to the promotion or improvement of the economic, social and/or environmental wellbeing of the area, and most importantly there must be a compelling case in the public interest for the use of the statutory powers.
- 2.20 The Council/Be First and the developer will need to jointly demonstrate the case for the use of compulsory purchase powers to deliver the regeneration of the Vicarage Field proposals. This will include demonstrating;
- the policy basis for the Consented Scheme to demonstrate that the scheme fits with the planning policy framework for the area;
 - Deliverability- demonstrating that the development is able to proceed and is deliverable, that the necessary resources and funding are available to achieve the purpose of the CPO within a reasonable time frame;
 - that the scheme is unlikely to be blocked by legal or physical impediments;
 - the extent to which the development will contribute to the achievement of the economic, social and/or environmental wellbeing of the area;
 - whether the purpose for which the land is to be acquired could be achieved by any other means.
- 2.21 In addition there will need to be justification that there is a compelling case in the public interest and to show that reasonable efforts to acquire the interests by negotiation have been made in advance of making the CPO. Officers are satisfied that to date Lagmar (Barking) Ltd and its agents have undertaken effective engagement with land owners and have been successful in acquiring a large number of third party interests through private treaty negotiations and securing rights to ensure vacant possession in time for the delivery of the scheme.
- 2.22 Be First (on behalf of the Council) has worked with Lagmar (Barking) Ltd to ensure that there is a strong case to justify the use of CPO powers, that the necessary 'tests' are met and that all necessary preparation is carried out prior to making the CPO. It is considered the CPO Guidance requirements are met to justify the making of the CPO, as is further assessed below.

Social, environmental and economic wellbeing benefits

- 2.23 The regenerative benefits derived from the development of this site have already been outlined above and are more fully set out in the draft Statement of Reasons, all of which will contribute to the social, economic and environmental improvement of the area.
- 2.24 A range of various community/social benefits will be brought forward as part of the proposals. This includes the provisions of a new primary school, brand new replacement health facilities and new leisure and evening uses within the town centre.

- 2.25 New public realm will be brought forward as part of the overall development proposals, enhancing the immediate environment outside the station and surrounding area, with new and improved linkages being provided through the site.
- 2.26 The development will attract investment to the area and a range of commercial operators. New job opportunities will be created both during the construction and operational stages of the development. Affordable workspace, the provisions of goods, services and employment from the local area are secured as planning obligations.
- 2.27 It is considered all of these elements will contribute positively to the social, economic and environmental well-being of the area.

Planning Background and Policy Framework

- 2.28 The recent grant of planning permission for the development affirms that the proposal accords with the relevant planning policy framework and that there is no planning impediment from the proposals proceeding.
- 2.29 The National Planning Policy Framework (NPPF) promotes mixed-use developments and encourages multiple benefits from the use of land. The use of sites within town centres for residential development is also supported and the NPPF states that housing applications should be considered in the context of the presumption in favour of sustainable development.
- 2.30 The NPPF encourages development to optimise the potential of sites to create and sustain an appropriate mix of uses. The effective use of previously developed land (brownfield land) is also encouraged.
- 2.31 Policy 3.7 of the London Plan encourages proposals for large residential development, including complementary non-residential uses in areas of high public transport accessibility. The Mayor of London's 'Housing' Supplementary Planning Guidance (SPG) identifies that London's town centres have substantial potential for housing intensification, particularly through residential-led, higher density, mixed-use development.
- 2.32 Barking Town Centre is a key development area within the London Riverside Opportunity Area. The London Riverside Opportunity Area Planning Framework (OAPF) states that the town centre is suitable for high density, mixed-use developments with the potential for tall buildings.
- 2.33 Policy CM1 of the Core Strategy states that residential development (particularly higher density development) will be focussed in the key regeneration areas, which includes Barking Town Centre. Policy CM2 of the Core Strategy sets a target of 6,000 new homes in Barking Town Centre.
- 2.34 The application site as a whole falls within the area included in the Barking Town Centre Area Action Plan (AAP) and the existing shopping centre is located within Barking Town Centre Site Specific Allocation Area 10 (BTCSSA10) (Vicarage Field). The Site Specific Allocation identifies an indicative capacity of 2,500 square metres (net) of retail floorspace and 250 new homes. This quantum was based on the previous (now expired) planning permission for the existing shopping centre site which

included a 23-storey building. The Site Specific Allocation states that a scheme providing the stated uses is to be encouraged and permitted provided that it reviews car parking provision and servicing arrangements to encourage a more efficient use of the site and a reduced impact on the local road system.

- 2.35 Policy BTC17 of the Barking Town Centre AAP identifies Vicarage Field on the Station Parade frontage as 'sensitive' but potentially suitable for tall buildings. The Council's Development Control Board in determining the planning application for the Consented Scheme were satisfied that the proposals were consistent with the planning policy framework and that together with the regenerative benefits secured as part of the development, resolved for planning permission to be granted.

Whether the purpose for compulsorily acquiring the land could be achieved by other means

- 2.36 Officers are satisfied that all of the land identified is necessary to deliver the proposed development and that Lagmar (Barking) has invested time and resources seeking to acquire by negotiation land and interests held by third parties.
- 2.37 The purpose for which land and any rights are proposed to be acquired is to enable the comprehensive redevelopment of the application site (in which the Order Land falls) in accordance with the adopted planning policy framework. The planning permission which has been granted, namely the Consented Scheme, secures the comprehensive redevelopment in general accordance with those policies.
- 2.38 The Consented Scheme will be delivered in a single phase during the build out period, the developer therefore needs certainty prior to commencing the development on site that all land required to deliver the scheme is within its control.
- 2.39 The location of the development proposal within the town centre and opposite Barking station is an important one, as supported by local planning policies. The development will have a transformative impact in this significant location. The use of CPO will enable those outstanding interests and new rights to be acquired so that the development can proceed.

Reasonable prospect of the Development proceeding

- 2.40 Lagmar Barking Ltd the developer for the Development is an entity of Benson Elliot Capital Management LLP (BE). BE is a leading independent private equity real estate fund manager with over £1 billion of equity under management. It holds a diversified real estate portfolio including office, retail hotel and residential assets. It is well established in town centre revitalisation and regeneration projects and has past experience of bringing together the necessary financial backing and operational requirements to deliver complex town centre projects.
- 2.41 BE has appointed Londonewcastle (LN) as its development managers, a firm experienced in designing and delivering sustainable communities. LN has a track-record in delivering mixed use schemes similar to Vicarage Field elsewhere in London, which includes the Whitechapel Estate on behalf of GreenOak and Queens Park Place, London in partnership with the London Borough of Brent and BY Development Limited.

- 2.42 The Development will be predominantly financed by BE. It has already invested significant funds in securing some of the outstanding third party interests and continues to dedicate resources to working up the detail of the Development in readiness for commencing on site. Assuming confirmation of the CPO and vacant possession the intention is for work to start on site in January 2020.
- 2.43 The property arrangements between the Council and BE are in the process of being agreed. As set out in the resolution, the making of the CPO is contingent on those matters being approved by Cabinet and final terms agreed. The completion of an indemnity agreement between an Acquiring Authority and developer is a common pre-condition to the exercise of CPO powers. A stopping up order for St Awdry's Walk will also need to be secured prior to commencing works –it is required to facilitate the development. The Consented Scheme includes a permanent improved route through the development. Once the land arrangements have been agreed there will be no legal impediment to the development proceeding.
- 2.44 Be First, the Council and Lagmar (Barking) have been working on the following activities:
- Land referencing work including serving requisition notices on those it is thought have an interest in the land or may have a right over the site. This work is now complete and has informed revision to the schedule/plan.
 - Assessing and reviewing the case for the CPO and identifying the extent of the land and new rights required to facilitate delivery of the development.
 - Preparing the Statement of Reasons to be published alongside the CPO; and
 - Finalising the CPO Plan and Schedule
- 2.45 Whilst Appendix 1 shows the CPO plan expected to be utilised, Cabinet is asked to grant delegated approval to the Director of Law and Governance in consultation with the Director of Inclusive Growth, to make minor amendments to the plan should new information become available before the CPO is made. Subject to the necessary decisions by the Cabinet and the confirmation of the CPO by the Secretary of State, this timetable should enable work to begin on site in early 2020.

Existing Occupiers

- 2.46 With three exceptions, all the occupiers of Vicarage Field Shopping Centre have entered into agreements with Benson Elliot, as landlord, which will enable vacant possession of the units to be secured when required; the occupiers are aware of the redevelopment proposals. The developer, Be First and the Council will work together to support business relocations wherever possible to other town centre locations or other locations within the Borough. It is acknowledged vacancy rates in the Borough are relatively low and that the Council's own stock of premises is very limited. One of the largest property interests is the Vicarage Health Centre and discussions are underway with the different stakeholders within the centre. There is scope for some services to operate from the Child and Family Health Centre and for the GP practice to operate from their other town centre premises. The redevelopment proposals include health centre provision.

Appropriation of land for planning purposes

- 2.47 Cabinet is also being asked to agree to the appropriation of land subject to the CPO for planning purposes in accordance with Section 122 of the Local Government Act 1972 and Section 203 of the Housing and Planning Act 2016. The appropriation of land and buildings allows local authorities to alter the purposes for which it holds land. Where land has been appropriated for planning purposes third party rights over the land can be overridden under Section 203 of the Housing and Planning Act 2016. Beneficiaries of rights are still entitled to claim compensation but are not able to seek an injunction to stop the development. The use of these powers, will assist in ensuring that these important regeneration proposals can proceed on time.

Council Freehold

- 2.48 The Council owns the freehold of the shopping centre with Lagmar (Barking) Ltd holding a long leasehold interest. The Council wants to see the development proceed for the reasons set out in the report but needs to ensure it is securing best value for granting an extension to the lease/new lease for a term which enables residential development to take place. The Council should also secure a premium for the associated marriage value enabling the development to happen. The proposed principles of the agreement are that the Council retains its freehold ownership but grants a new lease/lease extension, of no more than 250 years, based on ongoing turnover rent as well as a premium. Approval will be sought from Cabinet to approve the terms based on these principles and independent valuation advice. The CPO will not be made until these terms have been agreed by the Council however discussions have been progressing positively.

3. Options Appraisal

- 3.1 Certain public bodies including local authorities have enabling powers authorising them to acquire land compulsorily. They also have powers to appropriate their own land for planning purposes and subsequently override third party rights. In general, private developers do not have such enabling powers, therefore the usual process where land needs to be assembled for development is for private developers to reach agreement with a local authority to seek to use its compulsory purchase powers and in some cases appropriation powers.
- 3.2 The main alternative option to the use of the Council's statutory powers would be to require the developer to assemble the site entirely through negotiation and private treaty. However, it would be very unlikely that all the interests could be acquired by private treaty within the necessary timescales and at a reasonable cost to enable construction of the development to begin on time. Some third parties may choose not to sell, some may choose to wait a longer time before selling and the Consented Scheme could stall or even fail to proceed if this was the case.
- 3.3 The option of excluding the properties outside of the existing shopping centre from the development has been rejected as the scheme requires the properties to enable the comprehensive development with the range of social and economic benefits it would deliver.
- 3.4 As part of Consented Scheme given outline planning consent in April 2017, the first reserved matters application must be made to the Local Planning Authority within

three years of the date of consent, and application for all of the remaining reserved matters (except for the primary school site) must be made within six years of the date of the consent. The reserved matters application for the primary school must be made within ten years from the date of the consent.

- 3.5 The intent is for the construction to begin in early 2020, with some of the reserved matters applications expected to be submitted during the course of the next 12 months. If all the interests cannot be acquired, the Consented Scheme cannot be delivered in these timescales.

4. Consultation

- 4.1 A steering group has been established with Be First, the in-house legal practice, Dentons (external CPO legal advice for LBBB), Londonewcastle (Benson Elliott's Development Managers), CMS (Benson Elliot's legal advisors) and GVA (advising Londonewcastle).
- 4.2 Use of CPO and appropriation powers for Vicarage Field has been discussed at the Council's Property Advisory Group and Capital and Assets Board.
- 4.3 Extensive pre-planning consultation took place on the scheme proposals including public exhibitions, a website and newsletters. Formal planning consultation processes also took place with stakeholders and affected occupiers who were able to submit objections. The CPO process itself gives affected third parties the opportunity to object to the making of the CPO and could potentially result in a public inquiry whereby the independent Planning Inspectorate assesses the case for utilising CPO powers and puts forward a recommendation to the Secretary of State as to whether to confirm the CPO or not.

5. Human Rights

- 5.1 In reaching their decision, members should take account of the provisions of the Human Rights Act 1998. As a public authority, the Council must not act in a way which is incompatible with a Convention right protected by the Human Rights Act 1998. The relevant human rights protected by the 1998 Act which are engaged by the decision to authorise the compulsory purchase are those Article 8 (right to a private and family life), Article 1 of the First Protocol of the Convention and Article 6 (1) (right to a fair and impartial public hearing within a reasonable time).
- 5.2 A key provision of the CPO Guidance is the need for there to be a "compelling case in the public interest" for compulsory acquisition. It is necessary in this to consider Convention rights which are engaged by and potentially affected by the making and confirmation of a CPO. In relation to Article 1 of the First Protocol of the European Convention which provides a right for the peaceful enjoyment of possessions, a fair balance is required to be struck between the public interest and private rights in relation to possessions/property. Article 8 is not an absolute but qualified right, such that any interference with the right to respect for a person's private and family life and home must be proportionate to any legitimate aims, such as promoting regeneration for the well-being of the area.
- 5.3 Article 6(1) is engaged because the CPO process involves determinations as to third party rights of individuals, as to which they have the right to a fair hearing.

Similarly, to Article 8, the Article 6(1) rights are also qualified and some restrictions may be justified to pursue legitimate aims and provided that they are proportionate. Potentially affected individuals have had the opportunity to date to object to the Consented Scheme through the planning process. Individuals whose human rights could potentially be interfered with as a result of the CPO can object to the validity of the CPO and such objections would be considered at an independent public inquiry, which would afford the objectors a fair hearing of their concerns. Failing agreement on the compensation arising from the CPO, any affected individuals have the right to pursue a claim for compensation in the Lands Tribunal. It is deemed that the process affords affected individuals sufficient opportunity to a right to a fair hearing.

- 5.4 The proposed development has been a long term objective of the Council and fits within the Council's planning framework for the area. The development will be transformational for Barking town, securing investment, creating new homes and delivering significant regenerative benefits. Overall, having regard to the potential of the Consented Scheme and the CPO enabling it, to deliver significant regeneration benefits and improvements to the social, economic and environmental well-being of the area, it is considered that the potential for some degree of interference with Article 8 and Protocol 1 rights is necessary in the interests of well-being of the area, it is in the general public interest and is deemed proportionate to those legitimate aims. Any interests acquired or any interference with third party rights will carry a right to compensation in accordance with the Compulsory Purchase Code and the opportunity to a fair and impartial hearing in that regard.

6. Equalities

- 6.1 The Equality Act 2010 provides protection from discrimination in respect of certain protected characteristics namely: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. Section 149 of the Equality Act 2010 places the Council, as a public authority, under a legal duty ("the public sector equality duty"), in the exercise of all its functions, to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act;
 - advance equality of opportunity between persons who share a "relevant protected characteristic" (i.e. the characteristics referred to above other than marriage and civil partnership) and persons who do not share it; and
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 6.2 An equalities impact assessment has previously been undertaken as part of setting the planning policy framework for the Borough. The planning application for the development proposal also assessed the potential impact on equalities and social cohesion. The conclusion reached was that the impact was neutral.
- 6.3 A further assessment of any equalities impact of the CPO has been undertaken. This is an on-going process and the equalities assessment will be kept under review and updated as the CPO and regeneration programme progresses. The assessment carried out has considered:

- (a) whether the CPO will affect any groups or individuals with protected characteristics and if so what steps can be taken to minimise any impacts;
- (b) whether there are any long term social and economic benefits to those with protected characteristics arising from the development facilitated by the CPO;
- (c) any other impacts across any protected groups arising from both the construction and operational phases of development;

6.4 The current assessment concludes that the proposal and impact of the CPO is aligned with the Mayor's London Plan, the findings of the Growth Commission and the local planning framework for Barking own Centre. The long-term benefits of the proposal will result in employment, housing, primary school places and health facilities, all of which are of major benefit to the area. The assessment identifies some mitigation measures to be put in place to provide signposting to alternative key facilities elsewhere within the town for facilities currently provided for in Vicarage Field. It is deemed that further data as to the characteristics of the current businesses and individual owners located in the CPO area may be forthcoming as the CPO progresses. If so the assessment would be updated to identify and address any equalities impacts. However it is noted that the make-up of the business and residential interests within the CPO area is reflective of other types of business within the town centre. As a consequence, there are no businesses at this time which are identified as providing a service or range of products specifically serving any protected characteristics group which is not available elsewhere in the Town centre.

6.5 Equalities will continue to be reviewed and updated throughout the CPO process and any impact of the CPO in the context of equalities will be monitored.

7. Compelling Case in the Public Interest

7.1 The need for comprehensive redevelopment of the application site within which the proposed Order Land is located is acknowledged and supported in the adopted planning policy framework as summarised above. Delivery of the Development would fulfil the key planning policy objectives and transform Barking town centre, its retail and residential offer. It would contribute significantly to the improvement of the economic, social and environmental well-being of the area as outlined above. Officers consider that there is a reasonable prospect that the Development is likely to proceed and that there are no likely realistic alternatives to compulsory purchase to achieve the purposes of the proposed Order. The impact on the human rights of those likely to be affected by the proposed Order is considered in this report. The impact of the Order in the context of the Equalities Act 2010 is also considered in this report and will be monitored.

7.2 In officers' view, there are considerable public benefits resulting in environmental, social and economic improvements to the local area to be derived from implementation of the Development. It is considered these benefits outweigh the harm caused by any interference with the human and other rights of those likely to be affected by compulsory purchase. In officers' view, there is a compelling case in the public interest sufficient to justify the making of the Order.

8. Financial Implications

Implications completed by: Katherine Heffernan – Finance Group Manager

- 8.1 Ultimately all costs of the Compulsory Purchase Order process including the sums paid to the owners of the various interests and the Council's administrative and legal costs are to be borne by the developer Benson Elliot. There should therefore be no financial implications for the Council itself.
- 8.2 However since the Council will incur costs up front it is essential that an indemnity agreement is entered into with the developer backed by a surety or guarantor from an entity with sufficient financial standing. This is necessary to mitigate the Council's risks in this matter.
- 8.3 It is also essential that all associated matters and arrangements especially including the agreement of the lease terms set out in paragraph 2.45 are settled and approved by the Cabinet. Full financial and legal advice should be taken before this approval.

9. Legal Implications

Implications completed by: Dentons (advising the Council in respect of the CPO)

- 9.1 The legal requirements for justifying the making of a CPO are set out in this report. The relevant documentation including the Statement of Reasons, required for the making of a CPO will explore and set out the justification in further detail having regard to the requirements of Section 226(1)(a) of the Town and Country Planning Act 1990 and the CPO Guidance.
- 9.2 The CPO will not be made until the CPO Indemnity Agreement is in place and land arrangements and final terms have first been agreed and approved by the Council.

10. Other Implications

- 10.1 **Risk Management** - Whilst Lagmar (Barking) Ltd is responsible for the delivery of this project, the London Borough of Barking and Dagenham also has an interest in the scheme including the freehold of the existing shopping centre.

The scheme is crucial to delivering the regeneration aspirations being pursued by Be First. Regular progress meetings are taking place between Be First and representatives of Lagmar (Barking) Ltd's project team to ensure that the scheme remains on track for delivery. Risks will be identified early in the process, a risk register maintained, and mitigation measures put in place.

- 10.2 **Contractual Issues** – The Indemnity agreement has been negotiated between the Council and Benson Elliott. Agreements between individual landowners and the Council will follow standard agreements.
- 10.3 **Staffing Issues** – The majority of the work involved in the use of the Council's statutory powers to deliver the Vicarage Field regeneration proposals is being carried out by Lagmar (Barking) Ltd's project team. Any fees/costs/compensation incurred by Be First or the Council in relation to the CPO (including historic and professional costs) would be the subject of the CPO indemnity agreement.

- 10.4 **Corporate Policy and Customer Impact** - The use of statutory powers to deliver the Vicarage Field scheme will assist in delivering important regeneration proposals in the heart of Barking Town Centre. This is consistent with the independent Growth Commission's recommendations for the borough to continue bringing forward redevelopment which will help encourage further regeneration and investment.

The delivery of the scheme will help deliver the aspirations of the Council's vision and corporate policies specifically encouraging civic pride and growing the borough. In particular it is supported by the Borough Manifesto, the Growth Strategy 2013-2023, the Corporate Plan 2017-2018. It will also assist in delivering the aspirations of the Council's Housing Strategy through the delivery of around 855 new homes.

Furthermore, delivery of the scheme will also assist in accelerating growth at the heart of Barking Town Centre, which is an aspiration set out in Be First's document titled 'Accelerating growth in London's growth opportunity'. This document identifies Vicarage Field as one of four key case studies to help deliver the Council and Be First's growth vision for the borough.

The Consented Scheme, which will be enabled by the CPO is also consistent with the Council's planning policies and specifically the site allocation in the Barking Town Centre Area Action Plan.

- 10.5 **Safeguarding Children** – These issues were considered as part of the original planning approval and, if applicable, will form part of any equalities assessment specifically related to the CPO.
- 10.6 **Health Issues** – The CPO area includes Vicarage Field health centre. The future plan includes development of a new health facility. There are ongoing discussions with the NHS in this regard. The scheme itself presents an opportunity for improving health and reduced health inequalities through social and economic regeneration, improved public realm, e.g. walking and cycling and future health and care facilities. To maximise this impact, it is suggested that a health equality impact assessment or an integrated impact assessment is undertaken of the future plans for this development and the surrounding area
- 10.7 **Crime and Disorder Issues** – These were considered as part of the planning application decision making.
- 10.8 **Property / Asset Issues** - Discussions are taking place between London Borough of Barking and Dagenham and Lagmar (Barking) Ltd to establish how the various land interests will be dealt with to enable the development. Issues relating to future land ownerships will need to be addressed to the satisfaction of the Council before formally commencing any CPO process and will form part of a future Cabinet report.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

Appendix 1: Draft CPO Plan (blue land is acquiring rights only, with many only being during construction).

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MAP REFERRED TO IN THE LONDON BOROUGH OF BARKING AND DAGENHAM COUNCIL (VICARAGE FIELD) COMPULSORY PURCHASE ORDER 2018

DRAFT

Numbers not used:
1, 2, 3, 4, 5, 30, 31, 32 & 33

Key:

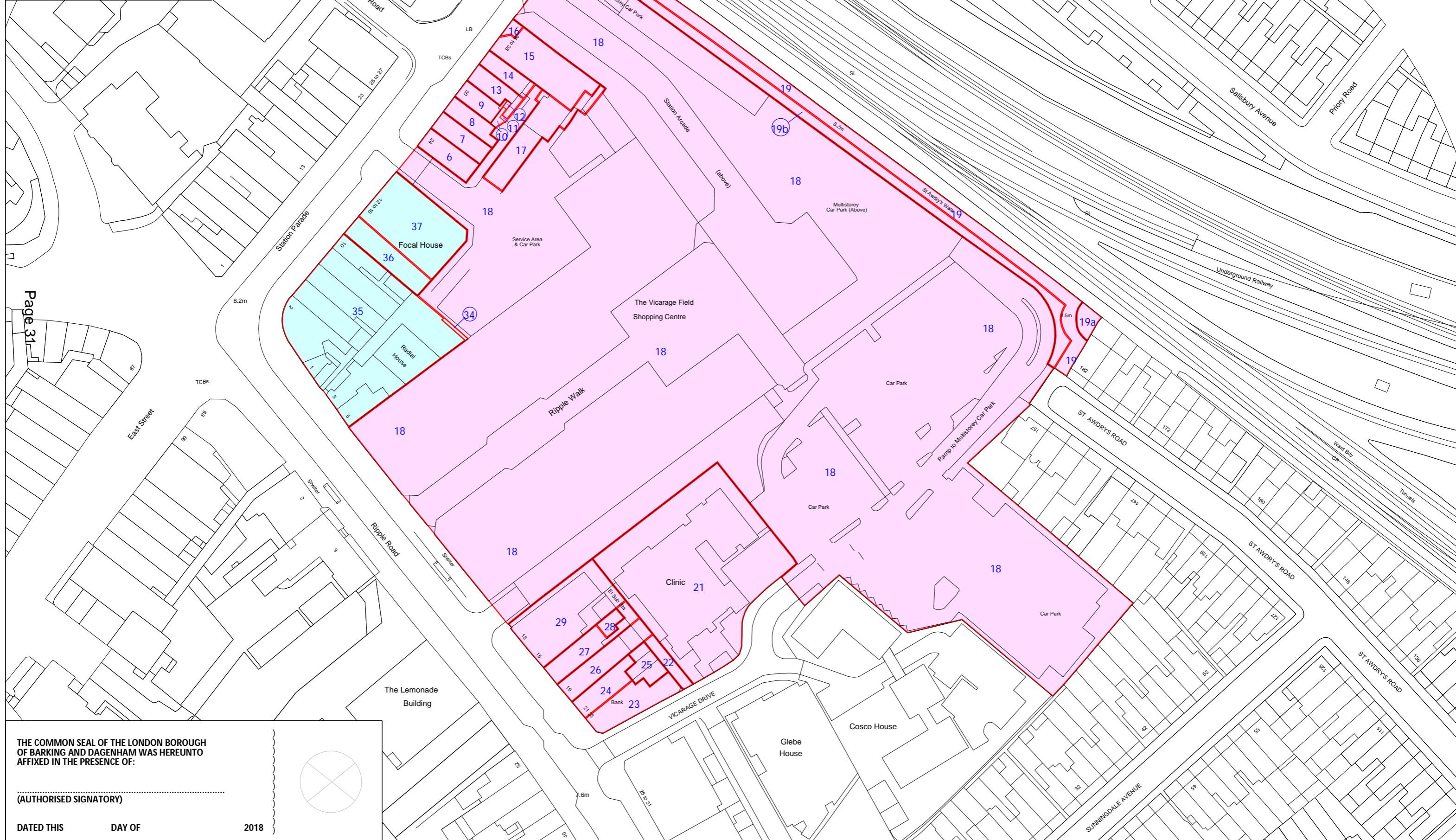
- Land to be acquired
- New rights to be acquired

Sheet Number: Sheet 1 of 1

Date: 26 June 2018 | Version Number: 11.1

Scale: 1:500 @A1

This map is based upon Ordnance Survey material with the permission of the Controller of Her Majesty's Stationery Office © Crown copyright and database rights 2018 Ordnance Survey 0100031673

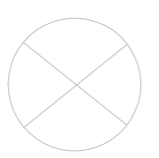


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THE COMMON SEAL OF THE LONDON BOROUGH OF BARKING AND DAGENHAM WAS HEREUNTO AFFIXED IN THE PRESENCE OF:

(AUTHORISED SIGNATORY)

DATED THIS DAY OF 2018



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CABINET**17 July 2018**

Title: Medium Term Financial Strategy Update 2018/19 to 2020/21	
Report of the Cabinet Member for Finance, Performance and Core Services	
Open Report	For Information
Wards Affected: None	Key Decision: No
Report Author: Claire Symonds, Chief Operating Officer	Contact Details: Tel: 0208 227 5513 E-mail: claire.symonds@lbbd.gov.uk
Accountable Strategic Leadership Director: Claire Symonds, Chief Operating Officer	
Summary	
This report updates the Medium Term Financial Strategy presented to Assembly in February 2018.	
Recommendation(s)	
The Cabinet is recommended to:	
(i) Note the budget gap between 2018/19 to 2020/21 which has now decreased from £15.616m reported in February to £11.505m in July 2018;	
(ii) Note the budget gap for 2019/20, which is now £4.6m; and	
(iii) Note the process for closing the 2018/19 budget gap as set out in section 6 of this report.	
Reason	
Financial planning is key in supporting the Council to deliver its vision of “One borough; one community; London’s growth opportunity”.	

1. Background

- 1.1 On the 28th February 2018, Assembly approved a balanced budget for 2018/19 and the Council’s Medium Term Financial Strategy (MTFS) to 2020/21.
- 1.2 The position reported in February was a gross budget gap of £56.567m, with savings, additional income and one-off use of reserves of £40.952m, leaving a revised budget gap of £15.615m to 2020/21.
- 1.3 The budget gap for 2019/20 in February 2018 was £13.719m.

2. Creation of the New Kind of Council and the impact on the budget

- 2.1 The delivery of the 2018/19 budget will be reported regularly to Cabinet. This report focuses on the Council's financial position from 2019/20 onwards.
- 2.2 As has been said before, Local Government as a whole faces unprecedented financial challenges with year on year cuts to the funding from central government, while the demand for services is rising. Councils can respond to this level of challenge in a variety of ways that reflect the scale of their ambition for their residents. This Council has chosen to take a bold, new and ambitious approach based on investing in services, maximising economic growth and the consequent opportunities and transforming the way the council runs.
- 2.3 Over the last two years we have adopted a growth focused transformation programme which means investing to meet local needs and deliver our ambitions. We have restructured the council into new Service Delivery blocks and new traded entities shaped around the needs of our people, the place and our ambitions. We have begun to work in different ways with new Target Operating Models in a number of our service delivery blocks being embedded.
- 2.4 We have created a New Kind of Council. 2018/19 is a key year with significant savings and ambitious income targets to be made as well as ensuring the new models deliver the services expected. In recognising that last year was one where the council changed its structure, there was also a great deal of work done through the development of the MTFs to ensure that each service block has a base budget which should be adequate.
- 2.5 It is of course recognised that there are pressures and that managers are going to have to be diligent in not only working within their budgetary envelope but also to make already agreed savings or hit new income targets. This is the year in which all of these things come together and the Council will be monitoring vital signs to see budgetary control alongside service improvement and demand management.
- 2.6 For us this is a year of consolidation and our approach to our budget strategy is to reinforce the need to stay within budget and contain growth.

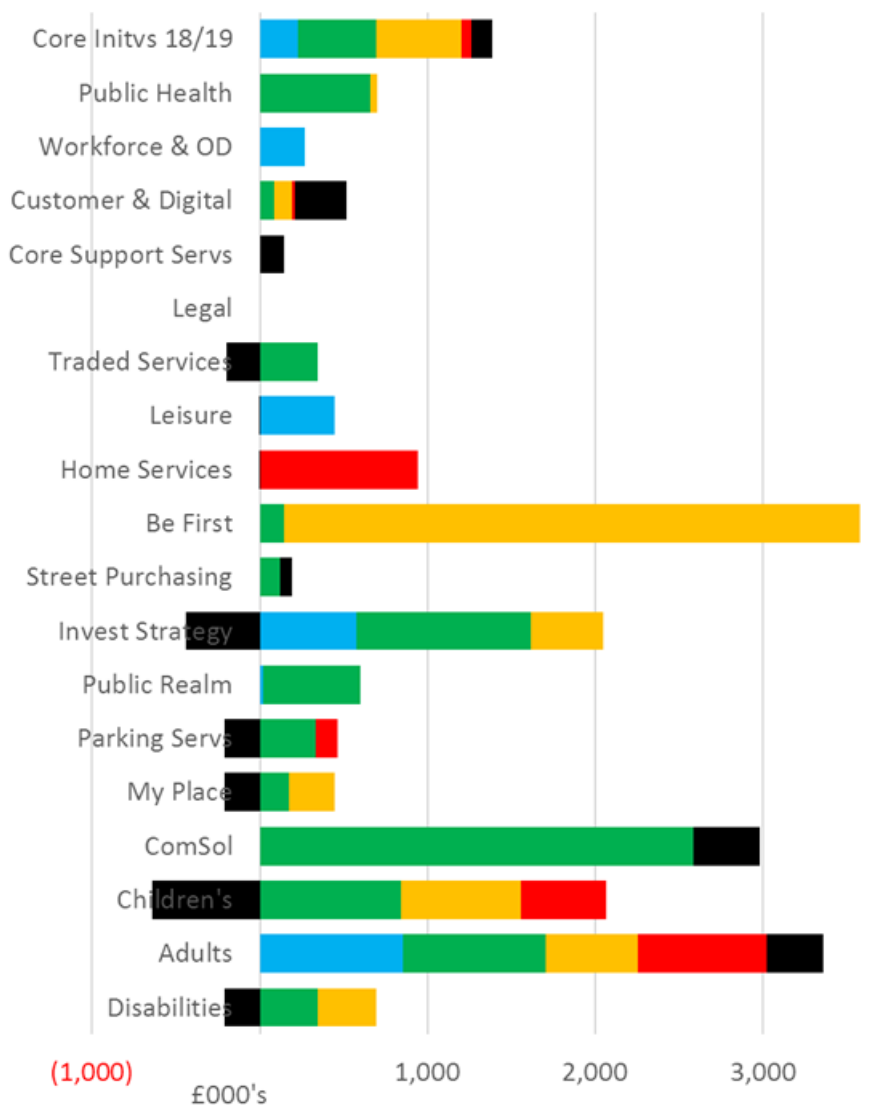
3. Risk Update on the Transformation Programme

- 3.1 Members will be well aware of the Council's Transformation Programme which is to deliver £47.9m budget reduction through a fundamental review of the Council's operating model to sustainably transform services to support our residents to live independently. An additional £9.6m 2018/19 of measures were agreed by Cabinet in November 2017 and further adjustments were agreed at February 2018 Cabinet resulting in measures totalling between 18/19 and 20/21 £41.5m, with £23.099m being within scope for 18/19.
- 3.2 All initiatives are monitored monthly and risk scored as 'delivered' or 'low / medium / high risk'. The vast majority of initiatives are on track to be delivered. Inevitably, due to the scale and sheer complexity of the transformation programme, there are some initiatives which have significant associated risks to delivery both in timing and quantum. As would be expected, later years of the programme show higher risk and mitigating actions are being progressed to address these. A provision of

£2m was also created in 2018/19 to recognise potential non-delivery of savings/income targets.

3.3 Monthly officer risk focussed reporting is in progress and the quarterly Cabinet budget monitoring report reviews in-year activity and that across the entire programme to 2020/21, assessing the risks associated with delivery and implementation of the proposals. The table below table shows the risk profile of the 18/19 initiatives:

3.4 Table 1.



3.5 Table 1 shows that in many areas we are well on track to deliver, however it highlights significant areas of risk which are primarily in the care and support arena and particularly so in this financial year and next. These areas are still to develop comprehensive and robust action plans that will deliver change.

4. Government Funding and changes in legislation/new burdens

4.1 The Government has made clear its long-term intention for Local Government Funding is to move to a system based on locally generated income coming from Council Tax and Business Rates. The expectation is that from 2020 general

government grant funding will be entirely phased out potentially along with other ring-fenced grants including Public Health Grant and HB Admin Subsidy. However, the final details of how this will work has not yet been announced. We expect more information to become publicly available over the next year or so and we will update Cabinet as more is known. At the time of writing this report, no further changes to funding or policy changes have been announced. For this reason, we are not currently extending the MTFS beyond 2020.

- 4.2 However, as part of the movement to this new system a Business Rates pooling exercise is running in London. LBBB is part of this pool. Under current predictions for growth in the London economy this should result in increased income for the borough. The revised MTFS includes a further £1.4m income in 2019/20.

5. Proposed changes to the MTFS

- 5.1 Appendix A details the MTFS agreed by Assembly in February 2017. A number of proposed changes to the MTFS in line with the discussion above are put forward:

Staff inflation and pay awards

- 5.2 The MTFS incorporates £1m for staff inflation and the national pay award of 2%. Following discussions, it is felt that most of this increase can be absorbed within existing budgets by managing vacancies within the Council and other measures to improve workforce productivity. But that a fund of £0.5m would be created for those departments facing significant pressure, at this time it is expected that this will be mostly required by Childrens services.

Non-staff inflation

- 5.3 There is currently a £2.1m provision within the MTFS relating to non-staff inflation for contracts/commissioned services. Given the demand led pressures elsewhere across the Council, an assessment has been made that containing inflationary pressures within existing budgets will not be detrimental to current contractual arrangements with service providers.

Impact of legislative changes

- 5.4 There has been little in terms of policy changes/legislative burdens that will have a quantifiable impact on the MTFS at the time of writing this report. Removing this provision entirely from the MTFS is not without risk as any policy changes should they arise will then need to be dealt with as a funding pressure in year or will increase the budget gap, leaving very short notice on how it can be resolved. One piece of legislative change is the Children and Social Work Act 2017 which extends councils responsibilities to care leavers to age 25, we are expecting the Department of Education to provide new burdens funding, however this is not yet quantified.

Demographic pressures

- 5.5 This Council already has an innovative approach with Community Solutions which joins up services to support residents to help themselves. We will build on this and our new operating model for Childrens and Adults by working across all our services to create a whole council approach to prevention and demand management. Whereas previously we have had a blanket expectation that demand

will grow year on year we will work with our residents to build resilience. This provision is therefore no longer relevant.

Re profiling of savings

- 5.6 In some areas we have reprofiled savings in line with business and/or actions plans the most significant change is that for Be First where the MTFS is now aligned to their Business Plan.
- 5.7 The adjustments above removes £9.096m of pressures/growth items from the MTFS. This revises the 2019/20 budget gap to £4.620m. Full details are shown in the appendices.

6. Process for closing the 2019/20 budget gap & onwards – Next steps

- 6.1 The revised budget gap is now £4.620m for 2019/20 and work is underway to bridge the gap with proposals being be put forward to Members in the November 2018 Budget Strategy report with the public consultation process commencing thereafter.

7. Financial Implications

- 7.1 Financial implications feature throughout this report.

8. Legal Implications

Implications provided by: Paul Feild, Senior Corporate Governance Solicitor

- 8.1 Local authorities are under an explicit duty to ensure that their financial management is adequate and effective and that they have a sound system of internal control and management of financial risk. This report contributes to that requirement. Specific legal advice may be required in due course on the detailed implementation of savings options.
- 8.2 Where there are proposals for the closure or discontinuance of a service or services, appropriate consultation will need to be carried out. In the event that savings proposals affect staff, it will require consultation with Unions and staff. In addition to that Members will need to be satisfied that Equality Impact Assessments have been carried out before the proposals are decided by Cabinet. If at any point a resort to constricting expenditure is required, it is essential that due regard is given to statutory duties and responsibilities. In particular the Council must have regard to:
- any existing contractual obligations covering current service provision. Such contractual obligations where they exist must either be fulfilled or varied with agreement of current providers;
 - any legitimate expectations that persons already receiving a service (that is earmarked for reduction) may have to either continue to receive the service or to be consulted directly before the service is withdrawn;
 - any rights which statute may have conferred on individuals that as a result of which the council may be bound to continue its provision. This could be where

an assessment has been carried out for example for special educational needs following a statement of special educational needs;

- the impact on different groups affected by any changes to service provision as informed by relevant equality impact assessments;
- the response to any consultation undertaken.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

Appendix A: MTFS February Assembly (2018-19 to 2020-21)

Appendix B: MTFS July 18 Update (2018-19 to 2020-21)

Appendix A

Approved Medium Term Financial Strategy: 2018/19- 2020/21 approved by Assembly in February 2018

	2018/19 £000 Nov' 17	2018/19 £000 Feb' 18	2019/20 £000 Revised	2020/21 £000 Revised
Prior Year (Surplus) / Deficit			0	13,716
Budget Increases				
Roll Forward of 2017-18 budget gap	8,129	8,129	-	-
Capital Investment	1,400	1,400	900	900
Financing	3,770	3,770	600	420
Inflation - Staff	-	472	1,000	1,000
Inflation - Non Staff	-	-	2,100	2,100
Levies	440	440	350	350
Demography/Demand	3,088	3,027	3,033	3,660
Legislation	795	795	2,377	2,000
Corporate/Other Service Pressures	7,717	9,053	260	260
Total Additional Costs	25,339	27,086	10,620	10,690
Changes in Income & Funding				
Government Grants	841	841	8,083	9,175
Council Tax	(3,299)	(5,015)	(1,727)	(1,786)
Business Rates	(1,100)	(1,400)	-	-
Total Changes in Income	(3,558)	(5,574)	6,356	7,389
In year Budget Gap	21,781	21,512	16,976	18,079
Savings				
Savings approved by Cabinet	(11,344)	(11,344)	(12,784)	(14,538)
Non-Delivery of Savings	2,000	2,000	929	579
Additional Savings	(9,646)	(9,377)	5,804	(2,221)
Total Savings	(18,990)	(18,721)	(6,051)	(16,180)
In Year Budget Gap Including Savings	2,791	2,791	10,925	1,899
Other Adjustments				
Revised Budget Gap after other adjustments	2,791	2,791	10,925	1,899
Use of Reserves in 2018-19	(2,791)	(2,791)	2,791	
Cumulative Budget Gap including Savings	0	0	13,716	15,616

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Appendix B**Revised Medium Term Financial Strategy: 2019/20- 2020/21**

	2019/20 £000	2020/21 £000
	Revised	Revised
Prior Year (Surplus) / Deficit	2,791	4,620
Budget Increases		
Roll Forward of 2017-18 budget gap	-	-
Capital Investment	620	900
Financing	600	420
Inflation - Staff	500	1,000
Inflation - Non Staff		2,100
Levies	350	350
Demography/Demand		3,660
Legislation		2,000
Corporate/Other Service Pressures		260
Total Additional Costs	2,070	10,690
Changes in Income & Funding		
Government Grants	8,137	9,175
Council Tax	(1,727)	(1,786)
Business Rates	(1,400)	-
Total Changes in Income	5,010	7,389
In year Budget Gap	7,080	18,079
Savings		
Savings approved by Cabinet	(9,646)	(12,067)
Additional Savings	4,395	(1,951)
Total Savings	(5,251)	(14,018)
In Year Budget Gap Including Savings	1,829	4,061
Cumulative Budget Gap including Savings	4,620	8,682

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CABINET**17 July 2018**

Title: Review of School Places and Capital Investment - Update June 2018													
Report of the Cabinet Member for Educational Attainment and School Improvement													
Open Report	For Decision												
Wards Affected: All Wards	Key Decision: Yes												
Report Author: Andrew Carr , Group Manager School Investment, Organisation and Admissions	Contact Details: Tel: 020 8227 2254 E-mail: andrew.carr@lbbd.gov.uk												
Accountable Commissioning Director: Jane Hargreaves, Commissioning Director Education													
Accountable Strategic Director: Elaine Allegretti, Director of People and Resilience													
Summary													
<p>This report provides an update on the latest information regarding forecast demand for education places across the Borough's schools. It also provides an update on some specific projects which are necessary to respond to place demand and advice about the capital grant from the Education and Skills Funding Agency (ESFA) to be made available for the financial year 2018/19 and for 2020/21.</p> <p>Additional school places will be made available from September 2018 at the following:</p> <ul style="list-style-type: none"> ○ Secondary – Greatfields 30 additional places <p>New funding has been announced to support investment in the Borough's schools for 2018/19 to support condition improvements which includes:</p> <ul style="list-style-type: none"> ○ £420,898 Devolved Formula Capital Allocation – maintained LA Schools ○ £67,464 Devolved Formula Capital Allocation – maintained VA Schools ○ £3,862,230 School Condition Capital Allocation – maintained LA Schools ○ £580,505 School Condition Capital Allocation – maintained VA Schools ○ £369,673 Healthy Pupils Capital Fund - maintained LA Schools ○ £55,813 Healthy Pupils Capital Fund - maintained VA Schools <p>New funding has been announced to support the provision of new SEND places of £659,802 to be paid over the 3 years 2018 to 2021</p> <p>The report also includes proposals to invest in the following projects:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">○ Trinity School</td> <td style="text-align: right;">£1,000,000</td> </tr> <tr> <td style="padding-left: 20px;">○ Robert Clack (proposed) Lymington Site</td> <td style="text-align: right;">£1,000,000</td> </tr> <tr> <td style="padding-left: 20px;">○ Ripple Primary School</td> <td style="text-align: right;">£1,000,000</td> </tr> <tr> <td style="padding-left: 20px;">○ Contingency for Sudden Place Demand</td> <td style="text-align: right;">£ 500,000</td> </tr> <tr> <td style="padding-left: 20px;">○ Projects to improve SEND places</td> <td style="text-align: right;">£3,496,950</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">£6,996,950</td> </tr> </table>		○ Trinity School	£1,000,000	○ Robert Clack (proposed) Lymington Site	£1,000,000	○ Ripple Primary School	£1,000,000	○ Contingency for Sudden Place Demand	£ 500,000	○ Projects to improve SEND places	£3,496,950	Total	£6,996,950
○ Trinity School	£1,000,000												
○ Robert Clack (proposed) Lymington Site	£1,000,000												
○ Ripple Primary School	£1,000,000												
○ Contingency for Sudden Place Demand	£ 500,000												
○ Projects to improve SEND places	£3,496,950												
Total	£6,996,950												

Recommendation(s)

The Cabinet is recommended to:

- (i) Approve the strategy for Ensuring Sufficient School Places and School Modernisation to 2027, and the Future Planning Programme to meet Basic Need (including SEN places) 2017 to 2027 (amended June 2018) as set out in section 9 and Appendices 1 and 2 of the report;
- (ii) Approve the inclusion in the Capital Programme of the DfE grant allocations for 2018/19 as detailed in section 3 of the report;
- (iii) Approve the inclusion in the Capital Programme of the DfE grant allocated to support the provision of new school places as set out in section 4 of the report.
- (iv) Approve the various projects and associated changes to the Capital Programme as set out in section 6 and summarised in Section 7 of the report;
- (v) Delegate authority to the Procurement Board in accordance with the Council's Contract Rules subject to the Director of People and Resilience approving the final procurement strategies for each project; and
- (vi) Delegate authority to the Director of People and Resilience, in consultation with the Cabinet Member for Educational Attainment and School Improvement, the Chief Operating Officer and the Director of Law and Governance, to award the respective project contracts.

Reason(s)

The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and support the intention of the Council's Vision and Priorities, including encouraging civic pride, enabling social responsibility and growing the Borough, and delivering the ambition for excellence in education set out in our Education Strategy.

1. Introduction and Background

- 1.1 It has been the practice since 2010 to report regularly to Cabinet on the issue of the forecast for pupil numbers. These reports have also covered a programme of proposed works necessary to ensure that children in the Borough have the opportunity to attend school and to have a safe suitable environment. The last report presented to Cabinet on this subject was on 12 December 2017, Minute 69 refers.
- 1.2 This report provides an update and sets out the most up to date information on the projected demand for education places for September 2018. Further, the report covers a number of initiatives which build on existing arrangements to develop the use of accommodation.
- 1.3 The third aspect of the report is to provide an updated Strategy for Ensuring Sufficient School Places and School Modernisation through to 2027, and Future

Planning Programme to meet Basic Need 2017 to 2027 (Appendices 1 and 2) to support the forecast pupil demand. The Service will continue to contribute to a London wide plan being supported by the Association of London Directors of Children’s Services (ALDCS) and London Councils. The appendix to this report shows the current position and plan following advice about site availability.

2. Update on Pupil Numbers and Capacity for September 2018

2.1 Cabinet has received regular reports about the continuing demand for school places and the need to develop additional high quality provision. It is worth noting that providing sufficient school places is a national issue and in particular regional to London due to rising population which is now causing pressures in the secondary sector. For Barking and Dagenham it has been a major priority for investment over the last 10 years, since 2007.

2.2 When looking at the forecast in growth of the pupil population a number of factors are taken into consideration as follows:

- Numbers of pupils currently in the borough;
- Birth figures;
- New housing proposals, as advised in the Local Plan Review;
- Historical data e.g. pupils living in borough but choosing out borough schools;
- Internal knowledge of recent population fluctuations in particular the impact of population movements into and out of the Borough;

2.3. The position for the reception year classes for September 2018 is that we are anticipating that there will be a surplus of places. We aim to have 3%-4% spare capacity for fluctuations across the Borough and for parents to express a preference. This surplus for September 2018 is as a result of the fall in birth numbers in 2013/14. This reduction continued in 2014/15 and we anticipate a further surplus next year before there is an increase in YrR place demand in September 2020. For information the birth data was as follows:

Birth Year	Birth Numbers	Reception Year	Reception Numbers
2011/12	3,760	2016/17	3733
2012/13	3,841	2017/18	3525
2013/14	3,754	2018/19	3313

To manage this dip in place demand, the Admissions Team are in discussion with some schools to temporarily reduce the Pupil Admission Number at a few schools in the Borough and are seeking the agreement of the Schools Adjudicator for this course of action.

2.4 With regard to the provision of Yr7 places measured against demand, the position for September 2018 is that there are sufficient places overall for September but not enough to provide the level of contingency for families requesting places over the course of the year. Cabinet Members will appreciate that it is difficult to be precise about future demand but the indicators are that for this coming September we need to have 3,270 places and our capacity in the current academic year is 3,330. Senior

Officers in education commissioning are working with Secondary Schools to plan for an additional 30 places over the course of the year should this be required.

- 2.5 The greatest area of pressure is in the demand for good quality specialist places for children and young people with high needs/SEND. The borough's agreed strategy is to seek to educate as many children and young people with SEND within our local mainstream schools or as close to mainstream as possible. Alongside this we have successfully worked with the Education Skills Funding Agency to secure three new special schools. This remains an underfunded area, locally and nationally.

3. New Department of Education Grant Allocations 2018

- 3.1. New advice has been received from the DfE about funding being made available to support capital projects for improvement or repair in 2018/19. Details are set out in the following paragraphs 3.2 to 3.4.

3.2 Devolved Formula Capital 2018/19

- 3.2.1 This is a fund of money from the Government which has been allocated now for a number of years (2006/7) and is designed to be passed to all maintained schools in the Borough. Academy and free schools receive a separate allocation direct through their own funding allocation by the Education and Skills Funding Agency) ESFA.
- 3.2.2 The fund of £420,898 for LA schools which has been estimated and needs to be confirmed by ESFA, is pass-ported directly through the School's Finance Team under the direction of the Chief Operating Officer to the Borough's schools. Voluntary Aided Schools are advised directly by the ESFA of their share of DFC; the total for VA schools in the Borough amount to £67,464. This sum of £420,898 would need to be shown in the Council's Capital Programme, but the funding for VA schools does not.

3.3 School Condition Capital 2018/19:

- 3.3.1 There are two aspects to this fund. The sum of £580,505 was known as LCVAP (Locally Controlled Voluntary Aided Programme) now School Condition Capital for VA Schools and this sum is a programme developed with the Diocese of Brentwood and the Diocese of Chelmsford and the voluntary aided schools in the Borough based on agreed priorities. This fund only provides 90% of the cost and VA schools have to meet the other 10% of costs. The programme is then advised to the DfE who reimburse schools in the programme once accounts are presented. The funding does not need accounting for in the Council's accounts as no funds are received but it is an indication of investment in the locality.
- 3.3.2 In terms of the funding for the Borough maintained schools, the sum of £3,862,230 needs to be included in the capital programme. This sum will be the subject of reports to the Procurement Board as appropriate and will comply with the provisions of the Strategy for Ensuring Sufficient School Places and School Modernisation. The programme of works will be derived from technical advice and the content of the School Estate Asset Management Plan Database and the recently commissioned DfE school condition survey data. The overall investment programme will be approved by the Commissioning Director Education.

3.4 Healthy Schools Initiative

- 3.4.1 Cabinet will be aware that the Government have introduced a levy on the soft drinks industry where drinks contain a high level of sugar, this was widely discussed and reported on last year. Advice has now been received that establishments run by the Borough will benefit from an initial one-off capital grant amounting to £369,673 for LA maintained schools. This sum needs to be accounted for in the Capital Programme.
- 3.4.2 Locally Controlled Voluntary Aided Schools will also receive a grant amounting to £55,813 which will be allocated to projects supporting condition improvements as indicated at 3.3.1 above. Accordingly, this does not need to be accounted for in the Council's Capital Programme.
- 3.4.3 Development of a programme of possible works are being discussed with Public Health, Healthy Lifestyles and Education. The programme of works to be approved by the Commissioning Director Education.

4 Capital for Basic Need 2020/21:

- 4.1 The DfE announced on 29 May 2018 the forecast basic need allocations for all local authorities in respect of the financial year 2020/2021. The allocation for LBBB is expected to be limited to SEN place Provision – Designated Resources for SEN Provision amounting to a top up on previously announced funding of £659,802. This is an area of great need at present – both to create new provisions and improve facilities in mainstream schools. Education commissioning are working closely with school and Schools Forum to plan local provision.
- 4.2 In previous years we have benefitted from higher basic need allocations to support additional high quality mainstream school places. However, as reported in Section 2 above we saw a reduction in the birth rate in 2013/14 and 2014/15 so demand is not so high. Further we have had significant investment through the free school programme and the Targeted Basic Need Programme as well as the Priority Schools Building Programme which has supplemented the development of school places over the last 3 years. Additionally, we have a number of projects in the Free School Programme pipeline which include 3 new primary schools, a new secondary school and 2 special needs schools. These projects are subject to further discussion with the DfE and ESFA about timing but have been agreed in principle. Of course there are also ongoing projects funded through previously approved Basic Need Grant which the Council has approved and are detailed in Appendix 2 to this report.

5. Available Capital for meeting Basic Need

- 5.1 At the Cabinet meeting on 12 December 2017 minute 69 a summary of the available capital budget to provide new school places of Basic Need Grant from Central Government (DfE) was presented as follows:

Allocation of funding not set against specific projects (includes Basic Need Funding 2018/19 & 2019/20)	£22,218,443
Add: DfE funding to support SEND pupils reported Cabinet 20.6.17	
2018-19	+ 945,716
2019-20	+ 945,716
2020-21	+ 945,716
Add: DfE funding additional SEND places over 3 years 2018-2021	+ 659,802
Total Basic Need Funding not allocated (SEN Funding)	£25,715,393

5.2 Future years Basic Need funding included in the figures above could increase with each forecast review carried out annually with the DfE to examine demand for school places. Officers are actively engaged in calculating the forecast to be submitted to the DfE this summer.

6. Support for Specific Projects

6.1 Trinity School

The school has demonstrated physically the current problems which are being experienced in supporting pupils in the Further Education Centre (FEC) and additional resource provision ARP at the school. Part of the current building is not appropriate for the students and needs to be replaced. To support this the School are working with colleagues in Education Commissioning to plan the most effective use of this capital. It is anticipated that the total cost of the scheme would be £1m including fees and fitting out the building.

6.2 Robert Clack (proposed) Lymington Site

Funding has been set aside to provide a new all through school on a site off Whalebone Lane. However, the budget only allowed for pad foundations and the advice now received is that because parts of the land need to be piled that the whole building foundation should be treated accordingly. Further as part of the discussion with Planning there is a requirement for some highways works to be carried out, again this had not been previously identified when setting up the budget. The cost of these two matters would be £1m.

6.3 Ripple Primary, Suffolk Road

As part of the Primary Capital Programme it was proposed to replace some demountable classrooms at this school. The change of focus for the Government meant these plans had to be put on hold as the priority became a need to increase capacity. However, the demountable classrooms were second hand when they were added to the site as a quick fix and now need to be replaced. There are 3 classrooms with toilets and in order to configure the permanent structure on the site it is proposed to relocate the main entrance of the school. The early estimate for this work is £1m.

6.4 Contingency for Sudden Place Demand

Members will appreciate that the provision of school places can be particularly volatile in demand and particularly over the summer period. In recent years with unprecedented growth in primary numbers we have at time and had to respond quickly to prevent pupils being out of school. To ensure that we are not faced with a need to come back to Cabinet at very short notice a sum of £0.5m to be held identified for responding in circumstances where we experience an increase above our forecast level and need to respond quickly.

6.5 Projects to improve SEND places

Cabinet received a report on 20 June 2017 regarding additional funding being made available by the DfE/ESFA to support improvement of facilities in schools for Additional Resource Provisions. The Education Commissioning group are currently developing a plan following a survey of existing provision of ensure that these facilities are suitable and appropriate. The grant coming from DfE/ESFA will need to be invested in improving and creating SEND places. A budget of £3,496,950 to be allocated to meet this need.

7. Managing Support for Specific Projects

7.1 Turning now to the need to set aside some funding for supporting specific schemes as detailed in sections 6 above. The following budget adjustments are requested and can be supported from the funds identified in 5 above. The schemes and funding allocations are summarised below:

Budget Indicated at (para 5.1 above)

£25,715,393

Less:

- | | |
|---|------------|
| • Trinity School (para 6.1 above) | £1,000,000 |
| • Robert Clack (proposed) Lymington Site (para 6.2 above) | £1,000,000 |
| • Ripple Primary School (para 6.3 above) | £1,000,000 |
| • Contingency for Sudden Place Demand (para 6.4 above) | £500,000 |
| • Projects to improve SEND places (para 6.5. above) | £3,496,950 |

Balance to be retained for future expansions.

£18,718,443

7.2 This sum of £18,718,443 should be held in reserve as there are a number of regeneration schemes which will put pressure on capital to provide new school places. As more information and certainly about timing becomes available this will be reported to Cabinet together with plans about how provision to provide new places will be addressed. The availability of these funds is through grant some of which will not be received until the financial year 2020/21.

8. Greatfields Primary

8.1 Education Commissioning – School Investment have made application to the Education Skills Funding Agency (ESFA) to deliver on their behalf the Greatfields Primary School working with BeFirst and the Local Education Partnership. The Secondary school on the site is currently in development. The ESFA have indicated

their approval to a business case for delivery which is supported by Partnership Learning who will be the School operator.

- 8.2 In confirming their support for delivery by LBBD the ESFA have in principle approved a budget of £9,038,151. This funding will only be reimbursed to the Council as work progresses and needs to be accounted for as appropriate for capital income equal to outgoings.

9. Options Appraisal

- 9.1 The agreed investment strategy (see Future Planning Programme to meet Basic Need [including SEN places] 2017 to 2027 which is attached to this report) is first, to expand provision on existing school sites as far as practicable to meet local demand on a forward looking basis (i.e. to seek value for money solutions which have longevity); secondly to seek and build on sites in areas of demand in Council or other public ownership that are suitable for development as a school and which also offer value for money and longevity; then subsequently to support those external providers that have access to further capital funding and are capable and willing to provide high quality inclusive education places that comply with the Council's Admissions Policies.
- 9.2 The variables that influence the delivery of this strategy are: demand fluctuations; the willingness of governing bodies to accede to expansion plans; funding limitations; cost variances – specific to sites and; timescales to achieve cost efficient / competitive prices often in short timescales.
- 9.3 The proposed delivery of the strategy is set out in the Appendix 1 (Strategy for Ensuring School Places and School Modernisation to 2027). As part of the strategy the document encompasses a further document now updated Future Planning Programme to meet Basic Need [including SEN places] 2017 to 2027 Appendix 2. This document sets out proposed projects. Specific projects may be subject to change for the reasons set above, and other projects substituted. The overall strategy is robust and remains the same: individual project specifics may change but will remain in the overall strategic framework.
- 9.4 Options exist for any specific scheme and are explored to ensure that the overall strategic outcomes sought are achieved in the most beneficial way being economic and appropriate for the school. Other overall strategies e.g. to rely on outside providers to meet the prospective short fall of school places would not be effective on their own: timescales and speed of reaction are too short.

10. Consultation

- 10.1 These proposals are not Ward specific. There has been consultation with a range of officers throughout the Council in order that appropriate matters are considered including financial, legal, risk management and others mentioned in section 13 of this report.

11. Financial Implications

Implications completed by: David Folorunso, Principal Accountant, Children's Finance

- 11.1 This report sets out approval for Future Planning Programme to meet Basic Need 2017 to 2027 and of various projects associated to the Capital Programme and requests approval to include schemes in the Capital Programme, as detailed in section 6.
- 11.2 There is sufficient capital grant funding available to deliver on these schemes.
- 11.3 Any major risks/financial impact identified through the appraisal process will be notified to Members through subsequent Cabinet reports.
- 11.4 The report also requests the approval of Delegating Authority to the Director of People and Resilience to award respective project contracts.

12. Legal Implications

Implications completed by: Lucinda Bell, Education Lawyer

- 12.1 S14 of the Education Act 1996 requires that a Local Authority secures that sufficient schools are available in their area for both primary and secondary education. In carrying out this duty we must ensure that we secure diversity in the provision of schools and increase opportunities for parental choice.
- 12.2 Other sections of the Education Act require that we promote high standards of education and fair access to education, and consider the need to secure provision for children with SEND.
- 12.3 All delegations must be made in accordance with Council's constitution.

13. Other Implications

13.1 Risk Management

- 13.1.1 Risk that funding levels will not be sufficient to meet demand to create new education places needed.

This risk is high impact (4) and medium (3) probability = 12 red. This risk is being managed by purchasing the most affordable accommodation which is system build where possible. Post control the risk is high impact (4) and low (2) probability = 8 amber.

- 13.1.2 Risk that funding levels will not be sufficient to create suitable new school places. This risk is high impact (4) and high (4) probability = 16 red. This risk is being managed by purchasing the most affordable accommodation which is system build, and blending it with site specific proposals. Post control the risk is high impact (4) and low (2) probability = 8 amber.

- 13.1.3 School schools: risk that site availability would prevent delivery of school places in the areas where demand is highest.
This risk is high impact (4) and medium (3) probability = 12 red. This risk is being mitigated, as far as practicable, by expanding all available sites in high demand areas, and reviewing other buildings for potential school use. Post control the risk is still high impact (4) and medium (3) probability = 12 red.
- 13.1.4 Risk that the cost of the rate of deterioration of the school estate will outrun the funding available to maintain it.
This risk is high impact (4) and high (4) probability = 16 red. This risk is being mitigated as far as practicable by lobbying DfE for improvements in funding. Post control the risk is high impact (4) and medium (3) probability = 12 red.
- 13.1.5 The provision of school places is a matter which is directly identified in the Corporate Risk Register and listed at Corporate Risks 31 – Provision of School Places.
- 13.1.6 Risk that final costs will be higher than estimate costs.
This risk is high impact (4) and high (4) probability = 16 red. This risk is managed through monthly finance meetings and initial planning figures that architects and schools are asked to work within being set below the highest estimate to allow for unforeseen challenges.
- 13.2 **Contractual and Procurement Issues** - It is anticipated that projects will be procured through options related either to the Local Education Partnership or through the Council's Framework of Contractors or other national or local frameworks which are accessible to the Council to secure value for money.
- 13.2.1 Legal, procurement and other professional advice will be sought regarding the appropriate procurement routes and contractual agreements to procure and secure the individual projects which fall within the second phase, consisting of the secondary and primary school schemes. All procurement activity will be conducted in compliance with the Council's Contract Rules and EU Legislation. The procurement routes will be approved at Procurement Board who will consider a report from Education about a procurement strategy based on a project basis. This will ensure that Value for Money is tested.
- 13.2.2 Projects will be subject to the Capital Appraisal Process and the agreement of the Procurement Board to progress schemes. However the Cabinet is asked to approve procurement principles as set out to avoid the need to report back to Cabinet as these procurements are either beyond our control or need to happen quickly within pressing timescales because pupils need to be accommodated.
- 13.3 **Staffing Issues** - There are no specific staffing issues although the growing demand for school places will create additional opportunities in schools for both teaching and non-teaching staff.
- 13.4 **Corporate Policy and Equality Impact** - The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and support the intention of the Council's Vision and Priorities, including encouraging civic pride, enabling social responsibility and growing the Borough. It is part of the mitigation of Corporate Risk 31 – Inability to Provide School Places.

The short term impact of the recommendations for the coming year would be positive for customers on all counts of: race, equality, gender, disability, sexuality, faith, age and community cohesion. The longer term outlook is unlikely to be positive on the proposed funding levels as it will be difficult to address need on current budget levels.

- 13.5 **Safeguarding Adults and Children** - Adoption of the recommendations in the short term would contribute to the Council's objectives to improve the wellbeing of children in the borough, reduce inequalities and ensure children's facilities are provided in an integrated manner, having regard to guidance issued under the Childcare Act 2006 in relation to the provision of services to children, parents, prospective parents and young people.
- 13.6 **Health Issues** - The health and wellbeing board and JSNA highlight the importance of investing in early intervention and education to support children's and young people's long-term wellbeing. The evidence and analysis set out in Fair Society, Healthy Lives (Marmot Review) has been developed and strengthened by the report of the Independent Review on Poverty and Life Chances. The reports draw attention to the impact of family background, parental education, good parenting and school based education, as what matters most in preventing poor children becoming poor adults. The relationship between health and educational attainment is an integral part of our Health and Wellbeing Strategy. At this point there is no need to change the focus of the Health and Wellbeing Strategy as a result of this report. Healthy Schools funding is to be welcomed.
- 13.7 **Crime and Disorder Issues** - Appropriate consideration of the development of individual projects will take into account the need to design out potential crime problems and to protect users of the building facilities.
- 13.8 **Property / Asset Issues** - This proposed decision would facilitate the improvement and renewal of Council assets.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

Appendix 1 – Strategy for Ensuring Sufficient School Places and School Modernisation through to 2027.

Appendix 2 - Future Planning Programme to meet Basic Need (including SEN places) 2017 to 2027.

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Strategy for Ensuring Sufficient School Places and School Modernisation through to 2027 – Revised June 2018

Introduction

1. Barking and Dagenham is striving to develop excellence throughout our educational provision. We are driving forward standards at all Key Stages. To support improvement in the educational offer and to meet the rapidly accelerating demand for school places (Basic Need including SEN places) at all ages we need to review and address school building capacity and condition as well as suitability (modernisation).
2. This document outlines our strategy and Future Planning Programme to meet Basic Need (including SEN places) over the next 5/6 years. The programme is outline only and must remain flexible since needs and available resources are constantly shifting, we need to respond quickly to any additional financial resources that may be provided by Central Government. Decisions regarding actual proposals will always be agreed through Council decision making processes: but this document sets out a framework for making those decisions, which will be reviewed at 6 month intervals to address the Borough's rapidly changing demographics.
3. Neither the Basic Need nor the Condition figures are high enough to provide for long term robust facilities. Optimising value for money is therefore essential, including where practicable joining up funding streams.

Basic Need

4. We shall continue to lobby for the additional funds required to meet Basic Need (including Learning Disabilities / LDD/SEN).
5. We will also bid for all available funding streams using them to match to our strategy as closely as possible, whilst meeting any funding criteria and gaining optimum value for money.
6. We will investigate innovative funding routes and shall explore radical strategies and partnerships e.g. alternative sites and premises and alternative school providers (e.g. Free Schools) to optimise our use of available buildings and facilities to meet growing demand.
7. Our main strategy for developing new school places has been to develop on existing school sites, and to revitalise older school sites bringing them back into use as education facilities.
8. This practice, it has always been felt, has bought benefits of economies of scale as existing primary schools have been able to absorb the general administration and shared areas, halls etc. within the existing provision. The programme sets out to mirror this practice for some secondary schools where this is possible.
9. Realistically the demand will require that we think more radically for the future and begin to create whole new sites and schools with the consequential financial impact. Creating things from new will obviously be more costly and may include site purchase costs, it also comes with greater risks.

10. The proposed programme is shown as an Appendix to this document, entitled Future Planning Programme to meet Basic Need (including SEN places) 2017 to 2027.

Condition and Suitability (Modernisation)

11. In view of the pressing nature of the condition of many school buildings, consideration must be given to seeking and obtaining other sources of investment and funding, as far as practicable. The Asset Management Plan (AMP) for schools indicates a potential spend of £51m which has never been achieved. In practice, building systems eg boilers, lifts, electrical systems as well as building fabric are presenting significant annual problems which require urgent remedial work. In addition, Members have indicated schools and other Children's Services' buildings where they would wish to bring about improvements.
12. We need to ensure that in the absence of a funded planned maintenance programme, that we utilise the available Government Grant to ensure schools remain open.
13. In the light of the demise of former programmes to support the modernisation of schools agenda including BSF and Primary Capital Programme to support where possible building improvement, giving priority to Health and Safety matters but recognising there is a joint responsibility shared with the schools and this is wholly the schools responsibility where the school is a voluntary aided or free school.
14. There are a number of schools in the Borough which need repairs to ensure that we avoid closures. The approach taken is to work in partnership with schools to jointly address the most pressing items.
15. The school building stock in Barking & Dagenham have a number of similar characteristics as many are of similar design and were constructed between the first and second wars last century (1920's -1930's). As a consequence we have a number of schools in similar condition but also with issues around suitability.

This programme reflects the build planned and forecast opening. This data can change because of site availability and demand changes, and would be subject to negotiation with the school operator.

September 2017	Early Year Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
	Places to be reviewed as part of Childcare Sufficiency Assessment (Cabinet Dec 2015)	Need 30 YrR places YrR Capacity 4017 Demand forecast 3935	Need 30 Yr7 places Yr7 Capacity 3180 Demand forecast 2928	Demand forecast 2596	6 additional SEND secondary ARP places
	<p>Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.</p> <p>Subject of review to meet new requirements – insufficient places expected</p> <p>Maples 160 places. Thames Ward 120 places</p>	<p>Eastbrook Primary 2e YrR</p> <p>Riverside Free School 2fe YrR</p> <p>Provided 120 YrR places, Capacity 4137</p>	<p>Barking Riverside 2fe Yr7</p> <p>Barking Abbey 3fe Yr7</p> <p>Provided 150 Yr7 places, capacity 3330</p>	<p>Capacity to be increased following school and college space/demand survey joint work with DfE</p>	<p>Barking Riverside Special (30 places per year for 5 years) – year 3</p> <p>Ripple Westbury 4 additional places</p> <p>Gascoigne Primary new 12 places</p> <p>Monteagle Primary additional 12 places</p>

September 2018	Early Year Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
	Places to be reviewed as part of Childcare Sufficiency Assessment (Cabinet Dec 2015)	Need 0 YrR places YrR Capacity 4137 Demand forecast 3898	Need 100 Yr7 places Yr7 Capacity 33330 Demand forecast 3263	Demand forecast 3091	6 additional SEND secondary ARP places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision. Extend 2 existing nurseries provide a new facility at Riverside.	Provided 0 YrR places, capacity 4140	Eastbrook 2fe Yr7 Greatfields 1fe yr7 Provided 90 Yr7 places, capacity 3420	No additional – to be reviewed through 6 th Form Review/Strategy	Barking Riverside Special (30 places per year for 5 years) – year 4 Jo Richardson – additional 12 places 30 Place SEMH Provision (to grow to 90 places)
September 2019	Places to be reviewed	Need 0 YrR places YrR Capacity 4137 Demand forecast 3867	Need 120 Yr7 places Yr7 Capacity 3420 Demand forecast 3391	Demand forecast 3292	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision. Subject of review to meet new requirements	Provided 0 YrR places, capacity 4137	Greatfields Free School 5fe Yr7 Warren 2fe yr7 Provided 210 Yr7 places, capacity 3630	No additional – to be reviewed through 6 th Form Review/Strategy	Barking Riverside Special (30 places per year for 5 years) – year 5 SEN Autism Unit 30 places (to grow to 170 places)

	Early Years Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
September 2020	Places to be reviewed	Need 0 YrR places YrR Capacity 4137 Demand forecast 4053	Need 0 Yr7 places Yr7 Capacity 3630 Demand forecast 3389	Demand forecast 3480	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Lymington Fields 3fe YrR (Robert Clack) Mallard Primary 3fe YrR Greatfieds Primary School 3fe YrR places Provided 270 YrR places, capacity 4407	Lymington Fields 6fe Yr7 Provided 180 Yr7 places Capacity 3810	No additional – to be reviewed through 6 th Form Review/Strategy	30 place SEMH Provision (phase 2 see Sept 2018) 30 place SEN Autism Unit (phase 2 see Sept 2019)
September 2021	Places to be reviewed	Need 0 Year R places YrR Capacity 4590 Demand forecast 4407	Need 0 Yr 7 places Yr7 Capacity 3810 Demand forecast 3451	Demand forecast 3787	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	New Free School Dag Beam Park Primary 3fe YrR Provided 0 YrR places, capacity 4497	New Free School East Dagenham 4fe Yr7 Beam High Provided 120 Yr7 places, capacity 3930	No additional – to be reviewed through 6 th Form Review/Strategy	30 place SEN Autism Unit (phase 3 see Sept 2019)

	Early Years Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
September 2022	Places to be reviewed	Need 0 YrR places YrR Capacity 4497 Demand forecast 4127	Need 0 Yr 7 places Yr7 Capacity 3930 Demand forecast 3508	Demand forecast 4060	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Provided 0 YrR places, capacity 4590	New free school East Dagenham 6fe Yr7 Beam High Provided 180 Yr7 places, capacity 4110	No additional – to be reviewed through 6 th Form Review/Strategy	30 place SEN Autism Unit (phase 4 see Sept 2019)
September 2023	Places to be reviewed	Need 0 YrR places YrR Capacity 4590 Demand forecast 4112	Need 0 Yr 7 places Yr7 Capacity 4040 Demand forecast 3623	Demand forecast 4362	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	3 rd Barking Riverside Primary Provided 90 YrR places, capacity 4590	New Free School – Thames View – 120 Yr7 places Provided 120 Yr7 places, capacity 4160	No additional – to be reviewed through 6 th Form Review/Strategy	30 place SEN Autism Unit (phase 5 see Sept 2019)
September 2024	Places to be reviewed	Need 0 YrR places YrR Capacity 4680 Demand forecast 4111	Need 0 Yr7 places Yr7 Capacity 4160 Demand forecast 3732	Demand forecast 5122	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Barking Central 3fe YrR Provided 90 YrR places, capacity 4680	New Free School – Thames View – 60 Yr7 places Provided 60 Yr7 places Capacity 4220	No additional – to be reviewed through 6 th Form Review/Strategy	30 place SEN Autism Unit (phase 6 see Sept 2019)

September 2025	Early Years Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
	Places to be reviewed	Need 0 YrR places YrR Capacity 4677 Demand forecast 4144	Need 0 Yr 7 places Yr7 Capacity 4290 Demand forecast 3685	Demand forecast 5380	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	To be planned when housing details are clarified Provided 0 YrR places, capacity 4677	To be planned when housing details are clarified Provided 0 Yr7 places Capacity 4290	No additional – to be reviewed through 6th Form Review/Strategy	
September 2026	Places to be reviewed	Need 0 YrR places YrR Capacity 4677 Demand forecast 4184	Need 0 Yr 7 places YrR Capacity 4290 Demand forecast 3640	Demand forecast 5412	SEND Places
		To be planned when housing details are clarified Provided 0 YrR places, capacity 4677	To be planned when housing details are clarified Provided 0 Yr7 places Capacity 4290	No additional – to be reviewed through 6th Form Review/Strategy	
September 2027	Places to be reviewed	Need 0 YrR Places YrR Capacity 4677 Demand forecast 4270	Need 0 Yr 7 Places YrR Capacity 4290 Demand forecast 3802	Demand forecast 5480	SEND Places
		To be planned when housing details are clarified Provided 0 YrR places, capacity 4677	To be planned when housing details are clarified Provided 0 Yr7 places Capacity 4290	No additional – to be reviewed through 6th Form Review/Strategy	

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CABINET**17 July 2018**

Title: Review of Parking Fees and Charges	
Report of the Cabinet Member for Enforcement and Community Safety	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Michael Barnes, Parking Manager	Contact Details: Tel: 020 227 3781 E-mail: Michael.Barnes@lbbd.gov.uk
Accountable Director: Jonathon Toy, Operational Director - Enforcement	
Accountable Strategic Leadership Director: Fiona Taylor - Director of Law & Governance	
<p>Summary</p> <p>This paper sets out a series of proposals for fees and charges for Parking Services for 2018/19 and subsequent years.</p> <p>The proposals are in line with the agreed objectives of the Parking Strategy adopted by Cabinet in October 2016 and the Mayor of London's transport initiatives and manifesto.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Approve the proposed fees and charges for Parking Services set out in the report; and (ii) Approve the proposals for Controlled Parking Zones as set out in the report. 	
<p>Reason(s)</p> <p>The report sets out a series of proposals to significantly rebalance parking fees and charges aimed at meeting one of the Council's key priorities of reducing air pollution and as well as providing a safer, fairer, consistent and more transparent parking service.</p> <p>The borough faces growing challenges in terms of traffic flow, congestion, safety and air pollution. If these challenges are not addressed now, they will impact on future generations of residents, businesses, drivers and other road users.</p> <p>This report supports the Parking Strategy 2016-2021, which aims to encourage the greater use of other modes of transport, for example cycling, and greater use of initiatives such as car clubs as a means to improve air quality and offer choice to residents. The population of Barking and Dagenham is changing and has increased by more than one quarter (26%) from 163,900 to 206,500 residents since 2001 and is anticipated to rise to 223,000 by 2020. It is vital therefore, that parking control measures are introduced now, to</p>	

ensure that congestion on our roads does not increase and road safety and air quality are not further compromised.

The plans include recommendations for parking control measures for vehicles which are most likely to impact on the borough's air quality as well measures to restrict Heavy Goods Vehicles (HGV) parking in residential areas.

1. Introduction and Background

1.1 The Parking Strategy 2016-21 sets out a clear vision for parking in the borough. This vision was supported by 75% of respondents to the consultation on the strategy. The vision is "To provide safe, fair, consistent and transparent parking services".

1.2 This vision is supported by five main priorities that have been designed to reflect the competing parking needs in the borough. These priorities reflect the needs of residents, businesses, commuters, cyclists and pedestrians alike. The priorities are:

- Ensure that the low emissions and air quality strategy for London is at the heart of our decision making.
- Reduce congestion caused by parked vehicles and improve road safety;
- Make best use of the parking space available;
- Enforce parking regulations fairly and efficiently; and
- Provide appropriate parking where needed.

1.3 In developing the Parking Strategy, the Council developed and agreed a hierarchy of needs for parking in the borough, based on the responses to our consultation. This hierarchy forms a core part of our decision making for parking controls, the design of parking schemes and the cost of parking services. The hierarchy of parking needs are set out below, and highlights that people are at the heart of strategy:

- Residents with a disability;
- Non-residents with a disability;
- Local residents;
- Priority care workers;
- Local business essential servicing;
- Short stay visitors and shoppers;
- Long stay visitors and shoppers;
- Long stay commuters; and
- Safety of children around schools.

1.4 The key proposals set out in the strategy were: -

- Free half hour parking in all on-street shopping locations;
- Free one-hour parking in all council Parks;
- Adopt an area-based approach to parking controls;
- Move to cashless payment for car parking including contactless payment cards;

- Continue to apply a lower parking permit charge for the first two vehicles per household, compared to the third and introduce a higher charge for the fourth vehicle and above;
- Establish parking permit prices which encourage low emission vehicles and improve air quality; and
- Increase our enforcement in areas where pavement parking affects safe access to pedestrians and cyclists.

1.5 The challenges for improving air quality in London

Since the adoption of the Parking Strategy 2016-21, the Mayor of London has published his transport initiatives. The Mayor's Air Quality Strategy has highlighted the health and social impact of air pollution in our capital city. These include: -

- 9,000 early deaths attributable to air pollution;
- 24% of primary schools are in areas which breach the legal limit for Nitrogen Oxides (NOx);
- People are twice as likely to die from lung diseases when living in deprived areas of London; and
- Air Pollution has a £3.7bn cost to London's economy.

The most significant transport initiatives in the Manifesto are as follows:

- Improving air quality in built up areas (as proven by empirical evidence);
- Reducing congestion;
- Penalising fuel guzzling vehicles; and
- Moving away from Diesel vehicles and moving towards Electric.

- 1.6 One of the key strands of the Mayor of London's Air Quality Strategy, is to reduce the number of high pollutant vehicles which are entering the city and applying increased charges for those vehicles who have high levels of NOx and CO2 emissions.
- 1.7 The Mayor's Air Quality Strategy commenced in 2010 with the introduction of the London Wide Emission Zone for lorries and coaches. In October 2017, a [£10 toxicity 'T-Charge'](#) was introduced aimed at older, more polluting vehicles in central London.
- 1.8 The Ultra Low Emission Zone (ULEZ) will be introduced in central London on 8 April 2019. Motorists looking to park and ride into London are likely to choose outer London Boroughs, such as Barking and Dagenham to park. Protective measures therefore need to be put in place such as diesel surcharges and increased Controlled Parking Zones, particularly around our transport hubs, supported by increased enforcement.
- 1.9 In summary, the impact of the above changes will mean that areas such as Barking and Dagenham will experience displacement as motorists choose outer London boroughs as a place to start and end their commute. If steps to control parking are not introduced, both in terms of reducing pollution and congestion, the impact will be most significant on residents of the borough.

- 1.10 Barking and Dagenham faces specific challenges due to its geography and arterial road network and has levels of Nitrogen Oxides which exceed European Union limits.
- 1.11 Within the Capital there are currently 187 Air Quality Focus Areas, which were created to deal with areas which had high human exposure and were exceeding the EU annual mean limit value for NO₂ of 40 µg/m³.
- 1.12 Barking and Dagenham has three Focus areas which were created in 2016 following a Borough wide evaluation of pollutant concentrations, relevant exposure and the potential for local intervention to improve the situation. The areas are:-
- Barking Town Centre and the surrounding area;
 - Area along A13; and
 - Area from A12 south along Whalebone Lane.
- 1.13 These areas contain schools and some residential properties which are above the current objectives and have relevant exposure. The Air Quality Action Plan states that a combination of vehicle parking strategies, school and residential awareness campaigns and speed control measures will aim to reduce air pollution.
- 1.14 The council produces an annual Air Quality Annual status report. The report provides a detailed overview of air quality in Barking and Dagenham. It is produced to meet the requirements of the London Local Air Quality Management statutory process.
- 1.15 The most recent report, published in May 2018 includes a number of transport related actions to improve air quality. These include:
- Ensuring that the need to travel by private car or by lorries other than for essential trips is reduced while accepting the role of the car and the lorry in helping to meet transport needs;
 - Support measures to manage travel demand in the Borough and encourage alternative travel modes to the car through traffic management measures;
 - Seek improvements to the public transport network that provides for the needs of residents, businesses and employees in the Borough without significant adverse impact on the environment;
 - Ensure that schools encourage pupils and staff to cycle or walk to school and that adequate facilities are provided to enable this, including a network of safer routes and undercover cycle parking;
 - Promote and arrange for safer routes to school and organise walking buses along these routes. Steps will be taken to discourage parents from driving children to school; and
 - Take steps to limit the levels of private car use by Council employees in order to set an example to other employers.

2. The changes in the Parking Service 2015-2018

- 2.1 The council retains an in-house parking service which undertakes a series of functions including: -
- Issuance of Parking Permits;

- Management of off street and on street parking including the London Road Car Park, Barking and The Mall Car Park, Dagenham;
- Enforcement of parking offences through Penalty Charge Notices (PCN's);
- Enforcement of moving traffic violations using Parking enforcement technology; and
- Design and introduction of Controlled Parking Zones (CPZ).

2.2 The parking service has seen a number of changes over the past three years.

2.3 In 2015/16 the overall financial projection for parking services was set at £6,899,200. The service achieved £7,076,997 against actual costs of £4,282,000.

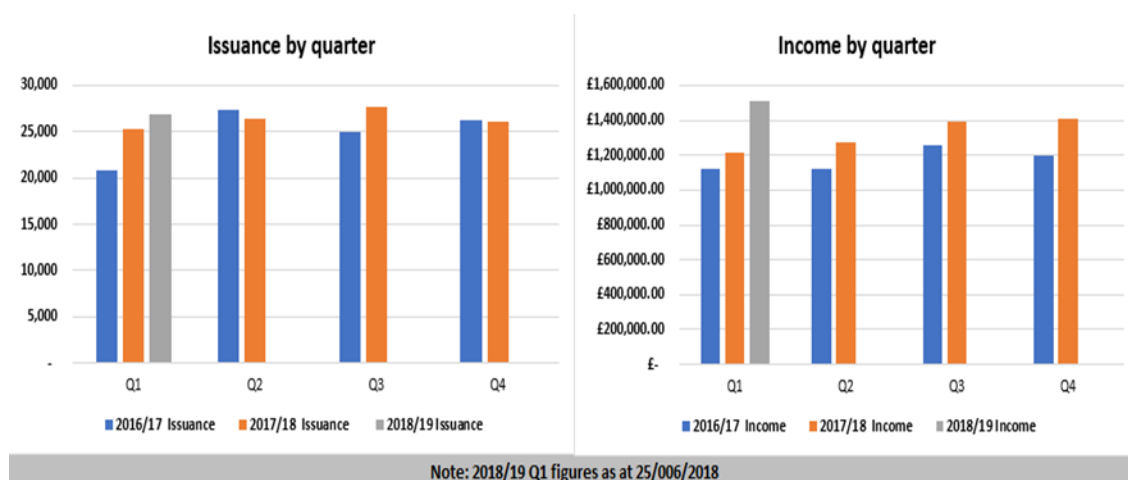
2.4 In April 2015 the Deregulation Bill came in for parking enforcement. The Bill meant that we could not use static cameras for any parked vehicle offence. As a result, 22 static parking enforcement cameras were removed.

2.5 The impact was most significantly felt in 2016/17. The outcome was a reduction of 32,000 PCN's at an average value of £39 per PCN. This, plus the loss of revenue from the use of smart cars to capture static parking offences, equated to a projected loss of income of £1.25m.

2.6 There was a significant reduction in both figures, from 2016/17, compared to 2015/16. The reduction in issuance could be seen as a result of the Bill and the ability of the Council to reduce traffic violations. However, the reduction in collection highlighted a concern that the service was not working as effectively and productively as it could.

2.7 The following graphs set out the number of PCN's issued each quarter, between April 2016 and March 2018. The graphs also include the fines collected per quarter.

Graphs 1 and 2 illustrate PCN issuance and income per quarter April 2016-March 2018



2.8 The council has seen a steady improvement in Parking Services since November 2017. These improvements include:

- An increase in payment rate of Penalty Charge Notices, from 51% to over 61%. This is attributable to increased monitoring of PCN non payments and an increase in efficiency in progressing unpaid PCNs, including issuing

- warrants;
- A 4.5% increase in PCN issued, in the 6 months, October 2017 to March 2018 compared to the previous 6 months;
- A reduction in the number of contested PCNs cancelled from 30% in the 6 months between April to September 2017 to 23% in the following 6 months (October 2017 to March 2018);
- Introduction of additional CCTV enforcement cameras in areas affected by traffic congestion and safety issues. 5 enforcement cameras have been in place since March 2018, resulting in approximately 1,579 PCN's issued to the end of April 2018; and
- Increase in usage of both The Mall Car Park in Dagenham, Heathway and London Road Car Park:
 - The number of recorded transactions for the Mall Car Park was 21,272 in 2017/18, compared to 18,084 in 2016/17.
 - In London Road Car Park, the number of transactions increased from 16,928 in 2016/17 to 17,931 in 2017/18. Income has increased over this period by approximately 15%.

3. Proposal and Issues

3.1 Proposal 1 - Parking Permits: Change in Banding Structure

- 3.2 At present the council issues around 16,500 permits. Of these approximately 7,500 are issued as resident permits through Controlled Parking Zones. Permit pricing is currently structured across 8 bands. The published bands are based on the vehicle CC, not emissions. They are also structured on the number of vehicles per household; increasing in cost for the second, third and fourth vehicle.
- 3.3 The following table sets out the number of permits issued by car emissions. 16.5% of permits are issued to cars with less than 120 CO2 emissions.

Table 1. Proportion of permits issued based on current banding structure

Tariff Band	LBB Current Charges (CO2 emissions)	Price/permit (£)	Quantity
Band A	0 -100	0	18
Band B	101-120	23	1213
Band C	121-140	23	1004
Band D	141-160	28	1266
Band E	161-180	34	1609
Band F	181-200	43	1055
Band G	201-255	49	737
Band H	256 +	70	529
			7,431

- 3.4 The proposal is to simplify the current banding structure for parking permits. It is proposed to reduce this to 7 bands, to provide a clearer, fairer and more

transparent charging structure. Table 2 below, sets out the proposed banding structure to be implemented from September 2018. The rationale for these increases are set out in the proposals below.

Table 2 – Proposed banding structure from September 2018.

Proposed Bands 2018-19	Emissions (cc)	Price/permit (£)	Quantity
Band 1	0 -50	0	5
Band 2	51 -100	18	13
Band 3	101 -140	36	2,217
Band 4	141 -160	45	1,725
Band 5	161-180	51	1,150
Band 6	181 -255	80	1,792
Band 7	over 256	140	529
Total			7,431

3.5 Proposal 2 - Retain free permits for electric cars

3.6 The council supports the Mayor of London’s ambition to make London’s transport system zero emissions by 2050.

3.7 The Mayor of London has committed to work with London Boroughs to roll out a greater amount of electric car charging points to make this a reality. The council will work with Be First and planning and design bodies, to support the development of new charging infrastructure as part of the regeneration of the borough.

3.8 In support of this, the council has proposed to keep parking permits free for those with electric cars.

3.9 Proposal 3 - Reduce permit prices for low emission cars

3.10 As part of our priority to ensure that the low emissions and air quality strategy for London is at the heart of our decision making, it is proposed that the fees and charges structure is applied in a way that encourages a move from higher to lower emission vehicles. It is therefore proposed that the price banding for permits is charged on the basis of CO2 emissions.

3.11 Accordingly, the proposal is to offer free permits for those cars with emissions under 50 CO2. Cars that are under 50 CO2 emissions currently tend to be electric cars. This will be for first and second cars within this band. These proposals will encourage residents to choose lower emission vehicles and this will be supported by a communications campaign with public health colleagues.

3.12 Proposal 4 - Increase permit fees for high emission cars and for households with more than one vehicle.

3.13 To encourage households to move to no or lower emission vehicles, it is proposed that charges for vehicles with emissions over 101 CO2 are increased. There will be

2,217 permit holders in Band 3 at a cost of £36 per permit against the current average for these bands of £23.00.

- 3.14 There will also be an increase in the permit price for vehicles falling in the higher bands, 4, 5, 6 and 7 of £45, £51, £80, £90 and £140 respectively. The current prices range from £28 to £74.

3.15 Proposal 5 - Permits for more than one car per household

- 3.16 There is an increasing pressure on many parts of the borough for adequate and safe parking places. In some areas the volume of vehicles is causing congestion and impacting on air quality and on the safety of pedestrians and other roads users.
- 3.17 As part of our commitment to the priority set out in our Parking Strategy 2016-21, "To reduce congestion caused by parked vehicles and improve road safety", it is proposed to increase the cost for permits for those with three or more vehicles per household. Permit prices will increase by 25% for the third vehicle, 50% for the fourth vehicle and 75% for the fifth or subsequent vehicles, based on the CO2 emission banding
- 3.18 However, where a household has 2 vehicles under 50 CO2, both permits will be free. Where a household has one vehicle over 100 CO2 emissions and one under the 50 CO2 emissions, the free permit for the lower emission vehicle will still apply. A third vehicle in any household will require a permit at a minimum level of £45, regardless of the emission level of the vehicle.

3.19 Heavy Goods Vehicle's and large transport vehicles

- 3.20 One of the major concerns for residents, in terms of both parking congestion and road safety, is Heavy Good Vehicles (HGVs). The majority of complaints from residents relate to HGVs parked on pavements and minimising safe pedestrian access, blocking light to properties and adding to parking congestion, due to the space required for oversized vehicles
- 3.21 The council proposes to restrict HGV's parking in residential areas, but can only do this for vehicles parking in a Controlled Parking Zone area. This is a key feature of the proposals set out below, to consolidate and expand Controlled Parking Zone's. This means that any vehicle with a long wheel-base will not be eligible for a permit. The council will continue to restrict a vehicle no longer than 5.25m and no higher than 2.3m to park in a Controlled Parking Zone.
- 3.22 In addition, it is proposed to introduce measures to restrict the access to Heavy Goods Vehicles and large transport vehicles, from entering residential areas. Currently there are weight restrictions for vehicles of 7.5 tonnes or more travelling through a designated residential area. In addition, there are areas which restrict vehicles of 5 tonnes or more from parking. Penalty Charge Notices have been issued to vehicles seen contravening weight restricted places. In 2017/18 this equated to 1,605 PCN's.
- 3.23 Technology, including CCTV now exists which enables councils to identify and enforce against heavy vehicles from travelling through designated residential areas. It is proposed to undertake a feasibility study to identify areas that would most

benefit from the introduction of this new technology and submit proposals to the Cabinet member for Enforcement and Community Safety to bring forward.

3.24 Proposal 6 - Introduction of an additional flat fee charge for diesel cars

3.25 The Parking Strategy is clear in its aim to reduce carbon emissions, as is the Mayor of London who has fast-tracked the introduction of the Ultra Low Emission Zone (ULEZ) for central London from April 2019.

3.26 This will mean that diesel cars not meeting the Euro 6 emission standard will have to pay an additional charge to drive into the city centre. The Council's own Air Quality Annual Status Summary Report for 2016, published May 2017 shows that the borough faces significant challenges with air pollution. The objective is to encourage businesses and residents to purchase low emission vehicles, thereby having a positive impact on pollution levels across the capital.

3.27 Testing conducted by the independent International Council on Clean Transportation (ICCT)¹ found a typical modern Euro 6 diesel emits seven to ten times more nitrogen dioxides (NO_x) on the road than the Euro 6 limit achieved in tests (80mg/km. More recent tests performed by Emissions Analytics² show diesel emissions on the road are typically four and a half times higher than permitted by Euro 6 standards.

3.28 In the autumn 2017 budget the Chancellor announced an increase in the first year tax rate of new diesels first registered from 1 April 2018 that do not meet the Euro 6d standard. It is anticipated that this is likely to affect those vehicles currently exempted in the Mayors ULEZ.

3.29 Alongside other London boroughs, such as Hackney, Islington and Westminster, it is proposed to introduce an additional charge for diesel cars. The charge will apply to those vehicles that do not meet Euro 6d standards and will be *in addition* to their permit charge.

3.30 The proposal would be to charge initially £50 for the first year increasing to £75 per annum for year two for all residents and business permits. The council will also look at introducing additional charges for diesel vehicles parking in the borough.

3.31 Similarly to the Mayor's ULEZ, the aim of this flat charge is to encourage people to move away from diesel cars. We currently estimate that around 20% of all cars in the borough are diesel and so this would impact on around 3,300 permit holders.

3.32 Proposal 7 - Parking in on street and secondary shopping locations (off-street)

3.33 The council introduced parking charges in secondary shopping locations in 2017/18. The charges included free parking for the first 30 minutes. There are no proposals to change the current free parking commitment.

3.34 The current fees and charges, as from February 2018 are as follows:

- Major on - street and off-street locations:-

- One hour parking – £1.50
 - Two hours Parking – £4.50
 - Four hours to increase -£10.50
- District off - street and on-street locations
 - One hour parking – 75 pence
 - Two hours parking – £1.50
 - Four hours parking – for off-street locations such a secondary shopping area is £2.25, for on-street location is £3.

3.35 It is proposed to formally consult on the introduction of fees and charges for on and off-street parking locations as part of the introduction of Controlled Parking Zones in the borough. This will help to reduce congestion and improve traffic flow. The first period of consultation will commence in the Autumn 2018 as part of the Controlled Parking Zone consolidation proposals set out below.

3.36 Proposal 8 - Other permits

3.37 The council currently provides a range of permits. Prices for these types of permits increased as part of the Fees and Charges report agreed by Cabinet in November 2017.

3.38 At present, the council provides permits for faith organisations who are part of the council's multi faith forum. Currently there are only four permits issued of this type. It is not equitable to continue with such an arrangement and it is proposed to bring these permits to an end with immediate effect.

3.39 Staff permits

3.40 Council staff are encouraged to use cleaner and more sustainable transport options as part of their commitment to improving the environment and reducing traffic congestion in the borough. However, for many staff access to a car is an essential part of carrying out their role.

3.41 At present council staff have three main options:

- Paying for parking at the daily rates set out above;
- Applying for a permit – The current standard annual permit is set at £336 and a priority permit is £571; or
- Use of a parking Fob – the Fob is current set at a day rate of £1.60 or for 4.5 hours is 80p.

3.42 The Parking Service is moving to a virtual system for all permits. This will significantly reduce the cost of printing permits which is currently estimated to cost £15,000 per annum.

3.43 In addition, the cost of the existing Fob system could be reduced by encouraging staff to move to virtual permits. Accordingly, it is proposed to increase the daily charge for a Fob from £1.60 to £2.00 in 2018/19 and a further increase to £3.00 by 2019/20.

3.44 These increases are in line with other London Boroughs. For example:-

- Redbridge Council currently charge staff £3 a day for parking.
- Havering Council currently charge staff £300 per annum for a staff permit.
- Enfield Staff Parking Permit Prices are dependent on location and type of car park between £573.24, £412.56, £267.48 and £240 + VAT per annum all paid monthly.

- 3.45 It is proposed that standard and priority permits remain at their current rate for 2018/19 with an increase in line with inflation for 2019/20. A full review of parking for staff will be undertaken in line with the councils New Ways of Working.
- 3.46 The council delivers a number of its services alongside partner organisations. These include organisations such as the North East London Hospital Trust, who deliver care and support for many of our residents, Be First regeneration, Traded Services and Elevate who provide vital IT and call centre support and leisure providers.
- 3.47 In line with the hierarchy of needs set out in the Parking Strategy, it is proposed that organisations that can demonstrate that they are providing direct priority care work for residents will be offered permits at the same level as council staff.
- 3.48 All other organisations who are directly delivering a service on behalf of the council will be charged at the same rate as council staff until December 2020. From 2021, an additional charge of 20% above the council staff rate will be applied. This will include sub-contractors delivering services on behalf of the council.
- 3.49 To ensure consistency of fees and charges for staff and partner organisations, it is proposed to apply the same options for parking charges, set out in 3.39 above, to Pondfield Depot, Wantz Road, Dagenham. This will come into effect from 1st September 2018.

3.50 Proposal 9 - Enforcement around schools

- 3.51 Road safety outside schools remains a priority for Parking Enforcement. Currently there are 63 schools in the borough.
- 3.52 It is proposed that 5 CCTV cameras be installed outside schools to enforce the “Keep Clears”. The school Keep Clears are designated areas where vehicles cannot be parked, including dropping off and picking up children, immediately outside school entrances.
- 3.53 The table below outlines the costs and projected income of the CCTV cameras:

Description of item	Capital Cost (£)*	Numbers of PCNs (projected)	PCN Income (£) per annum
5 x CCTV cameras (@ £24k per camera)	120,000 one off	600	19,000
Relocation of cameras per annum (3 relocations p.a.)	24,000		

*Cost of a CCTV camera includes configuration, hardware, columns and sockets

3.54 Cameras are moved at the end of every term as compliance is generally achieved quite quickly following installation of cameras at schools.

3.55 Proposal 10 - Controlled Parking Zone's (CPZ's)

3.56 The council has introduced a number of Controlled Parking Zones to ease congestion and improve traffic flow. At present there are 6 controlled parking areas made up of 25 individual CPZ's with over 12 different restriction times. These schemes have tended to be implemented to address specific issues for a specific area when issues arise.

3.57 As a result, there are a number of adjoining schemes which are no longer compatible with each other in terms of hours specified, causing additional traffic management and safety concerns.

3.58 The council proposes to review the current Controlled Parking Zones over the next three years on a phased programme. The programme will comprise:-

- Phase One - Consolidation of CPZ's – It is proposed that the council undertakes a modelling and consultation process to review the existing CPZ schemes and incorporate adjoining areas which will benefit from controlled parking restrictions. The aim would be to complete a re-modelling exercise and commence consultation in September 2018.
- Phase Two - Schools - The borough is made up of approximately 130 educational institutions, including 63 schools many of which are expanding size and pupil intake. There is significant pressure for parking around schools which is impacting on the safety of young people, impacting on residents, increasing congestion air quality and traffic flow at busy times. 12 schools are included within current CPZ's. There are 24 further schools which will be included in the Phase One consolidation proposal as set out above. Head teachers will be written to directly as part of the consultation programme to commence in the Autumn of 2018. To ensure that there is a consistent approach across all schools, a further 27 schools will be reviewed as part of Phase Two. A list of the schools and their phasing is set out in Appendix 1.
- It is proposed that a tendering exercise to appoint a traffic management professional is undertaken. An assessment of the remaining 27 schools will take place commencing in the Autumn of 2018 to be completed in Spring 2019. The findings of the assessment will be presented to Cabinet prior to any formal consultation.
- Phase Three – borough review – on completion of Phases One and Two, a review of Parking Controlled Zones in other parts of the borough will commence in 2020.

3.59 It is recommended that the council formally proceed to tender for a traffic management professional to commence the modelling and consultation process for Phase Two. Phase One will be delivered by current, in-house services.

3.60 **Proposal 11 – Parking on Footways**

- 3.61 At present there is no boroughwide policy, adopted by the council, in relation to parking on footways. It has been illegal to park on footways, land between two carriageways and verges, since the Greater London Powers Act were introduced in 1985.
- 3.62 Whilst we have tolerated footway parking in some areas, there is no overall consistent approach, resulting in confusion and inconsistency for motorists.
- 3.63 It is proposed to introduce a boroughwide Parking on Footways Policy, to regulate this activity and to be presented to assembly by the end of financial year 2018/19.

4. **Options Appraisal**

4.1 This paper sets out a series of proposals for Parking Fees and Charges for 2018/19 and beyond. The proposals have been drawn from the work undertaken by the council in reviewing its fees and charges in line with the Parking Strategy 2016-21 and the initiatives set out by the Mayor of London. In light of this, the Council has the following options:

- **Option A** – agree recommendations as set out in this report.
- **Option B** – Don't agree recommendations – There are increasing areas of the borough which are experiencing significant challenges over traffic flow, congestion and safety. In many of these areas, residents are already asking for additional measures to relieve these pressures. In addition, the borough has a high level of air pollution compared to other areas of the capital. Implementing parking controls which benefit residents with low emission vehicles will assist in the Council's approach in improving air quality.

4.2 An equality impact assessment has been completed and is attached at Appendix 2.

5. **Consultation**

5.1 Consultation will be carried out as detailed in the report.

6. **Financial Implications**

Implications completed by: Katherine Heffernan, Group Finance Manager

- 6.1 For 2017-18 the service costs were £3.78m and the total income achieved was £6.7m, realising a net position of £3.14m. This was a net position increase from 2016/17 of 16%. For 2018-19, the budgeted service costs are £3.59m. The gross budget target is £8.15m. The net position for 2018-19 has been set at £4.56m. This equates to a 45% increase in the net budget position.
- 6.2 In 2017/8 the budget pressure at the end of the financial year was £1.09m. This was mainly due to underachievement of the MTFS targets and forecasted income. In addition, a further MTFS target has been set for 2018-19 which equates to £250,000.

- 6.3 The current trend for the first quarter of financial year 2018/19 indicated that the service is projecting £185,000 above the annual budget.
- 6.4 The introduction of a new permit pricing structure as described in this report including a Diesel surcharge, as set out above, will generate £212,216 in 2018/19, from October 2018. The increase to £75 Diesel surcharge in 2019/20 will result in a full year income of £508,051, for both the permit income and diesel surcharge based on current patterns of car ownership and usage. Over time if residents and others respond to the changed incentives then this income figure may reduce.
- 6.5 Rollout of the phased implementation of the CPZ programme Phase 1 (which is the consolidation and expansion of existing sites) and Phase 2 (schools CPZ) will generate a total cumulative income of £2.056m against a cost of £1.368m, thereby generating a net income of £689k over the period 2019-21. This should go towards offsetting the MTFS income target of £190k for 2019-20. This will support the service to generate income in the Parking Account for investment in transport services in line with the assumptions set out in the MTFS for 2019-20.
- 6.6 To ensure that we can effectively manage the additional permit areas and on street parking restrictions, the number of CEO's and supervisory officers will need to increase. This increase will be met through the parking account – effectively from the increase in income received.
- 6.7 The additional staffing costs will be £406,804. This includes 6 additional CEOs. It is estimated, based on the current financial analysis that the additional officers will achieve an annual income of £420,000. In summary the additional staffing required will be cost neutral.
- 6.8 However for 2018/19, there will be a budget pressure for the additional staffing of £265,000, equivalent to 6 months costs.
- 6.9 The installation of 5 cameras around schools is not likely to generate a sufficient payback return, however the primary objective of maintaining safety and security around schools would justify installation of cameras around school zones. Elsewhere, the installation of 5 cameras will generate a return within a year of installation, enabling the authority to recover its capital costs of the cameras, maintenance costs and running costs as well. The one-off capital costs of the 5 cameras of £120,000 will be met from the capital budget and the relocation of the cameras will incur a cost of £24,000 per annum which will be funded from PCN income.
- 6.10 Fees and charges were increased for council managed car parks, as part of the Fees and Charges Report, adopted by Cabinet in November 2017. In addition, fees and charges were increased for some permits, including annual season ticket holders and special permits, such as GP's and special events. There are no proposals to increase these further as part of this report. Moreover, any behaviour change on the part of residents and drivers could potentially impact the income received. However, there will be non-financial benefits from any such change which is a key priority of the Parking Strategy.
- 6.11 It must be highlighted that the financial modelling of the income and costs does not come without any risks. Potentially, delays in the rollout of the CPZ scheme at

consultation stage due to objections could lead to delays in the sale of permits and PCN income or the scheme not progressing at all to implementation stage with no income being realised. The provision of an inhouse team to deliver the implementation of Phase 1 will realise budget savings, however Phase 2 will require external expertise. The cost for Phase 2 is estimated at £1.1m including the design, consultation, cost of lining and signage and implementation. The initial design and site work is £238, 295 which is included in the above figure. This will be met through the total cumulative income of £2.056m for the implementation of Phase 1 and 2.

7. Legal Implications

Implications completed by: Dr Paul Feild, Senior Corporate Governance Solicitor

- 7.1 The revenue generated by charges for on-street and off-street parking is subject to the requirement that it be placed within a ring-fenced account, operating in accordance with section 55 of the Road Traffic Regulation Act 1984.
- 7.2 The power to charge and the purposes for which the money may be used has been tested in the courts. They have determined that the power is not to be used as a source of generating revenue, instead the charging regime ought to seek to be self-financing including covering earlier deficits and when a surplus is generated the purpose to which it may be allocated is set out in statute. That does not mean that finances should be on a knife-edge as it is quite lawful to be prudent and to budget for a surplus to allow for unforeseen expenses, shortfalls in other years, and payment of capital charges/debts.
- 7.3 With these considerations in mind any new strategy and charging regime will inevitably take time to settle down. As a result, following a periodic review there may need to be additional fine-tuning as the financial picture emerges to ensure both viability and compliance with statutory obligations.
- 7.4 As identified in the main body of the report consultation will need to be carried out whenever there are proposals for a change of services or discontinuance of a service. In addition, Members will need to be satisfied that Equality Impact Assessments have been carried out before the proposals are decided by Cabinet.
- 7.5 It is important that due regard is given to statutory duties and responsibilities. In particular the Council must have regard to:
- any existing contractual obligations covering current service provision. Such contractual obligations where they exist must be fulfilled or varied with agreement of current providers;
 - any legitimate expectations that persons already receiving a service (due to be cut) may have to either continue to receive the service or to be consulted directly before the service is withdrawn;
 - any rights which statute may have conferred on individuals and as a result of which the council may be bound to continue its provision. This could be where an assessment has been carried out for example for special educational needs statement of special educational needs in the education context);

- the impact on different groups affected by any changes to service provision as informed by relevant equality impact assessments;
- to any responses from stakeholders to consultation undertaken.

7.6 In relation to the impact on different groups, it should be noted that the Equality Act 2010 provides that a public authority must in the exercise of its functions have due regard to the need to eliminate discrimination and to advance equality of opportunity between persons who do and those who do not share a relevant 'protected characteristic'. This means an assessment needs to be carried out of the impact and a decision taken in the light of such information. For example, people with mobility challenges should not be put at a disadvantage by changes in the regime without proper consideration.

8. Other Implications

8.1 **Risk Management** - None

8.2 **Contractual Issues** - None

8.3 **Staffing Issues** - See 6.7 above

8.4 **Corporate Policy and Equality Impact** -

An Equality Impact Assessment (EQIA) has been carried out in relation to the proposals set out in this report. The EQIA is attached (Appendix 2). The proposals are in line with the priorities of the Parking Strategy 2016/2021, adopted by cabinet in November 2016.

8.5 **Safeguarding Adults and Children**

8.5.1 This report sets out a series of proposals to improve safety around schools, through increased parking controls, installation of cameras and increased enforcement. Taking action against HGVs parking and driving in congested residential areas will improve pedestrian access and visibility in areas which have safety concerns. Improvements in air quality will also safeguard against poor health outcomes in the future.

8.6 **Health Issues**

8.6.1 This paper sets out a series of proposals aimed at improving safety through better traffic management and improving air quality by introducing measures that encourage the use of low emission vehicles and more sustainable transport.

8.6.2 In 2016, a report was produced by the Royal College of Physicians and the Royal College of Pediatrics and Child Health, aimed to look at changes in the sources of air pollution over time, both indoors and outdoors. The report also looks to the future in assessing the impact of an ageing population and climate change, and the effect this has on society. The two Royal Colleges formed a group of experts from medicine and environmental sciences to discuss current evidence, found through a search of the literature, and came up with some recommendations.

- 8.6.3 The report suggests that every year in the UK, outdoor pollution is linked to around 40,000 deaths, and more with indoor pollutants. Air pollution can have a damaging effect from when a baby is in the womb and continue throughout life to older age, playing a role in many chronic conditions such as cancer, asthma, heart disease, and neurological changes linked to dementia.
- 8.6.4 NICE guidelines, Air pollution: outdoor air quality and health, published in June 2017 and the Royal Colleges, recommend that Local authorities to act in protecting public health where air pollution levels are high, this may involve road closures and other traffic control. Parking restrictions and charges in relation to:
- restricted parking zones (including low emission vehicles, car clubs and electric vehicle recharging points),
 - higher parking charges,
 - Vehicle 'idling' restriction and charges including waiting and loading restrictions
- would be important considerations for improving air quality and changing behaviour.

8.7 **Crime and Disorder Issues**

Although road safety is not a priority for the community safety partnership, issues of inconsiderate and dangerous parking form part of the concerns raised by residents in relation to antisocial behaviour. This is particularly highlighted where driveways are blocked. The London Fire Brigade has raised concerns over parking in residential areas, which impacts on access for fire appliances, increasing fire safety concerns. The introduction of CPZ's in residential areas which face these challenges would be beneficial.

Public Background Papers Used in the Preparation of the Report - None

List of appendices:

Appendix 1 – Controlled Parking Zone Schools programme

Appendix 2 – Equality Impact Assessment

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Appendix 1 – CPZ schools programme

Existing CPZ	Phase 1 expansion	Phase 2 (Schools)	Phase 3 or already has restriction in place
The William Ford C of E Junior School	Barking Abbey School (secondary)	Dorothy Barley Junior Academy	Robert Clack School
Village Infants School	Manor Infants School	Dorothy Barley Infants School	Trinity School
The James Cambell Primary School	Eastbury Comprehensive School	St Teresa RC Primary School	St Margaret's C of E Primary School
Manor Junior School	Thames View Junior School	Roding Primary School	Riverside School
Northbury Junior School	Thames View Infants	Becontree Primary School	Riverside Bridge School
Northbury Infants School	Monteagle Primary School	St Vincent's RC Primary School	
Northbury Primary School	Roding Primary School	Henry Green Primary School	
Gascoigne Primary School	Goresbrook School	Valence Primary School (North Site)	
Gascoigne Primary School (Shaftesbury Site)	Godwin Primary School	Rush Green Primary School	
Westbury Primary School	Parsloes Primary School	Southwood Primary School	
Ripple Primary School	Valence Primary School (south site)	St Joseph's Primary School (Dagenham)	
John Perry Primary School	Richard Alibon Primary School	Five Elms Primary School	
	Leys Primary School	William Bellamy Primary School	
	Beam Primary School	Robert Clack Comprehensive School	
	Marsh Green Primary School	All Saints Catholic School	
	Hopewell School	Eastbrook Comprehensive School	
	Hunters Hall Primary School	Furze Infants School	
	Thomas Arnold Primary School	Warren Comprehensive School	
	Dagenham Park C of E School	Warren Junior School	
	St Peters Catholic Primary School	Marks Gate Junior School	

	Sydney Russell Primary School	Marks Gate Infants School	
	Sydney Russell Secondary School		
	Jo Richardson Community School		
	Grafton Primary School		
	St Joseph's Primary School (Barking)		

Community and Equality Impact Assessment

As an authority, we have made a commitment to apply a systematic equalities and diversity screening process to both new policy development or changes to services.

This is to determine whether the proposals are likely to have significant positive, negative or adverse impacts on the different groups in our community.

This process has been developed, together with **full guidance** to support officers in meeting our duties under the:

- Equality Act 2010.
- The Best Value Guidance
- The Public Services (Social Value) 2012 Act

About the service or policy development

Name of service or policy	Parking Enforcement Services
Lead Officer Contact Details	Tina Brooks Parking Services Email tina.brooks@LBBD.gov.uk Telephone 020 8227 2375,

Why is this service or policy development/review needed?

The Parking Strategy 2016-21 set out a clear vision for parking in the borough. This vision was supported by 75% of respondents to the consultation. The vision is “to provide safe, fair, consistent and transparent parking services”. This vision is supported by five main priorities that have been designed to reflect the competing parking needs in the borough. These priorities reflect the needs of residents, businesses, commuters, cyclists and pedestrians alike. The priorities are:

- Reduce congestion caused by parked vehicles and improve road safety;
- Make best use of the parking space available;
- Enforce parking regulations fairly and efficiently;
- Provide appropriate parking where needed;
- Ensure that the low emissions and air quality strategy for London is at the heart of our decision making.

In developing the Parking Strategy, the Council has developed a hierarchy of needs for parking in the borough, based on the responses to our consultation. This hierarchy forms a core part of our decision making for parking controls, the design of parking schemes and

cost of parking services. The hierarchy of parking needs are set out below:

- Residents with a disability;
- Non-residents with a disability;
- Residents;
- Priority care workers;
- Local business essential servicing;
- Short stay visitors and shoppers;
- Long stay visitors and shoppers;
- Long stay commuters

The key proposals set out in the strategy are:

- Free half an hour parking in all on-street shopping locations;
- Free one-hour parking in all council park car parks;
- Adopt an area-based approach to parking controls;
- Move to cashless payment for car parking including contactless payment cards;
- Continue to apply a lower parking permit charge for the first two vehicles per household, compared to the third and introduce a higher charge for the fourth vehicle and above;
- Establish parking permit prices which encourages low emission vehicles;
- Increase our enforcement in areas where pavement parking affects safe access to pedestrians and cyclists.

Since the adoption of the Parking Strategy 2016-21, the Mayor of London has published his Transport Initiatives and Manifesto. The most significant ones are:

- Improve air quality in built up areas (as proven by empirical evidence);
- Reduce congestion;
- Penalise fuel guzzling vehicles;
- Move away from Diesel vehicles and move towards Electric.

Fees and charges were increased for council managed car parks, as part of the Fees and Charges Report, adopted by Cabinet in November 2017. In addition, fees and charges were increased for some permits, including annual season ticket holders and special permits, such as GP's and special events. There are no proposals to increase these further as part of this report.

The challenges for improving air quality in London – The Mayor of London recently published Air Quality Strategy, which has highlighted the health and social impact of air pollution in our capital city. This includes:

- 9,000 early death due to air pollution
- 24% of primary schools are in areas which breach the legal limit for Nitrogen Oxides (NOx)
- People are twice as likely to die from lung diseases when living in deprived areas of London.
- Air Pollution has a £3.7bn cost to London's economy

One of the key strands of the Mayor of London's Air Quality Strategy is to reduce the number of high pollutant vehicles which are entering the city and applying increase charges for those vehicles who have high levels of NOx and CO2 emissions.

Barking and Dagenham faces specific challenges due to its geography and arterial road network and has levels of Nitrogen Oxides which exceed European Union limits.

The proposals of the report include:

- Simplification of the current banding structure.
- That the price banding for permits is charged based on CO2 emissions from 2020.
- To offer free permits for those cars with emissions under 50 CO2, for first and second cars within this band.
- To increase the cost for permits for those with more than two vehicles per household for each additional car.
- To restrict Heavy Good Vehicles accessing and parking in residential areas.
- To introduce an additional flat annual charge for all diesel cars in addition to their permit charge.
- To increase the cost for permits for those with more than two vehicles per household for each additional car.
- To formally consult on the introduction of fees and charges for on and off-street parking locations as part of the introduction of Controlled Parking Zones in the borough. This will help to reduce congestion and improve traffic flow.
- Permits for faith organisations will be bought to an end with immediate effect.
- To increase the daily charge for Staff Parking Fobs over a graduated period.
- Standard and priority permits will remain at the current rate for 2018/19 with an increase in line with inflation for 2019/20.
- Organisations that can demonstrate that they are providing direct priority care work for residents will be offered permits at the same level as council staff.
- All other organisations who are directly delivering a service on behalf of the council will be charged at the same rate as council staff and from 2021, an additional charge of 20% above the council staff rate will be applied. This will include sub-contractors delivering services on behalf of the council. In line with the hierarchy of needs set out in the Parking Strategy, it is proposed that organisations that can demonstrate that they are providing direct priority care work for residents will be offered permits at the same level as council staff.
- Apply the same options for parking charges to Pondfield Depot, Wantz Road, Dagenham.
- 5 CCTV cameras be installed outside schools to enforce the "Keep Clears".
- To review Controlled Parking Zones over the next three years on a phased programme.

1. Community impact (this can be used to assess impact on staff although a cumulative impact should be considered).

What impacts will this service or policy development have on communities? Look at what you know? What does your research tell you?

Consider:

- National & local data sets
- Complaints
- Consultation and service monitoring information
- Voluntary and Community Organisations
- The Equality Act places a specific duty on people with 'protected characteristics'. The table below details these groups and helps you to consider the impact on these groups.

Demographics

Barking and Dagenham has:

- 208,182 residents – 7th smallest population in London
- 56,613 under 16s – highest proportion in London and the UK
- 131,749 16 to 64s – 4th lowest proportion in London
- 19,820 over 65's – 10th lowest proportion in London
- 33 average age – lower than London average (36.0)
- 58.2 male healthy life expectancy – below London average (63.5)
- 60.7 female healthy life expectancy – below London average (64.4)
- 46.7 average attainment 8 score per pupil (GCSE) – below London average (48.9)
- 12.4% have no qualifications – 2nd highest in London
- 86.5 births per 1,000 women of childbearing age – highest in London

- 89.0 crimes per 1,000 people – below London average (93.7)
- £305,000 average house price – lowest in London
- 18.7% English not first language – below London average (22.1%) for aged three-plus
- 7.7% unemployment – 2nd highest in London
- 68.1% employment – below London average (74.0%)
- 13% Department of Work and Pensions (DWP) benefits claimants – highest in London
- 50.5% Black and minority ethnic (BME) population – below London average (55.1%)
- 30.9% born abroad – below London average (36.7%)
- 4.7% Nigeria most common birthplace outside the UK, followed by India and Pakistan.

Sources:

- Office of National Statistics revised 2016 Mid-Year population estimates (Number of residents; Age range of residents; Average age of residents)
- Office of National Statistics 2011 Census (BME population; Born abroad; Most common birthplace; English not first language)
- Office of National Statistics Annual Population Survey (January 2017 to December 2017) (Have no qualifications)
- Office of National Statistics Annual Population Survey (January 2017 to December 2017) (Unemployment, Employment)
- Department of Work and Pensions November 2016 (Benefits Claimants)
- Office of National Statistics (Year ending September 2017) (Average house price)
- Metropolitan Police Service rolling 12 months to November 2017 (Crimes)
- Department for Education Summer 2017 (revised)
- Office of National Statistics 2016 (Births)
- Office of National Statistics 2014 to 2016 (Healthy life expectancy)
- APR18

As the consultation for the implementation of Controlled Parking Zones (CPZ) is carried out via advertisement as well as web information objections are invited in writing or by email. As the standard web form is frequently not used information in respect of equalities monitoring

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is often not provided or is unreliable due to insufficient samples. However included in the process is consultation with various groups in the borough such as trade organisations, disability forums.

Equalities monitoring data available for holders of parking permits is not available as data is not captured at the application stage for any permits.

Equalities monitoring data is not available for users of pay and display bays as shoppers and visitors will come from any area within the borough and elsewhere

Potential impacts	Positive	Neutral	Negative	What are the positive and negative impacts?	
Local communities in general	X			<p>The changes will apply equally across the borough and its impact will be felt equally by all affected groups. It will result in improved air quality through encouraging the use of public transport and less polluting vehicles.</p> <p>The Equalities Impact Assessment will take into account the results of consultation on individual proposals when introducing controlled parking zones, which will include the zone designs and hours of operation to help ensure the proposed zones do not adversely impact on those with protected characteristics and where they do, mitigation will be considered.</p> <p>There are impacts on staff who purchase permits to park at work and consideration has been given when increasing charges however it is considered the demand for parking in the town centre public car parks is high and staff are to be encouraged to seek alternative means to commute for instance by cycle or public transport. The Town Hall has shower facilities for staff</p>	

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			<p>this will help improve the environment and in some instance fitness as well as freeing up much needed parking spaces.</p> <p>Permit charges are linked to vehicle CO2 emissions, which supports the Councils wider policy objective of tackling climate change and encourages the use of more fuel-efficient cars. It also means that a much higher charge will apply to larger or higher polluting vehicles.</p>	
Age	X		<p>The borough has the highest population percentage of 0-19 year olds in the country at 31%. The over 60 population accounts for one of the smallest percentages of population in England and Wales (Source: Census 2011).</p> <p>The improved restrictions around schools and subsequent enforcement will lead to greater safety for children and pedestrians with environmental improvements through the reduction of vehicle emissions.</p> <p>It is not anticipated there will be a direct or indirect impact on those with reduced mobility or older persons other than those indicated of improving air quality.</p>	
Disability	X		<p>Approximately 9,100 people are claiming disability allowance (Source: DWP, 2016).</p> <p>There is provision for disabled badge holder parking throughout the borough with free parking in car parks and on pay and display bays. Badge holders may park for up to 4 hours in designated disabled bays and 3 hours on waiting restrictions denoted by yellow lines.</p> <p>Currently a number of informal bays are marked on street that cannot be enforced but act as courtesy parking places. The introduction of the CPZ s will enable many bays to be formalised and signed to properly reserve the parking spaces for blue badge holders.</p>	
Gender reassignment		X	<p>We estimate that there may be approximately 40 people in the borough who have or who will undergo gender reassignment (Source: Gender Identity Research and Education Society advice).</p> <p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals on transgender people.</p>	

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Marriage and civil partnership		X	<p>41.9% of the population aged 16 and above are married, 38.8% are single and never married, and 0.2% are in a same-sex civil partnership (Source: Census 2011).</p> <p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals based upon this protected characteristic.</p>
Pregnancy and maternity		X	<p>Teenage pregnancy rates are significantly higher than average. The rate of teenage conceptions in 2014 was 32.4 per 1000 population of females aged 15-17. This was the second highest rate in London. We also have the highest birth rate in London (Source: ONS).</p> <p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals based on pregnancy or maternity related issues.</p>
Race (including Gypsies, Roma and Travellers)		X	<p>The population ethnicity is 24.6% Black (African, Caribbean and Black Other) residents; 15.5% Asian (Bangladeshi, Indian and Pakistani); and 8% from other or mixed ethnic groups (Source: GLA population projections).</p> <p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals based on race.</p>
Religion or belief		X	<p>56% of the population identify as Christian. 18.9% identify with no religion. 13.7% identify as Muslim (Source: Census 2011).</p> <p>At present, the council provides permits for faith organisations who are part of the council's multi faith forum. It is not equitable to continue with such an arrangement and it is proposed to bring these permits to an end with immediate effect.</p>
Sex		X	<p>51.5 % of the borough's residents are female, and 49.6% are male (Source: Census 2011).</p> <p>There is no evidence to suggest a differential impact (direct or indirect) based on sex.</p>
Sexual orientation		X	<p>Between 10,000 – 14,000 people in Barking and Dagenham are lesbian, gay and bisexual (Source: Stonewall estimates).</p> <p>There is no evidence to suggest a differential impact (direct or indirect) based on sexual orientation.</p>

2. Consultation.

Provide details of what steps you have taken or plan to take to consult the whole community or specific groups affected by the service or policy development e.g. on-line consultation, focus groups, consultation with representative groups?

CPZs have clear strategic and local advantages. However, they are only introduced following local consultation and after community support has been demonstrated.

Statutory consultation involves public notices displayed on-street and within local publications. In addition, the Council will seek to gauge public support for the CPZ by sending leaflets to local residents and asking for a response where appropriate.

In designing a CPZ, the following issues are always considered:

- Safety of all road users
- The need for steady movement of traffic and improved air quality
- Projected demands for day-time and night-time residents' parking
- Convenient parking for people with disabilities

These schemes give residents preferential treatment when parking in the street around their home. Residential permit holders can park without restriction throughout the CPZ operational hours, but non-permit holders can only park for a limited period, usually for up to two hours. Visitors who wish to park for longer than the permitted time on pay and display bays can be given a visitor permit by the resident that they are visiting, for which a charge applies.

As the consultation for the implementation of Controlled Parking Zones (CPZ) is carried out via advertisement as well as web information objections are invited in writing or by email. As the standard web form is frequently not used information in respect of equalities monitoring is often not provided or is unreliable due to insufficient samples. Included in the process is consultation with various groups in the borough such as trade organisations, disability forums.

The Equalities Impact Assessment will take into account the results of consultation on individual proposals when introducing controlled parking zones, which will include the zone designs and hours of operation to help ensure the proposed zones do not adversely impact on those with protected characteristics and where they do, mitigation is considered where reasonable.

The recovery processes set out in legislation provides a legal appeal process to deal with disputes about liability. The council considers mitigation at the earliest stage (following PCN issue) and all debt recovery process include legal requirements for dealing with vulnerable debtors.

Permit charges are linked to vehicle CO2 emissions, which supports the Councils wider policy objective of tackling climate change and encourages the use of more fuel-efficient cars. It also means that a much higher charge will apply to larger or higher polluting vehicles.

When setting or reviewing parking charges the Council considers:

- The Council's transport and wider policy objectives
- Statutory or legal requirements that may affect the setting of fees
- Car ownership patterns
- The increasing demand for parking
- Traffic management issues
- Market conditions – parking charges in other boroughs
- Cost of delivering the service
- Impact of charges on relevant stakeholders

Income from parking and traffic enforcement is ringfenced for transport related projects and is reinvested into the transport infrastructure, for example highway maintenance that supports the community at large and concessionary travel which offers free bus and tube travel for elderly and disabled residents.

There will be a distinct improvement to the environment with motorists being encouraged to move away from diesel and other high polluting vehicles. The introduction of a diesel surcharge and higher charge for higher polluting vehicles permits will encourage motorists to use more environmentally friendly vehicles thus improving air quality.

3. Monitoring and Review

<p>How will you review community and equality impact once the service or policy has been implemented? <i>These actions should be developed using the information gathered in Section 1 and 2 and should be picked up in your departmental/service business plans.</i></p>		
Action	By when?	By who?
Meaningful consultation with relevant groups		
Ongoing dialogue with relevant groups where feedback is provided		
Comprehensive review of best practice guidance	Michel Barnes	January 2019
Test draft standards against actual developments	Tina Brooks	February 2019

4. Next steps

It is important the information gathered is used to inform any Council reports that are presented to Cabinet or appropriate committees. This will allow Members to be furnished with all the facts in relation to the impact their decisions will have on different equality groups and the wider community.

Take some time to précis your findings below. This can then be added to your report template for sign off by the Strategy Team at the consultation stage of the report cycle.

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Implications/ Customer Impact

Parking controls are a vital traffic management tool that keeps traffic moving, maintains road safety, and promotes the social and economic revitalisation of the borough's town centres, by ensuring that the limited amount of space that may be used for parking is made available to those who need it.

The assessment has not highlighted any under or over representation for any specific group, nor is it anticipated there will be any detrimental impact overall from the plans set out in the report.

The changes to charges are relatively low and are intended to ensure turnover of space and environmental improvements to the community.

5. Sign off

The information contained in this template should be authorised by the relevant project sponsor or Divisional Director who will be responsible for the accuracy of the information now provided and delivery of actions detailed.

Name	Role (e.g. project sponsor, head of service)	Date

CABINET**17 July 2018**

Title: Waiver Request for the Provision of Temporary Accommodation for Families with No Recourse to Public Funds	
Report of the Cabinet Member for Social Care and Health Integration	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: Paula Sammon – Commissioning Manager – Children’s Care and Support	Contact Details: Tel: 020 8227 2292 E-mail: paula.sammon@lbbd.gov.uk
Accountable Director: Chris Bush; Commissioning Director for Children’s Care and Support	
Accountable Strategic Leadership Director: Elaine Allegretti; Director of People and Resilience	
Summary: This report seeks approval for a retrospective waiver for the provision of temporary accommodation for families with no recourse to public funds (NRPF). NRPF is a condition imposed by the UK Visas and Immigration service on a person who is subject to immigration control, giving them no entitlements to benefits or public housing.	
Recommendation(s) The Cabinet is recommended to: (i) Waive the requirements to advertise and tender for the provision of temporary accommodation for families with no recourse to public funds in accordance with the Council’s Contract Procurement Rules; (ii) Agree the retrospective award of three contracts to the Griha Group, FineFair and N.K.B and Associates (formerly known as Harrison Property Associates) for the period 1 November 2017 to 31 March 2019 in accordance with the strategy set out in the report; and (iii) Authorise the Director of People and Resilience, in consultation with the Cabinet Member for Social Care and Health Integration, the Chief Operating Officer and the Director of Law and Governance, to enter into the contracts with the three providers.	
Reason(s) • To enable the Council to fulfil its statutory duties as prescribed in accordance with the Council’s Contract Rules for ‘light touch regime’ contracts.	

- To enable the Council to fulfil its statutory duties as prescribed within Section 17 and Section 20 of the Children Act 1989 and leaving care provision of the Children's Act 1989.
- To provide a range of temporary accommodation for families with no recourse to public funds

1. Introduction and Background

1.1 Council's Statutory Duty

1.1.1 Families with children under 18 who have no legal rights to remain in the United Kingdom or limited rights to make claims on public funds may present to Children's Services in Local Authorities seeking assessments where they are destitute or have insufficient funds to meet their children's needs. The families may be asylum seekers, European Economic Area nationals (EEA) or visa over-stayers with No Recourse to Public Funds (NRPF) which is a condition imposed by the UK Visa and Immigration service on a person who is subject to immigration control, giving them no entitlements to benefits or public housing.

1.1.2 Financial support from their local authority is not deemed to be public funds as it is determined through a statutory assessment process that assesses the families level of need against a threshold for Children's Services assistance.

1.1.3 Where people are deemed to have NRPF under the Immigration and Asylum Act 1999 and find themselves destitute. Families can apply to their local authority for support and they may turn to the Children's Services under the following Acts:

- Section 17 of the Children Act 1989 which requires the local authority to identify and meet the needs of children in need in their local area. A destitute child will be in need and the local authority can be required to provide accommodation and subsistence to the child and their parents under this section.
- Under the leaving care provision of the Children's Act 1989.
- Under Section 20 of the Children's Act 1989 it is the local authority's duty to provide a child with somewhere to live because the child doesn't currently have a home, or a safe home:
 - there isn't anyone who has parental responsibility for him (for e.g. an asylum-seeking child who has come to the UK on his own);
 - the child has been lost or abandoned;
 - the person who has been caring for the child can't provide him with a suitable home, whatever the reason for this and regardless of whether this is a short-term or long-term problem.

1.1.4 Under Section 17 provision, there is a general duty on the local authority to assess and provide support to children within their area and with this to provide financial assistance. In establishing the position with regards to families requesting Section 17 support in NRPF cases, the Council must take the following steps:

- Establish that the applicant is resident in Barking and Dagenham
- Establish that the applicant is an adult with responsibility for children and therefore there is a duty to assess and support under the Children Act 1989
- Establish that the family is destitute

- Carry out an immigration check to establish eligibility under immigration legislation – i.e. there is an explicit expectation that in supporting families with NRPF the individual adult will have applied to the Home Office UK Visas and Immigration department for leave to remain in the country
- Check whether the local authority is excluded from supporting the person under s52 of the Nationality, Immigration Act 2002
- Where the applicant falls within one of the excluded groups, carry out a human rights assessment to establish whether there is an obligation on the authority to provide support to prevent a breach of a person’s human rights.

1.2. Current Context

- 1.2.1 The Council currently place families with NRPF with three providers: Griha Group, FineFair and N.K.B and Associates (formerly known as Harrison Property Associates). The accommodation can include short and long-term accommodation solutions for families who are homeless for a variety of reasons for example, undergoing a single assessment.
- 1.2.2 In 2017/18, 48 families were placed in short term accommodation. As of March 2018, 31 families were placed with the Griha Group, 10 with FineFair and 4 with N.K.B and Associates.
- 1.2.3 The shortest time a family has been in temporary accommodation is one year and the longest so far is five years.
- 1.2.4 The Council is struggling to find accommodation in the borough due to a housing shortage therefore families are located outside of the borough for example LB Waltham Forest, LB Newham, LB Redbridge, LB Havering, LB Haringey as well as Wolverhampton and Birmingham.
- 1.2.5 The responsibility for procuring accommodation for families with no recourse to public funds was handed over to the Brokerage and Transport Team in October 2018 and it transpired that historically there has never been a contract in place. Therefore, the reason for this retrospective waiver is ensure that there is a formal contract in place and compliance with the Council’s contract rules.
- 1.2.6 Children’s Care and Support commissioners have been liaising with commissioners in Community Solutions regarding a joint procurement strategy for securing temporary accommodation. A joint procurement should result in better outcomes for families with NRPF as well as attracting more bids at competitive prices. As such we will continue to work with Community Solutions and envisage undertaking a tender process from October 2018 to identify the best providers and this should enable the Council to reduce the cost of the current service going forward. The new contract will start on 1 April 2019.

Table 1: Procurement Timetable

Activity	Completion Date
Report considered at Pre-Procurement Board	3 April 2018
Report considered at Procurement Board	16 April 2018

Report considered at Cabinet	17 July 2018
Procurement/tender exercise	October 2018 – 31 January 2019
Alcatel (10-day standstill period)	1 February 2019 – 11 February 2019
Contract award	12 February 2019
Contract mobilisation (if required)	18 February – 31 March 2019
Contract start date	1 April 2019

2. Proposed Procurement Strategy

2.1 Outline specification of the works, goods or services being procured.

The interim contracts will allow the council to procure temporary accommodation for families with no recourse to public funds with several providers. The accommodation will include:

- Flats
- Studio flats
- Rooms in a shared house

The accommodation will be located all over the country including LB Waltham Forest, LB Newham, LB Redbridge, LB Havering, LB Haringey as well as Wolverhampton and Birmingham.

2.2 Estimated Contract Value, including the value of any uplift or extension period.

The cost of the service is estimated to be £895,204 between 1 November 2017 to 31 March 2019. This is based on 17/18 figures. However, this figure could be higher or lower based on the number of families presenting to the local authority.

2.3 Duration of the contract, including any options for extension.

The duration of the contracts will be 17 months, commencing in 1 November 2017 to 31 March 2019. This will give commissioners time to undertake a tendering process.

2.4 Is the contract subject to (a) the (EU) Public Contracts Regulations 2015 or (b) Concession Contracts Regulations 2016? If Yes to (a) and contract is for services, are the services for social, health, education or other services subject to the Light Touch Regime?

The contracts which each provider is considered a 'light touch regime contract' which fall below the LTR threshold.

2.5 Recommended procurement procedure and reasons for the recommendation.

At present temporary accommodation for families with NRPF is spot purchased and no pricing mechanism is in place. As such it is recommended that contracts should

be awarded to the Griha Group, FineFair and N.K.B and Associates for the following reasons:

- To secure prices for the interim
- To allow for the providers to be monitored effectively to ensure the quality of the service provided

2.6 The contract delivery methodology and documentation to be adopted.

To be delivered by several external providers. This will enable the council to have a range of different types of accommodation available to suit the varying needs of families with NRPF.

2.7 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract.

Cost savings:

- At present there are no cost savings but there is a potential to make savings when the new contract starts next year.
- The Griha Group is the most cost-effective provider therefore they are used more frequently

Outcomes:

Having a formal contract in place will enable the council to ensure that the procurement processes is as follows:

- A contract will also enable the council to have more control over monitoring providers thus ensuring that there is a clear specification and key performance indicators in place and that providers are regularly monitored against and held accountable when necessary. This will ensure that the quality of the accommodation provided is fit for purpose and meets requirements such as health and safety and safeguarding.
- There is a possibility that savings and efficiencies could be made as commissioners will negotiate prices with the current providers prior to contracts being signed. Furthermore, there is no guarantee that all these providers will be used.
- A contract in place will also enable the council to meet its obligation under Section 17 and Section 20 of the Children's Act 1989.

2.8 How the procurement will address and implement the Council's Social Value policies.

Having a contract in place to procure temporary accommodation for families with NRPF will ensure that the contract promotes social values by protecting the most vulnerable and keeping children healthy and safe.

3. Options Appraisal

3.1 Option 1: Do nothing

The council may choose to 'do nothing' and continue with the 'as is' business process. This is not the recommended option because there are currently no temporary accommodation contracts in place for families with NRPF therefore this option would result in the council not having any formal contracts in place.

Furthermore, not having contracts in place impacts on the council's ability to effectively monitor the quality of accommodation, hold providers to account if it falls below a certain standard and monitor compliance with safeguarding and health and safety which could impact on the quality of service received by families.

3.2 Option 2: Join an existing Framework Agreement

Hackney Council and Islington Council currently have framework agreements for temporary accommodation. Therefore during the course of the waiver we will endeavour to identify whether or not LBBD can call-off these contracts.

3.3 Joint Tender with Community Solutions

Commissioners are looking into the possibility of undertaking a joint tender exercise with housing in the future as this should result in savings. Discussions have taken place with Community Solutions and we plan to undertake a joint procurement process to tender for temporary accommodation. Community Solutions contracts end in March 2019 therefore we have asked for this waiver to end on 31 March 2019 to bring our contract end date in line with Community Solutions contracts end date.

3.4 Option 4: Cease to provide accommodation

This is not a viable option as the Children's Act 1989 stipulates that the local authority must provide temporary accommodation for families with no recourse to public funds.

4. Waiver

4.1 Request a retrospective waiver of the Council's Contract Rules to commission Griha Group, FineFair and N.K.B and Associates (formerly known as Harrison Property Associates) to provide temporary accommodation to families with NRPF within the LBBD on the grounds that an emergency situation exists as stated in 6.6 (a) of the Council's Contract Rules.

4.2 It is an emergency because under the Children's Act 1989 the council has a duty to provide accommodation if the child is destitute or their home is unsafe. However, at present families are being placed in accommodation and we do not have contracts with the providers. Therefore, having a formal contract in place as a matter of urgency will enable us to adequately monitor providers performance for example, health and safety and hold them to account if necessary to ensure families safety.

5 Equalities and other Customer Impact

5.1 This service will be offered to all families with NRPF that are seeking support from the local authority and that reside within the borough.

5.2 An Equality Impact Assessment will be carried out over the next few months and will inform the commissioning process going forward.

6. Other Considerations and Implications

6.1 **Risk and Risk Management** - There is a small risk of challenge from other providers and a tender exercise will commence this year to mitigate this risk.

6.2 **Safeguarding Children** - Providing a home for families with NRPF will help prevent impairment of children's health and development. Furthermore, it will enable the council to ensure that all children have the best outcomes.

6.3 **Health Issues** - The wellbeing of children in the borough and ensuring that potentially vulnerable children and young people have a roof over their head and live in suitable accommodation is a fundamental responsibility of the council which will result in positive health outcomes for the children and young people.

6.4 **Property / Asset Issues** - Commissioners will be working with property and Community Solutions over the coming months to identify if they have any suitable council accommodation that families with NRPF could be housed in.

7. Consultation

7.1 A consultation with stakeholders will be carried out over the next few months and will form part of the commissioning process for the new tender.

8. Corporate Procurement

Implications completed by: Francis Parker - Senior Procurement Manager

8.1 Corporate procurement does support this waiver. The justifications given make sense from an operational point of view as the Council works to get a formalised contract in place for these services.

8.2 The value of the contract exceeds the OJEU threshold for light touch regime tenders, so a waiver carries risk. The requirement should be advertised as per the EU regulations and PCR2015.

9. Financial Implications

Implications completed by: Katherine Heffernan, Group Manager Finance

9.1 There is currently no contract in place to manage temporary accommodation for families with No recourse to public funds (NRPF) and this has been managed on a spot purchase basis with some organisations which can have its own risks attached as in the current arrangement, where no contract is in place, the service providers are not held accountable.

9.2 The waiver seeks to award a contract to Griha Group, FineFair, N.K.B and Associates (formerly known as Harrison Property Associates) ensuring they are held accountable for the period 1st November to 31st March 2019 while commissioners prepare the formal tender process.

- 9.3 The estimated contract value of the service is £0.895m for eighteen months which is equivalent to £0.596m a year. However, this is a variable contract and the value could increase or decrease depending on the number of families the Local Authority would need to support in each financial year. At the lower end of the price range quoted in paragraph 2.2 (£27 per night) this would cover around 50 to 60 families but only 15 to 20 families at the higher end (£90 per night.) This means that the cost of the contract could vary significantly depending on the number of families and the accommodation that can be obtained.
- 9.4 There is currently sufficient budget provision available to fund this contract, but this would need to be reviewed on an annual basis to ensure that costs are managed by the service within existing funds. Because of their NRPF status we are unable to recover any costs through Housing benefit or Universal Credit and so the whole cost must be carried by the Council.

10. Legal Implications

Implications completed by: Kayleigh Eaton, Contracts and Procurement Solicitor, Law and Governance

- 10.1 This report is seeking Cabinet's retrospective approval to waive the requirement to tender and enter into agreements for 17 months with the 3 contractors set out in this report from 1st November 2017 until the 31st March 2019.
- 10.2 The services referred to fall within the Light Touch Regime (LTR) of the Public Contract Regulations 2015 (the 'Regulations'). This means that a higher threshold, set at approximately £589,148 in November 2017, applies before a contract needs to be advertised in the Official Journal of the European Union. It is noted that one of the contracts alone has a value of £649,114 and the collective value of the contracts is £895,204, both of which are in excess of the threshold and will therefore require to be advertised and opened up to competition in accordance with the Light Touch Regime. Care must be taken to not intentionally subdivide contracts with the effect of preventing them from falling within the scope of the Regulations unless justified by objective reasons.
- 10.3 As this contract is subject to the EU procurement rules it should be noted that continuing with the direct award carries a risk of challenge to the Council. The Council should therefore consider steps to mitigate such risk in this regard. It is noted that the client department is currently investigating possible frameworks which could be used by the Council however no definite answer has been given as to whether this is a possible option to date. The client department is urged to exhaust all possible options as using a compliant framework would reduce the risks for the Council.
- 10.4 Consideration could also be given to reducing the contract period for the waiver or to publishing a Voluntary Ex Ante Transparency Notices (VEAT). However, it should be noted that simply publishing a VEAT notice will not completely remove the possibility of an ineffectiveness claim as the justification for the direct award must in itself be sound and capable of standing up to scrutiny.

- 10.5 While Contract Rule 6.3 provides for the Cabinet to waive the requirement to tender on any one of the several grounds set out in Contract Rule 6.6.8, it should be noted that the power is to waive the Council's Contract Rules only, and there will still be the requirement to comply with Public Contracts Regulations 2015.
- 10.6 The Responsible Directorate and report author are requested to keep the Law and Governance Team fully advised on the progress of this matter and will be on hand to assist and answer any queries that may arise.

Public Background Papers Used in the Preparation of the Report: None

List of appendices: None

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CABINET**17 July 2018**

Title: Procurement Strategy for the Replacement of the Council's Vehicle Fleet	
Report of the Cabinet Member for Public Realm	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: John Russell, Head of Service Fleet Management Workshop and Passenger Service	Contact Details: Tel: 020 8227 2171 E-mail: john.russell@lbbd.gov.uk
Accountable Director: Robert Overall – Director of My Place	
Accountable Strategic Leadership Director: Claire Symonds – Chief Operating Officer	
<p>Summary:</p> <p>The Council runs a fleet of 317 vehicles currently on lease. 128 of these are to be transferred over to Repairs and Maintenance (R&M). The replacement programme for R&M is already underway. The lease arrangements for the remaining 189 of the ageing fleet are due to expire. This is split with 185 by the year 2020 and the remaining 4 up to the year 2023.</p> <p>It is proposed to remove the high cost, short term spot hire vehicles and to replace other ageing assets owned by the Council through a new procurement process. The process will enable the Council to procure new contracts on the best terms available in the market and should lead to a reduction in cost.</p> <p>The Council's Constitution requires that all contracts with an aggregate contract value of £500,000 or more are required to be approved by Cabinet.</p> <p>This report asks for Cabinet approval to procure a number of fleet requirements across the Council, as set out in Appendix 1, which are required to be let over the next 60 months.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Agree that, subject to approval of the procurement strategies by the Procurement Board, the Council proceeds with the procurement of the vehicle fleet contracts as detailed in Appendix 1 to the report; (ii) Delegate authority to the Director of My Place, following endorsement by the Procurement Board, to approve the final procurement strategies for the various fleet contracts referred to within the report; and 	

- (iii) Delegate authority to the Director of My Place, in consultation with the Cabinet Member of Public Realm and the Director of Law and Governance, to conduct the procurement and award and enter into the contracts set out in this report and all other necessary or ancillary agreements with the successful bidder(s).

Reason(s)

To assist the Council in achieving its priority of a “Well run organisation”.

1. Introduction and Background

- 1.1 The Council currently has 317 front-line vehicles and trailers that are leased from Essential Vehicles Services. The leases for 189 of the vehicles and trailers expire at different dates and all are near to or have past the expiry dates.
- 1.2 The remaining 128 vehicles are awaiting transfer to the new We Fix brand under the Repairs and Maintenance Service.
- 1.3 Due to the age of the front-line vehicles, they are becoming unreliable with increased down time and costs for maintenance and repair.
- 1.4 Due to the growth within some of the services, there is also a need for additional vehicles, which is an average of 50 vehicles per day.
- 1.5 These additional vehicles are currently being spot hired on short term contracts, this is considerably more expensive than if they were purchased outright or on a long-term lease.
- 1.6 The ageing plant equipment (for example the John Deere mowers) that require replacing are all owned by the Council. These are in addition to the 189 vehicles referred to in paragraph 1.1 above.

2. Proposed Procurement Strategy

For each Contract listed in Appendix 1 with a total value of over £100,000, a Procurement Strategy report will be presented to Procurement Board for approval before a procurement commences.

For each Contract listed in Appendix 1 with a total value of under £100,000, the Council's Contract's Rules will be followed for each level of spend before a procurement commences.

2.1 Outline specification of the works, goods or services being procured.

The vehicles and trailers to be replaced are made up of a variety of different units, which include refuse vehicles, passenger transport buses, transits, trailers and a variety of plant.

Due to strict new legislations, LBBD will look for new technology over the conventional diesel engine, by running electric vehicles. This will result in a reduction to the Fleet Department's carbon footprint, be cheaper to maintain and overall cheaper to run.

2.2 Estimated Contract Value, including the value of any uplift or extension period.

At present, the estimated value to replace the 287 assets with like for like new vehicles, owned by the Council as an out-right purchase is £12.2 million. In comparison it is estimated that to continue with the current arrangement for a further five years could cost £12.8 million, although this is not an option due to compliance.

2.3 Duration of the contract, including any options for extension.

To be determined and set out in each individual Procurement Strategy report.

2.4 Recommended procurement procedure and reasons for the recommendation.

To be determined and set out in each individual Procurement Strategy report, although at present it is envisaged that for the majority of the fleet, a public framework is likely to be used.

2.5 The contract delivery methodology and documentation to be adopted.

To be determined and set out in each individual Procurement Strategy report.

2.6 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract.

At present, in comparison to the current costs, it is estimated that should the Fleet be purchased and not leased the estimated total saving could be £1.1 million depending on the costs LBB currently pay.
See Appendix 2 for breakdown.

2.7 Criteria against which the tenderers are to be selected and contract is to be awarded

At present, it has not been determined how each procurement will be evaluated. This will be included in each Procurement Strategy report.

2.8 How the procurement will address and implement the Council's Social Value policies.

The replacement of the fleet will improve the service provided to all residents as all the services are front line, from Refuse to Street Cleansing, Grounds to Caretaking. These vehicles play a fundamental role within the Council.

3. Options Appraisal

3.1 Option One:

Do nothing – not viable as the vehicles are required for the day to day service provision of the Council.

3.2 Option Two:

Proceed to assess procurement options for replacement. Actual lease or outright purchase options to be set out in each individual Procurement Strategy report. There will be a separate procurement report for each procurement cycle.

4. Waiver

4.1 Not required

5 Equalities and other Customer Impact

- 5.1 Completion of this work will remove any impact on the residents of the Council. All residents will receive their normal service regardless of category of home ownership within the borough houses or flats. With the vehicles being taken off the road for running repairs and refurbishment works the short-term spot hire vehicles will cover these runs.

6. Other Considerations and Implications

To be set out in each individual Procurement Strategy Report.

- 6.1 **Risk and Risk Management** - Risk of down time, non-compliance with ULEZ (Ultra Low Emission Zone), vehicle maintenance costs, extended vehicles off the road and the need to hire in extra vehicles, all of these risk factors can be incorporated as a cost to the Council and not just a monetary cost but also a reputational cost should the Council not be able to continue to provide services to its residents.

To maintain safety, a 3 yearly driving reappraisal shall be undertaken for each permitted driver, any concerns will also require drivers to be reassessed. Reports and recommendations will be made following completion.

Driver Protocol revisions will be made to ensure compliance with changes in legislation. Periodic training will be delivered to ensure compliance with Directive 2003/59/EC.

Vehicles will be appraised during the procurement process with viable alternatives considered to reflect the Authority's commitment to lessening environmental impact.

- 6.2 **TUPE, other staffing and trade union implications** – not applicable.

- 6.3 **Safeguarding Children** - When the new fleet is procured the use of in cab technology will be included. This shall include CCTV, trackers and two-way communication.

With the advances in CCTV the volume of complaints for missed bin collections on refuse and incidents on school transport should reduce.

- 6.4 **Health Issues** - As the vehicles are frontline and any disruption in service can have a negative impact on the Health and Wellbeing of the residents. From refuse not collected to the Green spaces within the Borough not being maintained can have a negative impact upon the health & wellbeing of our residents. All new vehicles will comply with the latest emissions requirements which will also reduce our carbon footprint and create less health risk from pollution.

- 6.5 **Crime and Disorder Issues** – not applicable.

- 6.6 **Property / Asset Issues** - All fleet assets are maintained on the Councils Fleet maintenance system, Tranman. This confirms all vehicles and plant are regularly inspected and serviced. This keeps the manufacturer's warranty in place and helps to extend the life on the asset.

7. Consultation

- 7.1 The proposals within this report have been endorsed by the Chair of the Procurement Board and reports on the specific proposals will be presented to the Procurement Board as they are progressed.

8. Corporate Procurement

Implications completed by: Sam Woolvett Category Manager

- 8.1 This report outlines the intention to utilise frameworks as the preferred routes to market, which complies with EU Procurement regulations in terms of their award.
- 8.2 This approach will comply with LBBD contract procedures rules. Corporate Procurement will be supporting the Head of Fleet Management throughout the procurement processes.

9. Financial Implications

Implications completed by: Katherine Heffernan, Group Manager – Service Finance

- 9.1 In 2017/18, the council spent £1.5m on vehicle leases and a further £0.8m on spot hired vehicles, some of which were for bolstering capacity to meet service demand growth.
- 9.2 The ageing fleet has resulted in additional costs to departments with more breakdowns, resulting in disruption of services, additional costs for repairs and maintenance and spot hired vehicles to replace those in repairs.
- 9.3 The proposal is a rolling replacement cycle of fleet as the leases fall due. Each cycle will involve an appraisal of the lease or buy options and the appropriate procurement route.
- 9.4 The service will seek to secure capital funding for those procurement cycles where it is more beneficial to purchase outright. Departmental budgets for leasing and spot hire will be used when the lease option is more advantageous.
- 9.5 The estimated cost of replacing the fleet and plant is £12.2m This includes financing costs at 3.5% for 7 years for Refuse collection trucks and Passenger transport coaches, and 5 years for all other vehicles and plant. The figure also includes £0.54m for plant and fleet that are owned outright and hence does not currently have any lease or spot hire cost.
- 9.6 The estimated cost over the 5 years should the council continue at the current situation with existing leases and spot hires is £12.8m and an increasing cost of repairing and maintaining the fleet.
- 9.7 Hence, replacing the fleet could result in a saving of £1.1m against existing costs if an outright purchase is deemed to be the more viable option. However, as previously stated, each procurement cycle will be assessed and the best value option (leasing or outright purchase) will be recommended.

10. Legal Implications

Implications completed by: Kayleigh Eaton, Contracts and Procurement Solicitor, Law & Governance

- 10.1 This report is requesting approval for the procurement of various vehicles and plant equipment for the service areas as identified within the body of the report in order to replace the Council's ageing fleet.
- 10.2 Where a proposed contract for the purchase of goods exceeds £181, 302 there is a legal requirement to competitively tender the Contract in accordance with the Public Contracts Regulations 2015 (the Regulations). The report states that, for the majority of the vehicles, it is the intention that a public framework will be used.
- 10.3 The Regulations allow local authorities to select providers from established Framework Agreements. Providing the third-party framework specifically permits this Council to use the framework, the contract award occurs within the framework agreement terms and it is done in a transparent, non-discriminatory and fair way, the requirements for competitive tendering should be met.
- 10.4 Where any of the proposed projects fall below the thresholds for goods, and therefore have no legal requirement to be competitively tendered, officers should be aware that in line with the Council's Contract Rule 28.5, contracts above £50,000 should be subject to a competitive tendering process. Further there is a requirement to comply with the EU Treaty principles of equal treatment of bidders, non-discrimination and transparency in conducting the procurement exercise.
- 10.5 It is noted that each procurement will be subject to the scrutiny of the procurement board. Further information will therefore need to be provided to the board prior to each procurement taking place including, for example, details on the proposed procurement route and how tenders will be evaluated and awarded.
- 10.6 The report author and responsible directorate are advised to keep the Law and Governance Team fully informed at every stage of the proposed tender exercises. The team is available to provide advice on the development of each strategy and procurement of each respective contract.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

Appendix 1 – Volumes of Fleet due to be retendered

Appendix 2 – Estimated savings based on current LBBB costs

Building And Cleaning				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Transit	1	18771.2	0	£18,771.20
Connect	3	10961.3	0	£32,883.90
Fiesta	1	9882.45	0	£9,882.45
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
			0	£0.00
Total	5			£61,537.55
Monthly Hire Cost				£0.00
Monthly Lease Cost				£1,066.03
5 Year Lease Plan				£63,961.80

Bulk Waste				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Iveco / Daf 7.5 Ton	1	£50,000.00	£0.00	£50,000.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	1		£0.00	£50,000.00
Monthly Hire Cost				£0.00
Monthly Lease Cost				£846.48
5 Year Lease Plan				£50,788.80

Environmental Crime				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Transit	1	£18,771.20	£0.00	£18,771.20
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	1		£0.00	£18,771.20
Monthly Hire Cost				£0.00
Monthly Lease Cost				£327.66
5 Year Lease Plan				£19,659.60

Fleet Workshop				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Transit	1	£18,771.20	£0.00	£18,771.20
Connect	1	£10,961.30	£0.00	£10,961.30
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	2		£0.00	£29,732.50
Monthly Hire Cost				£0.00
Monthly Lease Cost				£326.92
5 Year Lease Plan				£19,615.20

Grounds Maintenance				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Transit D Cab Tipper	2	£19,450.00	£13,505.00	£65,910.00
Transit Tipper	24	£18,450.70	£13,505.00	£766,936.80
Connect / Electric	5	£14,000.00	£0.00	£70,000.00
NTM Dust / 201 Sweeper	2	£90,000.00	£0.00	£180,000.00
Trailers	17	£4,500.00	£0.00	£76,500.00
Dumper 2 ton swivel	2	£18,000.00	£0.00	£36,000.00
Dumper 1 ton swivel	1	£18,000.00	£0.00	£18,000.00
Gators / Electric	6	£16,000.00	£0.00	£96,000.00
JCB 2CX	1	£55,000.00	£0.00	£55,000.00
JCB Mini	1	£25,000.00	£0.00	£25,000.00
Daf Hoojk 18 ton	1	£75,000.00	£0.00	£75,000.00
John Deere Comp	1	£30,000.00	£0.00	£30,000.00
John Deere Rideon	50	£3,800.00	£0.00	£190,000.00
Kubotas	11	£18,000.00	£0.00	£198,000.00
Ransom 3 Cylinder	2	£35,000.00	£0.00	£70,000.00
Batwing	1	£50,000.00	£0.00	£50,000.00
John Deere Collector	2	£15,000.00	£0.00	£30,000.00
				£0.00
Total	129			£2,032,346.80
Monthly Hire Cost				£1,300.00
Monthly Lease Cost				£29,151.17
5 Year Lease Plan				£1,827,070.20

Highway Inspectors				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Fiesta Vans	4	9882.45	£0.00	£39,529.80
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	4			£39,529.80
Monthly Hire Cost				£0.00
Monthly Lease Cost				£577.73
5 Year Lease Plan				£34,663.80

Highways				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Mercedes Gully Sucker	1	£0.00	£0.00	£0.00
Transit	1	£18,771.20	£0.00	£18,771.20
Iveco 120	2	£65,000.00	£0.00	£130,000.00
Transit Tipper	1	£18,450.70	£13,505.00	£31,955.70
JCB 3CX	1	£75,000.00	£0.00	£75,000.00
Iveco 7.5	1	£55,000.00	£0.00	£55,000.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	7			£310,726.90
Monthly Hire Cost				£0.00
Monthly Lease Cost				£6,015.81
5 Year Lease Plan				£360,948.60

HSG Neighbourhood				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Citreon Relay (Custom)	14	£13,489.45	£0.00	£188,852.30
Transit	3	£18,771.20	£0.00	£56,313.60
Connect	3	£10,961.30	£0.00	£32,883.90
Iveco 7.5 ton Hook	3	£50,000.00	£0.00	£150,000.00
Johnston 101	1	£51,000.00	£0.00	£51,000.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	24		£0.00	£479,049.80
Monthly Hire Cost				£0.00
Monthly Lease Cost				£8,590.37
5 Year Lease Plan				£515,422.20

Improvement Team				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Transit Tipper	2	£18,450.70	£13,505.00	£63,911.40
Iveco 7.5 ton Hook	1	£50,000.00	£0.00	£50,000.00
Transit	1	£18,771.20	£0.00	£18,771.20
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	4		£0.00	£132,682.60
Monthly Hire Cost				£0.00
Monthly Lease Cost				£2,221.31
5 Year Lease Plan				£133,278.60

IRU Team				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Transit	2	£18,771.20	£0.00	£37,542.40
Connect	1	£10,961.30	£0.00	£10,961.30
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	3		£0.00	£48,503.70
Monthly Hire Cost				£0.00
Monthly Lease Cost				£1,217.18
5 Year Lease Plan				£73,030.80

Mayoral Members				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Mondeo	1	£18,956.05	£0.00	£18,956.05
Connect	1	£10,961.30	£0.00	£10,961.30
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	2			£29,917.35
Monthly Hire Cost				£0.00
Monthly Lease Cost				£444.64
5 Year Lease Plan				£26,678.40

ParkRangers				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Transit Tipper	1	£18,450.70	£9,138.50	£27,589.20
Transit	1	£18,771.20	£0.00	£18,771.20
Ranger	1	£17,552.53	£0.00	£17,552.53
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	3		£0.00	£63,912.93
Monthly Hire Cost				£0.00
Monthly Lease Cost				£981.50
5 Year Lease Plan				£58,890.00

Parking Enforcement				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Fiesta	3	9882.45	£0.00	£29,647.35
Scooter	5	£3,000.00	£0.00	£15,000.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	8			£44,647.35
Monthly Hire Cost				£0.00
Monthly Lease Cost				£875.76
5 Year Lease Plan				£52,545.60

Passenger Transport				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Orion Plus 22 / 6	18	£79,999.00	£0.00	£1,439,982.00
Mellor Maxima 30 / 8	8	£97,282.00	£0.00	£778,256.00
Connect / Electric	1	£14,000.00	£0.00	£14,000.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	27			£2,232,238.00
Monthly Hire Cost				£17,795.86
Monthly Lease Cost				£29,151.17
7 Year Lease Plan				£3,943,550.52

Pest Control				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Connect	3	£10,961.30	£0.00	£32,883.90
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	3			£32,883.90
Monthly Hire Cost				£0.00
Monthly Lease Cost				£600.39
5 Year Lease Plan				£36,023.40

Street Cleansing				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Transit Tipper	12	£18,450.70	£13,505.00	£383,468.40
7.5 ton Tipper	3	£45,000.00	£0.00	£135,000.00
Connect	3	£10,961.30	£0.00	£32,883.90
101 sweeper	6	£51,000.00	£0.00	£306,000.00
201 sweeper	6	£72,000.00	£0.00	£432,000.00
401 sweeper	2	£120,000.00	£0.00	£240,000.00
651 sweeper	1	£130,000.00	£0.00	£130,000.00
Glutton	2	£20,000.00	£0.00	£40,000.00
Ntm 8.5 Ton Dust	1	£80,000.00	£0.00	£80,000.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	36			£1,779,352.30
Monthly Hire Cost				£7,076.07
Monthly Lease Cost				£21,358.26
5 Year Lease Plan				£1,706,059.80

Street Enforcement				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Fiesta Base / Connect	1	£10,961.30	£0.00	£10,961.30
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	1			£10,961.30
Monthly Hire Cost				£0.00
Monthly Lease Cost				£142.21
5 Year Lease Plan				£8,532.60

Waste				
Vehicle	Qty	Chassis Cost	Body Cost	Total
Dustcart	19	£160,000.00	£0.00	£3,040,000.00
Fiesta	1	9882.45	£0.00	£9,882.45
Connect	2	£10,961.30	£0.00	£21,922.60
Iveco 7.5 ton Tipper	1	£45,000.00	£0.00	£45,000.00
Iveco 7.5 ton Hook	1	£58,390.00	£0.00	£58,390.00
Connect / Electric	2	£14,000.00	£0.00	£28,000.00
NTM Dustcart	1	£90,000.00	£0.00	£90,000.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
			£0.00	£0.00
Total	27		£0.00	£3,293,195.05
Monthly Hire Cost				£17,112.00
Monthly Lease Cost				£28,958.88
7 Year Lease Plan				£3,869,953.92

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London Borough of Barking and Dagenham

Department	On Lease	Expiry 2017	Expiry 2018	Expiry 2019	Expiry 2020	Expiry 2021	Expiry 2022	Expiry 2023	Cost To Purchase	5-7Year Lease	Extra (Owned by service)
Building and Cleaning	5	0	1	4	0	0	0	0	£61,538	£63,962	
Bulk Waste	1	1	0	0	0	0	0	0	£50,000	£50,789	
Emergency Planning	0	0	0	0	0	0	0	0	£0	£0	
Environmental Crime	1	0	0	1	0	0	0	0	£18,771	£19,660	
Fleet Workshop	1	0	0	1	0	0	0	0	£29,733	£19,615	£10,961.30 Connect
Grounds Maintenance	66	35	25	5	1	0	0	0	£2,032,347	£1,827,070	£370,000.00 Ride-ons and green machines
Highway Inspectors	4	0	0	4	0	0	0	0	£39,530	£34,664	
Highways	4	0	3	0	0	0	0	1	£310,727	£360,949	
Housing Repairs	0	0	0	0	0	0	0	0	£0	£0	
HSG Neighbourhood	29	0	7	22	0	0	0	0	£479,050	£515,422	
Improvement Team	3	0	0	3	0	0	0	0	£132,683	£133,279	
IRU Team	2	0	0	1	0	0	1	0	£48,504	£73,031	
Marketing and Comms	0	0	0	0	0	0	0	0	£0	£0	
Mayoral Members	2	0	1	1	0	0	0	0	£29,917	£26,678	
Park Rangers	3	0	0	3	0	0	0	0	£63,913	£58,890	
Parking Enforcement	8	2	0	4	2	0	0	0	£44,647	£52,546	
Passenger Transport	16	0	16	0	0	0	0	0	£2,232,238	£3,943,551	
Pest Control	3	0	0	3	0	0	0	0	£32,884	£8,533	
Street Cleansing	23	0	0	14	7	0	2	0	£1,779,352	£1,706,060	
Street Enforcement	1	0	0	1	0	0	0	0	£10,961	£0	
Tenant Participation	0	0	0	0	0	0	0	0	£0	£0	
The Vibe	0	0	0	0	0	0	0	0	£0	£0	
Waste	17	2	0	15	0	0	0	0	£3,293,195	£3,869,954	£160,000.00 Dustcart
Total	189	40	53	82	10	0	3	1	£10,689,989	£12,764,650	£540,961.30
									Finance 5 Years Interest @ 3.5%	£5,940,575	
									Finance 7 Years Interest @ 3.5%	£6,237,924	
										£12,178,499	
Comparative cost of purchase to replace leased fleet (excl replacement of owned fleet)										£11,637,538	
Coparative saving on leasing cost										£1,127,113	

When you look at the savings we would make by purchasing the fleet. You have to take into consideration that a high percentage of the fleet is running into year six and seven at a discounted monthly cost. The savings shown under a five or Seven year purchase plan vehicle dependant would prove we save a considerable amount. Then when you run the vehicles again into year six and seven (considering the new fleet will be managed by departments and the workshop a lot better) The cost again starts to go down and down. With the added advantage of a residual value at the end rather than an average cost of £1000.00 for damage on removal per vehicle.

