

Notice of Meeting

CABINET

Tuesday, 15 December 2020 - 6:00 pm
Meeting to be held virtually

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 and Cllr Maureen Worby

Date of publication: 7 December 2020

Claire Symonds
Acting Chief Executive

Contact Officer: Leanna McPherson
E-mail: leanna.mcpherson@lbbd.gov.uk

Please note that this meeting will be webcast to enable the press and public to view the proceedings. To view the webcast click [here](#) and select the relevant meeting (the weblink will be available at least 24-hours before the meeting).

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 17 November 2020 (Pages 3 - 12)**
- 4. Update on COVID-19 Issues (Page 13)**
- 5. Revenue Budget Monitoring 2020/21 (Period 7, October 2020) and Q2 Capital Programme Monitoring (Pages 15 - 58)**
- 6. Dedicated Schools Budget and Schools Funding Formula 2021/22 (Pages 59 - 67)**
- 7. An Endowment for the Social Sector in Barking & Dagenham (Pages 69 - 96)**

- 8. Contract for "reMOVE abuse" Perpetrator Intervention Pilot Project (Pages 97 - 116)**
- 9. Intensifying Barking's Industry Project (Pages 117 - 136)**
- 10. Debt Management Performance 2020/21 (Quarter 2) (Pages 137 - 146)**
- 11. Purchase of Barking Business Centre, 25 Thames Road, Barking IG11 0JP (Pages 147 - 165)**

Appendix 1 to the report is exempt from publication as it contains commercially confidential information (exempt under paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 (as amended)).
- 12. Any other public items which the Chair decides are urgent**
- 13. 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/observe Council meetings such as the Cabinet, except where business is confidential or certain other sensitive information is to be discussed. Item 11 above includes an appendix which is exempt from publication under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended). There are no further private items at the time of preparing this agenda.

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

Our Vision for Barking and Dagenham

ONE BOROUGH; ONE COMMUNITY; NO-ONE LEFT BEHIND

Our Priorities

Participation and Engagement

- To collaboratively build the foundations, platforms and networks that enable greater participation by:
 - Building capacity in and with the social sector to improve cross-sector collaboration
 - Developing opportunities to meaningfully participate across the Borough to improve individual agency and social networks
 - Facilitating democratic participation to create a more engaged, trusted and responsive democracy
- To design relational practices into the Council's activity and to focus that activity on the root causes of poverty and deprivation by:
 - Embedding our participatory principles across the Council's activity
 - Focusing our participatory activity on some of the root causes of poverty

Prevention, Independence and Resilience

- Working together with partners to deliver improved outcomes for children, families and adults
- Providing safe, innovative, strength-based and sustainable practice in all preventative and statutory services
- Every child gets the best start in life
- All children can attend and achieve in inclusive, good quality local schools
- More young people are supported to achieve success in adulthood through higher, further education and access to employment
- More children and young people in care find permanent, safe and stable homes
- All care leavers can access a good, enhanced local offer that meets their health, education, housing and employment needs
- Young people and vulnerable adults are safeguarded in the context of their families, peers, schools and communities

- Our children, young people, and their communities' benefit from a whole systems approach to tackling the impact of knife crime
- Zero tolerance to domestic abuse drives local action that tackles underlying causes, challenges perpetrators and empowers survivors
- All residents with a disability can access from birth, transition to, and in adulthood support that is seamless, personalised and enables them to thrive and contribute to their communities. Families with children who have Special Educational Needs or Disabilities (SEND) can access a good local offer in their communities that enables them independence and to live their lives to the full
- Children, young people and adults can better access social, emotional and mental wellbeing support - including loneliness reduction - in their communities
- All vulnerable adults are supported to access good quality, sustainable care that enables safety, independence, choice and control
- All vulnerable older people can access timely, purposeful integrated care in their communities that helps keep them safe and independent for longer, and in their own homes
- Effective use of public health interventions to reduce health inequalities

Inclusive Growth

- Homes: For local people and other working Londoners
- Jobs: A thriving and inclusive local economy
- Places: Aspirational and resilient places
- Environment: Becoming the green capital of the capital

Well Run Organisation

- Delivers value for money for the taxpayer
- Employs capable and values-driven staff, demonstrating excellent people management
- Enables democratic participation, works relationally and is transparent
- Puts the customer at the heart of what it does
- Is equipped and has the capability to deliver its vision

MINUTES OF CABINET

Tuesday, 17 November 2020
(6:00 - 8:24 pm)

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

39. Declaration of Members' Interests

There were no declarations of interest.

40. Councillor Lynda Rice

The Chair placed on record his thanks to Councillor Lynda Rice for her work, having recently stood down from her position on the Cabinet as the Portfolio Holder for Equalities and Diversity. He confirmed that, during the period of the pandemic, the responsibilities of the portfolio would be overseen by Councillor Ashraf, Portfolio Holder for Community Leadership and Engagement and Councillor Sade Bright, the Portfolio Holder for Employment, Skills and Aspiration.

41. Minutes (20 October 2020)

The minutes of the meeting held on 20 October 2020 were confirmed as correct.

42. Update on COVID-19 Issues

The Cabinet Member for Social Care and Health Integration gave an update on COVID-19 issues relating to the Borough.

It was noted that since the beginning of the pandemic approximately 3,430 residents had tested positive for the virus and there had been an increase of 520 cases in the past seven days, which meant that the Borough infection rate was now at 244 cases per 100,000. Whilst testing rates had increased there was still more to be done with current capacity only at 40% utilisation across the five test sites in the Borough.

The Cabinet Member stated that the increasing rates of positivity was concerning with outbreaks occurring in various locations across the Borough driven by household transmission. The worst affected age group was in the 45-64 bracket while it appeared that no one ethnic group had been adversely affected.

Sadly, the total number of deaths in the Borough due to COVID stood at 190 which represented approximately 11% more excess deaths than would be expected at this time of the year.

Public Health had undertaken local test and trace to help support the national effort, although the success of test and trace was hindered by the fact that not everybody was self-isolating when notified. The Cabinet Member, whilst

recognising the difficulties and hardship that self-isolating brought, urged all residents to play their part in order to save lives and defeat the virus. She welcomed the latest news about possible vaccines but stressed that was for the future and residents must obey the restrictions and rules over the Christmas festive period.

Cabinet **resolved** to note the update on the latest COVID-19 pandemic issues relating to the Borough.

43. Revenue Budget Monitoring 2020/21 (Period 6, September 2020)

The Cabinet Member for Finance, Performance and Core Services presented a report on the Council's revenue budget monitoring position for the 2020/21 financial year at 30 September 2020 (period 6).

The Cabinet Member introduced the report by referencing the recent events in the London Borough of Croydon which, following a report from external auditors on 21 October, had been issued a Section 114 Notice due to significant financial problems. He pointed out that whilst it would seem that some of Croydon's financial problems were of its own doing, what it did highlight was the extremely difficult and challenging financial environment that all local authorities had faced for many years due to a decade of Government austerity measures and the pandemic was the tipping point for Croydon. He added that for many authorities including Barking and Dagenham, the full effects of Covid-19 were still to be felt and that there would be difficult financial times ahead. He was confident, however, that Barking and Dagenham would not face the same position as Croydon due to this Council's robust governance and financial management over recent years which was underpinned by the plan of growth and investment.

The Council's General Fund revenue budget at the end of period 6 indicated that despite the continuing economic impacts of COVID-19, including the lockdown, and the high level of additional costs and pressures including loss of service income from fees and charges, the underlying budget variance was £5.525m, which represented an improvement on the period 6 position.

Another tranche of non-ringfenced grant support funding for Local Government was announced in mid-October, taking the total allocation for Barking and Dagenham to £22.56m, plus £1.363m which was expected as compensation for the loss of income. The Cabinet Member stated that after taking into account the significant financial pressures stemming from the COVID-19 pandemic, current year-end projections gave the potential range of outturn variance of between £1.525m and £10.465m which was a narrowing of the range since last month. In practice it was likely to fall between those extremes with a likely overall variance of £5.987m which would be met by using a combination of reserves, efficiency savings, short term cost reductions and maximising income subject to Covid-19 restraints.

The Cabinet Member summarised the budget monitoring position across the range of services including the additional Covid pressures, the current forecasted position of the Housing Revenue Account (HRA), the level of reserves, details of the key savings programme, the Council Companies and particularly the returns and expected dividends due to the Council in the light of Covid, and finally an

update on the Dedicated Schools Grant (DSG).

Cabinet **resolved** to:

- (i) Note the projected revenue outturn forecast for the 2020/21 financial year as set out in sections 2 to 4 and Appendix A of the report and the potential impact on the reserves position as set out in section 7 of the report;
- (ii) Note the update on key savings programmes, as set out in section 5 of the report;
- (iii) Note the update on the impact of COVID-19 and the lockdown, as set out in section 6 of the report; and
- (iv) Note the update on the Dedicated Schools Grant position including in section nine of the report.

44. Budget Strategy 2021/22 to 2024/25

Further to Minute 18 (14 July 2020), the Cabinet Member for Finance, Performance and Core Services presented a report on the Budget Strategy for 2021/22 to 2024/25 and an update on the Council's Medium Term Financial Strategy (MTFS) that was revised and approved by Cabinet in July 2020 in response partly to Covid-19 as well as other issues including the ongoing delays with the Fair Funding Review and other Government plans around the retention of business rates.

He explained that the MTFS would continue to be reviewed and revised, not least to address the Borough's growing population and the added pressures and demands that would bring. The financial uncertainty had also not been helped by the Government delaying the Autumn Spending Review and the likelihood that there would be a one-year only funding settlement for 2021/22, probably to be announced in December 2020. That timetable made it incredibly difficult and challenging for the Council to plan and consult on a four-year budget strategy, albeit it was necessary to do so.

The Cabinet Member advised that the strategy included many uncertainties due to Covid-19. Assumptions on a series of best projections over the period had, by necessity, been made including income returning to near normal levels by the start of the next financial year. However, that would be wholly dependent on the public health situation at that time and, therefore, further Government financial support may be necessary. The strategy also set out the planned budget public consultation process on the Council Tax levy for next year.

The Cabinet Member referred to the progress on the savings achieved through the Council's Transformation programme which, up to the beginning of the current financial year, had achieved savings totalling £32m. A further £12m had been projected during the current financial year but had not been realised due to Covid-19, creating further pressures on achieving a balanced budget and, therefore, further mitigating measures were required.

It was also noted that the report had been prepared before the latest tranche of

Government funding had been known and the Cabinet Member confirmed that the updated position would be reflected in future budget monitoring reports. There were also a number of other savings and improvements in practices set out in the report which had helped to improve the financial position of the Council.

Cabinet **resolved** to:

- (i) Note the continued commitment to delivering the savings proposed in the MTFS reports approved by Assembly in February 2017 and updated in subsequent years;
- (ii) Agree the proposed consultation process for the budget, as set out in section 9 of the report;
- (iii) Agree to consult the residents and taxpayers of the borough on the levying of a 2% General Council Tax increase and a 1% Social Care Precept to support the Borough's most vulnerable residents, subject to those thresholds being confirmed;
- (iv) Note that London authorities were currently exploring the possibility of continuing the business rates pooling arrangement and approve, in principle, that the Council should continue to participate in such an arrangement if deemed appropriate; and
- (v) Delegate authority to the Finance Director, in consultation with the Cabinet Member for Finance, Performance and Core Services, to enter into the Memorandum of Understanding for any future London pooling arrangements.

45. Fees and Charges 2021

The Cabinet Member for Finance, Performance and Core Services introduced a report on the proposed fees and charges for Council services, the majority of which would come into effect from 1 January 2021.

The Cabinet Member referred to the Council's Charging Policy which underpinned the review of fees and charges and explained that the default position, which had been applied to the majority of services, was an inflationary increase of 1.6% in line with the July 2020 Retail Price Index.

In response to the report the Cabinet Members for Public Realm and Enforcement and Community Safety drew attention to a number of specified fees as follows:

- Due to increasing development across the Borough and a growing demand for refuse collections, a small charge had been introduced for additional collections;
- Given the level of take up for the green waste collection service the existing charge of £40 annum would be capped for 2021;
- In recognition of their vital work during the pandemic, key NHS workers would continue to receive free parking permits up to 31 January 2021;
- Charges for care workers to park in all CPZ's had been set at £100 per annum, the cost of which was refundable through HRMC;

- Barking Market pitch fees had been frozen.

The Cabinet Member for Enforcement and Community Safety also provided information as to how the Council used the income generated through the parking service which included the upgrading of uniforms, radio equipment and body worn cameras for parking attendants.

Cabinet **resolved** to:

- (i) Agree the proposed fees and charges as set out in Appendix A to the report, to be effective from 1 January 2021 unless otherwise stated,
- (ii) Note the fees and charges no longer applicable from 1 January 2021, as set out in Appendix B to the report; and
- (iii) Delegate authority to the Director of People and Resilience, in consultation with the Chief Operating Officer and the relevant Cabinet Members, to set fees and charges to be applied from September for schools and academic year-based activities.

46. Treasury Management 2020/21 Mid-Year Review

Further to Minute 104 (17 February 2020), the Cabinet Member for Finance, Performance and Core Services introduced a report on the mid-year review of the Council's treasury management activities for 2020/21 and, in summarising the content of the report, he highlighted compliance with the Council's policies and statutory requirements.

Cabinet therefore **resolved to recommend the Assembly** to note:

- (i) The Treasury Management Strategy Statement Mid-Year Review 2020/21;
- (ii) That the value of the treasury investments as at 30 September 2020 totalled £241.1m;
- (iii) That the treasury investment strategy outperformed its peer group, with a return of 1.50% against an average of 0.48% for London Local Authorities and 0.34% for the total comparable population of 211 Local Authorities;
- (iv) That the value of the commercial and residential loans lent by the Council as at 31 March 2020 totalled £171.0m;
- (v) That the value of long term borrowing as at 30 September 2020 totalled £945.8m, of which £275.9m related to the Housing Revenue Account and £669.9m to the General Fund;
- (vi) That the value of short term borrowing as at 30 September 2020 totalled £99.5m;
- (vii) That interest would be capitalised on long term developments of over £10m, effective from 1 April 2019; and

- (viii) That in the first half of the 2020/21 financial year, the Council complied with all 2020/21 treasury management indicators.

47. Annual Education Performance Review 2019/20

The Cabinet Member for Educational Attainment and School Improvement introduced the annual report on educational and participation performance during 2019/20 and progress against the key priorities of the Education and Participation Strategy 2018-2022, and opened by thanking the Schools and teachers for their creative work in keeping schools open safely during the pandemic.

The Cabinet Member referenced a recent Ofsted Panel meeting where members heard about the measures schools had introduced to ensure safe teaching and learning practices and the steps taken to prepare pupils should it prove necessary for them and teachers to self-isolate. The wellbeing of pupils and staff was a high priority for all schools with a wide range of training and support available. She welcomed the report detailing the response of schools to the pandemic and how it had worked with Public Health and Children Services, providing valuable lessons for the future.

The principle purpose of the report was to review progress against the five objectives of the Education & Participation Strategy 2018-22 as detailed within the context of Covid-19. The Cabinet Member highlighted the achievement of a 'good' or 'outstanding' Ofsted rating of 91.5 % by the schools, which was well above the national benchmark and just below the London average of 93%. In respect to exam performance, it was noted that performance at GCSE and A level were largely based on teacher assessment, and that following a U-turn by Government there was no national benchmarking. That said, the Cabinet Member was pleased to report that the number of young people going onto higher education had increased and most obtained their preferred choice of University.

Other issues in the report highlighted by the Cabinet Member included:

- the strengthening of the Early Years' Service;
- the important roles played of B&D School Improvement Partnership (BDSIP) in offering a wide range of training and support, and the Education service in working with schools striving for continuous improvement, as well as responding through campaigns with partner agencies to Black Lives Matter and youth violence and knife crime;
- the role of the local Further Education college which was well placed to respond to the various regeneration opportunities in the Borough offering state-of-the-art vocational training; and
- the financial pressures on the Dedicated Schools Budget (DSB), particularly those areas not covered as a result of the effects of the pandemic.

In conclusion, the Cabinet Member stated that whilst there was still a lot to do she was confident that the Schools, the Early Years' Service and partners would rise to the challenges ahead and achieve the objectives set out in the report. The Chair echoed those sentiments and added that the Council was rightly proud of what the staff, governors and teachers do for the Borough's young people who, despite such challenging times, had performed amazingly.

Cabinet **resolved** to:

- (i) Renew the Council's commitment to continuing to strengthen and develop partnerships with Barking and Dagenham's family of schools, BDSIP, Barking & Dagenham College, CU London and other key partners to achieve the best possible outcomes and opportunities for the borough's children and young people; and
- (ii) Note performance against the priorities of the Education and Participation Strategy 2018-22 as set out in section 3 of the report and in the dataset at Appendix A to the report, acknowledging that 2019/20 updates had been made to lines 25-28 of the dataset only and were provisional.

48. Proposed Redevelopment of Brocklebank Lodge site, Becontree Avenue, Dagenham RM8 3BX

Further to Minute 93 (21 January 2020), the Cabinet Member for Regeneration and Social Housing presented a report of proposals to redevelop the Brocklebank Lodge site to provide 53 new homes, 16 of which would be specifically for local people with Autistic Spectrum Disorder (ASD) as part of the Council's Housing for Vulnerable People Programme.

In their capacities as ward councillors, the Cabinet Members for Social Care and Integration and Public Realm fully supported the proposal and urged the Cabinet Member for Regeneration and Social Housing to progress phase 2 of the development to realise a community use on the site, linked to the ongoing work on developing a model of community hubs in the Borough. The Cabinet Member for Social Care and Integration added that the scheme would support the objective of bringing out-of-Borough placements back into the Borough, giving those local residents a better quality of life as well as reducing the high cost of out-of-Borough placements. On that point, it was noted that further discussions would be held to explore the opportunity for similar developments on other sites in the Borough.

Cabinet **resolved** to:

- (i) Agree the proposed redevelopment and use of the Brocklebank Lodge site as shown edged red in the plan at Appendix 1 to the report;
- (ii) Agree that, subject to the grant of planning permission and receipt of satisfactory construction tender prices, the project be financed and held within the residential asset class of the Investment and Acquisition Strategy;
- (iii) Agree the inclusion of the project in the Council's Capital Programme, subject to securing planning permission and procurement of a contractor in accordance with the project outputs and budget;
- (iv) Agree that the total development cost of £14,903,642 be funded through a combination of GLA grant funding/Right to Buy receipts and borrowing, as set out in section 3.4 of the report;
- (v) Agree that, on completion, the Autistic Spectrum Disorder (ASD) housing land be appropriated from the General Fund to the Housing Revenue

Account with the necessary accounting reconciliation;

- (vi) Agree that the affordable rented housing be leased to the Special Purpose Vehicle owned by Barking & Dagenham Renew and Barking and Dagenham Reside Regeneration Ltd, which would manage and maintain the units in accordance with the funding terms in a loan agreement between the Council and the Special Purpose Vehicle;
- (vii) Delegate authority to the Chief Operating Officer, on the advice of the Procurement Board, to approve the final procurement strategy for the project works;
- (viii) Delegate authority to the Chief Operating Officer, in consultation with Director of Law and Governance and the Cabinet Members for Finance, Performance and Core Services and Regeneration and Social Housing, to negotiate terms and agree the contract documents to fully implement and effect the proposals set out in the report; and
- (ix) Authorise the Director of Law and Governance, or an authorised delegate on her behalf, to execute all the legal agreements, contracts and other documents on behalf of the Council.

49. Reviewed Corporate Plan 2020-22

By Minute 132 (21 April 2020) the Cabinet and subsequently the Assembly, agreed the new Corporate Plan and Single Performance Framework (SPF) on the understanding that their contents would need to be reviewed, later in the year, to take account of the impact of Covid-19 on the Council's plans for the next two years.

In that respect, the Cabinet Member for Finance, Performance and Core Services presented a report on updates to the Corporate Plan 2020-22 and the SPF which took account of the developing impact of the COVID-19 pandemic as well as lessons learned from the implementation of the SPF over those past few months. He commented that whilst the pandemic continued to evolve, the Council was now in a much better position to understand how Covid-19 was impacting on its resources, priorities and plans, and the updates documents reflected those issues.

Cabinet **resolved** to:

- (i) Recommend the Assembly to agree the reviewed Corporate Plan as set out at Appendix 1 to the report; and
- (ii) Agree the reviewed Single Performance Framework as set out at Appendix 2 to the report.

50. Appropriation of Land at Dagenham Film Studios

Further to Minute 35 (20 October 2020), the Cabinet Member for Regeneration and Social Housing reported on a number of land-related matters associated with the development of major film/TV studios and associated media related activity at the LEUK (former Sanofi) site, Rainham Road South, Dagenham.

Members were fully supportive of the proposals set out in the report to enable the Council to achieve its ambitions for the site.

Cabinet **resolved** to:

- (i) Agree to appropriate the land shown edged red in Appendix 1 to the report for planning purposes (namely the construction of Film Studios), in accordance with section 122 of the Local Government Act 1972;
- (ii) Delegate authority to the Chief Operating Officer to acquire the land shown edged red in Appendices 2, 3 and 4 to the report for planning purposes (namely the construction of Film Studios) once ownership transferred to the Council, in accordance with section 227 of the Town and Country Planning Act 1990;
- (iii) Approve the subsequent use of the Council's powers under sections 203 - 206 of the Housing and Planning Act 2016 in respect of the land to override third party interests that may be infringed by the development of the Film Studios;
- (iv) Delegate authority to the Chief Operating Officer to waive the condition linked to the expiry of the judicial review period in respect of decisions contemplated within the report and to take out judicial review insurance if appropriate; and
- (v) Delegate authority to the Chief Operating Officer, in consultation with the Director of Law and Governance, to enter into confirmatory deeds as set out in the Section 106 agreement once the Council acquired the land shown in Appendices 3 and 4 to the report.

51. Draft Thames Road Masterplan Supplementary Planning Document

The Cabinet Member for Regeneration and Social Housing presented a report on the draft Thames Road Masterplan Supplementary Planning Document (SPD), forming part of the Borough Local Plan 2021-2037, and plans for an 8-week statutory public consultation during December 2020 and January 2021.

The Cabinet Member explained that the SPD would help change the physical infrastructure of the area with a view to introducing new residential development and community facilities as well as maximise a mixed range of employment uses in the location.

Arising from the discussions, the Cabinet Member for Social Care and Health Integration suggested that given the industrial nature of Thames Road and the longer term aspirations set out in the Plan, it would be helpful as an interim measure to soften the look and feel of the location by introducing some low-cost tree planting to have an immediate impact. The Cabinet Member for Regeneration and Social Housing welcomed the suggestion, commenting that it would help to change the public realm and would build on the current Thames View Greenway project.

Cabinet **resolved** to:

- (i) Approve the Draft Thames Road Masterplan Supplementary Planning Document (SPD) at Appendix 1 to the report for consultation; and
- (ii) Delegate authority to the Director of Inclusive Growth, in consultation with the Cabinet Member for Regeneration and Social Housing and the Chief Planner, Be First, to make any appropriate revisions to the SPD following consultation and approve the final version for adoption.

CABINET**15 December 2020**

Title: Update on COVID-19 Issues	
Report of the Cabinet Member for Social Care and Health Integration	
Open Report	For Information
Wards Affected: All	Key Decision: No
Report Author: Matthew Cole, Director of Public Health	Contact Details: E-mail: matthew.cole@lbbd.gov.uk
Accountable Director: Matthew Cole, Director of Public Health	
Accountable Strategic Leadership Director: Elaine Allegretti, Director of People and resilience Growth	
Summary: The Cabinet will be provided with an update at the meeting on the latest COVID-19 pandemic issues relating to the Borough.	
Recommendation(s) The Cabinet is recommended to: (i) Note the update on the latest COVID-19 pandemic issues relating to the Borough; and (ii) Comment on the latest issues and other matters pertaining to the Council's response to the pandemic.	
Reason(s) The ensure the Cabinet is kept informed of the latest Borough issues relating to the COVID-19 pandemic.	

Public Background Papers Used in the Preparation of the Report: None**List of appendices:** None

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CABINET

15 December 2020

Title: Revenue Budget Monitoring 2020/21 (Period 7, October 2020) and Q2 Capital Programme Monitoring	
Open Report	For Decision Yes
Wards Affected: All	Key Decision: Yes
Report Author: Katherine Heffernan, Head of Service Finance	Contact Details: E-mail: katherine.heffernan@lbbd.gov.uk
Accountable Director: Philip Gregory, Chief Financial Officer	
<p>Summary</p> <p>This report sets out at a high level the Council's budget monitoring position and the likely challenges this year.</p> <p>The Council's General Fund budget for 2020-21 is £155.796m. As a result of underlying financial pressures including increased costs, demographic and other demand growth, savings not yet delivered and other risks there is an underlying budget variance of £5.743m largely in Care and Support and My Place. In addition, as a result of the COVID-19 epidemic, the lockdown, and subsequent economic impacts the Council has experienced a high level of additional costs and pressures including loss of service income from fees and charges. The minimum impact from this is assessed to be £26.307m including £4.137m relating to delayed or reversed savings which are also in the main forecast – although this is net of around £5m of specific grant and NHS funding. Including these Covid costs, the Council's final net expenditure for the year is expected to be at least £187.846m. This would be an overall expenditure variance of £27.913m. This is an increased estimate since last month as it incorporates some of the Covid associated losses incurred by one of the Council's subsidiary companies.</p> <p>Another tranche of unringfenced grant support funding for Local Government was announced in mid October taking the total allocation for LBBd to £22.560m, plus £1.363m has been received as compensation for loss of income. Taking into account this funding the expected outturn for the Council is an overspend of £3.991m. However, this is the position as at the end of October before the start of the second national lockdown. The report is written mid November and so it is too early to assess properly the impact of this second lock down and any subsequent restrictions over the rest of the Winter period. This means that the position for the Council is more risky than usual. The estimated pessimistic case for the Council is a net further risk of £8.7m.</p> <p>The potential range of outturn variance therefore is between £3.991m at the more optimistic end to £12.664m at the more pessimistic (although still entirely possible) end. This is a further narrowing of the range since last month. In practice it is likely to fall between those extremes with a likely overall variance of £8.327m. This is the main estimate and a sensible basis on which to plan. This could be funded from the budget support reserve and some draw from the general fund – although the higher estimate would also mean more drawdown from the general fund reserve was required. It is therefore important that all possible action should be taken to reduce the overspend by</p>	

identification and implementation of efficiency savings, short term cost reductions (such as delaying recruitment or non-urgent projects) or maximisation of income where possible given anti COVID-19 constraints.

This report also contains the Q2 monitoring position on the Capital Programme. The Capital Programme spend to 30 September 2020 (Q2) was £63.0m, with most of the spend in the Investments and Acquisition Strategy (£45.7m), Education, Youth and Childcare (£6.4m) and HRA (£6.4m). It is forecast that spend will accelerate towards the end of the financial year but there remains uncertainty as to what extent the impact of Covid-19 will have on the spend profile.

The Q2 forecast is a total of £274.9m spend in 2020/21, a variance of (£17.2m) to the revised budget of £292.1m.

Recommendation(s)

Cabinet is recommended to:

- (i) Note the projected revenue outturn forecast for the 2020/21 financial year as set out in sections 2 to 4 and Appendix A of the report and the potential impact on the reserves position as set out in section 7 of the report;
- (ii) Note the update on key savings programmes, as set out in section 5 of the report;
- (iii) Note the update on the impact of COVID-19 and the lockdown, as set out in section 6 of the report;
- (iv) Note the update on the Capital Programme, as set out in section 9 and Appendix B of the report;
- (v) Agree the following Section106 allocations, as detailed in section 10 of the report;
 - a) £1.8m towards the affordable housing development at Padnall Lake
 - b) £0.373m towards facilities for accommodating additional pupils at Robert Clack school (Lymington Fields)
- (vi) Approve funding of £420,000 for phase one of the Dispersed Working Programme in the current financial year, as detailed in section 11 of the report; and
- (vii) Approve the minor amendments, corrections and addenda to the Fees and Charges as set out in section 12 and Appendix C of the report.

Reason(s)

As a matter of good financial practice, the Cabinet should be informed about the Council's financial risks, spending performance and budgetary position. This will assist in holding officers to account and inform further financial decisions.

1. Introduction and Background

- 1.1 This is the third budget monitoring report of the 2020/21 Financial Year. At this stage of the year there is still only a limited amount of data available and in addition, this year there are complications arising from the COVID-19 pandemic and the response which creates further uncertainty. For this reason a range of potential outcomes is being reported. The Council should plan on the basis of the main forecast but should seek to be assured that the pessimistic/worst case scenario can be managed within its resources.
- 1.2 It is clear that this will be a difficult financial year. The final outturn for 2019/20 was an overall overspend of £4.930m with £11m of overspent expenditure being offset by additional income. Most of this overspend was driven by long term budgetary pressures including demographic/demand pressures in Social Care and other frontline services. Considerable growth funding was provided in the MTFS including the use of additional government grant, but this was not sufficient to cover the level of pressure.

2. The 2020-21 Budget Monitoring Position - Summary

- 2.1. The 2020-21 budget was approved by the Cabinet in February and is £155.796m – a net increase of £6.976m from last year. Growth funding was supplied for Care and Support (to meet demographic and cost pressures), ComSol (for Temporary Accommodation), Public Realm (to cover additional work from housing growth), Legal and Policy and Participation (for the Community Engagement Strategy.) It also includes £12.696m of new savings plans.
- 2.2. In response to the Covid situation the Government has made available to Local Authorities a range of grants. Where these are ring fenced grants for specific activities these have generally been netted off within the forecasts. However the main support is in the form of a large unringfenced grant which has been treated as corporate income (like Revenue Support Grant.) Services that have incurred additional costs as a result of this epidemic have been identified in the financial systems with a project code. These additional costs are shown as an overspend against the original budget, offset by additional corporate income.
- 2.3. As shown in the table below there is an underlying pressure of £5.744m which includes £4.1m of savings not delivered or delayed as a result of COVID-19. In addition, there are £26.307 net of COVID-19 costs or income losses that have already been incurred or seem unavoidable at this stage. This is offset by £23.923, of general COVID-19 funding and income compensation. This results in a net variance of £3.991m. However, it should be noted that there are further risks that are discussed further down in this report. A fuller table can be found in Appendix A showing the underlying pre COVID variances, the additional costs that are clearly attributable to COVID and the further level of COVID cost risk that the Council is facing.

DEPARTMENT	ADJUSTED BUDGET	OUTTURN	VARIANCE	CoVid Costs	FINAL VARIANCE
PIR COMMISSIONING	8,903	8,850	(53)	1,900	1,847
CORE	5,962	7,895	1,933	601	2,534
CENTRAL	34,655	31,271	(3,384)	1,368	(2,016)
EDUCATION, YOUTH & CHILDCARE	4,057	4,447	390	787	1,177
LAW, GOVERNANCE & HR	(1,404)	(2,088)	(684)	1,514	830
POLICY & PARTICIPATION	1,758	2,549	791	3,355	4,146
CARE & SUPPORT	83,260	87,021	3,761	5,150	8,911
INCLUSIVE GROWTH	1,001	1,001	0	0	0
COMMUNITY SOLUTIONS	12,471	13,565	1,094	1,661	2,755
MY PLACE	6,230	8,125	1,895	975	2,870
REVENUES AND BENEFITS	(1,094)	(1,094)	0	1,000	1,000
COVID SAVINGS DELAYED	0	0	(4,137)	5,723	1,586
COMMERCIAL INCOME RISK	0	0	0	2,273	2,273
TOTAL GENERAL FUND BUDGET	155,796	161,540	1,607	26,307	27,913
CORPORATE FUNDING	(155,796)	(155,796)	0	(23,923)	(23,923)
NET GENERAL FUND POSITION	0	5,744	1,607	2,384	3,991

3. Budget Monitoring

3.1 This section sets out the main service variances in this financial year. In some areas there are underlying pressures and also there are known COVID-19 costs or income losses. As far as possible we have tried to distinguish between these but in some areas the relationship is complicated.

3.2 Care and Support

3.2.1 The total expenditure forecast for 2020/21 is £102m which would result in an overall budget pressure of £8.86m – around £5m of which is attributable to COVID.

3.2.2 The table below summarises the overall position for each service.

People & Resilience Group	20/21 Budget £000	20/21 Forecast £000	Variance £000	Period Movement £000	Change since 2019/20 £000
Adults Care & Support	22,511	20,823	-1,689	119	912
Adults Commissioning	5,580	5,448	-132	-132	1,335
Disabilities Service	24,248	29,119	4,872	77	4,468
Children's Care & Support	37,762	43,487	5,728	86	4,249
Children's Commissioning	3,864	3,864	0	0	-293
Public Health	(537)	(458)	79	6	79
Group Total	93,428	102,286	8,858	156	10,750

3.3 Adults' Care & Support

3.3.1 Adults' Care and Support (ACS) detailed summary table below;

Service Area	20/21 Budget £'000	20/21 Forecast £'000	Variance £'000	Period Movement £'000
Adult packages	8,044	5,053	-2,991	90
Adult teams	3,557	3,557	0	1
Adult homes and centres	2,119	2,219	100	0
Mental Health	7,431	8,634	1,202	28
Adults Other (Support Service)	1,360	1,360	0	0
Directorate Total	22,511	20,823	-1,689	119

3.3.2 The net forecast for Adults Care and Support (ACS) is £20.8m, which has resulted in a budget underspend of £1.69m. This month has seen an adverse movement of £119k compared to last period, this will be explained below.

3.3.3 Significant work has been undertaken by finance to re-align budgets to reflect a more realistic and current picture of our spend and income, the result is a much clearer picture of where our pressures or underspends are. However, there may be further realignments required this year in line with some changes in responsibility as set out in the Adults, Disabilities and MH PIDs.

3.3.4 Adults packages is forecasted to underspend by £2.991m this is attributable to the following:

- £1.031 overspend on Homecare this has been caused by COVID and the greater need to provide care at home with outbreaks in care homes.
- £1.331m underspend on Residential and Nursing clients, this reduction is attributable to the fact the CCG has been funding and allocating placements for the first 6 months of the year due to COVID and the need to free up hospital beds quickly.
- Direct Payment is forecasted to achieve a break-even position
- £274k overspend on Supported Living attributable to demand led for spot placements
- The above is offset by the winter pressures money, which is now part of the iBCF, and equates to £913k
- £1.2m of unallocated BCF funding
- The remainder of the growth pot which has not yet been allocated to budgets which is approx. £789k

3.3.5 Mental Health (MH) is reporting a total overspend of £1.202m, this is broken down below.

- £1.051m overspend on Home Care attributable to increases in Dementia cases
- £196k overspend on Supported Living due to lack of Housing options for young people with MH and transitional cases. Additionally, the Complexity and chronicity in needs had also pushed costs up.
- £215k overspend on Direct Payments due to increases in Dementia cases
- £326k underspend on Residential and Nursing due to COVID impact on death rate
- £15k underspend on Day Care and transport
- £105k overspend on Additional staffing costs as per Mental Health PID

- 3.3.6 Finally there is an estimated £100k pressure in the Adults Homes and Centres service, this is predominantly due to Relish café which has been closed the entire year due to COVID.
- 3.3.7 The period 7 position has had an adverse movement of £119k, this can be predominantly attributed to the cost of refunding clients for a savings credit which was mistakenly added to their financial assessments, although this has now been corrected, we estimate approximately £350k needs to go back to clients for overcharged contributions.
- 3.3.8 Included in this position is approx. £2m of additional spend due to COVID-19. Half of this has been interim uplifts to providers, the other half has seen a very sharp increase in numbers of residents requiring both medical/NHS and social care support for Mental Health issues.
- 3.3.9 There has been a significant rise in demand within mental health, this is a culmination of increasing numbers but also the full year impact of the dementia cases that moved over to MH in the last financial year. Due to this unforeseen pressure, our contingencies for COVID-19 have been swallowed up leading to the movement in the position mentioned above.

3.4 Disabilities Care and Support

3.4.1 The Disabilities service detailed summary table is below:

Service Area	20/21 Budget £'000	20/21 Forecast £'000	Variance £'000	Period Movement £'000
Adults Care Packages	13,733	15,750	2,017	(4)
Children's Care Costs	1,946	2,512	566	140
SEND transport	2,892	4,196	1,304	(0)
Centres and Care Provision	1,960	2,374	414	(40)
Staffing/Management	3,717	4,288	571	(19)
Directorate Total	24,248	29,119	4,872	77

3.4.2 The forecast for Disability Services for period 6 is an overspend of £4.872m. There has been a small adverse movement of £77k from the position reported at P6.

3.4.3 Packages and Placements total overspend of £3.887m, the breakdown of this is reported below:

- £2.017m overspend on Learning Disabilities Adults – the current forecast is based on clients recorded on Controcc as at end of October. The cohort of clients remains stable. The net favourable variance at P7 is because of an increase in spend on equipment and adaptations of £77k being offset by the improvement of £81k due to the direct payment refunds.
- £1.304m Out of Borough School Transport overspend -This is due to the redesign of the school routes taking in the need for 1meter social distancing on the school buses. This requirement has led to the need to have more vehicles covering the school routes for the protection of the children. There has been no change to the position at P6.

- £566k budget pressure on the Children with disabilities social care provision. There has been an increase of £141k due to higher day care private contractor costs.

3.4.4 Teams and Centres total overspend is forecast at £985k which is a decrease of £59k from the previous month. The reduction is due to savings on general office expenditure across the teams. The areas of significant variances are highlighted below:

- £345k Overspend on School Psychological Services due to loss of income due to school closures over the pandemic and schools only purchasing the statutory minimum for the new school year.
- £228k overspend against the other Teams budget. This is due to the need to recruit agency staff in both Life planning teams due to the increase in caseloads as a direct result of the pandemic. Included in the overspend also is the staff pay awards and unbudgeted employers liability insurance.
- £108k overspend on 80 Gascoigne Rd, mostly staffing pressures.

3.4.5 The forecasted overspend has increased this period by £77k, the reasons are outline below.

3.4.6 The adverse movement at P7 is mainly attributable to an increase on the forecast of equipment and minor adaptation for clients affected by COVID-19. Specific orders have been placed for hoists and beds (£69k) to support client discharges over and above the normal levels. It is the expectation that the additional spend will be offset by the COVID support grant provided by Central Government.

3.4.7 Included in this forecast is the estimated COVID-19 related expenditure of £1.075m. £648k on additional vehicles for home to school transport, £128k one off direct payment support, £197k of equipment and minor adaptation following hospital discharges and £90k for additional agency staff to cover the increased case workload.

3.5 Children's Care & Support

3.5.1 Children's Care and Support detailed summary table below;

Service Area	20/21 Budget £'000	20/21 Forecast £'000	Variance £'000	Period Movement £'000
Corporate Parenting & Permanence	22,054	27,483	5,415	143
Family Support & Safeguarding	5,655	5,822	182	-91
Assessment & Intervention Team	4,004	4,105	100	60
Senior Leadership Team & Service Dev.	2,193	2,441	251	-3
Specialist Intervention Service	2,143	2,143	0	0
Adolescence & YOS	1,713	1,493	-220	-23
Directorate Total	37,762	43,487	5,728	86

3.5.2 Children's Care and Support is forecast to spend £43.5m and would result in a budget overspend of £5.6m. There has been an adverse movement of £0.86m from the position reported at P6.

- 3.5.3 The most significant variance is in Corporate Parenting & Permanence, which is due to the placement costs for Looked After Children service. There has been an increase in the forecast of £143k from the previous month. The projected overspend of **£5.415m** is due to packages and the breakdown is as follows:
- £2.937m overspend on Residential Homes, decrease of £1m from P6.
 - £1.613m overspend on Leaving care services, an increase of £865k.
 - £486k overspend Family Assessment Units, an increase of £300k.
 - £403k overspend on Specialist Agency Fostering, an increase of £186k.
 - £343k overspend on Adoption Placements, a small increase of £13k.
 - £300k overspend in Asylum Seekers, a reduction of £88k.
 - This is being mitigated by underspending in Secure placements & In-house fostering budget of £253k.
- 3.5.4 The Adolescence and Youth Offending Service is forecast to underspend by £220k this is because of vacant posts within the establishment. There has been a further reduction in the staff cost projection of £23k at P7.
- 3.5.5 Family Support & Safeguarding Team is reporting an overspend of £182k, this is down to staffing and the reliance on agency social workers to meet caseload demands. There has been a favourable movement of £91k from previous months position due to a review of posts being filled.
- 3.5.6 Assessment and Intervention team including the MASH service is projecting an overspend of £100k this is due to the use of agency staff in both teams at present. There are a few permanent staff on boarding in future months which should improve this position.
- 3.5.7 The increase in the overall overspend in Children's care and support is mainly due to the cost of placements. There has been a significant increase in the cost of family assessment units due to the early intervention work of the pre-birth team. This has led to more referrals for family assessments and some of the cases for periods longer than the average expected 16 weeks.
- 3.5.8 The budget pressure on residential placements is in part due to the impact of the COVID-19 pandemic and the availability of providers to meet the increased demand and complexity of cases. There are 15 children with disabilities in this cohort with a projected expenditure of £3.493m.
- 3.5.9 There has also been an increase in the forecast spend on agency foster care placements of £186k. 6 new clients were placed with agency foster carers in October. All the cases are being reviewed by the placement finding team and service manager, but it is unlikely any significant reduction will be made before the end of the financial year. This is due to the constraint of finding suitable alternative placements. In addition, some of the children are undergoing 18-month therapy which cannot be disrupted in their current setting.
- 3.5.10 Reduction of £91k in the Family Support and Safeguarding team because of reviewing the projection of staffing costs, delays in onboarding permanent staff has led to some savings in the in-year costs. There is approx. £1.9m of spend within the forecast that can be directly attributed to the COVID Pandemic.

3.6 My Place

3.6.1 The My Place summary table is below.

2020/21	PERIOD 7			
REPORT LEVEL	BUDGET	FORECAST	VARIANCE	CHANGE
	£000	£000	£000	£000
MY PLACE	8,359	9,695	1,336	(264)
PUBLIC REALM	9,302	10,837	1,535	(157)
TOTAL MY PLACE	17,661	20,532	2,870	(421)

3.6.2 The Directorate is reporting a forecast outturn of £20.532m at Period 7, representing a projected overspend of £2.870m. This represents an improvement of £421,000 on P6. The main causes of this are the increased confidence in receiving income from RtB sales within My Place and for Public Realm, reduced employee forecast expenditure in Operations and increased income expectations in Pest Control.

3.6.3 My Place is reporting a £1.336m overspend on the 2020/21 Budget of £8.359m. This is an improvement of £264k on the position reported in P6.

	PERIOD 7			
REPORT LEVEL	BUDGET	FORECAST	VARIANCE	CHANGE
	£000	£000	£000	£000
BUSINESS DEVELOPMENT	2,798	2,733	(64)	161
CONTRACTS MGMT	13,158	13,149	(8)	(19)
LANDLORD SERVICES	4,671	4,394	(278)	(320)
MNGMT CENTRAL	(21,553)	(20,023)	1,530	252
PROPERTY ASSETS	9,285	9,441	156	(337)
TOTAL	8,359	9,695	1,336	(264)

3.6.4 The £320k positive movement for Landlord Services is due to an increase in the forecast for Right to Buy admin fees income, together with a further increase in ward budget under- utilisation. This is offset by an increase in consultancy and agency fees.

3.6.5 Management & Central is forecasting an overspend of £1.530m. This is due to unfunded employee liability insurance costs of £450k and pressures of £718k from core savings, mainly Adecco and Gainshare. Employee and consultancy costs are the main reason for the underlying movement.

3.6.6 Property Assets is forecasting an overspend of £156k. The Street Lighting electricity budget was reduced by £455k to meet savings and also repayment of the capital investment in LED street lights. Although savings are being made, there remains a cost pressure.

3.6.7 Public Realm services are forecast to overspend by £1.535m, which is an improvement of £137k on the P6 position and is mainly due to an improved position within Caretaking plus an increase in income generation within Compliance.

2020/21	PERIOD 7			
REPORT LEVEL	BUDGET	FORECAST	VARIANCE	CHANGE
	£000	£000	£000	£000
OPERATIONS	7,856	9,391	1,534	(114)
PARKS & ENVIRONMENT	2,240	2,413	173	28
FLEET MANAGEMENT	(76)	(95)	(18)	(31)
COMPLIANCE	(718)	(871)	(154)	(41)
ELWA	(30)	(30)	0	0
TOTAL	9,302	10,837	1,535	(157)

3.6.8 Operations are forecasting an overspend of £1.534m, due to use of agency and transport costs, in particular repayment of the capital investment in new fleet. Expenditure on vehicle hire costs and other transport-related costs has not reduced sufficiently to meet the budget reductions necessary to make the repayments.

3.7 Policy and Participation

3.7.1 The Policy and Participation summary table is below:

	Budget	Forecast	Variance	Change
	£'000	£'000	£'000	£'000
Director	118	142	24	3
Culture	1,328	1,375	48	(21)
Leisure, Parks and Heritage	(889)	2,995	3,884	(76)
Communications and Policy	112	104	(7)	17
Participation and Engagement	1,329	1,378	49	25
Insight and Innovation	460	492	32	6
Advertising	(158)	(42)	116	25
Transformation	508	508	0	0
PMO	140	140	0	0
Total Policy & Participation	2,947	7,092	4,146	(21)

3.7.2 Policy and Participation is forecast to overspend by £4.1m of which £3.4m is due to the impact of COVID-19 on income from the leisure centres concession and loss of income from museums and parks. There has been a reduction of £21k in the overspend forecast.

3.7.3 Leisure, Parks and Heritage are forecast to overspend by £3,884k. Approximately £3m of this is attributable to the support package provided to SLM. The £2,057k concession fee for 2020/21 has been waived and funding of up to £965k is to be provided. Cashflow support of £241k to cover payroll costs has been repaid to the Council.

3.7.4 Parks Commissioning are forecasting to overspend by £793k due to non-achievement of MTFs savings for 2020/21. It was planned to meet the savings target through income from soil importation to Central Park, but the timescale for this has slipped.

3.7.5 Heritage services are forecast to overspend by £240k which is partly due to income loss whilst Valence and Eastbury are closed.

3.7.6 The advertising budget is forecast to overspend by £116k. This is largely due to a £91k shortfall in advertising income resulting from delays in the current contractor removing advertising hardware from sites. NNDR costs of £22k are unfunded.

3.8 Core

3.8.1 The Core service summary table is below:

	Budget	Forecast	Variance	Change
	£'000	£'000	£'000	£'000
Finance	2,314	2,202	(112)	0
IT	1,266	1,838	572	0
Commercial	(36)	546	581	(61)
Investment Strategy	(4,673)	(4,674)	(1)	0
Customer Services	7,129	8,455	1,326	0
Strategic Leadership	63	231	167	0
Total Core	6,064	8,597	2,533	(61)

3.8.2 Core Services are forecast to overspend by £2.5m, of which £600k is attributable to COVID-19

3.8.3 IT are forecast to overspend by £572k. Further detailed work needs to be undertaken to reconcile actual and planned expenditure on IT contracts with all IT funding streams, including capital and the IT reserve.

3.8.4 Commercial Services are forecasting a pressure of £581k, which is largely due to the impact of COVID-19 on commercial income. This comprises £263k on the Film Unit and £240k on the CR27 Travelodge investment. There is also a pressure on Procurement of £131k due to non-achievement of income targets.

3.8.5 Customer Services are forecast to overspend by £1.3m of which £122k is due to a shortfall in Registrars income due to COVID-19. The balance is due to the shortfall on the cost of services transferred from Elevate.

3.8.6 Strategic Leadership are forecasting a pressure of £167k which is the balance of Core Savings which were not deducted from service budgets.

3.9 Law and Governance and HR

3.9.1 The Law and Governance and HR service summary table is below:

	Budget	Forecast	Variance	Reserves	Net	Change
	£'000	£'000	£'000	£'000	Variance	£'000
					£'000	£'000
Enforcement	(2,797)	(1,924)	873	0	873	5
Democratic Services	1,010	868	(142)	0	(142)	0
HR	38	107	69	0	69	0
Leader and Cabinet Office	(7)	22	29	0	29	0
Legal	619	674	55	(55)	0	0
	(1,137)	(252)	885	(55)	830	5

- 3.9.2 Law Governance and HR are forecast to overspend by £830k after drawing down £50k from the legal reserve. This is a reduction of £100k in last month's planned reserve drawdown.
- 3.9.3 Enforcement are forecast to overspend by £873k which is £5k more than last month. The main areas of overspend are Parking and East Street Market. This is due to an income shortfall over the lockdown period. Both services were making a good recovery and income levels had improved improvement prior to the current lockdown. Given the current uncertainties it is difficult to forecast future income streams.
- 3.9.4 If it were not for the impact of COVID on income levels, Enforcement would be forecasting an underlying underspend of approx. £500k largely due to underspends on salaries budgets as vacancies remain unfilled.
- 3.9.5 Within Enforcement, the Parking service is forecast to overspend by £935k which is an adverse movement of £20k from P6. Parking income to the end of October is £4.9m and the annual income target is approx. £10m. Income in October was £844k compared to £923k for September. An additional 10 CEOs have been recruited which will boost income levels between now and year-end. Further traffic enforcement cameras are due to come on-stream and this will generate further income.
- 3.9.6 Parking fees and charges are being amended from January 2021. This will impact upon income levels but not to a significant level for 2020/21, as the bulk of the income is from residents' permits and these fees are unchanged.
- 3.9.7 Also within Enforcement, East Street Market is forecast to overspend by £515k. This is due to reduced income from the impact of COVID. Income to the end of October is £230k against an annual target of £900k.

3.10 Community Solutions

3.10.1 The Community Solutions service detailed summary table is below:

Service Area	20/21 Budget £000	Forecast £000	Variance £000	Period Movement £'000
Intervention Lifecycle	387,249	(802,642)	(1,189,891)	(1,189,891)
Triage Lifecycle	2,191,970	5,053,037	2,861,067	2,861,067
Support Lifecycle	4,109,937	2,274,457	(1,835,480)	(1,835,480)
Universal Lifecycle	4,558,092	4,559,417	1,325	1,325
Service Dev. & Dir of Comsol	1,194,153	1,959,900	765,747	765,747
Works & Skills Lifecycle	523,383	1,016,747	493,364	493,364
Directorate Total	12,964,784	14,060,916	1,096,132	1,096,132

3.10.2 Community Solutions is forecast to overspend by £1.09m. This is due to combination of factors including the loss of grant income for the Works and Skills lifecycle and the brought forward budget gap for staffing costs within the service. There are also risks to the savings plan for reducing the cost of homelessness. The service has worked on budget realignment to ensure that the Oracle budget matches the respective budgets for each area. A management action plan is being

developed to mitigate this overspend which includes, vacancy freeze, use of consultancy budget, reattribution of costs to grants, savings on print & posts etc.

3.10.3 The management actions being delivered by the service has been effective in achieving savings and in most cases are resulting in the downward trend in overall outturn forecast, however because the service costs are volatile and sensitive to unpredictable demands, we are gatekeeping a strict monitoring regime to avoid reporting monthly fluctuating outturn position. The reported figures for Comsol include circa £250,000 pro-rata of pension costs for Revenues and Benefits Service that has recently joined Comsol from September.

3.11 Revenues and Benefits

3.11.1 Revenues and Benefits is forecast to overspend by £1m due to a loss of courts income as a result of COVID-19. The Court service has been suspended, and courts remain closed for all cases with the exception of those deemed priority. This means that it is not possible to obtain a liability order which allows further action by enforcement agents.

4. Housing Revenue Account

4.1 The HRA is forecast to overspend by £4.879m on Revenue or £3.235m once the reduced capital programme is taken into account.

	PERIOD 7			
REPORT LEVEL	BUDGET	FORECAST	VARIANCE	CHANGE
	£000	£000	£000	£000
SUPERVISION & MANAGEMENT	43,137	44,722	1,585	546
REPAIRS & MAINTENANCE	16,372	18,745	2,373	1,900
RENTS, RATES ETC	120	139	19	15
INTEREST PAYABLE	10,742	10,742	0	0
DEPRECIATION	15,860	15,860	0	0
BAD DEBT PROVISION	3,309	3,309	0	0
CDC RECHARGE	685	685	0	0
TOTAL EXPENDITURE	90,226	94,201	3,977	2,461
CHARGES FOR SERVICES & FACILITIES	-20,479	-19,777	702	145
DWELLING RENTS	-85,755	-85,555	200	39
INTEREST & INVESTMENT INCOME	-50	-50	0	0
TOTAL INCOME	106,284	-105,382	902	184
Funding for capital programme	16,059	14,415	(1,644)	(1,644)
	0	3,234	3,235	900

4.2 The forecast variance for Supervision and Management has increased by £546k to £1,585k. The increase is due to Leaseholder building insurance premiums which have not previously been recharged by the insurance section and were not included in previous forecasts.

4.3 There is an overspend of £2m on Repairs and Maintenance. This is largely the result of budget savings from the Transformation Programme not being achieved.

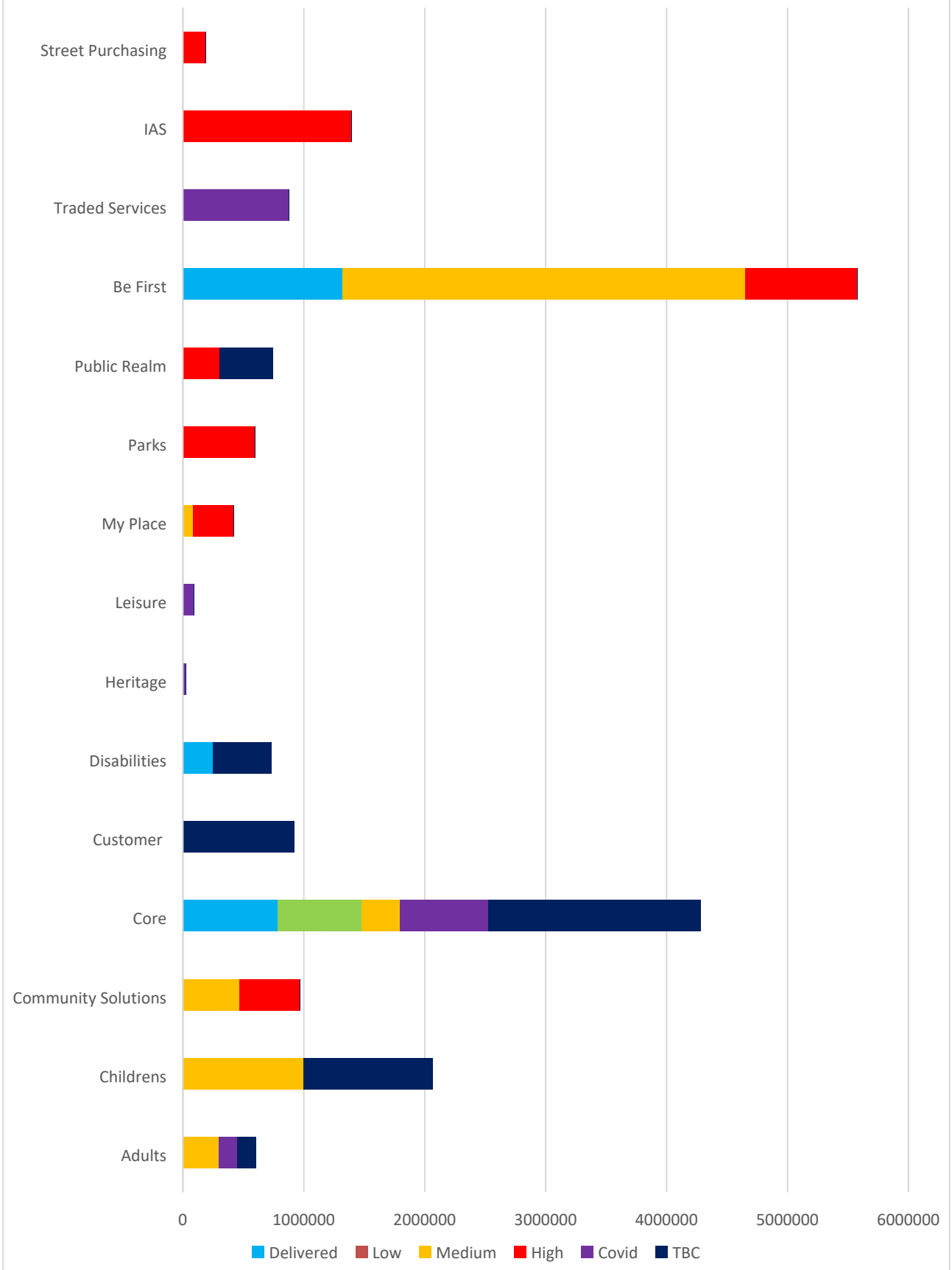
In addition, there has been no uplift to the budget for inflation or pay awards in recent years.

- 4.4 The income variance has increased by £184k to £902k. A review has been undertaken of charges for services and facilities which has resulted in a reduction of £145k in the income forecast. The forecast for Rents income is reduced by £39k. It should be noted that there is also an additional risk on rent arrears as a result of Covid. The worst-case potential shortfall is £4.5m over the whole year.

5. Key Savings Programmes

- 5.1 2020/21 is the fourth and final year of the original Ambition 2020 savings and transformation programme. The total savings for the target is £48.8m of which £36.129m was originally profiled as to be delivered by the end of 2019/20 and £12.696m is due in 2020/21. As at the end of 2019/20 the total delivered was £29.314m leaving £6.788m so far undelivered. This includes contributions from Be First (which would normally come a year in arrears following audit of accounts), and undelivered savings in Care and Support, My Place/Public Realm, Customer Services and the first tranche of income from the Central Park re-landscaping. The chart below shows performance to date against the total target for the MTF5.
- 5.2 The total savings yet to be delivered in 2020/21 were already high risk even before the COVID-19 situation arose and the pandemic and the response has considerably worsened the situation. A small number of savings have been assessed as impossible to deliver in the current year but may be possible to reinstate in future years. These are the Leisure Concession Fee which will not be payable in 2020/21, increased Heritage income, a further change to the Adults Charging Policy and the Council Tax Support Scheme (part of the Core programme) where the impact of the epidemic has reversed the previous reduction in this scheme.
- 5.3 In addition there are a large number of savings where the original plans have been delayed (My Place restructure) or are much more difficult/high risk (Debt collection in Core, Homelessness reductions in COMSOL.) In addition, it is now expected that the additional income from BDTP will not be achieved this year as a direct result of COVID.
- 5.4 The table below shows the risk breakdown of savings in the current financial year. £5.7m of non-delivered savings has been included as a COVID-19 cost on the MHCLG return (broadly those shown as COVID-19 or tbc below.)

2020-21 Savings Risk Profile



6 COVID-19 Risks

- 6.1 The pressures associated with COVID-19 have been shown separately. The Council has experienced both cost increases and loss of income. Cost pressures are made up of additional demand for services and additional costs of providing services including the costs of PPE for front line works and new IT equipment for those working from home.
- 6.2 Income losses were incurred across the Council with the almost total suspension of a range of normal activities during the initial period of lockdown. Almost all services experienced some degree of loss but Enforcement was particularly affected from the reduction in parking, licensing and market income. In addition, the Council's leisure centres were closed and return to normal activity is expected to be slow resulting in the loss of the concession income from the managing partner company. Since the easing of the lockdown income levels for Enforcement have begun to increase again but whether this can be sustained will depend on whether further restrictions are introduced.
- 6.3 Details of the Income Loss Compensation scheme have now been announced. This provides 75% compensation for income losses after the first five percent reduction. The Council submitted its first claim for the April to July period and claimed £1.393m.
- 6.4 The level of costs that has been experienced already or that appear to be unavoidable at this stage is £24.06m. However, this is based on the assumption that there is no increase in costs from increased infection or the introduction of further restrictions. Given that London is now in Tier Two this may not be the case.
- 6.5 Central Government has announced four tranches of non-ringfenced grants to support Local Government in this situation. The LBBB allocation is £22.559m. In addition, there have been specific grants for Test and Trace, Infection Control, Welfare Support and Food Assistance and some NHS funding is available to support discharges from hospital to social care. These have been netted where they are being allocated directly to services.
- 6.6 The announcement of the fourth tranche of funding now means that the Council's confirmed or likely COVID costs are mostly covered. However there do remain risks to the financial position if further pressures are experienced in the second half of the year and from risks to our commercial income
- 6.7 However there are further risks to the Council from the second lockdown and any further impacts. The total pessimistic case estimate is a total pressure in the region of £38.015m – a further £11.7m of further costs. However, there are specific grants that will offset these reducing the risk to £8.673m
- 6.8 The further risks are chiefly a further £5m potential commercial income risk and up to £5m risks in Care and Support and Community Solutions (Homelessness) if activity increases sharply. There are also risks around loss of Parking income and income from Culture, Heritage and Leisure.

7. Impact on Reserves

- 7.1 The potential range of outturn variance therefore is between £3.99m at the most optimistic end to £12.664m at the more pessimistic (although still entirely possible) end. In practice it is likely to fall between those extremes with a likely overall variance of £8.327m (ie assuming that half of the future risks come to pass.)
- 7.2 There are several reserves that would be available to meet this level of pressure. As at the end of 2019/20 there was £6.349m in the budget support reserve and £0.735 in the restructuring reserve. This is sufficient to cover the lower range of scenarios.
- 7.3 The worst case scenario of £12.664m would fully deplete both these reserves and reduce the General fund reserve from £17.031m to £11.451m which is marginally below the minimum level set in our reserves policy. The midcase estimate of £8.327m would leave £15.788m in the General Reserve. This means that even the worst case estimate is containable within Council resources but could have a detrimental effect on our future financial resilience.
- 7.4 Alternatively if we wish to preserve the General Fund or if further call on reserves is required there are a number of reserves held for longer term investment such as the Capital Investment reserve and the Corporate Infrastructure reserve that could be used in the short term. They would require repayment in future years in order to deliver against the Council's longer-term plans and strategies.

8 Council Companies

- 8.1 The accounts for the 2019/20 are being finalised and will be subject to audit. Following this there will be a formal process to agree any returns or dividends to the Council. It must be remembered that although the dividends will be based on the previous financial year, the company boards will need to consider the current financial and trading position before agreeing release of funds and so the COVID-19 risks could result in a lower return than expected in 2021/22. For this reason there is now a high expectation that it may not be possible for BDTP to make a full payment of dividend in this financial year. The company did return a profit in 2019/20 but some of their trading in this year has been affected by the Covid lockdown. It would not therefore be prudent for them to diminish their cash reserves by returning a payment this year. This has created a £2.273m in year financial risk. It is expected that this is a short term impact and dividends will be payable in future years. The other companies are less exposed to the lockdown effect and we are still forecasting returns from them. The process for the respective boards to meet and approve dividends will take place in the next few months.

9. Capital Monitoring - Summary Q2 2020/21

- 9.1 The capital programme for 2020/21 was reviewed in Q1 and agreed at the September Cabinet. The revised budget provides a more achievable capital programme but even with the relatively reduced capital programme, spend to date remains significantly below the revised budgets.

9.2 Capital Programme 2020/21 – Q2 Spend

The Capital Programme spend to 30 September (Q2) was £63.0m, with most of the spend in the Investments and Acquisition Strategy (£45.7m), Education, Youth & Childcare (£6.4m) and HRA (£6.4m). It is forecast that spend will accelerate towards the end of the financial year but there remains uncertainty as to what extent the impact of Covid-19 will have on the spend profile.

The Q2 forecast is a total of £274.9m spend in 2020/21, a variance of (£17.2m) to the revised budget of £292.1m. The majority of the spend will be on residential schemes, with a total of £177.8m expected to be spent. A number of schemes are currently being developed and may be completed in 2021/22.

A summary of each department's spend, including the forecast spend for each, is provided in the remainder of section 1, with a summary of the Capital programme in table 1.

9.3 Investment and Acquisition Strategy (IAS) (Forecast to spend 103.0% of £197.7m budget):

The IAS incurs the largest capital spend, forecast to be £203.6m in 2020/21. Most of this spend (£177.8m) will be in residential developments with nearly 80% of the homes being built will be affordable, with a number of them completing in the next two years. The 10 largest developments are summarised below:

Scheme Name	2020/21 Expenditure
Gascoigne West P1 Development (Phase 1)	40,659,347
Crown House	31,285,507
Gascoigne East Phase 2	22,702,873
Gascoigne West Phase 2	19,256,390
Sebastian Court - Redevelop	16,414,081
Chequers Lane	9,941,066
12 Thames Road	7,629,474
Padnall Lake	6,529,452
Gascoigne East Phase 3	4,281,103
Woodward Road	4,255,735

The capital spend is the gross development cost, with grant and sales funding removed via funding to produce a net borrowing amount. Expenditure, where the spend is incurred in a Special Purpose Vehicle, such as for Muller, are not included as this is reflected as a loan or equity investment rather than capital spend. Work has been undertaken to improve the reporting and prevent a significant underspend being reported, as it was in 2019/20. However, in-year agreements and cost increases can mean that the final budget may differ significantly compared to the budget proposed.

A number of large-scale developments have recently been brought to Cabinet agreement. These will have a significant impact on future capital budgets but the impact on 2020/21 will likely be limited. A number of schemes also require budgets to be revised as a result of overspends and in some cases acceleration. Due to the size of some of the contracts that have been awarded, commitments may be significantly higher than the forecast spend for 2020/21.

The sale of the majority of the film studio site should be completed in 2020/21 and the resulting cash, funded by long term borrowing, will be used to fund further investments in the IAS.

9.4 **General Fund:**

9.4.1 Adults Care & Support (Forecast to spend 90.6% of £1.976m budget)

Covid-19 has delayed spend overall. The Council has agreed to allow works to commence, resistance on entry by residents exists, with delays expected due to the winter period effecting desirability of works by residents in cold weathers. DFG funding will allow carry forward. There is now a clear alignment between the budget and the actual DFG funding available. There are 83 live streams of works taking place with increased streams to occur. Payments for the final implementation of the Liquid Logic social care system paid bringing project to completion.

9.4.2 Community Infrastructure Levy Schemes (Forecast to spend 57.6% of £2.116m budget)

Several new schemes have come on stream including, Boxed(up Crime, Kingsley Hall, and the East End Women's Museum. There will be an impact on some of the spend as a result of Covid(19. Allocations agreed by developers and LBBB in 2019/20 to fund community infrastructure and can be used to help fund parks and youth services. The project manager (PM) is waiting on the 3rd parties to submit their claims before releasing the funds of £1.964m. Profiling of contributions are on(going with incentive to pull budgets forwarded as needed.

9.4.3 Community Solutions (Forecast to spend 100.0% of £187k budget)

The funding is being used for building improvement and modernisation works including the creation and design of additional spaces to future proof the building and make it more accessible for residents and service users. A project to redesign the children's library is underway which will make full use of the area and create an inspirational learning space that will stimulate young minds and encourage cognitive and literary development. The remaining funds are to be used to redevelop the space formerly occupied by Bath Haus Spa. Contractors are currently providing quotes that will allow the space to be opened up and create additional capacity for staff including desks, offices, and rest facilities. It is currently envisioned that work will commence in Q4 2021.

The budget for Barking Learning Centre Works will be spent in Q3 & 4 and will be used to increase the scope and coverage of CCTV & Panic Alarms including in the newly created areas that are being developed. Conversations with contractors underway (80k), with projects reaching completion stage once budget is fully spent.

9.4.4 Core (Forecast to spend 94.3% of £4.576m budget)

Q3 will see the bulk of the project delivery now that lockdown has been lifted. Conversations with ward Councillors will be focussed on the spending the remaining unallocated budgets, approving spend from quotes and considering projects for next year.

9.4.5 Culture, Heritage & Recreation (Forecast to spend 77.6% of £3.008m budget)

Work is being completed on confirming the grant available, includes CIL funding specific to the council rather than for a third party. Parsloes Park Activation is out to tender, with expenditure slipped into 2021/22. An update on individual projects is provided below:

Lakes: Funding surveys related work in support of the 'Redressing Valence' project and associated improvement of the moat and surrounding area. Further spend is anticipate related to the Barking Park lake side footpath repairs, subject to receiving the final designs and costs.

Park Infrastructure: To deliver a wide range of infrastructure enhancements, most recently footpath improvements and CCTV foundation repairs in Barking Park and new fencing to secure the old bowling green, now home to Growing Communities.

Fixed play: A contribution of £7.5k has been made to deliver a Ward Member supported outdoor gym in Heath Road Open Space, & it is anticipated that comparable contributions will help Parks and Environment deliver several similar fixed play related schemes in several other parks.

Park Building Surveys: Schemes include repairs to the pavilion roof in Barking Park and a condition survey for the ECP Discovery Centre & related building improvement works. However, planed repairs (c.£21k) to the Barking Park Indoor Bowls Pavilion have been put on hold.

Abbey – Unlocking Barking's Past: Initial studies and design will be completed by December 2020. However, the completion of the scheme is dependent on the further appointment of a contractor for physical repairs, and this work is normally best carried out in summer.

Children's Play: Limited spend so far this year. However, in partnership with Parks and Environment a programme of fixed play related projects has been developed.

Central Park Master Plan: Mobilisation on site. April 2021: Soil importation.

Valence Park 'Love where you live' Project: In accordance with the original agreement with Community Resources to deliver an activation programme in Valence Park, the Council agreed to pay £30k: £20k in 2019, £5k in 2020 & £5k in 2020/21.

Safer Parks, Healthier Communities: Community engagement is at the heart of this project, but Covid-19 has made this difficult.

Local Football Facility Plan: The original intention was to use SCIL as match funding to bring in additional Football Foundation investment to refurbish the existing Valence Park sports pavilion. Therefore, expenditure to date relates to a new building condition survey.

9.4.6 Education, Youth and Childcare (Forecast to spend 93.7% of £19.193m budget)

Work is being completed on reprofiling some of the budgets and confirming the grants. The Education programme is financed by DfE grant and work is being

completed in ensuring sufficient grant is provided for all schemes. £19.8m of DfE grant funding was received in September, which marks the move to a new phase of the Greatfields Free School build project. An additional amount of funding was announced for the School Condition Allocation DfE grant (as reported to Cabinet as part of the Education 'Review of School Places' report in September) which is being built into the period 6 budget. 5.6M allocation has been profiled through to 2022/23 for Project SCA 20(21 covering school condition work

£700k of historically uncommitted basic needs adjusted in Q2 budget for Greatfields Primary.

9.4.7 Enforcement (Forecast to spend 100.0% of £1.116m budget)

Spend on CPZ and enforcement equipment will now continue in 2020/21, although there has been a delay in spend during Q1 and Q2.

9.4.8 My Place (Forecast to spend 85.9% of £5.332m budget)

Allocations likely to roll forward, dependent on environmental elements, Covid delay on meeting certain processes and talks with engineers. Risks mitigated through careful planning and programming of priorities PM to provide breakdown of funding sources for projects. Expected that Stock Condition Survey budget will be reprofiled to increase the 20/21 budget.

9.4.9 Transport for London (TfL) (Forecast to spend 100.0% of £596k budget)

TfL in the process of confirming grants available, which have been changed as a result of Covid.

9.4.10 Public Realm (Forecast to spend 100.0% of £3.391m budget)

£1.131m of net slippage was requested into 2020/21. Work on establishing budgets to cover the financing of the fleet replacement is being carried out.

9.5 **HRA Capital (Forecast to spend 61.0% of £48.958m budget)**

The HRA capital programme is financed by the HRA using Government grants, capital receipts and HRA revenue.

The new build scheme has been reduced to £2.5m and the estate renewal is currently budgeted at £8m. Both of these areas are forecast to spend as per budget, and this is reflected, to a degree, in the expenditure to date.

9.5.1 **Stock Investment Programme**

The delivery of the HRA Stock Investment Programme has been hugely disrupted by the impact of the lockdown, with all programmes ceasing from March with contractors and supply chains not fully mobilising until September. Leaseholder consultation (S20) was also suspended during this time and has now recommenced, which has also had a knock-on effect with regards works to blocks containing leaseholders.

Delivery Agents (Be First, BDMS and My Place) have updated their forecast spend profiles and are projecting an overall spend of £19.8m against a budget of £38.4m. Access arrangements to homes in order to carry out works is improving and takes into account those are shielding or self-isolating. Some projects (such as the estate road improvements) have only been partially impacted by the pandemic.

The partial lockdown in November has slowed some programmes further, although progress is being maintained wherever possible and some of the delayed external works (roofs & windows that were scheduled for completion over the Spring and Summer) may still be affected by any inclement winter weather.

9.6 Transformation (Forecast to spend 100.0% of £2.777m budget)

The budget is funded by capital receipts, which will predominantly be from the sale of Shared Ownership units for Becontree Heath and Kingsbridge. Discussions are underway to establish the amount of capital funding required for the new ERP system project. Projects include:

- Setting up of a new booking system and the restructure of some elements of Children’s Services including reducing the reliance on agency care workers. The programme is expected to support the delivery of the Children’s MTSF savings.
- Anticipating capital expenditure for refurbishment of Mayesbrook school (50k) with remaining expenditure to be reflected in Revenue in due course.
- Implementation of new IT systems across ComSol, primarily B&D OneView. The scope of the transformation programme has altered to include significant investment in areas such as hardware for the Adult College to facilitate online learning, a new social prescribing platform and GP integration and further development to B&D OneView.
- NWow (now known as WOWNow) – these costs related to the implementation of and move to Microsoft Teams, internet security and other associated costs.

9.7 Capital receipts:

Capital receipts from the sale of Shared Ownership units at Becontree Heath will be split into profit (to the IAS) and net cost. Net cost will be split into an amount to fund transformation and reduce the Capital Financing Requirement (i.e. repay the build costs). Currently the forecast is for £3.9m to be received from the first tranche sales receipts in 2020/21 (see table below).

Date	Amount £000s
To 31 Oct	2,693.50
Nov-20	218.75
Dec-20	126.25
Jan-21	388.00
Feb-21	465.50
Total	3,892.00

10. Section106 Allocations for Approval

- 10.1 Financial obligations can be negotiated from developers as part of the planning process, under s106 of the Town and Country Planning Act 1990. Under a s106 legal agreement the developer agrees to make a financial contribution or other

obligation to mitigate any harmful impact of the development. The legal agreements are usually specific as to what the money can be spent on, and it usually needs to be spent within 5 years of receipt.

10.2 Assets and Capital Board approve the allocation of contributions to schemes which meet the specific conditions set out in the legal agreement, however for amounts greater than £200k, Cabinet approval is sought. A full list of s106 allocations to schemes from historical receipts will be presented to Cabinet in a future report for noting.

10.3 This report seeks Cabinet approval to allocate the following amounts which have already been approved by Assets and Capital Board:

- a) £1.8m towards affordable housing development at Padnall Lake from PA/15/00362/FUL and PA/16/01025/FUL as set out below
- b) £0.373m towards facilities for accommodating additional pupils at Robert Clack school (Lymington Fields) from PA/08/00470/FUL as set out below

10.4 **Padnall Lake:** There are two contributions for affordable housing, totalling £1.8 million, that this report recommends allocating to be used to support the provision of affordable housing at Padnall Lake. Cabinet approved the residential development of Padnall Lake, subject to planning permission, in November 2019. The s106 was received from the following schemes:

Planning reference	Address	Development	Approved	Obligation
15/00362 /FUL	New Enterprise House, High Road, Chadwell Heath	Construction 2 additional floors and internal alterations to create 44 flats	DC Board 12/7/2016 S106 issued 28/10/2016	£0.8m for provision of submarket housing in the borough
16/01025/ FUL	Bagleys Spring, Whalebone Lane North, Chadwell Heath	Erection of 55 dwellings	DC Board 7/11/2016, s106 issued 24/11/2016	£1m for provision of offsite affordable housing

10.5 **Lymington Fields:** A sum of £373,473 was received from planning application ref 08/00470 in 2016. The planning permission was granted on 8 March 2010, to give planning permission for the erection of 2 additional stories on a former office block at 22(24 Freshwater Road, and conversion of the resultant building to 60 flats, 20 of which would be for affordable housing.

In 2014 a Deed of Variation was made to the s106. This deed allowed the developer to pay £373,473 to be released from the obligation to provide affordable housing. It is proposed that this money be moved to the education budget to be used for the expansion of school facilities to accommodate the additional pupil yield from residential development.

Planning reference	Address	Development	Approved	Obligation
08/00470 /FUL	22(24 Freshwater Road, Dagenham	Construction 2 additional floors and internal alterations to create 60 flats and ground floor business space (20 units affordable)	S106 issued 8/3/2010	20 of the units to be for affordable housing
08/00470 /FUL	22(24 Freshwater Road, Dagenham	Construction 2 additional floors and internal alterations to create 60 flats and ground floor business space (all private)	Deed of Variation to the s106 issued 8/3/2010. DoV issued 20/8/2014	Payment of £373,473 to release the developer from the affordable housing obligation

11. Additional Funding for Dispersed Working

11.1 The Covid epidemic and the response to it has provided an opportunity for the Council to review how it works and, in particular, its use of office space and accommodation. Our goal is to embed a dispersed working model, built around a 'core community hubs' offer. It is proposed that a fund be created to further develop this work which is expected to provide both efficiency savings and also service benefits including improved staff wellbeing and a different approach to working with the community. The initial resources ask is shown in the table below. This will cover phase one – to spring 2021. This will be funded from slippage on the capital programme and by the flexible use of capital receipts. The work will lead to expected savings on accommodation costs which means it meets the eligibility criteria for this funding. Any further requirements or consequent savings will be incorporated into the MTFS.

Capital	
<ul style="list-style-type: none"> Capital investment to support a range of spatial tests associated with phase one, including the set-up of informal touchdown space at Dagenham Library, the creation of a secure base at the Town Hall, the creation of an office hub for those with office hub worker status, and the creation of a test collaboration space at the Town Hall (~£40,000) Capital investment to support the reconfiguration of the Lower Ground Floor of the Town Hall, with a short-term focus on the creation of an alternative build room and base for IT to secure the vacating of Roycraft House (~£60,000) Reconfiguration of Frizlands to provide wider My Place management space (~£60,000) 	£160,000
Project/programme costs	
<ul style="list-style-type: none"> Full time secondee to provide coordination and facilitation support across Community Hubs and Dispersed Working (~£40,000) 	£260,000

<ul style="list-style-type: none"> • Budget to commission options appraisal on the potential for future Core hubs redevelopment at selected sites (~£40,000) • Budget to commission BD Collective to support with the development of local hubs proposition and plans (~£10,000) • Project manager seconded from Be First into My Place assets team to support phase one development and testing of the Dispersed Working model and commissioning work to review strategy and operating model for the existing and future commercial portfolio (~£60,000) • Flexible IT and digital budget to support phase one development and testing across Community Hubs and Dispersed Working, including support with the development of the staff information hub 2.0 and the intranet (~£40,000) • Commissioned OD resource to support phase one testing and development work in relation to wellbeing and leadership development under Dispersed Working (~£40,000) • Commissioning budget to support phase one options appraisal in relation to the future development of Roycraft House (~£30,000) 	
Total phase one costs	£420,000

12. Fees and Charges Update

12.1 A report was presented to the Cabinet last month with the proposed fees and charges for calendar year 2021. A number of small amendments have been requested to the Parking section to clarify or make consistent the structure of charges. These are effectively small technical amendments that are wholly in line with the overall policy. Cabinet are requested to approve these corrections.

The November Cabinet report fee reference is given in brackets after the relevant paragraph. The updated fee schedule for Parking is provided as appendix C to this report.

- The report has been updated to introduce a new fee of £100 (inc. VAT) for a Keyworker permit for Off Street Parking. The fee of £100 for a Key Worker permit introduced in the November report has been amended to show this is for On Street Only. (594)
- The permits for Care Agencies, the Voluntary Enterprise sector and Motor Cycles have been amended to On Street only. (595,596,598)
- The fee for Staff Permit (Standard) Annual Band 1 has been deleted, as annual Standard permits are no longer available. (634)
- The fee for a daily Staff Permit (Standard) Band 7 has been amended from £7.50 to £8. (665)
- The fees for London Road car park and the Mall and for On and Off Street Parking have been amended to a CO2 emissions-based charging basis. Rows 673 to 703 of the November report have been deleted and replaced. Monthly season tickets fees are now included.
- The diesel surcharge on season tickets for The Mall have been amended to bring them in line with similar charges at London Road car park (786,794)

13. **Financial Implications**

Implications completed by Katherine Heffernan, Head of Service Finance

13.1 This report details the financial position of the Council.

14. **Legal Implications**

Implications completed by Dr Paul Feild, Senior Governance Lawyer

14.1 Local authorities are required by law to set a balanced budget for each financial year. During the year, there is an ongoing responsibility to monitor spending and ensure the finances continue to be sound. This does mean as a legal requirement there must be frequent reviews of spending and obligation trends so that timely intervention can be made ensuring the annual budgeting targets are met.

14.2 In this current Covid 19 emergency, the general laws still apply unless there are special legislative measures to take account of the factors which may or will have an effect on the Council and its duties, powers and obligations. The key provision at time of writing being the Coronavirus Act 2020 which addresses specific issues connected with the challenges that the pandemic presents rather than matters of finance and procurement.

14.3 Nevertheless, the unique situation presents the prospect of the need to purchase additional supplies and services with heavy competition. Value for money and best value duties still apply. There is also the issue of the Councils existing suppliers and service providers also facing issues of pressure on supply chains and staffing matters of availability. As a result, these pressures will inevitably create extra costs which will have to be paid to ensure statutory services and care standards for the vulnerable are maintained. Careful tracking of these cost will facilitate grounds for seeking Covid 19 support funds.

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

List of Appendices

- **Appendix A** – General Fund Revenue budgets
- **Appendix B** – Capital Programme
- **Appendix C** – Corrections to the Fees and Charges

APPENDIX A

	MAR-21	OCT-20			COVID ISSUES		FURTHER	
DEPARTMENT	ADJUSTED BUDGET	ACTUAL	OUTTURN	VARIANCE	CoVid Costs	FINAL VARIANCE	COVID RISKS	WORST CASE
SDI COMMISSIONING	8,902,640	1,811,488	8,849,640	(53,000)	1,900,000	1,847,000		1,847,000
CORE	5,962,024	7,150,545	7,895,024	1,933,000	601,000	2,534,000		2,534,000
CENTRAL MINUS F30080	34,654,721	37,374,802	31,271,075	(3,383,646)	1,367,546	(2,016,100)	199,453	(1,816,647)
EDUCATION, YOUTH & CHILDCARE	4,056,906	5,946,789	4,446,906	390,000	787,400	1,177,400		1,177,400
LAW, GOVERNANCE & HR	(1,404,166)	(5,008,282)	(2,088,166)	(684,000)	1,514,000	830,000	697,110	1,527,110
POLICY & PARTICIPATION	1,757,904	3,255,285	2,548,855	790,951	3,354,860	4,145,811	562,498	4,708,309
CARE & SUPPORT	83,259,634	48,402,263	87,020,634	3,761,000	5,150,000	8,911,000	3,033,439	11,944,439
INCLUSIVE GROWTH	1,000,743	383,236	1,000,743	0		0		0
COMMUNITY SOLUTIONS	12,470,774	5,445,739	13,565,191	1,094,417	1,660,800	2,755,217	534,673	3,289,890
MY PLACE	6,229,542	(14,397,759)	8,124,542	1,895,000	975,000	2,870,000		2,870,000
CONTRACTED SERVICES	(1,094,242)	(1,129,910)	(1,094,242)	0	1,000,000	1,000,000		1,000,000
COVID SAVINGS DELAYED				(4,137,000)	5,723,000	1,586,000		1,586,000
COMMERCIAL INCOME RISK		153,181	0	0	2,273,000	2,273,000	3,646,122	5,919,122
TOTAL GENERAL FUND BUDGET	155,796,480	89,387,376	161,540,202	1,606,722	26,306,606	27,913,328	8,673,295	36,586,623
CORPORATE FUNDING								
COUNCIL TAX	(65,787,000)	0	(65,787,000)	0		0.00		
BUSINESS RATES	(80,608,000)	0	(80,608,000)	0		0.00		
NON-RINGFENCED GRANTS	(7,656,480)	(82,259,544)	(7,656,480)	0	(23,922,784)	(23,922,784.00)		
C/F SURPLUS	(1,745,000)	0	(1,745,000)	0		0.00		
	(155,796,480)	(82,259,544)	(155,796,480)	0	(23,922,784)	(23,922,784)		(23,922,784)
NET GENERAL FUND POSITION	0	7,127,832	5,743,722	1,606,722	2,383,822	3,990,544	8,673,295	12,663,839

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APPENDIX B

APPENDIX - CAPITAL PROGRAMME DETAIL Q2

Project	Name	2020/21 Budget as at Q1	Budget Adjustment	2020/21 Budget as at Q2	Expenditure to Q2	Forecast Expenditure to 31/3/21	Forecasted Variance	2020/21 Budget Remaining	2021/22 Budget	2022/23 Budget
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adults Care & Support										
FC00106	Disabled Facilities Grant	1,870	0	1,870	213	1,684	-185	1,657	1,841	1,841
FC03061	Social Care IT Replacement System	199	-93	106	106	106	0	0	0	0
Total for Adults Care & Support		2,069	-93	1,976	319	1,790	-185	1,657	1,841	1,841
Community Solutions										
FC03060	Barking Learning Centre Works	182	0	182	58	182	0	124	0	0
FC04036	Upgrade & enhancement of Security & Threat Management System at BLC	5	0	5	1	5	0	4	0	0
Total for Community Solutions		187	0	187	59	187	0	128	0	0
Core										
FC02811	Ward Capital Spend	80	260	340	2	80	-260	338	235	0
FC02877	Oracle R12 Joint Services	175	0	175	20	175	0	155	0	0
FC03052	Elevate ICT investment	3,482	0	3,482	325	3,482	0	3,157	0	0
FC03059	Customer Services Channel Shift	116	0	116	0	116	0	116	0	0
FC03068	ICT End User Computing	463	0	463	242	463	0	221	0	0
Total for Core		4,316	260	4,576	589	4,316	-260	3,987	235	0
CIL (external)										
FC05027	Kingsley Hall	150	0	150	0	60	-90	150	150	0
FC05028	Box Up Crime	270	0	270	0	100	-170	270	30	0
FC05029	East End Women's Museum	250	0	250	25	100	-150	225	0	0
FC05030	Green Community Infrastructure	59	0	59	0	47	-12	59	59	0
FC05031	Becontree Centenary - Create London	697	0	697	67	222	-475	630	77	0
FC05062	Litter in Parks (CIL)	96	0	96	0	96	0	96	0	0
FC05063	BRL Thames Clipper (CIL)	600	-300	300	300	300	0	0	300	0
S106 Schemes										
FC05032	Barking Town Centre Master Plan	294	0	294	0	294	0	294	0	0
Total for CIL & S106 Schemes		2,416	-300	2,116	392	1,219	-897	1,723	616	0
Culture, Heritage & Recreation										
FC03032	Parsloes Park Activation	6,880	-6,780	100	-2	100	0	102	5,900	0
FC03067	Abbey Green Restoration/Works	112	-112	0	0	0	0	0	0	0
FC03090	Lakes	208	0	208	27	90	-118	182	150	150
FC04013	Park Infrastructure Enhancements	74	0	74	3	74	0	71	20	0
FC04017	Fixed play facilities	85	0	85	1	50	-35	84	50	0
FC04018	Park Buildings – Response to 2014 Building Surveys	129	0	129	0	85	-44	129	75	0
FC04031	Reimagining Eastbury	100	0	100	45	100	0	55	0	0
FC04033	Redressing Valence	500	0	500	13	500	0	487	0	0
FC04043	The Abbey: Unlocking Barking's past, securing its future	20	119	139	2	50	-89	136	0	0
FC04080	Children's Play Spcs & Fac (CIL)	164	0	164	0	16	-148	164	55	55
FC04081	Parks & Open Spcs Strat 17	225	0	225	40	225	0	185	100	100
FC04082	Tantony Green Play Area	50	-50	0	0	0	0	0	0	0
FC04084	Central Park Masterplan Implementation	1,023	0	1,023	3	1,023	0	1,020	0	0
FC04085	Play Facility at Valence Park	5	0	5	15	5	0	-10	5	0
FC05060	Safer Parks (CIL)	84	0	84	0	0	-84	84	0	0
FC05061	B&D Local Football Facility (CIL)	160	0	160	3	3	-157	157	0	0
FC04042	Community Halls	0	12	12	-3	12	0	15	0	0
	Projects with no budget (see below)	0	0	0	-27	0	0	27	0	0
Total for Culture, Heritage & Recreation		9,819	-6,811	3,008	120	2,333	-675	2,888	6,355	305
Enforcement										
FC02982	Consolidation & Expansion of CPZ	2,062	-1,179	883	34	883	0	849	1,000	1,000
FC04015	Enforcement Equipment	0	233	233	55	233	0	178	233	0
Total for Enforcement		2,062	-946	1,116	88	1,116	0	1,028	1,233	1,000
Transport for London schemes										
FC02898	Local Transport Plans	23	73	96	0	96	0	96	0	0
FC05052	Dagenham Heathway 'Healthy Streets' Corridor Improvements	13	-1	12	0	12	0	12	0	0
FC04094	Becontree Heath Low Emission	111	1	112	46	112	0	66	0	0
FC04095	Station Access Improv Prog	0	29	29	23	29	0	6	0	0
FC05058	Minor Works (Various Locations)	236	111	347	46	347	0	301	40	0
	Projects with no budget (see below)	4	-4	0	75	0	0	-75	0	0
Total for TfL schemes		387	209	596	190	596	0	405	40	0
My Place										
FC03064	Street Lighting Prog 2015-2019	0	256	256	63	256	0	193	0	0
FC03065	HIP 2016-17 Footways & Carriageways	2,653	466	3,119	1,216	3,190	71	1,903	3,520	3,485
FC04064	Bridges and Structures	875	0	875	22	375	-500	853	300	300
FC05016	FRIZLANDS DEPOT WASHBAY	0	80	80	83	83	3	-3	0	0
FC05018	Stock Condition Survey	265	149	414	109	394	-20	305	265	265

APPENDIX - CAPITAL PROGRAMME DETAIL Q2

Project	Name	2020/21 Budget as at Q1	Budget Adjustment	2020/21 Budget as at Q2	Expenditure to Q2	Forecast Expenditure to 31/3/21	Forecasted Variance	2020/21 Budget Remaining	2021/22 Budget	2022/23 Budget
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
FC05055	Road Safety Improvements Programme (Various Locations)	65	0	65	1	65	0	65	150	0
FC04063	Flood Risk and Drainage Grant (Formally Flood Risk Management)	200	0	200	0	20	-180	200	0	0
FC04029	Engineering Works (Road Safety)	79	0	79	8	79	0	72	0	0
FC04019	Replacement of Winter Maintenance Equipment / Gully Motors	8	0	8	3	8	0	5	0	0
FC05048	Procuring in cab tech for waste vehicles and subsequent licences etc	110	125	235	0	110	-125	235	30	65
	Projects with no budget (see below)	0	0	0	43	0	0	-43	0	0
	Total for My Place	4,255	1,076	5,331	1,547	4,581	-751	3,785	4,265	4,115
	Public Realm									
FC04012	Bins Rationalisation	50	0	50	0	50	0	50	50	0
FC04070	Vehicle Fleet Replacement	3,129	0	3,129	307	3,129	0	2,822	0	0
FC03083	Chadwell Heath Cemetry Extension	0	149	149	0	149	0	149	0	0
FC04028	Hand Arm Vibration	0	42	42	0	42	0	42	0	0
FC04016	On-vehicle Bin Weighing System for Commercial Waste	0	16	16	0	16	0	16	0	0
FC04014	Refuse fleet	0	5	5	-2	5	0	8	0	0
	Projects with no budget (see below)	0	0	0	0	0	0	0	0	0
	Total for Public Realm	3,179	212	3,391	305	3,391	0	3,086	50	0
	Education Youth & Childcare									
FC02920	Warren / Furze Expansion	69	0	69	51	69	0	18	0	0
FC03042	Additional SEN Provision	4	0	4	1	4	0	3	0	0
FC03043	Pupil Intervention Project (PIP)	143	0	143	149	143	0	-6	0	0
FC04052	SEND 2018-21	1,300	0	1,300	701	1,300	0	599	1,063	0
FC04053	School Conditions Allocation 2018-20	314	0	314	-1	314	0	314	0	0
FC04072	School Condition Alctns 18-19	1,400	0	1,400	885	1,400	0	515	57	0
FC04087	SCA 2019/20 (A)	526	0	526	221	526	0	305	0	0
FC04097	Trinity Special School Expansion	967	0	967	623	967	0	344	0	0
FC05033	SCA PRIORITY WORKS 20/22	2,200	0	2,200	1,761	2,200	0	439	2,063	0
FC05034	Schools Expansion Programme 20/22	900	0	900	752	900	0	148	1,008	0
FC05040	Healthy School	332	0	332	0	332	0	332	0	0
FC05069	SCA 20-21	0	500	500	0	0	-500	500	3,500	1,658
	Primary									
FC03053	Gascoigne Primary 5forms to 4 forms	219	0	219	0	219	0	219	0	0
FC04058	Marks Gate Infants & Juniors 2018-20	650	0	650	280	650	0	370	1,800	50
FC04071	Roding Primary Classroom Reinstatement	84	0	84	0	84	0	84	0	0
FC04098	Ripple Suffolk Primary	750	0	750	6	750	0	744	103	0
TBC	Greatfields Primary	0	700	700	0	0	-700	700	3,000	7,000
	Secondary									
FC03018	Eastbury Secondary	232	0	232	21	232	0	212	0	0
FC03020	Dagenham Park	84	0	84	0	84	0	84	0	0
FC03022	New Gascoigne (Greatfields) Secondary School	7,108	0	7,108	272	7,108	0	6,837	14,396	913
FC03054	Lymington Fields New School	611	0	611	577	611	0	34	600	600
FC03078	Barking Abbey Expansion 2016-18	98	0	98	80	98	0	18	0	0
	Projects with no budget (see below)	0	0	0	16	0	0	-16	0	0
	Total for Education Youth & Childcare	17,991	1,200	19,191	6,396	17,993	-1,200	12,797	27,590	10,222
	Other									
FC02969	Creative Industry (formerly Barking Bathouse)	0	160	160	150	160	0	10	0	0
FC03099	Abbey Green & Barking Town Centre Conservation Area Townscape HLF Project	65	211	276	49	276	0	227	0	0
FC04051	Street Property Acquisition 2017-19	0	50	50	0	50	0	50	0	0
FC04086	Travelodge Isle of Dogs	110	140	250	-6	250	0	256	0	0
FC04056	Abbey Road Infrastructure	11	0	11	0	0	-11	11	0	0
FC05038	82A AND 82B OVAL ROAD SOUTH	0	325	325	0	325	0	325	0	0
	Projects with no budget (see below)	0	0	0	15	0	0	-15	0	0
	Total for Other	186	886	1,072	208	1,061	-11	864	0	0
	General Fund Total	46,867	-4,307	42,562	10,213	38,584	-3,979	32,350	42,225	17,483
	HRA									
	Stock Investment (My Place)									
FC00100	Aids and Adaptations	1,701	0	1,701	112	1,305	-396	1,589	0	0
FC02933	Voids	2,000	0	2,000	0	2,000	0	2,000	0	0

APPENDIX - CAPITAL PROGRAMME DETAIL Q2

Project	Name	2020/21 Budget as at Q1	Budget Adjustment	2020/21 Budget as at Q2	Expenditure to Q2	Forecast Expenditure to 31/3/21	Forecasted Variance	2020/21 Budget Remaining	2021/22 Budget	2022/23 Budget
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
FC03039	Estate Roads & Environ 18/19	0	1	1	-2	0	-1	3	0	0
FC03045	External Fabric – Blocks	0	35	35	-3	35	0	38	0	0
FC03048	Fire Safety Imp – 2015/16	0	65	65	86	228	163	-20	0	0
FC04002	Lift Replacement Programme	1,700	0	1,700	0	817	-884	1,700	0	0
FC04003	Domestic Heating Replacement	500	0	500	0	140	-360	500	0	0
FC04004	Box-Bathroom Refurbs (Apprenticeships)	631	0	631	0	347	-285	631	0	0
FC04006	Minor Works & Replacements	1,000	0	1,000	0	0	-1,000	1,000	0	0
FC05002	Externals 1 - Houses & Blocks	10,058	0	10,058	16	4,721	-5,337	10,042	0	0
FC05003	Externals 2 - Houses & Blocks	2,000	0	2,000	-4	1,750	-250	2,004	0	0
FC05004	Door Entry Systems	1,200	0	1,200	-8	0	-1,200	1,208	0	0
FC05005	Compliance	1,190	0	1,190	425	450	-740	764	0	0
FC05006	Fire Safety Improvement Works	1,193	0	1,193	19	0	-1,193	1,173	0	0
FC05007	Fire Doors	3,979	0	3,979	24	2,000	-1,979	3,955	0	0
FC05008	De-Gassing of Blocks	106	0	106	0	0	-106	106	0	0
FC05009	Lateral Mains	1,000	0	1,000	0	0	-1,000	1,000	0	0
FC05011	Communal Boilers	512	0	512	8	350	-162	504	0	0
FC05013	Estate Roads Resurfacing	2,000	0	2,000	1,112	2,000	0	888	0	0
FC05014	Energy Efficiency inc Green Street	1,500	0	1,500	11	11	-1,489	1,489	0	0
FC05015	Other Works	1,142	0	1,142	166	1,142	0	976	0	0
FC03027	ESCO	74	0	74	0	0	-74	74	0	0
FC05000	DH Internal	4,872	0	4,872	567	2,110	-2,761	4,305	0	0
	Projects with no budget (see below)	0	0	0	11	369	369	-11	0	0
	Total for Stock Investment (My Place) (My Place)	38,358	101	38,458	2,539	19,775	-18,682	35,919	0	0
FC02820	Estate Renewal	8,000	0	8,000	3,365	8,000	0	4,635	0	0
	Estate Renewal	8,000	0	8,000	3,365	8,000	0	4,635	0	0
	New Build Schemes									
FC03009	Leys Phase 2	4	0	4	5	4	0	-1	0	0
FC03071	Mellish and Sugden	1,936	0	1,936	316	1,936	0	1,620	0	0
FC04090	Site London Rd/North Street	16	0	16	4	16	0	12	0	0
FC05068	Adaptations via New Builds	400	0	400	0	0	-400	400	0	0
FC02970	Marks Gate	144	0	144	134	138	-6	10	0	0
	Projects with no budget (see below)	0	0	0	62	0	0	-62	0	0
	Total for HRA New Builds	2,500	0	2,500	521	2,094	-406	1,979	0	0
	Total for HRA	48,858	101	48,958	6,425	29,869	-19,089	42,533	0	0
	Investment Strategy									
	Commercial Investments									
FC04091	Welbeck Wharf	8,000	0	8,000	6,517	6,587	-1,413	1,483	0	0
FC04102	CR27	0	250	250	20	200	-50	230	0	0
FC05024	Film Studios	3,400	0	3,400	-4,611	0	-3,400	8,011	45,760	37,587
FC04057	Travelodge Dagenham	969	0	969	7	7	-961	961	0	0
FC05037	Dagenham Road Street Purchases	0	92	92	92	92	0	0	0	0
FC05067	Dagenham Heathway- Shopping Centre	0	7,350	7,350	0	7,350	0	7,350	0	0
	Projects with no budget (see below)	0	0	0	0	0	0	0	0	0
	Total for Commercial	12,369	7,692	20,061	2,025	14,236	-5,825	18,036	45,760	37,587
	Residential Developments									
FC04067	12 Thames Road	7,930	0	7,930	1,579	7,629	-300	6,350	30,510	22,776
FC04065	200 Becontree	4,518	0	4,518	969	4,188	-330	3,548	1,177	144
FC03089	Becontree Heath New Build	376	0	376	222	705	329	155	0	0
FC03072	Sacred Heart	4,968	0	4,968	1,609	3,974	-994	3,359	2,965	436
FC04069	Crown House	29,922	0	29,922	7,261	31,286	1,363	22,662	21,385	3,097
FC04062	Gascoigne East Phase 2	21,336	0	21,336	5,982	22,703	1,367	15,354	96,241	39,406
FC05026	Gascoigne East Phase 3	2,833	0	2,833	591	4,281	1,448	2,242	20,233	58,749
FC02985	Gascoigne West (Housing Zone)	0	0	0	323	323	323	-323	0	0
FC04099	Gascoigne West P1 Development (Phase 1)	36,648	0	36,648	11,169	40,659	4,012	25,479	24,658	12,316
FC05025	Gascoigne West Phase 2	12,992	0	12,992	1,510	19,256	6,264	11,483	37,689	46,529
FC03086	A House for Artists	2,581	0	2,581	756	2,337	-244	1,824	2,881	83
FC04068	Oxlow Road	1,332	0	1,332	101	1,416	84	1,231	9,869	4,168
FC05035	Padnall Lake	4,652	0	4,652	643	6,529	1,878	4,009	32,324	28,299
FC04075	Rainham Road South	2,655	0	2,655	0	0	-2,655	2,655	7,027	6,534
FC04066	Roxwell Road	1,376	0	1,376	110	1,435	60	1,265	10,880	10,736
FC03080	Royal British Legion	284	0	284	199	336	52	85	4,381	10,826
FC03084	Sebastian Court - Redevelop	16,681	0	16,681	4,250	16,414	-267	12,431	2,324	293
FC05065	Chequers Lane	9,661	0	9,661	472	9,941	280	9,189	0	0
FC05020	Woodward Road	4,010	0	4,010	850	4,256	245	3,160	11,773	4,307
	Projects with no budget (see below)	0	0	0	106	106	0	0	0	0
	Total for Residential	164,753	0	164,753	38,703	177,776	13,023	126,156	316,316	248,697
	Temporary Accommodation									
FC04077	Weighbridge	2,358	0	2,358	737	2,051	-307	1,621	0	0
FC04078	Wivenhoe Containers	3,076	0	3,076	1,010	3,071	-4	2,066	93	0
FC05021	Grays Court	5,036	0	5,036	3,228	6,011	974	1,809	0	0
FC04101	Margaret Bondfield	2,479	0	2,479	10	492	-1,988	2,469	2,650	0

APPENDIX - CAPITAL PROGRAMME DETAIL Q2

Project	Name	2020/21 Budget as at Q1	Budget Adjustment	2020/21 Budget as at Q2	Expenditure to Q2	Forecast Expenditure to 31/3/21	Forecasted Variance	2020/21 Budget Remaining	2021/22 Budget	2022/23 Budget
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Total for Temporary Accommodation	12,949	12,949	12,949	4,985	11,624	-1,325	7,965	2,743	0
	Total for Investment Strategy	190,071	20,641	197,763	45,712	203,636	5,873	152,051	364,819	286,284
	Transformation Capital									
FC04008	Customer Access Strategy (CAS)	620	0	620	20	620	0	600	0	0
FC04009	New Ways of Working (formerly Smarter Working) Programme	517	0	517	141	517	0	376	0	0
FC04049	Community Solutions	1,111	0	1,111	331	1,111	0	781	0	0
FC05019	Children's Improvement Programme	528	0	528	167	528	0	362	0	0
	Total for Transformation Capital	2,776	0	2,777	658	2,777	0	2,118	0	0
	Total Overall Budget	288,572	16,435	292,060	63,008	274,865	-17,195	229,051	407,044	303,767

Description of Service		Proposed 2021 Charge		
Ref		Net (£)	VAT (£)	Gross (£)
	PARKING			
	On Street Parking Services			
556	Resident Permits Tariff Band 1 - Emission (CO2)g/km 0 to 50- Up to 2 Vehicles	0.00	0.00	0.00
557	Resident Permits Tariff Band 1 - Emission (CO2)g/km 0 to 50- 3rd vehicle	45.00	0.00	45.00
558	Resident Permits Tariff Band 1 - Emission (CO2)g/km 0 to 50- 4th vehicle	45.00	0.00	45.00
559	Resident Permits Tariff Band 1 - Emission (CO2)g/km 0 to 50- 5th vehicle	45.00	0.00	45.00
560	Resident Permits Tariff Band 2 - Emission (CO2)g/km 51 to 100- Up to 2 Vehicles	18.00	0.00	18.00
561	Resident Permits Tariff Band 2 - Emission (CO2)g/km 51 to 100- 3rd vehicle	45.00	0.00	45.00
562	Resident Permits Tariff Band 2 - Emission (CO2)g/km 51 to 100- 4th vehicle	45.00	0.00	45.00
563	Resident Permits Tariff Band 2 - Emission (CO2)g/km 51 to 100- 5th vehicle	45.00	0.00	45.00
564	Resident Permits Tariff Band 3 - Emission (CO2)g/km 1010 to 140- Up to 2 Vehicles	36.00	0.00	36.00
565	Resident Permits Tariff Band 3 - Emission (CO2)g/km 1010 to 140- 3rd	45.00	0.00	45.00
566	Resident Permits Tariff Band 3 - Emission (CO2)g/km 1010 to 140- 4th	54.00	0.00	54.00
567	Resident Permits Tariff Band 3 - Emission (CO2)g/km 1010 to 140- 5th	63.00	0.00	63.00
568	Resident Permits Tariff Band 4 - Emission (CO2)g/km 141 to 160- Up to 2 Vehicles	45.00	0.00	45.00
569	Resident Permits Tariff Band 4 - Emission (CO2)g/km 141 to 160-3rd	56.25	0.00	56.25
570	Resident Permits Tariff Band 4 - Emission (CO2)g/km 141 to 160-4th	67.50	0.00	67.50
571	Resident Permits Tariff Band 4 - Emission (CO2)g/km 141 to 160-5th	78.75	0.00	78.75
572	Resident Permits Tariff Band 5 - Emission (CO2)g/km 161 to 180 - Up to 2 Vehicles	51.00	0.00	51.00
573	Resident Permits Tariff Band 5 - Emission (CO2)g/km 161 to 180 - 3rd Vehicles	63.75	0.00	63.75
574	Resident Permits Tariff Band 5 - Emission (CO2)g/km 161 to 180 - 4th Vehicles	76.50	0.00	76.50
575	Resident Permits Tariff Band 5 - Emission (CO2)g/km 161 to 180 - 5th Vehicles	89.25	0.00	89.25
576	Resident Permits Tariff Band 6 - Emission (CO2)g/km 181 to 255- Up to 2 Vehicles	80.00	0.00	80.00
577	Resident Permits Tariff Band 6 - Emission (CO2)g/km 181 to 255-3rd	100.00	0.00	100.00
578	Resident Permits Tariff Band 6 - Emission (CO2)g/km 181 to 255-4th	120.00	0.00	120.00
579	Resident Permits Tariff Band 6 - Emission (CO2)g/km 181 to 255-5th	140.00	0.00	140.00
580	Resident Permits Tariff Band 7 - Emission (CO2)g/km over 256- Up to 2 Vehicles	140.00	0.00	140.00
581	Resident Permits Tariff Band 7 - Emission (CO2)g/km over 256-3rd	175.00	0.00	175.00
582	Resident Permits Tariff Band 7 - Emission (CO2)g/km over 256-4th	210.00	0.00	210.00
583	Resident Permits Tariff Band 7 - Emission (CO2)g/km over 256-5th	245.00	0.00	245.00

Description of Service			Proposed 2021 Charge		
584	Diesel Surcharge for resident and business parking permits	*	75.00	0.00	75.00
	Traffic Management orders On street				
585	Change to traffic management order	*	2,315.25	0.00	2,315.00
586	Traffic Management order revoke	*	2,315.25	0.00	2,315.00
587	Traffic Management order; Temporary	*	5,402.25	0.00	5,402.00
588	Traffic Management order; Experimental	*	5,402.25	0.00	5,402.00
589	Traffic Management order; Permanent	*	6,174.00	0.00	6,174.00
590	Signs and Lines infrastructure implementation per metre	*	848.93	0.00	849.00
591	New parking post / plate	*	231.53	0.00	232.00
592	Implementation / Removal of new bay markings	*	231.53	0.00	232.00
593	Implementation of personalised Disabled Bay	*	540.23	0.00	540.00
	Parking Other Permits				
594	Keyworker (On street only)	*	100.00	0.00	100.00
594	Keyworker (Off street only)	*	83.33	16.67	100.00
595	Care Agencies (On street only)	*	250.00	0.00	250.00
596	Voluntary Enterprise Sector (on street only)	*	100.00	0.00	100.00
597	Diesel Surcharge for the 3 above	*	75.00	0.00	75.00
598	Motor Cycle (On Street Only)	*	100.00	0.00	100.00
599	Visitor Session- 4 Hours	*	0.75	0.00	0.75
600	Visitor Session- 1 day	*	1.38	0.00	1.38
601	Parking Waiver Daily Band 1, 0 to 50 CO2 Emissions	*	31.00	0.00	31.00
602	Parking Waiver Daily Band 2, 51 to 100 CO2 Emissions	*	36.00	0.00	36.00
603	Parking Waiver Daily Band 3, 101 to 140 CO2 Emissions	*	41.00	0.00	41.00
604	Parking Waiver Daily Band 4, 141 to 160 CO2 Emissions	*	46.00	0.00	46.00
605	Parking Waiver Daily Band 5, 161 to 180 CO2 Emissions	*	51.00	0.00	51.00
606	Parking Waiver Daily Band 6, 181 to 255 CO2 Emissions	*	56.00	0.00	56.00
607	Parking Waiver Daily Band 7, Over 256 CO2 Emissions	*	61.00	0.00	61.00
608	Diesel Surcharge for the 7 above	*	1.00	0.00	1.00
609	Parking Waiver Weekly Band 1, 0 to 50 CO2 Emissions	*	110.00	0.00	110.00
610	Parking Waiver Weekly Band 2, 51 to 100 CO2 Emissions	*	120.00	0.00	120.00
611	Parking Waiver Weekly Band 3, 101 to 140 CO2 Emissions	*	130.00	0.00	130.00
612	Parking Waiver Weekly Band 4, 141 to 160 CO2 Emissions	*	140.00	0.00	140.00
613	Parking Waiver Weekly Band 5, 161 to 180 CO2 Emissions	*	150.00	0.00	150.00
614	Parking Waiver Weekly Band 6, 181 to 255 CO2 Emissions	*	160.00	0.00	160.00
615	Parking Waiver Weekly Band 7, Over 256 CO2 Emissions	*	170.00	0.00	170.00
616	Diesel Surcharge for the 7 above	*	2.00	0.00	2.00
617	Vehicle release from locked car park location	*	156.00	0.00	156.00
618	Operational Permit - 4 Hours - Band 1 (CO2 Emission g/km 0 - 50)	*	462.00	0.00	462.00
619	Operational Permit - 4 Hours - Band 2 (CO2 Emission g/km 51 - 100)	*	467.00	0.00	467.00
620	Operational Permit - 4 Hours - Band 3 (CO2 Emission g/km 101 - 140)	*	472.00	0.00	472.00
621	Operational Permit - 4 Hours - Band 4 (CO2 Emission g/km 141 - 160)	*	477.00	0.00	477.00
622	Operational Permit - 4 Hours - Band 5 (CO2 Emission g/km 161 - 180)	*	482.00	0.00	482.00

Description of Service			Proposed 2021 Charge		
623	Operational Permit - 4 Hours - Band 6 (CO2 Emission g/km 181 - 255)	*	487.00	0.00	487.00
624	Operational Permit - 4 Hours - Band 7 (CO2 Emission g/km Over 256)	*	492.00	0.00	492.00
625	Diesel Surcharge for the 7 above	*	75.00	0.00	75.00
626	Staff Permits - Standard (Monthly) Band 1, 0 to 50 CO2 Emissions	**	23.33	4.67	28.00
627	Staff Permits - Standard (Monthly) Band 2, 51 to 100 CO2 Emissions	**	27.50	5.50	33.00
628	Staff Permits - Standard (Monthly) Band 3, 101 to 140 CO2 Emissions	**	31.67	6.33	38.00
629	Staff Permits - Standard (Monthly) Band 4, 141 to 160 CO2 Emissions	**	35.83	7.17	43.00
630	Staff Permits - Standard (Monthly) Band 5, 161 to 180 CO2 Emissions	**	40.00	8.00	48.00
631	Staff Permits - Standard (Monthly) Band 6, 181 to 255 CO2 Emissions	**	44.17	8.83	53.00
632	Staff Permits - Standard (Monthly) Band 7, Over 256 CO2 Emissions	**	50.00	10.00	60.00
633	Diesel Surcharge for the 7 above	**	5.00	1.00	6.00
634	deleted line				
635	Staff Permits - Red (Daily) Band 1, 0 to 50 CO2 Emissions	**	4.17	0.83	5.00
636	Staff Permits - Red (Daily) Band 2, 51 to 100 CO2 Emissions	**	4.58	0.92	5.50
637	Staff Permits - Red (Daily) Band 3, 101 to 140 CO2 Emissions	**	5.00	1.00	6.00
638	Staff Permits - Red (Daily) Band 4, 141 to 160 CO2 Emissions	**	5.83	1.17	7.00
639	Staff Permits - Red (Daily) Band 5, 161 to 180 CO2 Emissions	**	6.67	1.33	8.00
640	Staff Permits - Red (Daily) Band 6, 181 to 255 CO2 Emissions	**	7.50	1.50	9.00
641	Staff Permits - Red (Daily) Band 7, Over 256 CO2 Emissions	**	8.33	1.67	10.00
642	Diesel Surcharge for the 7 above	**	0.83	0.17	1.00
643	Staff Permits - Red (Monthly) Band 1, 0 to 50 CO2 Emissions	**	52.50	10.50	63.00
644	Staff Permits - Red (Monthly) Band 2, 51 to 100 CO2 Emissions	**	58.33	11.67	70.00
645	Staff Permits - Red (Monthly) Band 3, 101 to 140 CO2 Emissions	**	64.17	12.83	77.00
646	Staff Permits - Red (Monthly) Band 4, 141 to 160 CO2 Emissions	**	70.00	14.00	84.00
647	Staff Permits - Red (Monthly) Band 5, 161 to 180 CO2 Emissions	**	75.83	15.17	91.00
648	Staff Permits - Red (Monthly) Band 6, 181 to 255 CO2 Emissions	**	81.67	16.33	98.00
649	Staff Permits - Red (Monthly) Band 7, Over 256 CO2 Emissions	**	87.50	17.50	105.00
650	Diesel Surcharge for the 7 above	**	5.00	1.00	6.00
651	Staff Permits - Red (Annual) Band 1, 0 to 50 CO2 Emissions	**	623.33	124.67	748.00
652	Staff Permits - Red (Annual) Band 2, 51 to 100 CO2 Emissions	**	673.33	134.67	808.00
653	Staff Permits - Red (Annual) Band 3, 101 to 140 CO2 Emissions	**	723.33	144.67	868.00
654	Staff Permits - Red (Annual) Band 4, 141 to 160 CO2 Emissions	**	773.33	154.67	928.00

Description of Service			Proposed 2021 Charge		
655	Staff Permits - Red (Annual) Band 5, 161 to 180 CO2 Emissions	**	823.33	164.67	988.00
656	Staff Permits - Red (Annual) Band 6, 181 to 255 CO2 Emissions	**	873.33	174.67	1,048.00
657	Staff Permits - Red (Annual) Band 7, Over 256 CO2 Emissions	**	923.33	184.67	1,108.00
658	Diesel Surcharge for the 7 above	**	62.50	12.50	75.00
659	Staff Permits - Standard (Daily) Band 1, 0 to 50 CO2 Emissions	**	2.50	0.50	3.00
660	Staff Permits - Standard (Daily) Band 2, 51 to 100 CO2 Emissions	**	2.92	0.58	3.50
661	Staff Permits - Standard (Daily) Band 3, 101 to 140 CO2 Emissions	**	3.33	0.67	4.00
662	Staff Permits - Standard (Daily) Band 4, 141 to 160 CO2 Emissions	**	4.17	0.83	5.00
663	Staff Permits - Standard (Daily) Band 5, 161 to 180 CO2 Emissions	**	5.00	1.00	6.00
664	Staff Permits - Standard (Daily) Band 6, 181 to 255 CO2 Emissions	**	5.83	1.17	7.00
665	Staff Permits - Standard (Daily) Band 7, Over 256 CO2 Emissions	**	6.67	1.33	8.00
666	Diesel Surcharge for the 7 above	**	0.83	0.17	1.00
667	Temporary permit	*	31.00	0.00	31.00
668	Temporary permit (Diesel Surcharge)	*	5.00	0.00	5.00
669	Business / Trade Permit	*	470.00	0.00	470.00
670	Doctors Permit	*	481.00	0.00	481.00
671	Diesel Surcharge for the 2 above	*	75.00	0.00	75.00
672	Administration Charge - Permit services, including permit refunds and changes of vehicle registration on a permit	**	25.00	5.00	30.00
	Major (London Road Multi-Storey) (no free 30 minutes) Off street				
673	Up to 1 hr		0.83	0.17	1.00
	Major LRMSCP Band 1, 0 to 50 CO2 Emissions		0.83	0.17	1.00
	Major LRMSCP Band 2, 51 to 100 CO2 Emissions		0.92	0.18	1.10
	Major LRMSCP Band 3, 101 to 140 CO2 Emissions		1.00	0.20	1.20
	Major LRMSCP Band 4, 141 to 160 CO2 Emissions		1.08	0.22	1.30
	Major LRMSCP Band 5, 161 to 180 CO2 Emissions		1.17	0.23	1.40
	Major LRMSCP Band 6, 181 to 255 CO2 Emissions		1.25	0.25	1.50
	Major LRMSCP Band 7, Over 256 CO2 Emissions		1.33	0.27	1.60
	Diesel Surcharge for the 7 above		0.17	0.03	0.20
674	Up to 2 hrs		0.00	0.00	0.00
	Major LRMSCP Band 1, 0 to 50 CO2 Emissions		2.50	0.50	3.00
	Major LRMSCP Band 2, 51 to 100 CO2 Emissions		2.67	0.53	3.20
	Major LRMSCP Band 3, 101 to 140 CO2 Emissions		2.83	0.57	3.40
	Major LRMSCP Band 4, 141 to 160 CO2 Emissions		3.00	0.60	3.60
	Major LRMSCP Band 5, 161 to 180 CO2 Emissions		3.17	0.63	3.80
	Major LRMSCP Band 6, 181 to 255 CO2 Emissions		3.33	0.67	4.00
	Major LRMSCP Band 7, Over 256 CO2 Emissions		3.50	0.70	4.20
	Diesel Surcharge for the 7 above		0.33	0.07	0.40
675	Up to 4 hrs		0.00	0.00	0.00
	Major LRMSCP Band 1, 0 to 50 CO2 Emissions		4.17	0.83	5.00
	Major LRMSCP Band 2, 51 to 100 CO2 Emissions		4.33	0.87	5.20
	Major LRMSCP Band 3, 101 to 140 CO2 Emissions		4.50	0.90	5.40
	Major LRMSCP Band 4, 141 to 160 CO2 Emissions		5.50	1.10	6.60
	Major LRMSCP Band 5, 161 to 180 CO2 Emissions		4.83	0.97	5.80
	Major LRMSCP Band 6, 181 to 255 CO2 Emissions		5.00	1.00	6.00
	Major LRMSCP Band 7, Over 256 CO2 Emissions		5.17	1.03	6.20
	Diesel Surcharge for the 7 above		0.50	0.10	0.60

Description of Service		Proposed 2021 Charge		
676	Up to 6 hours	0.00	0.00	0.00
	Major LRMSCP Band 1, 0 to 50 CO2 Emissions	5.83	1.17	7.00
	Major LRMSCP Band 2, 51 to 100 CO2 Emissions	6.00	1.20	7.20
	Major LRMSCP Band 3, 101 to 140 CO2 Emissions	6.17	1.23	7.40
	Major LRMSCP Band 4, 141 to 160 CO2 Emissions	6.33	1.27	7.60
	Major LRMSCP Band 5, 161 to 180 CO2 Emissions	6.50	1.30	7.80
	Major LRMSCP Band 6, 181 to 255 CO2 Emissions	6.67	1.33	8.00
	Major LRMSCP Band 7, Over 256 CO2 Emissions	6.83	1.37	8.20
	Diesel Surcharge for the 7 above	0.83	0.17	1.00
677	Up to 8 hours	0.00	0.00	0.00
	Major LRMSCP Band 1, 0 to 50 CO2 Emissions	10.00	2.00	12.00
	Major LRMSCP Band 2, 51 to 100 CO2 Emissions	10.17	2.03	12.20
	Major LRMSCP Band 3, 101 to 140 CO2 Emissions	10.33	2.07	12.40
	Major LRMSCP Band 4, 141 to 160 CO2 Emissions	10.50	2.10	12.60
	Major LRMSCP Band 5, 161 to 180 CO2 Emissions	10.67	2.13	12.80
	Major LRMSCP Band 6, 181 to 255 CO2 Emissions	10.83	2.17	13.00
	Major LRMSCP Band 7, Over 256 CO2 Emissions	11.00	2.20	13.20
	Diesel Surcharge for the 7 above	0.83	0.17	1.00
678	Up to 12 hours	0.00	0.00	0.00
	Major LRMSCP Band 1, 0 to 50 CO2 Emissions	17.50	3.50	21.00
	Major LRMSCP Band 2, 51 to 100 CO2 Emissions	17.67	3.53	21.20
	Major LRMSCP Band 3, 101 to 140 CO2 Emissions	17.83	3.57	21.40
	Major LRMSCP Band 4, 141 to 160 CO2 Emissions	18.00	3.60	21.60
	Major LRMSCP Band 5, 161 to 180 CO2 Emissions	18.17	3.63	21.80
	Major LRMSCP Band 6, 181 to 255 CO2 Emissions	18.33	3.67	22.00
	Major LRMSCP Band 7, Over 256 CO2 Emissions	18.50	3.70	22.20
	Diesel Surcharge for the 7 above	0.83	0.17	1.00
679	Overnight (8pm - 8am) SUNDAY TO THURSDAY	0.00	0.00	0.00
	Major LRMSCP Band 1, 0 to 50 CO2 Emissions	5.83	1.17	7.00
	Major LRMSCP Band 2, 51 to 100 CO2 Emissions	6.00	1.20	7.20
	Major LRMSCP Band 3, 101 to 140 CO2 Emissions	6.17	1.23	7.40
	Major LRMSCP Band 4, 141 to 160 CO2 Emissions	6.33	1.27	7.60
	Major LRMSCP Band 5, 161 to 180 CO2 Emissions	6.50	1.30	7.80
	Major LRMSCP Band 6, 181 to 255 CO2 Emissions	6.67	1.33	8.00
	Major LRMSCP Band 7, Over 256 CO2 Emissions	6.83	1.37	8.20
	Diesel Surcharge for the 7 above	0.83	0.17	1.00
	Overnight (8pm - 8am) FRIDAY AND SATURDAY	0.00	0.00	0.00
	Major LRMSCP Band 1, 0 to 50 CO2 Emissions	12.50	2.50	15.00
	Major LRMSCP Band 2, 51 to 100 CO2 Emissions	12.58	2.52	15.10
	Major LRMSCP Band 3, 101 to 140 CO2 Emissions	12.67	2.53	15.20
	Major LRMSCP Band 4, 141 to 160 CO2 Emissions	12.75	2.55	15.30
	Major LRMSCP Band 5, 161 to 180 CO2 Emissions	12.83	2.57	15.40
	Major LRMSCP Band 6, 181 to 255 CO2 Emissions	12.92	2.58	15.50
	Major LRMSCP Band 7, Over 256 CO2 Emissions	13.00	2.60	15.60
	Diesel Surcharge for the 7 above	0.83	0.17	1.00
	Major Off street	0.00	0.00	0.00
680	30 min	0.00	0.00	0.00
	Diesel Surcharge for 30 mins free session	0.17	0.03	0.20
681	up to 1 hr	0.00	0.00	0.00
	Major OFF/S Band 1, 0 to 50 CO2 Emissions	0.83	0.17	1.00
	Major OFF/S Band 2, 51 to 100 CO2 Emissions	0.92	0.18	1.10
	Major OFF/S Band 3, 101 to 140 CO2 Emissions	1.00	0.20	1.20
	Major OFF/S Band 4, 141 to 160 CO2 Emissions	1.08	0.22	1.30
	Major OFF/S Band 5, 161 to 180 CO2 Emissions	1.17	0.23	1.40
	Major OFF/S Band 6, 181 to 255 CO2 Emissions	1.25	0.25	1.50
	Major OFF/S Band 7, Over 256 CO2 Emissions	1.33	0.27	1.60
	Diesel Surcharge for the 7 above	0.17	0.03	0.20
682	up to 2 hrs	0.00	0.00	0.00

Description of Service		Proposed 2021 Charge		
	Major OFF/S Band 1, 0 to 50 CO2 Emissions	3.33	0.67	4.00
	Major OFF/S Band 2, 51 to 100 CO2 Emissions	3.50	0.70	4.20
	Major OFF/S Band 3, 101 to 140 CO2 Emissions	3.67	0.73	4.40
	Major OFF/S Band 4, 141 to 160 CO2 Emissions	3.83	0.77	4.60
	Major OFF/S Band 5, 161 to 180 CO2 Emissions	4.00	0.80	4.80
	Major OFF/S Band 6, 181 to 255 CO2 Emissions	4.17	0.83	5.00
	Major OFF/S Band 7, Over 256 CO2 Emissions	4.33	0.87	5.20
	Diesel Surcharge for the 7 above	0.33	0.07	0.40
683	up to 4 hrs	0.00	0.00	0.00
	Major OFF/S Band 1, 0 to 50 CO2 Emissions	7.50	1.50	9.00
	Major OFF/S Band 2, 51 to 100 CO2 Emissions	7.67	1.53	9.20
	Major OFF/S Band 3, 101 to 140 CO2 Emissions	7.83	1.57	9.40
	Major OFF/S Band 4, 141 to 160 CO2 Emissions	8.00	1.60	9.60
	Major OFF/S Band 5, 161 to 180 CO2 Emissions	8.17	1.63	9.80
	Major OFF/S Band 6, 181 to 255 CO2 Emissions	8.33	1.67	10.00
	Major OFF/S Band 7, Over 256 CO2 Emissions	8.50	1.70	10.20
	Diesel Surcharge for the 7 above	0.83	0.17	1.00
		0.00	0.00	0.00
	Major On Street	0.00		0.00
684	30 min	0.00	0.00	0.00
	Diesel Surcharge for 30 mins free session	0.20	0.00	0.20
685	up to 1 hr	0.00	0.00	0.00
	Major On/S Band 1, 0 to 50 CO2 Emissions	2.00	0.00	2.00
	Major On/S Band 2, 51 to 100 CO2 Emissions	2.10	0.00	2.10
	Major On/S Band 3, 101 to 140 CO2 Emissions	2.20	0.00	2.20
	Major On/S Band 4, 141 to 160 CO2 Emissions	2.30	0.00	2.30
	Major On/S Band 5, 161 to 180 CO2 Emissions	2.40	0.00	2.40
	Major On/S Band 6, 181 to 255 CO2 Emissions	2.50	0.00	2.50
	Major On/S Band 7, Over 256 CO2 Emissions	2.60	0.00	2.60
	Diesel Surcharge for the 7 above	0.20	0.00	0.20
686	up to 2 hours			0.00
	Major On/S Band 1, 0 to 50 CO2 Emissions	5.00	0.00	5.00
	Major On/S Band 2, 51 to 100 CO2 Emissions	5.20	0.00	5.20
	Major On/S Band 3, 101 to 140 CO2 Emissions	5.40	0.00	5.40
	Major On/S Band 4, 141 to 160 CO2 Emissions	5.60	0.00	5.60
	Major On/S Band 5, 161 to 180 CO2 Emissions	5.80	0.00	5.80
	Major On/S Band 6, 181 to 255 CO2 Emissions	6.00	0.00	6.00
	Major On/S Band 7, Over 256 CO2 Emissions	6.20	0.00	6.20
	Diesel Surcharge for the 7 above	0.40	0.00	0.40
687	up to 4 hrs			0.00
	Major On/S Band 1, 0 to 50 CO2 Emissions	11.00	0.00	11.00
	Major On/S Band 2, 51 to 100 CO2 Emissions	11.20	0.00	11.20
	Major On/S Band 3, 101 to 140 CO2 Emissions	11.40	0.00	11.40
	Major On/S Band 4, 141 to 160 CO2 Emissions	11.60	0.00	11.60
	Major On/S Band 5, 161 to 180 CO2 Emissions	11.80	0.00	11.80
	Major On/S Band 6, 181 to 255 CO2 Emissions	12.00	0.00	12.00
	Major On/S Band 7, Over 256 CO2 Emissions	12.20	0.00	12.20
	Diesel Surcharge for the 7 above	1.00	0.00	1.00
		0.00		0.00
	District (The Mall Multi-Storey) (no free 30 minutes) Off Street	0.00		0.00
688	Upto 1 hr	0.00	0.00	0.00
	THE MALL CP Band 1, 0 to 50 CO2 Emissions	0.83	0.17	1.00
	THE MALL CP Band 2, 51 to 100 CO2 Emissions	0.92	0.18	1.10
	THE MALL CP Band 3, 101 to 140 CO2 Emissions	1.00	0.20	1.20
	THE MALL CP Band 4, 141 to 160 CO2 Emissions	1.08	0.22	1.30
	THE MALL CP Band 5, 161 to 180 CO2 Emissions	1.17	0.23	1.40
	THE MALL CP Band 6, 181 to 255 CO2 Emissions	1.25	0.25	1.50
	THE MALL CP Band 7, Over 256 CO2 Emissions	1.33	0.27	1.60

Description of Service		Proposed 2021 Charge		
	Diesel Surcharge for the 7 above	0.17	0.03	0.20
689	Up to 2 hrs	0.00	0.00	0.00
	THE MALL CP Band 1, 0 to 50 CO2 Emissions	1.25	0.25	1.50
	THE MALL CP Band 2, 51 to 100 CO2 Emissions	1.42	0.28	1.70
	THE MALL CP Band 3, 101 to 140 CO2 Emissions	1.58	0.32	1.90
	THE MALL CP Band 4, 141 to 160 CO2 Emissions	1.75	0.35	2.10
	THE MALL CP Band 5, 161 to 180 CO2 Emissions	1.92	0.38	2.30
	THE MALL CP Band 6, 181 to 255 CO2 Emissions	2.08	0.42	2.50
	THE MALL CP Band 7, Over 256 CO2 Emissions	2.25	0.45	2.70
	Diesel Surcharge for the 7 above	0.33	0.07	0.40
690	Up to 4 hrs	0.00	0.00	0.00
	THE MALL CP Band 1, 0 to 50 CO2 Emissions	3.33	0.67	4.00
	THE MALL CP Band 2, 51 to 100 CO2 Emissions	3.50	0.70	4.20
	THE MALL CP Band 3, 101 to 140 CO2 Emissions	3.67	0.73	4.40
	THE MALL CP Band 4, 141 to 160 CO2 Emissions	3.83	0.77	4.60
	THE MALL CP Band 5, 161 to 180 CO2 Emissions	4.00	0.80	4.80
	THE MALL CP Band 6, 181 to 255 CO2 Emissions	4.17	0.83	5.00
	THE MALL CP Band 7, Over 256 CO2 Emissions	4.33	0.87	5.20
	Diesel Surcharge for the 7 above	0.00	0.00	0.00
691	Up to 6 hours	0.00	0.00	0.00
	THE MALL CP Band 1, 0 to 50 CO2 Emissions	4.17	0.83	5.00
	THE MALL CP Band 2, 51 to 100 CO2 Emissions	4.33	0.87	5.20
	THE MALL CP Band 3, 101 to 140 CO2 Emissions	4.50	0.90	5.40
	THE MALL CP Band 4, 141 to 160 CO2 Emissions	4.67	0.93	5.60
	THE MALL CP Band 5, 161 to 180 CO2 Emissions	4.83	0.97	5.80
	THE MALL CP Band 6, 181 to 255 CO2 Emissions	5.00	1.00	6.00
	THE MALL CP Band 7, Over 256 CO2 Emissions	5.17	1.03	6.20
	Diesel Surcharge for the 7 above	0.83	0.17	1.00
692	Up to 8 hours	0.00	0.00	0.00
	THE MALL CP Band 1, 0 to 50 CO2 Emissions	5.83	1.17	7.00
	THE MALL CP Band 2, 51 to 100 CO2 Emissions	6.00	1.20	7.20
	THE MALL CP Band 3, 101 to 140 CO2 Emissions	6.17	1.23	7.40
	THE MALL CP Band 4, 141 to 160 CO2 Emissions	6.33	1.27	7.60
	THE MALL CP Band 5, 161 to 180 CO2 Emissions	6.50	1.30	7.80
	THE MALL CP Band 6, 181 to 255 CO2 Emissions	6.67	1.33	8.00
	THE MALL CP Band 7, Over 256 CO2 Emissions	6.83	1.37	8.20
	Diesel Surcharge for the 7 above	0.83	0.17	1.00
693	Up to 12 hours	0.00	0.00	0.00
	THE MALL CP Band 1, 0 to 50 CO2 Emissions	9.17	1.83	11.00
	THE MALL CP Band 2, 51 to 100 CO2 Emissions	9.33	1.87	11.20
	THE MALL CP Band 3, 101 to 140 CO2 Emissions	9.50	1.90	11.40
	THE MALL CP Band 4, 141 to 160 CO2 Emissions	9.67	1.93	11.60
	THE MALL CP Band 5, 161 to 180 CO2 Emissions	9.83	1.97	11.80
	THE MALL CP Band 6, 181 to 255 CO2 Emissions	10.00	2.00	12.00
	THE MALL CP Band 7, Over 256 CO2 Emissions	10.17	2.03	12.20
	Diesel Surcharge for the 7 above	0.83	0.17	1.00
		0.00	0.00	0.00
	District Off Street	0.00	0.00	0.00
696	30 min	0.00	0.00	0.00
	Diesel Surcharge for 30 mins free session	0.17	0.03	0.20
697	up to 1 hr	0.00	0.00	0.00
	Dist off / s Band 1, 0 to 50 CO2 Emissions	0.83	0.17	1.00
	Dist off / s Band 2, 51 to 100 CO2 Emissions	0.92	0.18	1.10
	Dist off / s Band 3, 101 to 140 CO2 Emissions	1.00	0.20	1.20
	Dist off / s Band 4, 141 to 160 CO2 Emissions	1.08	0.22	1.30
	Dist off / s Band 5, 161 to 180 CO2 Emissions	1.17	0.23	1.40
	Dist off / s Band 6, 181 to 255 CO2 Emissions	1.25	0.25	1.50
	Dist off / s Band 7, Over 256 CO2 Emissions	1.33	0.27	1.60
	Diesel Surcharge for the 7 above	0.17	0.03	0.20

Description of Service		Proposed 2021 Charge		
698	up to 2 hrs	0.00	0.00	0.00
	Dist off / s Band 1, 0 to 50 CO2 Emissions	1.25	0.25	1.50
	Dist off / s Band 2, 51 to 100 CO2 Emissions	1.33	0.27	1.60
	Dist off / s Band 3, 101 to 140 CO2 Emissions	1.42	0.28	1.70
	Dist off / s Band 4, 141 to 160 CO2 Emissions	1.50	0.30	1.80
	Dist off / s Band 5, 161 to 180 CO2 Emissions	1.58	0.32	1.90
	Dist off / s Band 6, 181 to 255 CO2 Emissions	1.67	0.33	2.00
	Dist off / s Band 7, Over 256 CO2 Emissions	1.75	0.35	2.10
	Diesel Surcharge for the 7 above	0.33	0.07	0.40
699	up to 4 hrs	0.00	0.00	0.00
	Dist off / s Band 1, 0 to 50 CO2 Emissions	1.67	0.33	2.00
	Dist off / s Band 2, 51 to 100 CO2 Emissions	1.75	0.35	2.10
	Dist off / s Band 3, 101 to 140 CO2 Emissions	1.83	0.37	2.20
	Dist off / s Band 4, 141 to 160 CO2 Emissions	1.92	0.38	2.30
	Dist off / s Band 5, 161 to 180 CO2 Emissions	2.00	0.40	2.40
	Dist off / s Band 6, 181 to 255 CO2 Emissions	2.08	0.42	2.50
	Dist off / s Band 7, Over 256 CO2 Emissions	2.17	0.43	2.60
	Diesel Surcharge for the 7 above	0.83	0.17	1.00
		0.00	0.00	0.00
	District On street	0.00	0.00	0.00
	30 min	0.00	0.00	0.00
	Diesel Surcharge for free session	0.17	0.03	0.20
700	up to 1 hr			0.00
	Dist on / s Band 1, 0 to 50 CO2 Emissions	1.00	0.00	1.00
	Dist on / s Band 2, 51 to 100 CO2 Emissions	1.10	0.00	1.10
	Dist on / s Band 3, 101 to 140 CO2 Emissions	1.20	0.00	1.20
	Dist on / s Band 4, 141 to 160 CO2 Emissions	1.30	0.00	1.30
	Dist on / s Band 5, 161 to 180 CO2 Emissions	1.40	0.00	1.40
	Dist on / s Band 6, 181 to 255 CO2 Emissions	1.50	0.00	1.50
	Dist on / s Band 7, Over 256 CO2 Emissions	1.60	0.00	1.60
	Diesel Surcharge for the 7 above	0.20	0.00	0.20
701	up to 2 hours			0.00
	Dist on / s Band 1, 0 to 50 CO2 Emissions	2.00	0.00	2.00
	Dist on / s Band 2, 51 to 100 CO2 Emissions	2.10	0.00	2.10
	Dist on / s Band 3, 101 to 140 CO2 Emissions	2.20	0.00	2.20
	Dist on / s Band 4, 141 to 160 CO2 Emissions	2.30	0.00	2.30
	Dist on / s Band 5, 161 to 180 CO2 Emissions	2.40	0.00	2.40
	Dist on / s Band 6, 181 to 255 CO2 Emissions	2.50	0.00	2.50
	Dist on / s Band 7, Over 256 CO2 Emissions	2.60	0.00	2.60
	Diesel Surcharge for the 7 above	0.40	0.00	0.40
702	up to 4 hours			0.00
	Dist on / s Band 1, 0 to 50 CO2 Emissions	3.00	0.00	3.00
	Dist on / s Band 2, 51 to 100 CO2 Emissions	3.20	0.00	3.20
	Dist on / s Band 3, 101 to 140 CO2 Emissions	3.40	0.00	3.40
	Dist on / s Band 4, 141 to 160 CO2 Emissions	3.60	0.00	3.60
	Dist on / s Band 5, 161 to 180 CO2 Emissions	3.80	0.00	3.80
	Dist on / s Band 6, 181 to 255 CO2 Emissions	4.00	0.00	4.00
	Dist on / s Band 7, Over 256 CO2 Emissions	4.20	0.00	4.20
	Diesel Surcharge for the 7 above	1.00	0.00	1.00
	Season Tickets Major (6am - 8pm) (London Road Car Park) Off Street			
704	LRMSCP 3-months (6am - 8pm) Band 1, 0 to 50 CO2 Emissions	** 218.75	43.75	263.00
705	LRMSCP 3-months (6am - 8pm) Band 2, 51 to 100 CO2 Emissions	** 222.92	44.58	268.00
706	LRMSCP 3-months (6am - 8pm) Band 3, 101 to 140 CO2 Emissions	** 227.08	45.42	273.00

Description of Service			Proposed 2021 Charge		
707	LRMSCP 3-months (6am - 8pm) Band 4, 141 to 160 CO2 Emissions	**	231.25	46.25	278.00
708	LRMSCP 3-months (6am - 8pm) Band 5, 161 to 180 CO2 Emissions	**	235.42	47.08	283.00
709	LRMSCP 3-months (6am - 8pm) Band 6, 181 to 255 CO2 Emissions	**	239.58	47.92	288.00
710	LRMSCP 3-months (6am - 8pm) Band 7, Over 256 CO2 Emissions	**	243.75	48.75	293.00
711	Diesel Surcharge for the 7 above	**	16.00	3.20	19.00
712	LRMSCP 6-months (6am - 8pm) Band 1, 0 to 50 CO2 Emissions	**	397.50	79.50	477.00
713	LRMSCP 6-months (6am - 8pm) Band 2, 51 to 100 CO2 Emissions	**	401.67	80.33	482.00
714	LRMSCP 6-months (6am - 8pm) Band 3, 101 to 140 CO2 Emissions	**	410.83	82.17	493.00
715	LRMSCP 6-months (6am - 8pm) Band 4, 141 to 160 CO2 Emissions	**	415.00	83.00	498.00
716	LRMSCP 6-months (6am - 8pm) Band 5, 161 to 180 CO2 Emissions	**	419.17	83.83	503.00
717	LRMSCP 6-months (6am - 8pm) Band 6, 181 to 255 CO2 Emissions	**	423.33	84.67	508.00
718	LRMSCP 6-months (6am - 8pm) Band 7, Over 256 CO2 Emissions	**	510.83	102.17	613.00
719	Diesel Surcharge for the 7 above	**	32.00	6.40	38.00
720	LRMSCP 12-months (6am - 8pm) Band 1, 0 to 50 CO2 Emissions	**	728.75	145.75	875.00
721	LRMSCP 12-months (6am - 8pm) Band 2, 51 to 100 CO2 Emissions	**	734.58	146.92	882.00
722	LRMSCP 12-months (6am - 8pm) Band 3, 101 to 140 CO2 Emissions	**	738.75	147.75	887.00
723	LRMSCP 12-months (6am - 8pm) Band 4, 141 to 160 CO2 Emissions	**	742.92	148.58	892.00
724	LRMSCP 12-months (6am - 8pm) Band 5, 161 to 180 CO2 Emissions	**	747.08	149.42	897.00
725	LRMSCP 12-months (6am - 8pm) Band 6, 181 to 255 CO2 Emissions	**	751.25	150.25	902.00
726	LRMSCP 12-months (6am - 8pm) Band 7, Over 256 CO2 Emissions	**	755.42	151.08	907.00
727	Diesel Surcharge for the 7 above	**	62.50	12.50	75.00
	Season Tickets Major (8pm - 6am) (London Road Car Park) Off Street				
728	LRMSCP 3-months (8pm to 6am) Band 1, 0 to 50 CO2 Emissions	**	75.00	15.00	90.00
729	LRMSCP 3-months (8pm to 6am) Band 2, 51 to 100 CO2 Emissions	**	79.17	15.83	95.00
730	LRMSCP 3-months (8pm to 6am) Band 3, 101 to 140 CO2 Emissions	**	83.33	16.67	100.00
731	LRMSCP 3-months (8pm to 6am) Band 4, 141 to 160 CO2 Emissions	**	87.50	17.50	105.00
732	LRMSCP 3-months (8pm to 6am) Band 5, 161 to 180 CO2 Emissions	**	91.67	18.33	110.00
733	LRMSCP 3-months (8pm to 6am) Band 6, 181 to 255 CO2 Emissions	**	95.83	19.17	115.00
734	LRMSCP 3-months (8pm to 6am) Band 7, Over 256 CO2 Emissions	**	100.00	20.00	120.00
735	Diesel Surcharge for the 7 above	**	16.00	3.20	19.00
736	LRMSCP 6-months (8pm to 6am) Band 1, 0 to 50 CO2 Emissions	**	137.50	27.50	165.00

Description of Service			Proposed 2021 Charge		
737	LRMSCP 6-months (8pm to 6am) Band 2, 51 to 100 CO2 Emissions	**	141.67	28.33	170.00
738	LRMSCP 6-months (8pm to 6am) Band 3, 101 to 140 CO2 Emissions	**	145.83	29.17	175.00
739	LRMSCP 6-months (8pm to 6am) Band 4, 141 to 160 CO2 Emissions	**	150.00	30.00	180.00
740	LRMSCP 6-months (8pm to 6am) Band 5, 161 to 180 CO2 Emissions	**	154.17	30.83	185.00
741	LRMSCP 6-months (8pm to 6am) Band 6, 181 to 255 CO2 Emissions	**	158.33	31.67	190.00
742	LRMSCP 6-months (8pm to 6am) Band 7, Over 256 CO2 Emissions	**	162.50	32.50	195.00
743	Diesel Surcharge for the 7 above	**	32.00	6.40	38.00
744	LRMSCP 12-months (8pm to 6am) Band 1, 0 to 50 CO2 Emissions	**	248.75	49.75	299.00
745	LRMSCP 12-months (8pm to 6am) Band 2, 51 to 100 CO2 Emissions	**	252.92	50.58	304.00
746	LRMSCP 12-months (8pm to 6am) Band 3, 101 to 140 CO2 Emissions	**	257.08	51.42	309.00
747	LRMSCP 12-months (8pm to 6am) Band 4, 141 to 160 CO2 Emissions	**	261.25	52.25	314.00
748	LRMSCP 12-months (8pm to 6am) Band 5, 161 to 180 CO2 Emissions	**	265.42	53.08	319.00
749	LRMSCP 12-months (8pm to 6am) Band 6, 181 to 255 CO2 Emissions	**	269.58	53.92	324.00
750	LRMSCP 12-months (8pm to 6am) Band 7, Over 256 CO2 Emissions	**	273.75	54.75	329.00
751	Diesel Surcharge for the 7 above	**	62.50	12.50	75.00
	Season Tickets Major (24/7) (London Road Car Park) Off Street				
752	LRMSCP 1-month (24hrs) Band 1, 0 to 50 CO2 Emissions		79.17	15.83	95.00
	LRMSCP 1-month (24hrs) Band 2, 51 to 100 CO2 Emissions		83.33	16.67	100.00
	LRMSCP 1-month (24hrs) Band 3, 101 to 140 CO2 Emissions		87.50	17.50	105.00
	LRMSCP 1-month (24hrs) Band 4, 141 to 160 CO2 Emissions		91.67	18.33	110.00
	LRMSCP 1-month (24hrs) Band 5, 161 to 180 CO2 Emissions		95.83	19.17	115.00
	LRMSCP 1-month (24hrs) Band 6, 181 to 255 CO2 Emissions		100.00	20.00	120.00
	LRMSCP 1-month (24hrs) Band 7, Over 256 CO2 Emissions		104.17	20.83	125.00
	Diesel Surcharge for the 7 above		5.83	1.17	7.00
753	LRMSCP 3-months (24hrs) Band 1, 0 to 50 CO2 Emissions	**	285.00	57.00	342.00
754	LRMSCP 3-months (24hrs) Band 2, 51 to 100 CO2 Emissions	**	289.17	57.83	347.00
755	LRMSCP 3-months (24hrs) Band 3, 101 to 140 CO2 Emissions	**	293.33	58.67	352.00
756	LRMSCP 3-months (24hrs) Band 4, 141 to 160 CO2 Emissions	**	297.50	59.50	357.00
757	LRMSCP 3-months (24hrs) Band 5, 161 to 180 CO2 Emissions	**	301.67	60.33	362.00
758	LRMSCP 3-months (24hrs) Band 6, 181 to 255 CO2 Emissions	**	305.83	61.17	367.00

Description of Service			Proposed 2021 Charge		
759	LRMSCP 3-months (24hrs) Band 7, Over 256 CO2 Emissions	**	310.00	62.00	372.00
760	Diesel Surcharge for the 7 above	**	16.00	3.20	19.00
761	LRMSCP 6-months (24hrs) Band 1, 0 to 50 CO2 Emissions	**	513.75	102.75	617.00
762	LRMSCP 6-months (24hrs) Band 2, 51 to 100 CO2 Emissions	**	517.92	103.58	622.00
763	LRMSCP 6-months (24hrs) Band 3, 101 to 140 CO2 Emissions	**	522.08	104.42	627.00
764	LRMSCP 6-months (24hrs) Band 4, 141 to 160 CO2 Emissions	**	526.25	105.25	632.00
765	LRMSCP 6-months (24hrs) Band 5, 161 to 180 CO2 Emissions	**	530.42	106.08	637.00
766	LRMSCP 6-months (24hrs) Band 6, 181 to 255 CO2 Emissions	**	534.58	106.92	642.00
767	LRMSCP 6-months (24hrs) Band 7, Over 256 CO2 Emissions	**	538.75	107.75	647.00
768	Diesel Surcharge for the 7 above	**	32.00	6.40	38.00
769	LRMSCP 12-months (24hrs) Band 1, 0 to 50 CO2 Emissions	**	970.00	194.00	1,164.00
770	LRMSCP 12-months (24hrs) Band 2, 51 to 100 CO2 Emissions	**	974.17	194.83	1,169.00
771	LRMSCP 12-months (24hrs) Band 3, 101 to 140 CO2 Emissions	**	978.33	195.67	1,174.00
772	LRMSCP 12-months (24hrs) Band 4, 141 to 160 CO2 Emissions	**	982.50	196.50	1,179.00
773	LRMSCP 12-months (24hrs) Band 5, 161 to 180 CO2 Emissions	**	986.67	197.33	1,184.00
774	LRMSCP 12-months (24hrs) Band 6, 181 to 255 CO2 Emissions	**	990.83	198.17	1,189.00
775	LRMSCP 12-months (24hrs) Band 7, Over 256 CO2 Emissions	**	995.00	199.00	1,194.00
776	Diesel Surcharge for the 7 above	**	62.50	12.50	75.00
	Season Tickets District (24/7) (The Mall Multi-Storey) Off Street				
777	1 month	**			
	The Mall -1month (24hrs) Band 1, 0 to 50 CO2 Emissions		60.83	12.17	73.00
	The Mall -1 month (24hrs) Band 2, 51 to 100 CO2 Emissions		63.33	12.67	76.00
	The Mall 1-month (24hrs) Band 3, 101 to 140 CO2 Emissions		65.83	13.17	79.00
	The Mall 1-month (24hrs) Band 4, 141 to 160 CO2 Emissions		67.50	13.50	81.00
	The Mall 1-month (24hrs) Band 5, 161 to 180 CO2 Emissions		70.00	14.00	84.00
	The Mall 1-month (24hrs) Band 6, 181 to 255 CO2 Emissions		72.50	14.50	87.00
	The Mall -1 month (24hrs) Band 7, Over 256 CO2 Emissions		75.00	15.00	90.00
	Diesel Surcharge for the 7 above	**	5.83	1.17	7.00
778	The Mall 3-months (24hrs) Band 1, 0 to 50 CO2 Emissions	**	94.00	18.80	113.00
780	The Mall 3-months (24hrs) Band 2, 51 to 100 CO2 Emissions	**	98.17	19.63	118.00
781	The Mall 3-months (24hrs) Band 3, 101 to 140 CO2 Emissions	**	102.33	20.47	123.00

Description of Service			Proposed 2021 Charge		
782	The Mall 3-months (24hrs) Band 4, 141 to 160 CO2 Emissions	**	106.50	21.30	128.00
783	The Mall 3-months (24hrs) Band 5, 161 to 180 CO2 Emissions	**	110.67	22.13	133.00
784	The Mall 3-months (24hrs) Band 6, 181 to 255 CO2 Emissions	**	114.83	22.97	138.00
785	The Mall 3-months (24hrs) Band 7, Over 256 CO2 Emissions	**	119.00	23.80	143.00
786	Diesel Surcharge for the 7 above	**	16	3.17	19.00
787	The Mall 6-months (24hrs) Band 1, 0 to 50 CO2 Emissions	**	175.00	35.00	210.00
788	The Mall 6-months (24hrs) Band 2, 51 to 100 CO2 Emissions	**	179.17	35.83	215.00
789	The Mall 6-months (24hrs) Band 3, 101 to 140 CO2 Emissions	**	183.33	36.67	220.00
790	The Mall 6-months (24hrs) Band 4, 141 to 160 CO2 Emissions	**	187.50	37.50	225.00
791	The Mall 6-months (24hrs) Band 5, 161 to 180 CO2 Emissions	**	191.67	38.33	230.00
792	The Mall 6-months (24hrs) Band 6, 181 to 255 CO2 Emissions	**	195.83	39.17	235.00
793	The Mall 6-months (24hrs) Band 7, Over 256 CO2 Emissions	**	200.00	40.00	240.00
794	Diesel Surcharge for the 7 above	**	31.67	6.33	38.00
795	The Mall 12-months (24hrs) Band 1, 0 to 50 CO2 Emissions	**	326.25	65.25	392.00
796	The Mall 12-months (24hrs) Band 2, 51 to 100 CO2 Emissions	**	330.42	66.08	397.00
797	The Mall 12-months (24hrs) Band 3, 101 to 140 CO2 Emissions	**	334.58	66.92	402.00
798	The Mall 12-months (24hrs) Band 4, 141 to 160 CO2 Emissions	**	338.75	67.75	407.00
799	The Mall 12-months (24hrs) Band 5, 161 to 180 CO2 Emissions	**	342.92	68.58	412.00
800	The Mall 12-months (24hrs) Band 6, 181 to 255 CO2 Emissions	**	347.08	69.42	417.00
801	The Mall 12-months (24hrs) Band 7, Over 256 CO2 Emissions	**	351.25	70.25	422.00
802	Diesel Surcharge for the 7 above	**	62.50	12.50	75.00
	Parks Car Park Off Street (All LBBB parks) off street				
803	up to 1 hr	**	0.00	0.00	0.00
804	up to 2 hrs	**	0.83	0.17	1.00
805	up to 4 hrs	**	1.67	0.33	2.00
	Off Street Car park season ticket for specified locations only				
806	3 months	**	93.75	18.75	113.00
807	6 months	**	187.50	37.50	225.00
808	12 months	**	375.00	75.00	450.00
			0.00		
	Bay Suspension / Dispensation On Street				
809	Daily (per bay)	*	133.77	0.00	134.00
810	Weekly (per bay)	*	401.31	0.00	401.00

CABINET

15 December 2020

Title: Dedicated Schools Budget and Schools Funding Formula 2021/22	
Report of the Cabinet Member for Educational Attainment and School Improvement	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Katherine Heffernan, Head of Service Finance	Contact Details: E-mail: Katherine.heffernan@lbbd.gov.uk
Accountable Director: Jane Hargreaves, Commissioning Director – Education, Youth and Childcare	
Accountable Strategic Leadership Director: Philip Gregory, Chief Financial Officer, Elaine Allegretti, Director of People and Resilience	
Summary	
<p>This report provides an update on the national Education Funding reforms and their likely impact on Barking and Dagenham. This report also sets out the Dedicated Schools Budget (DSB) strategy for 2021/22 and the principles that we plan to use for the Local Funding Formula for Schools following discussion with Schools Forum and consultation with schools. The report also considers the implications for the Council of the funding changes and the risks and opportunities that arise as a result.</p>	
Recommendation(s)	
<p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Note the indicative allocation of Dedicated Schools Grant for 2021/22 as set out in section 2 of the report; (ii) Approve the 2021/22 strategy for the Schools Block as set out in section 3 of the report; (iii) Approve the proposed principles for the design of the Local Schools Funding Formula as set out in section 4 of the report, subject to consultation with schools and (vi) below; (iv) Note the allocated funding and strategy for the High Needs Block as set out in section 5 of the report; (v) Note the allocated funding and strategy for the Central Services Block as set out in section 6 of the report; and (vi) Delegate authority to the Director of People and Resilience, in consultation with the Chief Financial Officer, the Schools Forum and the Cabinet Member for 	

Educational Attainment and School Improvement, to approve the final 2021/22 school funding formula for submission to the Education and Schools Funding Agency.

Reason(s)

(The Dedicated Schools Budget is part of the Council's overall budget and Local Authorities are required to develop and maintain a Local Funding Formula to distribute funding to schools.

1. Introduction and Background

- 1.1 Most Education funding is provided by the Department of Education in the form of a specific ringfenced grant to Local Authorities known as the Dedicated Schools Grant. This was first introduced in 2006 and at that time was based on the allocations within Local Authority budgets for Education. However since that time the direction of travel has been towards replacing this with a formula based allocation with funding based on population and indicators of additional needs such as deprivation and poor attainment.
- 1.2 The DSG is made up of four blocks that fund different components of the 3-16 Education system: the Schools Block which makes up most of the allocations to individual schools, the High Needs Block which provides funding for Special Schools, Alternative Provision, and Additional support for students with Special Education Needs in mainstream schools, the Early Years block which provides funding for two, three and four year old education and the Central Block which funds various central services such as Admissions and School Improvement. More information is given on each of the blocks in the report.
- 1.3 The ultimate intention of Department of Education policy is that Schools Block funding will be passported straight to schools based on the National Funding Formula. However, there is a transitional period before this happens during which time the Local Authority is required to set its own formula in consultation with its School Forum and local schools. The details of the LBBF formula are also set out in this report.
- 1.4 In general the operation of the National Funding Formula for the Schools Block has tended to move funding away from London authorities towards other areas although this effect has been dampened by the use of a funding floor. Moreover, Education funding at the national level has been subject to below inflationary increases for the past few years, This has created some financial pressures for some LBBF schools – especially Primary Schools which have seen a temporary dip in pupil numbers.
- 1.5 On the other hand the move to a formula based allocation has improved funding for the High Needs Block which had previously been severely underfunded. However, this remains an area of financial pressure at the local and national level.

2. The Dedicated Schools Grant

2.1 As described above the Dedicated Schools Grant is made up of four blocks which fund different aspects of the Education system. The table below shows the current year (2020/21) and the indicative funding for 2021/22. Note that the indicative funding is based on the same pupil numbers as this year, so the changes are entirely driven by the formula not by population increases. The final allocation will be updated based on the School Census data for October 2020. It is expected that there will be a net increase in pupil numbers so the overall allocation will increase slightly.

Block	2020/21 Alloc.	2021/22 Alloc.	TPG and TPECG	2021/22 Adjusted Alloc.	Movement +Fav / (Unfav.)	% Mov't
	(a)	(b)	(c)	(d)=(b)-(c)	(e)=(a)-(d)	(e)/(a)
Pupil No	39,376	39,376				
Schools Block	214,590	229,035	9,403	219,632	5,042	2.35%
Premises (historic)	9,053	9,992		9,992	939	10.37%
Growth Fund	2,398	1,863		1,863	(535)	(22.31%)
High Needs	37,568	42,242		42,242	4,674	12.44%
CSSB - On-going	1,438	1,472		1,472	34	2.36%
CSSB - Historic	926	740		740	(186)	(20.04%)
Early Years (Provis)	22,933	22,933		22,933	-	0.00%
Total Funding	288,906	308,277	9,403	298,874	9,968	-

2.2 As the table shows there has been a significant uplift in 2021/22 allocation as two previous separate grants for Teachers Pay and Pensions have been included in the main Schools Block. Excluding this increase and the pupil led formula component of the Schools block has increased by 2.35%.

2.3 There has been another considerable increase in the High Needs Block. This reflects both the national funding increase in this area and the continued movement towards the formula-based allocation.

2.4 The Central block has been uplifted by inflation for on going commitments (admissions and statutory duties) but part of the block that relates to historic spending allocations is being reduced in line with the Government intention to standardise central spending.

2.5 The Early Years allocation has not yet been published but the 2020/21 amount is shown for information. We expect that when the final allocation is published it will include some inflationary uplift which we will pass through to providers in line with guidance.

3. Schools Block

3.1 The Schools block is made up of three components. The largest component is the formula led allocation calculated at the individual school level and aggregated to the Local Authority area. Then there are special premises factors such as rates and PFI costs which have not yet been formularised (and may never be) but are set

based on last year's actuals. Finally, there is the Growth Fund which is set at Local Authority level based on a formula capturing the change in school age population between October 2019 and October 2020.

- 3.2 The national formula for schools funding is intended to provide more consistency and transparency around funding so that when fully implemented, similar children in similar schools will be funded at the same level (adjusted for local cost variations.) It therefore provides a basic age weighted pupil unit (AWPU) of funding for each student in a school with further funding allocated to factors that are indicative of additional needs (deprivation, English as an additional language and low prior attainment) and a small amount of funding for school led funding (a lump sum and funding for rates and exceptional premises costs.)
- 3.3 The AWPU in the national formula is lower than was previously the case for LBBD schools (this is the case for most London authorities) resulting in a distribution of funding away from London on average. However, the additional needs factors are highly weighted so schools with these kinds of students are partially compensated for this. Finally, a funding floor has been used to contain funding losses at a minimum level. For 2021/22 this has been set at 2%.
- 3.4 This year the DfE have also added in funding from the former Teachers Pay Grant and Teachers' Pension Employer Contribution Grants on a per pupil basis (adjusted for Area Costs.) From now they will be treated as part of School's Core funding and be distributed as part of the formula.
- 3.5 As in previous years all primary schools and in Barking and Dagenham are on the funding floor receiving only the minimum increase in per pupil funding (plus the rolled in grants). Most secondary schools are now also at floor funding level.
- 3.6 The DfE have used the national formula to calculate individual allocations for all schools in the country. This has then been used to calculate the aggregate Schools Block allocation for each authority and derive the relevant average funding unit Primary (£5,212) and Secondary (£6,851). These unit rates will be applied to the October 2020 census to determine the final allocations for 2021/22. The final allocations are to be published in December 2020.
- 3.7 Since 2018/19 Growth funding has been allocated on a formula based on population changes between one October census and the previous one. In practice for LBBD this is resulting in a less generous allocation than previously and lower than is needed. Our local growth funding policy has been revised to reduce funding allocated for new classes opening in September to the AWPU level only (the minimum possible.) This effectively requires new classes to be partly cross subsidised from the School's overall budget. Despite this however the estimated funding available for 2021/22 is £0.386m lower than estimated requirements. The difference will need to be top-sliced from the main Schools block before distribution in the funding formula.
- 3.8 In addition although there is overall pupil growth in the secondary phase and in some geographical areas in the primary phase, in other areas there is a temporary dip in primary numbers. Demographic modelling suggests that this is only temporary but for some schools this short-term funding drop is hard to manage so the Schools Forum has agreed that a small fund should be made available to

support those schools. This will also be top-sliced from the main Schools block before distribution in the funding formula. The table below shows the expected Schools Block budget.

2021/21 Schools Block Budget	£'000s
Provisional School Block Allocation 21/22	229,035
Premises	9,992
Growth Fund	1,863
2020/21 implicit growth via APT	£1,603
Provisional Schools Block Budget for 2021/22	242,493
Schools Block formula requirement	239,828
2020/21 additional premises costs reimbursement	160
Growth Fund	2,249
Falling Rolls	256
Provisional Schools Block Expenditure	242,493

4. The Local Funding Formula for Barking and Dagenham for 2021/22

- 4.1 The Department of Education have the intention to move to a fully formula based methodology for individual schools but this is not yet in place and further consultation will be required before this can happen as there are still some unresolved issues including allocation of premises and special circumstances funding and how growth and falling rolls funds can be managed. 2021/22 therefore will be another transitional year with Authorities required to set a local formula in consultation with their Schools Forum and local schools.
- 4.2 As set out above it has been necessary to top-slice the block to provide sufficient growth funding and for a fund to support schools with falling rolls. There has also been an adjustment for additional premises costs relating to 2020/21 which were not funded in the 20/21 DSG. (Increase in these costs are provided based on last year's actuals so there is sometimes a funding lag when e.g. business rates increase.)
- 4.3 These adjustments mean that the amount available to pass through to schools will not match the notional allocations published by the DfE. In addition, the national formula is more favourable to secondary schools than primary schools in our area on a funding ratio of 1:1.41. As in previous years Schools Forum has agreed to modify the formula in order to provide continuing protection to primary schools and achieve a ratio of 1:1.35 (or as near as possible.) This has been achieved by modifying the Age Weighted Pupil Unit of funding.
- 4.4 Cabinet are asked to approve the following principles to be used for the 2021/22 Local Funding Formula:
- (a) To Apply NFF rates for funding factors including area cost adjustment of 12.985% with the exception of AWPU.
 - (b) To adjust the AWPU rates to remain within the cash limit and to achieve 1:1.35 ratio between primary and secondary phases. This means secondaries would

be funded 35% more per pupil than a primary in recognition of their greater cost. The notional funding allocations published by the DfE is showing that most primary schools are having to be supported through the funding floor factor in respect of the minimum 2% per pupil uplift. This is because the pupil led factors are not fully effective in driving the funding allocations and minimum increases through the formula. Therefore, in respect of 2021/22, the existing ratio of 1:1.35 is being proposed in order to provide continuing protection to the primary phase. It will also reduce funding turbulence and uncertainty until these issues are possibly resolved at a national level.

- (c) To apply no capping and scaling unless necessary to allow the formula to operate in a reasonable, fair and stable manner. This means that schools will retain all of their gains under the formula. However, in the final model, it may be necessary to apply capping and scaling to ensure that the formula remains affordable.
- (d) To provide Minimum Funding Guarantee (MFG) protection of 2% or as near as possible within the final funding envelope. This measures the percentage increase in per pupil funding between 2020/21 and 2021/22 formula budget after removing lump sum and rates allocations but including teachers' pay and pension grants for both years. The regulations allow MFG to be set between 0.5% and 2%. Under current modelling 23 primaries are on 2% MFG protection however, under the formula, all schools are seeing cash increases.

4.5 These principles were approved at the recent Schools Forum meeting on 20th October. A consultation with local schools is currently under way. It is therefore recommended that the Cabinet also approve these principles. This means that the additional needs factors have been established using the National funding formula amounts as a starting point, but the basic age weighted pupil funding has been adjusted in line with the principles above.

4.6 The DfE will release updated census data and revised funding allocations based on that in December. When this is published it may be necessary to adjust some factor weightings or other aspects of the calculation. This will be done in line with the principles approved and in consultation with Schools Forum and local schools. Cabinet are asked to approve delegated authority of the final sign off to the Director of People and Resilience in consultation with the Chief Operating Officer and the Cabinet Member for School Improvement and Educational Attainment. Any significant changes will be reported back to Cabinet in February.

5. High Needs Block

5.1 The High Needs Block provides funding for Local Authorities (rather than for delegation to schools) and is made available to meet the additional costs of supporting students with special educational needs aged 0 to 25 years. The funding was previously based on historical allocations with very little linkage to actual levels of need in an area. Over recent years it has become very apparent that the national quantum of funding was not sufficient to meet the true levels of need. Following consistent lobbying from across the country including by our own councillors, MPs, Headteachers and Governors and the Teaching Unions this was recognised by Central Government with the announcement of additional funding for 2020/21 nationally. This translated to a 17% increase in the allocation to LBBB – reflecting

the size of the pre-existing gap between historic funding and the true level of need in our area.

- 5.2 The block funds a range of services including Alternative Provision, Special Schools and ARPs and additional support to High Needs students in mainstream schools. The table below shows the budget allocation for 2020/21. The increase in the allocation allowed the creation of a gatekeeping fund to manage in year growth in the number and complexity of needs of children. Despite this, however this is an area of high demand that continues to need strict management and creative strategies. Note that the table differs from the total grant allocation as it has been adjusted for “recoupment” – payments made at source to Special Academies and Free Schools.

	2019/20 Budget	2020/21 Budget
Alternative Provision	3,544,000	3,574,000
ARP Funding	6,032,800	6,102,000
DSG – High Needs Education Inclusion	1,666,000	1,618,000
Top-ups (inc. OB and NMSS)	6,662,200	7,635,000
High Needs Top Ups – Post 16	969,000	1,291,000
SEN Panel Top Ups	1,418,000	1,148,000
LACHES, Language Support	331,000	335,000
Initiatives	200,000	150,000
Special School Funding	7,493,000	10,643,000
Early Years & Integrated Youth Services	398,000	356,000
Total	28,714,000	32,852,000
Gatekeeping for In-year Growth/import/export		1,162,500
Total Budget		34,014,500

- 5.3 The allocation for 2021/22 is expected to include another above inflation increase of £4.674m or 12%. This means that there is no requirement to transfer monies from the Schools Block to support expenditure. It is however likely that the High Needs Block will continue to need careful management in order to contain costs within the total funding. The Authority works closely with representatives from local schools through the High Needs Working Party in order to devise strategies to manage and reduce demand and control costs. We will work with this group to set a High Needs Budget for 2021/22 once the final allocation is published.

6. Central Services to Schools Block

- 6.1 The Central Block was created in 2018/19 by combining the residual Education Services Grant of £0.6m and £1.9m of funding allocations for central services previously agreed by Schools Forum. The latter is made up specific continuing statutory functions (Admissions and running a Schools Forum) and local arrangements for historically agreed services. The Government’s clear intention is to move the ESG and statutory functions elements towards a per head funding regime and to taper off historically agreed services over time.
- 6.2 CSSB is funding the following historic services in 2020/21:

- Funding for core School Commissioner role within the LA - £108k.
- Capital Investment Team to support and project manage builds - £150k.
- Sports Co-ordinator - £50k.
- Trewern outdoor education centre - £209k
- Community Music Service - £310k
- Advisory Teachers to support School Improvement Partnership priorities - £330.

The 2020/21 total budget requirement for these historic duties is £1,157k, however the corresponding budget allocation is only £926k. The difference of £231k is being met from anticipated savings on CSSB on-going responsibilities. However, this is a short-term strategy only.

- 6.3 There will be a further reduction of £0.186m to this block in 2021/22. The services affected by these reductions are using this year as transition period to re-design and remodel their services to absorb and mitigate the reduction in funding.

7. Financial Implications

Implications completed by Katherine Heffernan, Head of Service Finance

- 7.1 The Dedicated Schools Grant is a ringfenced grant provided by the Department of Education. The anticipated allocation for 2021/22 will be confirmed once October 2020 pupil census data is finalised but is expected to be at least £298m (including funding for Academies which does not come to the LA). Any further significant implications will be reported to Cabinet as part of the final budget report in February.

8. Legal Implications

Implications completed by: Dr Paul Feild, Senior Governance Lawyer

- 8.1 The Dedicated Schools Grant is payable to local authorities under section 14 of the Education Act 2002. It is as set out in this report a 'ring fenced grant' that is to say it must be solely spent on the grant conditions and guidance as been prepared by the Education and Skills Funding Agency (ESFA) to assist local authorities in the operation of the dedicated schools grant (DSG).
- 8.2 Each year new regulations are issued as they only cover one year the current being School and Early Years Finance (England) Regulations 2020. In 2020-21, The Council will continue to determine schools' budget allocations at a local level, through a local funding formula, though in future years to come this will change to a national set funding formula.

9. Other Implications

- 9.1 **Risk Management** - There is a risk that for some schools the funding available may not fully meet their expected operating costs and financial pressures. The Minimum Funding guarantee that limits any reduction in funding to 2%% per pupil offers some mitigation as it provides a smoothing mechanism preventing sudden funding changes. The Council will continue to work with Schools and others to ensure there

are high standards of financial management and control to meet these funding challenges.

- 9.2 **Staffing Issues** – The DfE have provided additional funding to support some of the costs of teachers pay award and employers pension contribution which will be passed through to schools. However, many schools in Barking and Dagenham will receive only a small uplift in their funding and where schools are also experiencing changes in roll numbers there may be budget pressures which impact on staffing plans. The Authority has taken some steps to support schools through the creation of a falling rolls fund and access to loans via the Financial Difficulties Fund. Schools are encouraged to work with HR in order to mitigate the impact on individual staff members and to avoid compulsory redundancies as far as possible.
- 9.3 **Corporate Policy and Equality Impact** – The National Funding Formula provides additional funding to meet the educational and safeguarding needs of students with specific characteristics that indicate higher levels of need and vulnerability such as deprivation, lower prior attainment and speaking English as an additional language. This is reflected in the Local Formula.
- 9.4 **Safeguarding Adults and Children** - The additional needs factors and the pupil premium provide targeted support for looked after children and those entitled to free school meals. The High Needs block is available to provide support for students with complex educational needs and disabilities.

Public Background Papers Used in the Preparation of the Report:

- DSG Operational Guidance
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/902183/Schools_operational_guide_2021_to_2022_1.pdf

List of appendices: None

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CABINET

15 December 2020

Title: An Endowment for the Social Sector in Barking and Dagenham	
Report of the Cabinet Member for Community Leadership and Engagement	
Open Report	For Decision: Yes
Wards Affected: All	Key Decision: Yes
Report Authors: Michael Kynaston – Policy Officer; Monica Needs – Head of Participation and Engagement	Contact Details: Tel: 07539762914 and 07971111593 E-mail: michael.kynaston@lbbd.gov.uk monica.needs@lbbd.gov.uk
Accountable Strategic Leadership Director: Mark Tyson, Director of Strategy and Participation	
Summary	
<p>This report updates Cabinet on the latest development of BD Giving, and explores four options for the establishment of an endowment to provide a transparent and sustainable source of income for the social sector.</p> <p>In Barking and Dagenham we have a unique opportunity to leverage the borough's regeneration opportunity and create a lasting legacy for the benefit of the Borough. While this will require commitments and political will in the near future, it will see long-term benefits for our residents and community groups by providing a permanent and sustainable source of income that will fund community projects long term.</p> <p>Barking and Dagenham Council has been widely commended on its efforts to work with the voluntary, community and social enterprise sector (VCSE) to address the challenges faced by residents and channel their ideas, energy and ambitions to make positive change in the community. We have made significant progress in the past five years in working collaboratively with our partners in the Social Sector towards achieving our shared goals for the community in the Borough Manifesto.</p> <p>This progress made and commitment is reflected and built upon in the Council's new Corporate Plan (2020-2022), which states that the Council will work with partners and the community to develop platforms and networks; the wider social infrastructure of the Borough; to make it as easy as possible for residents to participate however they choose.</p> <p>The innovative process that has been established for allocating the Neighbourhood Community Infrastructure Levy (NCIL) reflect this bold commitment towards changing the relationship and embrace a more collaborative way of working with the community. In October 2018, Cabinet agreed to channel NCIL funding towards a new grants programme for the VCSE - the Neighbourhood Fund - and the establishment of a Residents Panel to lead the process and input into decisions on the allocation of grants. It also agreed to create a legacy for the community by developing an endowment to fund community projects long term.</p>	

The Corporate Plan also states that the Council will build on the progress made in recent years by enhancing its collaboration and partnership with the social sector, notably through the development of the local giving model to make it easier for people and organisations to give to causes that matter.

In recent months, BD Giving has played an essential role in the Borough's response to the Covid-19 pandemic. In collaboration with Lankelly Chase Foundation and Barking and Dagenham Renew, they launched the Covid-19 Rapid Response Fund (worth £100k). This fund was applied for and distributed through a participatory process to groups from across the borough. This significant investment into the borough from a new funder was made possible by the relationships built between the Council, the social sector and funders such as the Lankelly Chase Foundation.

The Barking and Dagenham Covid-19 Impact Report on the VCSE Sector, commissioned by the BD Collective and conducted by Civil Society Consulting, highlighted the positive impact of BD Giving's Rapid Response Fund, the surge in collaboration in the social sector driven in part by BD Giving and described BD Giving as a 'much trusted ally' for the social sector.

The next ten years will see considerable investment continue to be made in the borough in the form of new developments and infrastructure. The creation of an endowment fund will capitalise on this investment, leverage additional donations, and reflect the Council's commitment to partnership working and increased participation, whilst providing a transparent and sustainable source of income that will fund community projects long term.

Recommendation(s)

The Cabinet is recommended to:

- (i) Note the decision by Barking and Dagenham Renew's Board of Trustees, in agreement with Barking and Dagenham Giving's Steering Group, to formally integrate the Borough's giving scheme within Renew's charitable vehicle from July 2020 and appoint a new Board of Trustees;
- (ii) Note the official change of name of Barking and Dagenham Renew charity to Barking and Dagenham Giving;
- (iii) Agree to support Option C to link the endowment to the local giving model by establishing the fund under Barking and Dagenham Giving's new charitable vehicle, with a specially appointed Board responsible for the strategic oversight of the fund, as well as the implementation of its investment, withdrawal and usage policies; and
- (iv) Delegate authority to the Director of Strategy and Participation, in consultation with the Director of Law and Governance, the Cabinet Member for Community Leadership and Engagement and in collaboration with the social sector, to agree the governance arrangements and Memorandum of Understanding for the Endowment Fund on behalf of the Council.

Reason(s)

Cabinet should agree these recommendations to develop the council's approach to supporting the vital role of the VCSE sector and the local giving model. This is in line with the shared long-term vision for the borough as set out in the Borough Manifesto. The creation of a central endowment will also see long-term benefits for our residents and community groups by providing a permanent and sustainable source of income that will fund community projects long term.

This is also in line with the council's new Performance Framework, which has Participation and Engagement and the building of the capacity of the social sector at the heart of it. These sit and work alongside the new Corporate Plan to ensure that 'no-one is left behind'.

In the Corporate Plan, it is stated that the Council's relationship with the social sector is critical to our collective ability to enable participation and that through new partnerships with the social sector we will develop a local giving model to make it easier for people and organisations to give to causes that matter.

Cabinet should agree these recommendations because the creation of an endowment fund for the social sector will reflect the Council's above commitment to partnership working and increased participation. The fund will provide an inclusive and sustainable source of income and become a permanent part of the borough's public wealth with its benefits to be shared across current and future generations. This requires political commitment and will in the immediate future but it will bring huge benefits to our residents and communities in the long-term.

1. Introduction and Background

- 1.1 The Council has been on a transformation journey over the last few years, which has seen it develop a new approach to public service leadership, design and delivery. At the heart of this transformation is an ambition to develop a new relationship with the community, founded upon building resilience and enabling residents to fulfil their potential by providing them with opportunities to participate, grow and prosper.
- 1.2 Integral to this new approach, Participation and Engagement sits at the heart of the Council's new Corporate Plan and Performance Framework, seeking to stimulate participation and engagement and build capacity within the social sector.
- 1.3 In February 2019, Cabinet embedded this new approach in the 'Participation and Partnerships' Strategy for the voluntary, community and social enterprise sectorⁱ, which aims to support growth in the sector through implementing partnerships across a range of initiatives; and reshaping approaches to commissioning and giving locally.
- 1.4 In effect, the strategy calls for the development of a new support infrastructure for the third sector; to increase collaboration and trust between stakeholders; to stimulate public participation; and to channel more resources to VCSEs.

- 1.5 An important milestone was achieved with the commissioning, in July 2019, of BD_Collective. This new collaborative platform for local VCSE organisations aims to work with partners to stimulate new opportunities in the borough, intentionally growing cross-sector partnerships, connecting people, places and projects across Barking and Dagenham.
- 1.6 The Council's new Corporate Plan (2020-2022), adopted by Cabinet in May 2020 further states that the Council will build on the progress made in recent years, notably through the development of the local giving model, to make it easier for people and organisations to give to causes that matter.
- 1.7 With ever increasing pressures on Local Authorities to deal with community funding budgets, the council has looked to new ways to help civil society groups gain access to self-sustaining funding streams. A number of initiatives have been launched since 2017, including a crowdfunding platform with an attached small grants fund, the Barking and Dagenham Lottery, and a visionary approach to spending the proceeds from the Neighbourhood Community Infrastructure Levy (NCIL).
- 1.8 In December 2017ⁱⁱ, Cabinet agreed to designate the entire borough as the 'neighbourhood' for the purposes of allocating NCIL funding, thus creating a balance between distributing NCIL across areas where the impact of growth is greatest but also ensuring that other parts of the borough are not left behind.
- 1.9 In October 2018ⁱⁱⁱ, Cabinet approved a new NCIL-funded grants programme for the VCSE - the Neighbourhood Fund - and the establishment of a Residents Panel to lead the process and input into decisions on the allocation of grants to the community^{iv}.
- 1.10 It also agreed to create a legacy for the community by establishing an endowment to fund community projects long term. Once established, it was agreed that the amount available in each six-months bidding round for the Neighbourhood Fund would be capped at £150k, for a total of £300k per year, and any surplus would be deposited into the endowment.

Barking and Dagenham Giving:

- 1.11 Barking and Dagenham Giving (BD Giving) is the borough's new place-based giving scheme (PBGS)^v, a multi-stakeholder initiative aimed at bringing new resources and approaches together in Barking and Dagenham and creating fairer solutions through addressing structural inequalities and imbalance.
- 1.12 It is part of a wider 'giving' movement across London^{vi} and in the rest of the country to bring stakeholders together in local communities to tackle the issues that matter most to them^{vii}.
- 1.13 In Barking and Dagenham the scheme emerges from the work of the Local Giving Group, a group of funders which convened in 2017-2019 under the impetus of the Council and Barking and Dagenham Council for Voluntary Service.
- 1.14 In 2019, the development of the scheme accelerated thanks to a successful bid to DCMS' 'Growing Place-Based Giving Schemes' programme, which secured £100k

and the support of the Charities Aid Foundation to cover development costs. The scheme has since been involved in a number of activities in the borough (see Appendix 1).

- 1.15 At its core, BD Giving's vision is that the stubborn issues of poverty and inequality can be addressed by working together. It is a platform for local people, businesses, third sector organisations and funders to commit their ideas, energy and resources to strengthening the things that matter locally.
- 1.16 It is an ambitious, inclusive and independent convener, passionate about collaborative working and with strong insight into the local priorities.
- 1.17 As well as a platform, BD Giving also aims to become a brand, an umbrella for giving initiatives that are taking place in the borough, and which align with its core values:
 - Facilitate collaboration and increase trust between stakeholders within and across the public, private and third sectors.
 - Involve people with lived experience and residents facing issues of severe and multiple disadvantage, enabling them to grow their sense of agency and be more optimistic about the future.
 - Increase and diversify the resources available to the voluntary and community sector, focus on impact, and build resilience in local communities.
- 1.18 Through its partnership with BD Renew and Lankelly Chase Foundation, BD Giving has been exploring new forms of participatory grant-making, by focusing on changing power dynamics around funding and putting more focus on building relationships of trust. This approach saw the successful delivery of a £100k Rapid Response Fund through a community-led process across May and June^{viii}.
- 1.19 In July 2020, following a one-year development period hosted by the Council, Barking and Dagenham Giving merged with Barking and Dagenham Renew - another product of the Council's vision for a fair regeneration of the borough - to form an independent charity with the ambition of making the borough's growing economy work for everyone.
- 1.20 This follows a decision by Barking and Dagenham Renew's Board of Trustees, in agreement with Barking and Dagenham Giving's Steering Group and the Council to formally integrate the borough's giving scheme within Renew's charitable vehicle and appoint a new Board of Trustees whilst keeping the Council involved in an advising capacity.
- 1.21 This creates an opportunity to bring the Council and partners closer together in setting joint priorities and ambitions, and building trust across stakeholders, in line with the ambitions set out in the Borough Manifesto and the VCSE strategy. Crucially, this allows Barking and Dagenham Giving to leverage BD Renew and the Council's partnership with Lankelly Chase Foundation to cover its development costs, whilst also accessing other funding opportunities available to charities^{ix}.
- 1.22 It was also agreed to change the name of Barking and Dagenham Renew to Barking and Dagenham Giving to reflect the charity's broadening remit, whilst remaining aligned with its constitution.

1.23 The new transitory Board was appointed in August 2020, with the addition of Ian Parkes (ELBA) and Ioannis Mathioudakis (BDCVS) to the existing Board of Trustees, as well as Monica Needs (LBBD) in an advisory capacity. In addition, Ian Parkes was appointed as Chair following the stepping down of Avril McIntyre.

2. Proposal and Issues

The Endowment:

- 2.1 The endowment is part of a series of innovations initiated by the Council to strengthen the borough's VCSE, and one that has the potential to increase its sustainability in the long term. Like the Neighbourhood Fund, its main source of funding is the levy collected from new developments in the borough, specifically the neighbourhood portion of the Community Infrastructure Levy (NCIL)^x.
- 2.2 Endowments funds are a type of financial mechanisms that have been used for decades by states and the public sector around the world to reduce inequalities, with varying levels of civil society engagement^{xi}. In the UK, the latest proposal is Danny Kruger MP's Levelling Up Communities Fund. As part of the establishment of the fund, the proposal suggests that provision should also be made to ensure that the process of making spending decisions - and the projects which are actually funded - empower communities as much as possible, arguing that how funds are allocated can matter as much as what is funded^{xii}. Other proposals for such funds have been made by the IPPR Commission on Economic Justice^{xiii}, and the RSA with a Universal Basic Opportunity Fund^{xiv}.
- 2.3 In its latest report, 'The Power of People, Partnerships and Place', London Funders comments that Barking and Dagenham is breaking new grounds in developing place-based giving in a borough with relatively few financial assets^{xv}. Currently no other place-based giving schemes across London have successfully established an endowment and funders have indicated that they were looking at Barking and Dagenham's leadership in this regard^{xvi}.
- 2.4 A number of inspiring models exist to inform the Council's vision to create a legacy fund for the community. Existing high-profile examples include Islington's longstanding Cripplegate foundation in London^{xvii}, and Bristol's £30+ million Quartet Community Foundation endowment^{xviii}.
- 2.5 Although the scale of funding immediately available for Barking and Dagenham's endowment is by no means comparable to Islington or Bristol's examples, it is hoped that through its vision and leadership, Barking and Dagenham can lay the ground for an ambitious new mechanism for funding local VCSEs, attract more donations to the borough, and create a lasting legacy for future generations.

Current funding and trajectory

- 2.6 CIL funding is entirely dependent on development in the borough. The housing trajectory in Barking and Dagenham has programmed development up until 2044/45, but it is important to note that the collection of CIL will eventually slow down as development projects reach completion. This is why we have a unique opportunity to capitalise on these developments and to create a lasting legacy for the borough and benefit residents for many years to come.

- 2.7 The next ten years will see considerable investment continue to be made in the borough in the form of new developments and infrastructure, again representing this unique opportunity. The creation of an endowment fund will capitalise on this opportunity and investment, leverage additional donations, and reflect the Council's commitment to partnership working and increased participation, whilst providing a transparent and sustainable source of income that will fund community projects long term.
- 2.8 There is a risk that whilst the endowment remains in the Council's portfolio it will not maximise its potential financial return. Some investors will not invest in a council managed fund and the rate of interest will be less than if the endowment is external to the council. The level of this risk increases the longer these funds are held in Council's portfolio.
- 2.9 It is a complex task to estimate how much NCIL will be collected over the trajectory period, given that there are different rates for different areas, and exemptions that apply to social housing. These past four years, the amount collected has oscillated between £100k and £250k per annum. However, based on the borough's housing trajectory Be First estimate that in the next few years the collection could exceed £500k per annum with levels of investment in the borough expected to continue for the next ten years.
- 2.10 It is unlikely that receipts would arrive smoothly with some bumper and lean years to negotiate. Extraordinary events, such as the coronavirus outbreak, can also significantly affect the collection of NCIL. At the time of writing, the impact of the lockdown on the new developments are already being felt and income estimates for the period 2020-2021 have been revised downward.
- 2.11 In addition to the income from NCIL it was agreed that some CSR contributions from commercial negotiations could be designated to further pump prime the endowment. This will lead to an additional £250,000 in 2020-21 with further contributions in the future.

	15-16	16-17	17-18	18-19	19-20	20-21*
INCOME						
NCIL	£281	£202,676	£124,473	£139,743	£559,012	£450,000
CSR	0	0	0	0	0	£250,000
TOTAL INCOME	£281	£202,676	£124,473	£139,743	£559,012	£700,000
EXPENDITURE						
Neighbourhood Fund	£0	£0	£0	£0	£219,877	£300,000
TOTAL EXPENDITURE	£0	£0	£0	£0	£219,877	£300,000
NET INCOME	£281	£202,676	£124,473	£139,743	£339,135	£400,000
CUMULATIVE NET INCOME	£281	£202,957	£327,430	£467,173	£806,308	£1,206,308

Table 1 - Projected income from NCIL and CSR - *Estimates

2.12 As of March 2020, the total amount of NCIL collected since 2015 was £1,026,185. The introduction of the Neighbourhood Fund in 2019, with grants totalling £219,877k, means that as of March 2020, the sum of £806,308 is available for the endowment fund.

3. Options Appraisal

3.1 Barking and Dagenham Council has been commended on its efforts to hand over power and responsibility to civil society^{xi}. The innovative process that has been established for allocating NCIL - through the Residents Panel - and the decision to create an endowment reflect this commitment towards changing its relationship with the community.

3.2 In this context, it is proposed to establish a mechanism that will reflect the Council's vision, whilst providing a permanent, inclusive and sustainable source of income for the social sector. The approach will be reflected in the governance and operations of the endowment fund, through:

- An inclusive governance arrangement ensuring representation of key stakeholders and council advisors on the Board and taking responsibility for how the fund is managed, invested, and how decisions concerning the distribution of annual returns are made.
- Procedures for involving the wider community in setting the overall direction of the fund, enabling it to input into the periodical reviews of its investment and distribution policies, as well as reporting mechanisms^{xx}.
- A careful balance between the needs of current generations with those of future generations. This translates into two practical requirements: (1) to create a permanent fund that will grow over time, e.g. ensuring that annual payout does not exceed the annual return^{xxi} and, (2) to agree on ambitious ethical guidelines and to monitor the investments to ensure that - as a minimum - this money is not funding unsustainable or unethical activities.

3.3 An important question concerns the preferred vehicle for the endowment. This report presents four models for consideration which include keeping the endowment as a restricted fund managed by the council, establishing the endowment as a separate charity, transferring the fund to Barking and Dagenham Giving, or transferring the fund to an existing community foundation. These options are listed in the table below:

Option	Benefits		
	Short term	Medium term	Long term
A - Endowment as restricted fund managed by LBBDD - but with some shared control with the community	<ul style="list-style-type: none"> - Does not require any changes - Savings on management costs 		

B - Endowment as separate charity with own Board of Trustees	<ul style="list-style-type: none"> - Tax exemption - Independence from any one organisation - 	<ul style="list-style-type: none"> - Higher return on investment 	<ul style="list-style-type: none"> - More buy in from corporates
C - Integration of the endowment with Barking and Dagenham Giving - but with own Management Board (Preferred option)	<ul style="list-style-type: none"> - Tax exemption - Independence from any one organisation - Economies of scale 	<ul style="list-style-type: none"> - Higher return on investment - Strong alignment with BD values 	<ul style="list-style-type: none"> - Leadership (trailblazing) - More buy in from corporates
D - Transferring the fund to an existing community foundation	<ul style="list-style-type: none"> - Experience in managing community funds - Economies of scale - Independence from any one organisation 		

Table 2 - Options for consideration as vehicles for the endowment

Option A - Endowment as a restricted fund managed by the Council

- 3.4 Option A means that the endowment would remain as a restricted fund within the Council and a mechanism would be set up to ensure that the distribution of funds would be done in consultation with the social sector. This might be done by ensuring a representation of key stakeholders on the endowment's Board of Directors.
- 3.5 This option presents the advantage that it will remove management costs as the fund will be managed through its highly secure and reliable investment portfolio. However, the Council's policies on risk mean a potentially lower return on investment, even when taking into account saved admin fees.
- 3.6 In addition, this option presents some additional risks and challenges which may limit the ability of the endowment to become a growing and sustainable source of income for the sector:
- Not being based in a charitable vehicle means that external contributors will not be able to claim tax relief for donations into the endowment fund.
 - Changing political cycles could mean that a restricted fund could be diverted partly or entirely to be affected to other priorities, in a way that might not benefit the social sector directly.
 - It would be a missed opportunity to show leadership and commitment to building capacity and financial resilience in the social sector, and to link this initiative to the local giving model and the broader vision for civil society in Barking and Dagenham.

Option B - Establishment of the endowment as a separate charity

- 3.7 Option B means that the endowment would be established as a separate Fund/Charity, with its own Board of Trustees - an option that is deemed permissible

under the CIL Regulations^{xxii}. Representation from the Council would be guaranteed by the presence of a Council officer at the board in an advisory capacity.

- 3.8 This existence outside the local authority means that the endowment would benefit from the tax exemption available to charities and that it could anticipate a higher annual return on investment^{xxiii}, which means it would start to distribute money from year 1 and grow over time. A recent study by SEI Investments^{xxiv} found that 53% of the top 200 charities had an investment objective of their assets keeping pace with inflation and generating an annual income of 3-4% on the assets to spend by way of grants each year.
- 3.9 Furthermore, the separation of the fund from the Council would strengthen the Board's ability to secure additional donations^{xxv} and demonstrate leadership on the Council's commitment to build social infrastructure and grow participation in the borough.
- 3.10 However, establishing the endowment as a separate charity would also generate core costs which would divert some of the money generated by the fund. In addition, it would create a weak link with Barking and Dagenham Giving, where the fund would be distant from the activities supported through the local giving model.

Option C (PREFERRED OPTION) - Integration with Barking and Dagenham Giving

- 3.11 Under Option C, the endowment would be hosted by Barking and Dagenham Giving, but would be established as its own Board of Directors with an advisor from the Council^{xxvi}. This representation from LBBDD would entail Council officers sitting on the board in an advisory capacity. The proposed process would operate like a community-owned unit trust, managed by a subcommittee appointed by the BD Giving Board, which would include professional fund managers, and could be monitored by an independent Ethical Advisory Board. Barking and Dagenham Giving would facilitate the mechanism to involve the public in decisions concerning the management, investment and distribution of funding.
- 3.12 In addition, an MoU would be put in place between the Council and Barking and Dagenham Giving to protect the Council's investment for our residents and the social sector who support them. The MoU would outline the nature of the investment and the reporting requirements needed both for Community Infrastructure Levy regulations specifically^{xxvii} and supporting the Borough Manifesto. There is a potential need for Community Infrastructure Levy funds to be ringfenced within the endowment and actively reviewed in order to demonstrate they are being used as per the funding regulations. This mechanism would be outlined and detailed in the MoU. This MoU would be agreed by the Director of Policy and Participation, in consultation with the Director of Law and Governance and the Deputy Leader of the Council, on behalf of the Council. This shall be done in collaboration with the social sector. This MoU would be reviewed and refreshed on an annual basis, reporting on how NCIL funds are being spent in the Borough.
- 3.13 This would enable the fund to operate autonomously, whilst receiving administrative support from the charity's staff, following a tested model that many charities have in place, e.g. Canal & River Trust, Cancer Research, National Trust, Children's

Investment Fund Foundation, City Bridge Trust, Church Commissioners, Leverhulme Trust, Garfield Weston Foundation, Esmée Fairbairn Foundation.

- 3.14 In addition to the advantages listed under Option B, this model has the advantage of avoiding duplication by integrating the local giving model, and pooling resources together to better support Barking and Dagenham Giving's objectives, whilst making use of the charity's power to invest funds^{xxviii}. The MoU and officer advisors will ensure this all operates appropriately.
- 3.15 This option would also send a strong signal to other funders and corporates with a stake in the borough, and the fund itself could become a magnet to attract philanthropic donations. Through its relationships, Barking and Dagenham Giving would work to grow the fund and increase the amount of annual returns available for redistribution and investments in the community.

Option D - Transferring the fund to an existing Community Foundation

- 3.16 The last option would see the fund transferred to an existing community foundation, such as East End Community Foundation or London Community Foundation to be managed for the benefit of Barking and Dagenham community.
- 3.17 This option would have the advantage of benefiting from these foundation's vast experience in managing community funds and benefit from their position in the market and vast portfolios of investments.
- 3.18 However, this would amount to outsourcing the endowment and somewhat erode its link to Barking and Dagenham, local stakeholders and the community

4. Consultation

- 4.1 Consultation has taken place with the Social Sector via the BD_Collective.
- 4.2 Consultation has also taken place with Members through the Participation and Engagement Members' Group, Portfolio Meetings of the Member for Community Leadership and Engagement and at Leader and Deputy Leaders Meetings.
- 4.3 The proposals in this report were considered and endorsed by the Corporate Strategy Group at its meeting on the 15 October 2020.

5. Financial Implications

Implications completed by Sandra Pillinger Group Accountant.

- 5.1 The balance of NCIL funds at the end of 2019/20 is £806k. This is the net position taking into account NCIL funding received to the end of 2019/20 less Neighbourhood Fund expenditure in 2019/20. The amount of NCIL received each year will fluctuate depending on the level and type of development. NCIL funding received in 2019/20 was £551k including funding received for administration.
- 5.2 Currently the NCIL funding is used to finance a grants programme known as the Neighbourhood Fund. This programme will continue with two bidding rounds per year with up to a total of £300k pa issued in grant funding.

- 5.3 The balance of NCIL funding will be used to create an endowment fund with a preferred option that the endowment is hosted by BD Giving. BD Giving will be able to grow the fund by attracting contributions which will provide greater scope for investment in community projects.
- 5.4 The endowment fund will also benefit from Corporate Social Responsibility payments. To date £250,00 has been received from a commercial investment arrangement.

6. Legal Implications

Implications completed by Dr Paul Feild Senior Governance Solicitor

- 6.1 The Community Infrastructure Levy (CIL) was established by the Planning Act 2008. The Council considered the use of a Neighbourhood CIL at Cabinet on 16 October 2018 and it further determined that the whole of the borough would be a neighbourhood.
- 6.2 Of the CIL funds, 15% of the CIL can be used for “Neighbourhood” projects. The legislation envisages this would be used by parish councils or community councils to assist with their neighbourhood plans. The Government Guidance confirms that: “if there is no parish, town or community council, the charging authority will retain the levy receipts but should engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding”. Barking and Dagenham does not have any parish or community councils and so instead may directly use the NCIL fund. This explains why the Cabinet determined that the whole of the Borough would be a neighbourhood for the purposes of the NCIL fund.
- 6.3 The NCIL funding role needs to be compliant with Regulation 59C of the Community Infrastructure Regulations 2010 (as amended). In using the funds any payments made must firstly qualify the requirement that the money will fund “(a) the provision, improvement, replacement, operation or maintenance of infrastructure; or (b) anything else that is concerned with addressing the demands that development places on an area”
- 6.4 The NCIL funds may be spent to address neighbourhood issues which can be borough-wide for an endowment and fund community projects, so long as funds distributed from the endowment are used for the purposes outlined. The Guidance confirms the levy to be used to fund a very broad range of facilities such as play areas, parks and green spaces, cultural and sports facilities, academies and free schools, district heating schemes and police stations and other community safety facilities. This flexibility gives Authorities the opportunity to choose what infrastructure they need to deliver their relevant Local Plan.
- 6.5 It therefore follows the proposed NCIL neighbourhood endowment fund objectives must be consistent with Regulation 59 and in the absence of a neighbourhood plan establish, following engagement with the borough communities, agreed priorities to spend the NCIL funding. The Guidance further advises that Charging authorities should set out clearly and transparently their approach to engaging with neighbourhoods using their regular communication tools e.g. website, newsletters,

etc. The use of neighbourhood funds should therefore match priorities expressed by local communities, and its spending decisions be evidenced. These steps should be carried out irrespective of the options A, B or C above.

- 6.6 In terms of implementation Option A will be straightforward and efficient in terms of skills and ability to carry out widespread consultation and analysis together with effective implementation and measurement of success. Option B of a charity while superficially attractive, is administratively expensive with burdensome Charity Commissions regulations and compliance obligations.
- 6.7 Option C where the proposal is to work with an existing body will add a greater dimension particularly in terms of community engagement. It will need to be set on a formal basis with clear parameters set for spending and ensuring compliance with priorities set by the Council in accordance with Regulation 59.

7. Other Implications

- 7.1 **Risk Management** – An MoU would be put in place between the Council and Barking and Dagenham Giving to protect the Council's investment for our residents and the social sector who support them. Furthermore, this proposal to create an endowment that will provide a sustainable source of income for the Social Sector has a direct correlation with one of the Council's strategic risks which is as follows:

A small Third sector may mean the Authority is unable to sufficiently reduce demand for its own services, leading to unsatisfied residents, increased costs and ultimately a failure to meet performance targets.

This proposal to create a central endowment which will help to build the capacity of the Social Sector will actually mitigate against the risk detailed above.

- 7.2 **Contractual Issues** – The MoU referred to above will ensure the NCIL funding is spent in line with Community Infrastructure Levy regulations and the funding will be ringfenced to ensure appropriate reporting and alignment with agreed borough manifesto outcomes.
- 7.3 **Corporate Policy and Equality Impact** - This proposal is in line with the Council's newly agreed Corporate Plan and Performance Framework for 2020-2022 as by proposing to create an endowment that will provide a sustainable source of income for the Social Sector, it will help to build the capacity of the Social Sector which is itself a priority laid out in the Corporate Plan and Performance Framework.

Furthermore, as outlined in Appendix 2, the Equality Impact Assessment, this proposal to create a central endowment for the Social Sector will provide community groups across the Borough with a sustainable source of funding. This will help them to provide services to residents of all backgrounds, improve inclusion across the Borough, meeting needs and delivering positive social and economic outcomes for all residents.

Many people are still reliant on the help of service delivery organisations to make ends meet. A number of VCSE organisations provide vital support to residents, many of which present one or more protected characteristics. Other organisations offer services, which address problems that disproportionately affect certain groups.

A lot of these organisations help address local structural inequalities. The development of a permanent endowment will lay the foundation for strengthening the Social Sector in Barking and Dagenham and supporting these groups.

Public Background Papers Used in the Preparation of the Report:

ⁱ Participation and Partnerships. A strategy for strengthening the voluntary, community and social enterprise sector in Barking and Dagenham (2019), available at: <https://www.lbbd.gov.uk/sites/default/files/attachments/Participation-and-Partnerships-LBBD-VCSE-Strategy-2019.pdf> (last consulted: Sep 2020)

ⁱⁱ Minutes of Cabinet (12 December 2017), available at: <http://modgov.lbbd.gov.uk/internet/documents/g9426/Printed%20minutes%20Tuesday%2012-Dec-2017%2019.00%20Cabinet.pdf?T=1> (last consulted: Sep 2020).

ⁱⁱⁱ Neighbourhood Community Infrastructure Levy Policy (16 October 2018), available at: <http://modgov.lbbd.gov.uk/internet/documents/s126454/NCIL%20Report.pdf> (last consulted: Sep 2020)

^{iv} Prior to the establishment of the endowment, it allowed the Director of Policy and Participation, in consultation with the Director of Inclusive Growth, the Cabinet Member for Community Leadership and Engagement, the Cabinet Member for Regeneration and Social Housing and the Cabinet Member for Finance, Performance and Core Services, to approve grants for a maximum of £400k per year and to take the necessary steps to adjust the process, as appropriate, as NCIL embeds in the borough.

^v London Funders describes PBGS as 'a partnership, initiative or organisation which brings new resources and approaches into a borough, uses existing resources more effectively, and creates better solutions through working together. Key activities include some or all of fundraising, volunteering, in-kind giving, grant-making, capacity-building, influencing and convening.'

^{vi} There are now 14 active place-based giving schemes in London and 6 in development (<https://londonsgiving.org.uk/>)

^{vii} Walker, C., (2018), 'Place based giving schemes. Funding, engaging and creating stronger communities', The Researchery, available at: <shorturl.at/hkmDI> (last consulted: Sep 2020).

^{viii} For more information see: <https://bdgiving.org.uk/news/rrf/how-the-rapid-response-fund-was-allocated/>

^{ix} A bid was submitted in February to City Bridge Trust' Connecting the Capital programme for five years of core funding totalling £288,500. A decision in this regard is expected over the course of the summer.

^x Regulation 59C of the Community Infrastructure Levy (CIL) Regulations provides that the neighbourhood part of CIL receipts must be used to support the development of the local council's area or any part of that area, by funding: (a) The provision, improvement, replacement, operation or maintenance of infrastructure; or (b) Anything else that is concerned with addressing the demands that development places on an area.

^{xi} "Around the world, these have mostly taken the form of sovereign wealth funds (there are over 80 SWF in 60 states worldwide), with other models including social wealth funds (e.g. the Shetland Charitable Trust, the Crown Estate) and more recently citizens wealth funds (e.g. Alaska Permanent Fund). Most sovereign wealth funds have been created from the proceeds of oil however few of these act as a progressive force. Most have little accountability and are non-transparent investment arms of the state. Social wealth funds differ from SWF in that they are collectively owned funds, created and managed by the state but with clear social goals, e.g. the provision of free social care. A third model, the citizens wealth funds are managed independently from the state and are owned directly by citizens." In Cummine, A., (2016), "Citizens' Wealth. Why (and how) sovereign funds should be managed by the people for the people", Yale University Press

^{xii} "Levelling up our communities: Proposals for a new social covenant", A report for Government by Danny Kruger MP, September 2020, available at: <https://www.dannykruger.org.uk/sites/www.dannykruger.org.uk/files/2020-09/Levelling%20Up%20Our%20Communities-Danny%20Kruger.pdf> (last consulted Sep 2020).

^{xiii} Roberts, C.; Lawrence, M., (2018), "Our Common Wealth. A Citizens' Wealth Fund for the UK", *Policy Paper*, IPPR Commission on Economic Justice, available at: <https://www.ippr.org/files/2018-04/cej-our-common-wealth-march-2018.pdf> (last consulted: Sep 2020).

^{xiv} Painter, A.; Thorold, J., Cooke, J., (2018), "Pathways to Universal Basic Income. The Case for a Universal Basic Opportunity Fund", RSA Action Research Centre, available at: https://www.thersa.org/globalassets/pdfs/reports/rsa_pathways-to-universal-basic-income-report.pdf (last consulted: Sep 2020).

^{xv} London Funders (2020), 'The power of people, partnerships and place. Lessons from six years of London's Giving', available at: <https://londonsgiving.org.uk/sites/default/files/uploads/PPPP%20Lessons%20from%20London%27s%20Giving%20-%20full%20report.pdf> (last consulted: Sep 2020).

^{xvi} See for instance: "Growing Place-Based Giving. End of Programme Report to DCMS", Charities Aid Foundation, August 2020, available at: <https://www.cafonline.org/docs/default-source/about-us-publications/growing-place-based-giving-end-of-programme-report.pdf> (last consulted: Sep 2020).

^{xvii} In Islington, Cripplegate Foundation is one of the founders of Islington Giving and a major investor in the scheme. As one of London's oldest foundations, Cripplegate's mission is to address poverty and inequality through its strong partnership with residents, voluntary organisations, businesses and funders. It has adopted a relational approach to grant-making and involves the community in decision-making. Cripplegate mobilises its endowment for this purpose, distributing £1m-£2m per year to the Islington community.

^{xviii} Bristol's Quartet Community Foundation was originally founded in 1986. Over the past 30 years, Quartet has made grants of over £41m and built a permanent endowment of almost £26 million. It distributes around 1,000 grants each year to VCS groups across the West of England, thereby providing a sustainable source of income to the social sector.

^{xix} Kruger MP, D., (2020), *Op cit*.

^{xx} The CIL Regulations do not prescribe a specific process for agreeing how NCIL should be spent but suggest that charging authorities should use existing community consultation and engagement processes. The consultation should be proportionate to the level of levy receipts and the scale of the proposed development to which the funding relates.

^{xxi} A non-functional or investment permanent endowment where the asset must be preserved but can be invested and the income from such investment (for instance the interest on bonds or the dividend on shares) can be spent so long as they are distributed in accordance with the designated charitable purpose.

^{xxii} Note from Cadwalader, Wickersham & Taft LLP (May 2020): "If a charging authority retains NCIL, it can use those funds on the wider range of spending that is available to local councils under Regulation 59C of the CIL Regulations which specifies that CIL receipts may be used to "support the development of the local council's area, or any part of that area, by funding ... anything... that is concerned with addressing the demands that development places on an area." This language is broad-ranging and given that the proposed purpose of the fund is to "create an autonomous, transparent and sustainable source of income for Barking and Dagenham communities", it should follow that investing NCIL through the fund with the aim of applying the return on investment to develop the community would be permissible as it would be used to support the development of the area. If the fund was set up within an independent charity, we see no reason why this would make the application of the NCIL to the endowment impermissible, particularly if the objective of the charity was also to support the development of the local council's area."

^{xxiii} The policies on risk of local government tend to favour security to financial return. Following its policies the council is able to obtain an annual return of approximately 1.5%, whereas most community foundations, e.g. Quartet Community Foundation in Bristol, or Two Ridings Community Foundation in the North are able to attract annual returns of 4%. A conversation with CCLA Fund Managers confirmed that annual returns of 3-4% could be expected under their ethical investment fund, and this after paying the admin fee.

^{xxiv} SEI (2018), 'Study: How Charities Could Use Dynamic Management to Optimise Their Spending', available at: <https://seic.com/en-gb/knowledge-center/study-how-charities-could-use-dynamic-management-optimize-their-spending#> (last consulted: Sep 2020).

^{xxv} There are indications that the corporate sector will be less enticed to contribute to a fund that is perceived to be owned and managed by the local authority. Even if the fund is entirely ring fenced to ensure that it is used solely for its charitable purpose, there may be issues with the optics of having the fund sitting in the local authority, and the lack of political and financial independence that would ensue.

^{xxvi} Legal advice suggests that according to its Articles of Association filed on Companies House, Barking and Dagenham Giving already possesses a positive power to invest to further the objects of the charity.

^{xxvii} Note from Cadwalader, Wickersham & Taft LLP (May 2020): "Government advice dictates that charging authorities should engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding. Charging authorities should set out clearly and transparently their approach to engaging with neighbourhoods using their regular communication tools for example, website, newsletters, etc. The use of neighbourhood funds should therefore match priorities expressed by local communities, including priorities set out formally in neighbourhood plans. In accordance with the CIL Regulations, where authorities pass funds to other bodies, this should be on the condition that the other body will provide information back to the authority on how contributions have been spent that reported year, and how they intend to spend future contributions, to inform infrastructure funding statements. (Paragraph: 173 Reference ID: 25-173-20190901, Revision date: 01 09 2019). Therefore, BDG should be able to show that it has engaged with the community and that setting up the endowment within an independent charity helps to achieve the priorities expressed by the community. Government guidance indicates that the level of engagement should be proportionate to the level of levy receipts and the scale of the proposed development to which the neighbourhood funding relates."

^{xxviii} Note from Cadwalader, Wickersham & Taft LLP (May 2020): "It appears that there is no restriction on investment of funds but actually a positive power to invest funds [as outlined in Section 3 (Powers) of the charity's constitution]."

List of Appendices:

- **Appendix 1** – BD Giving activities list
- **Appendix 2** – Equality Impact Assessment

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BD Giving Activities (Dec 2019-Sep 2020)

In 2019-2020, Barking and Dagenham Giving has been leading on and involved in delivering a number of initiatives across the borough:

- An online campaign to celebrate a year of 'giving'. As part of Giving Tuesday (3 December 2019), BDG launched a social media campaign supported by the Council, to acknowledge and celebrate all those who have given in Barking & Dagenham in 2019, whether it is time, money, or skills. The campaign shared six short videos of volunteers answering questions such as 'why is it important to volunteer in your community'.
- BDG has been involved as a member of the working group leading the development of the council's new Social Value Policy. This policy will encourage contractors to consider their activities holistically, taking account of the wider economic, social and environmental effects of their actions. Practically, this has already led to:
 - A collaboration with contractor Clear Channel UK and charity Trees for Cities to deliver the 'Borough Innovation Fund' as part of their social value commitment to the borough. The fund, worth £60,000, has attracted six expressions of interest from local charities with two groups making it to funding stage.
 - Discussions with Xerox about the implementation of three community projects per year, e.g. employee volunteering, marketing support for fundraising campaigns.
- A bid was submitted in February to City Bridge Trust' Connecting the Capital programme for five years of core funding for BDG totalling £248,500. A decision in this regard is expected over the course of the autumn.
- BD Giving secured a grant in partnership with ELBA for developing a community led pilot to support the public health approach to violence reduction. The project, commissioned by the MOPAC Violence Reduction Unit, includes a budget for BDG to help develop a local network in the borough.
- On 14 April, BDG launched the Covid-19 Barking and Dagenham Community Stories project to help capture the local response to the outbreak through the eyes of organisations, volunteers and beneficiaries. The project is being

delivered by You Press Partnerships, an award-winning social enterprise that works with young people and underrepresented communities to have their voices heard through the creative arts, writing and multimedia production.

- In the first half of May Barking and Dagenham Giving launched its new website (bdgiving.org.uk).
- On 18-24 May, Barking and Dagenham held its first Giving Week, a new celebration of local people and projects that support the community during the coronavirus crisis and all year round. The aim of the week is to highlight how powerful it is for local people to give time, skills and space for their community and to support local causes. The week featured stories of adaptation and inspiration in reaction to the lockdown, which were published online. The week also saw over £9,000 from the Barking and Dagenham lottery handed over to local causes by Cllr Saima Ashraf, Deputy Leader and Cabinet Member for Community Leadership & Engagement, and culminated with the opening of the Covid-19 Rapid Response Fund for applications.
- On 23 April, BDG announced the new Covid-19 Rapid Response Fund (worth £100k) thanks to a collaboration with Lankelly Chase Foundation and Barking and Dagenham Renew. The fund was co-designed with the social sector and opened for application at the end of BD Giving Week, on 22 May. 43 applications totaling £187k were submitted, with 24 applicants being awarded funding by decision-makers selected from within the community. The fund closed for applications early July, six weeks after being opened for applications.
- Building on the success of the Rapid Response Fund, a new 'Local Fund' worth £240k from Lankelly Chase Foundation to be held by Barking and Dagenham Giving have been earmarked for distribution in the community. BDG will take the lead in setting up a process for distributing the money.

In addition, a bid for £100k from the National Lottery Community Fund for an extension of the Rapid Response Fund was submitted in July.

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	An endowment for the social sector in Barking and Dagenham
Lead Officer	Michael Kynaston . Policy Officer (Communities)
Contact Details	

Why is this service or policy development/review needed?
<p>Background</p> <p>This EIA looks at the impact the proposal to transfer the endowment to Barking and Dagenham Giving would have on protected groups under the Equality Act 2010, on socio-economically disadvantaged residents as well as on the wider community.</p> <p>The Council has been on a transformation journey over the last few years, which has seen it develop a new approach to public service leadership, design and delivery. At the heart of this transformation is an ambition to develop a new relationship with the community, founded upon building resilience and enabling residents to fulfil their potential by providing them with opportunities to participate, grow and prosper.</p> <p>In February 2019, Cabinet notably embedded this new approach in the 'Participation and Partnerships' Strategy for the voluntary, community and social enterprise sector, which outlines a new vision to support growth in the sector. The strategy calls for the development of a new support infrastructure for the third sector; to increase collaboration and trust between stakeholders; to stimulate public participation; and to channel more resources to VCSEs.</p> <p>An important milestone was achieved with the commissioning, in July 2019, of BD_Collective. This new collaborative platform for local VCSE organisations aims to work with partners to stimulate new opportunities in the borough, intentionally growing cross-sector partnerships, connecting people, places and projects across Barking and Dagenham.</p> <p>The council has also looked to new ways to help civil society groups gain access to self-sustaining funding streams. This includes a bold approach to spending the proceeds from the Neighbourhood Community Infrastructure Levy (NCIL).</p> <p>In December 2017, Cabinet agreed to designate the entire borough as the 'neighbourhood' for the purposes of allocating NCIL funding, thus creating a balance between distributing NCIL across areas where the impact of growth is greatest but also ensuring that other parts of the borough are not left behind.</p>

In October 2018, Cabinet approved a new NCIL-funded grants programme for the VCSE - the Neighbourhood Fund - and the establishment of a Residents Panel to lead the process and input into decisions on the allocation of grants to the community.

It also agreed to create a legacy for the community by depositing unspent NCIL into an endowment to fund community projects long term. A proposal to establish the endowment as a mechanism that reflects the Council's commitment to partnership working and collaboration, whilst providing a permanent, inclusive and sustainable source of income for the community is currently being developed in application of the 2018 Cabinet decision. The report outlines a number of arguments and recommends Cabinet to support the establishment of the endowment fund as a multi-stakeholder mechanism hosted within Barking and Dagenham Giving's charitable vehicle.

Barking and Dagenham Giving

Barking and Dagenham Giving (BD Giving) is the borough's new place-based giving scheme, an initiative aimed at bringing new resources and approaches together in Barking and Dagenham and creating fairer solutions through addressing structural inequalities and imbalance. After a period of incubation in the council, BD Giving has spun out into a local charity to become an independent platform for local people, businesses, funders and third sector organisations to commit their ideas, energy and resources. It is an ambitious, inclusive and independent convener, passionate about collaborative working and with strong insight into the local priorities. It wants to make a growing economy work for everyone in Barking and Dagenham, and believes that everyone has something to give: time, talent, connections, money and resources.

The platform is build around the three core values of collaboration, inclusiveness and ambition for the borough:

- Collaboration: facilitating collaboration and increasing trust between stakeholders within and across the public, private and third sectors by offering a platform for the giving initiatives that align with BD Giving values
- Inclusiveness: involving people with lived experience and residents facing issues of severe and multiple disadvantage, enabling them to make decisions, grow their sense of agency and be more optimistic about the future.
- Ambition: Increasing and diversifying the resources available to the voluntary and community sector, focusing on changing the system that reproduces inequalities and building resilience within local communities.

Local context

Research carried out by the council and the CVS in 2019 has shown that there are approximately 600 CIOs, registered charities, industrial provident societies and CICs; and other unincorporated organisations in the borough. The largest sector is faith-based organisations, with an income of approximately £7.8 million. Non-faith-based charities represented an income of approximately £12.4 million.

Using a methodology that focuses on charities' area of benefit (AOB), the Centre for London calculations show that Barking and Dagenham have a much lower level of active charities compared to many other London Boroughs, and by comparison, central London boroughs

have between three and four times more charities per head of population that have at least some form of local activity.

The Barking & Dagenham VCSE sector also has a greater proportion of small charities, with an income of under £100,000. 76% of charities based in the borough have an income of less £100,000 and would be considered as micro and small scaled enterprises.

Covid-19 and the national lockdown have also had a significant impact for the social sector. An August 2020 report by Civil Society Consulting on the impact of Covid19 on the voluntary, community and social enterprise sector has shown that many charities have experienced a loss of income, with 40% of organisations surveyed mentioning a budget deficit and see maintaining regular income as their biggest foreseeable on-going challenge.

The availability of long-term non-emergency funding also appears as a key area of concern for local charities, with many expressing anxiety that a lot of funding avenues have stopped with little information on their future viability and/or re-emergence as income sources.

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?

Please state which data sources you have used for your research in your answer below

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.
- It is Council policy to consider the impact services and policy developments could have on residents who are socio-economically disadvantaged. There is space to consider the impact below.

The VCSE sector in the borough is delivering a range of services to and with residents. These range from essential support for people with social care needs, through to information and signposting support across faith communities and the wider sector, to activities promoting healthy lifestyles, engaging with our communities through the arts and heritage, and local community groups such as tenants and residents' associations and uniformed organisations. All of these groups and activity make up the variety of the sector locally.

The VCSE strategy ('Participation and Partnerships') outlines the Council's ambition and commitment to strengthen the voluntary, community and social enterprise sector, and to build on some of the work of the sector in addressing inequalities. VCSE organisations are in a unique position, and contribute to help address structural inequalities, e.g. through their frontline activities and commitment toward people with protected characteristics.

Many people are still reliant on the help of service delivery organisations to make ends meet. A number of VCSE organisations provide vital support to residents, many of which present one or more protected characteristics (e.g. DABD, Harmony House,). Some VCSE organisations serve specific groups within the community, such as women's groups (e.g. Excel Women's Centre, Ashiana Network), others organise activities for specific ethnic groups (e.g. Barking and Dagenham Somali Women Association), people living with/or helping others with disabilities (Carers of Barking and Dagenham, PACT), or bridging across age groups (e.g. Company Drinks).

Other organisations offer services, which address problems that disproportionately affect certain groups. Organisations like Lifeline and Faith Action propose Creative English classes to help recipients (often women) build their confidence. The universal support service provided by the Citizen's Advice Bureau help people get advice & information on housing and homelessness, employment, consumer, family, benefits, money, legal and much more.

A lot of these organisations help address local structural inequalities. They also play an important role in our ambition to move from a paternalistic, service-delivery model aimed at 'meeting needs', to a model designed to support individuals, families and communities to grow their own capabilities. Our aim is to harness the collective financial and non financial resources of the public, private and voluntary sectors together with the hope, determination and aspiration of individuals, families and communities to live better lives, in a better place.

The development of a permanent endowment will lay the foundation for strengthening the social sector in Barking and Dagenham. Through careful management and sound investment policies, as well as through Barking and Dagenham Giving's efforts to showcase the work of the social sector and building relationships with funders and philanthropists, this endowment will generate increasing returns for the community and - importantly - provide much needed financial support, both in times of crisis as well as in more normal times.

An endowment for the social sector

In this context, the endowment will be established as a mechanism that reflects the borough's commitment to inclusiveness, whilst providing a transparent and sustainable source of income for the social sector. This will be achieved by embedding the principles of collaboration, participation and sustainability in the governance and operations of the fund, i.e.:

- An inclusive governance arrangement ensuring representation of the Council as well as other key stakeholders(reflecting the diversity of the borough) on the Board and taking responsibility for how the fund is managed, invested, and how decisions concerning the distribution of annual returns are made.
- Procedures for involving the wider community in setting the overall direction of the fund, enabling it to input into the periodical reviews of its investment and distribution policies, as well as reporting mechanisms.
- A careful balance between the needs of current generations with those of future generations. This translates into two practical requirements: (1) to create a permanent fund that will grow over time, e.g. ensuring that annual payout does not exceed the annual return and, (2) to agree on ambitious ethical guidelines and to monitor the investments to ensure that - as a minimum - this money is not funding unsustainable or unethical activities.

Why Barking and Dagenham Giving

BD Giving is pioneering a new place-based giving scheme in the borough. Over the past year, the platform has co-designed and implemented a number of funding initiatives in collaboration with the community to support grassroots organisations that work with those who are most at risk.

One of these initiatives is the Rapid Response Fund, which was aimed to support individuals and voluntary and community groups in Barking and Dagenham who are responding to a need during the Covid-19 crisis to grow their idea, to connect with others, and to make a lasting difference in their community.

Launched at the end of May, the £100k fund has been rapidly oversubscribed with over 45 applications submitted by local groups, equivalent to double the amount of funding available. As a result, the fund closed to new applications on 2 July, a month before the official deadline.

25 projects from a wide range of people and organisations were funded through the Rapid Response Fund, through a process that handed the responsibility for making decisions to a panel of 11 residents. Over half of these projects came from women, and from women-led organisations. Approximately half of projects came from people working with Black, Asian and Minority Ethnic groups, six of which were led by people of colour. Two of the funded projects came from organisations working specifically with disabled people. This shows that the efforts deployed by Barking and Dagenham Giving to co-produce funding opportunities with the community lead to a better distribution across groups and an ability to reach across organisations.

Potential impacts	P o s i t i v e	N e u t r a l	N e g a t i v e	What are the positive and negative impacts?	How will benefits be enhanced and negative impacts minimised or eliminated?
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Local communities in general	X			Strengthening local VCSE organisations will positively impact local communities, providing them with the support and means to meet their needs and those residents with protected characteristics	Efforts will be deployed to involve the wider community and people with protected characteristics in setting the overall direction of the fund, enabling it to input into the periodical reviews of its investment and distribution policies, as well as reporting mechanisms.
Age	X				
Disability	X				
Gender reassignment	X				
Marriage and civil partnership	X				
Pregnancy and maternity	X				
Race (including Gypsies, Roma and Travellers)	X				
Religion or belief	X				
Sex	X				
Sexual orientation	X				
Socio-economic Disadvantage	X			A core value of BD Giving is to involve people with lived experience and residents facing issues of severe and multiple disadvantage, enabling them to make decisions, grow their sense of agency and be more optimistic about the future.	

Any community issues identified for this location?		X			
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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.

If you have already undertaken some consultation, please include:

- Any potential problems or issues raised by the consultation
- What actions will be taken to mitigate these concerns

The direction proposed in this document is the result of an ongoing consultation with the social sector, notably through the work of the Council's Participation and Engagement Team, in developing the council's new approach to the social sector in Barking and Dagenham.

The Participation and Engagement Team, within the wider Policy and Participation team have been working on a number of strategic initiatives in the last two years, alongside colleagues in the council and the VCS sector locally. One of the key responsibilities of the team is to manage relationships with the sector and to act as a bridge between VCSE locally and the Council, as well as funders.

The commitment of the council through resourcing the Participation and Engagement Team to build relationship with the sector has contributed to shaping this proposal:

- The community response to traumatic events (London Bridge attacks, Covid-19,...)
- Strategic relationships with local VCS organisations, commissioning the infrastructure support and supporting the engagement of the Council where required;
- A number of interventions which constitute components of an emerging local giving model, such as: the launch of a local crowdfunding platform with associated small grants fund (Apr 2017); the establishment of the first local lottery in London (Oct 2017); the recruitment of a citizen panel to manage the allocation of the Neighbourhood Community Infrastructure Levy (NCIL) spend (December 2018);
- A wide range of engagement activities across the community including BigConversation events and focus groups to inform our cohesion approach; Human Library, the first community cohesion hackathon, belief in Barking and Dagenham, etc.;
- The adoption in February 2019 of the Voluntary, Community and Social Enterprise Strategy for Barking and Dagenham.
- The commissioning, in July 2019, of BD_Collective.
- The development and launch of Barking and Dagenham Giving.

Following the establishment of the endowment with its own Board of Directors, mechanisms will be put in place to ensure ongoing community engagement. For instance, it might operate like a community-owned unit trust, managed by a subcommittee appointed by the Board, which would include professional fund managers, and could be monitored by an independent

Ethical Advisory Board made of residents. Barking and Dagenham Giving will facilitate the mechanism to involve the public in decisions concerning the management, investment and distribution of funding.

In addition, an MoU would be signed by Barking and Dagenham Giving and the Council to ensure that consultation and reporting requirements are met in accordance with the CIL Regulations. This MoU will be agreed by the Director of Policy and Participation, in consultation with the Director of Law and Governance and the Deputy Leader of the Council, on behalf of the Council, in collaboration with the social sector. This MoU will be reviewed and refreshed on an annual basis, with reporting on how CIL funds are being spent on areas that will help achieve the goals of the Borough Manifesto.

3. Monitoring and Review

How will you review community and equality impact once the service or policy has been implemented?

*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.*

Action	By when?	By who?
Produce an impact report on the performance and activities of the endowment, including a focus on community and equality impact	Annually	Barking and Dagenham Giving

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 summarise 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.

Implications/ Customer Impact

The proposal supports the Council's commitment to work with VCSE organisations to improve residents' outcomes by 2022, as expressed in the VCSE strategy, the Corporate Plan and the Strategic Performance Framework for 2020-2022., looking in particular at building the sector's capacity.

These goals will work towards achieving our vision for a strong VCSE. Practically, our vision for a strong VCSE means there are many ways in which individuals' ideas, projects and concerns can develop, flourish and be addressed. It also means a dense network of organisations shaping and delivering essential services and support, helping people grow in life and seize opportunities, bridging residents' capabilities and needs with donors, challenging the status quo, and being part of the fabric of the place.

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
Mark Tyson	Director of Strategy and Participation	

CABINET

15 December 2020

Title: Contract for “reMOVE abuse” Perpetrator Intervention Pilot Project	
Report of the Cabinet Member for Social Care and Health Integration	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Hazel North Stephens, Lead Commissioner	Contact Details: Tel: 020 8227 5969 E-mail: hazel.northstephens@lbbd.gov.uk .
Accountable Director: Chris Bush, Commissioning Director	
Accountable Strategic Leadership Director: Elaine Allegretti, Director of People and Resilience	
<p>Summary:</p> <p>To keep survivors, children, and families safe, the Council has been developing a whole system response to domestic abuse that supplements the existing offer to survivors with work focused on changing the behaviour of perpetrators.</p> <p>During the COVID 19 response it has become apparent that in order to give survivors and their families greater choice and control this system must include the option for them to remain safe in their own homes should they choose to do so. In practice, this ambition can only be achieved if we are able to provide short-term accommodation to the perpetrator that would sit alongside an evidence-informed programme of behaviour change work as well as a robust disruption strategy.</p> <p>This option will not be right for everyone, but it does form an important part of a whole system approach that can respond to the specific needs and circumstances of survivors and their families whilst placing responsibility for abusive behaviour at the feet of perpetrators. This paper sets out our journey to co-design this approach alongside survivors, potential service users and professionals across Barking and Dagenham.</p> <p>The work has attracted significant interest and we have successfully been awarded £209,052 to deliver the work for six months with match funding sourced locally for the additional 6 months. This allows us to deliver a year’s pilot which will be evaluated and will inform future decision making.</p>	
Recommendation(s)	
The Cabinet is recommended to:	
(i) Agree to waive tendering requirements in accordance with the Council’s Contract Rules and award a 12-month contract to Cranstoun for the provision of the	

“reMOVE abuse” perpetrator intervention pilot project in accordance with the strategy set out in the report; and

- (ii) Delegate authority to the Director of People and Resilience, in consultation with the Cabinet Member for Social Care and Health Integration, to enter into the contract and all other necessary or ancillary agreements with the successful partner.

Reason(s)

The service is funded by a grant from the Home Office and there is a grant agreement in place from them for the Council to use Cranstoun as the provider of the service.

1. Introduction and Background

- 1.1 The Council has committed to the vision of ‘One borough; one community; No one Left Behind’, and domestic and sexual violence directly threatens this vision. The Borough Manifesto sets domestic violence as a clear priority and the developing Health and Wellbeing Strategy puts forwards the need to work closely with and for our residents to tackle violence and abuse. Domestic violence is also identified in the Corporate Plan as one of the root causes of poverty, deprivation, and health inequality in the Borough, as demonstrated by its disproportionately high prevalence - 25.9 incidents reported per 1000 of our population.
- 1.2 The Ending Violence Against Women and Girls Strategy 2018-2022 set out the plans to re-shape services to better fit the needs of our residents, and to integrate better with Community Solutions and Children’s Care and Support. It also supports the move to a trauma-informed and gender-informed approach that holds perpetrators to account.
- 1.3 Domestic abuse is a significant driver of demand that impacts all areas of the business, from housing, to social care and health services. In total it creates a fiscal cost of £13.8million every year for the borough. If we include the socioeconomic costs this increases to somewhere in the region of £60million each year.
- 1.4 We have high acceptance levels of abusive behaviour amongst our young residents. In 2017 and 2019 school health surveys showed that 26% of young people thought there were times it is ok to hit your partner, and 32% of students thought it’s sometimes acceptable to demand undressed/sexual photos from a partner. This was from Barking and Dagenham’s year 8, 10 and 12 students (sample size over 2500 each time the survey was completed).
- 1.5 Working across directorates, the Council has come together to successfully bid for external funding. The work has attracted significant interest and we have been notified that we will be awarded £209,052 from the Home Office Perpetrator Fund to deliver the work for six months with match funding sourced locally for the additional 6 months. This allows us to deliver a year’s pilot which will be evaluated and will inform future decision making.

2. Proposed Procurement Strategy

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

- 2.1.1 This is a wider response to perpetrators than accommodation alone and accommodation will only be appropriate in some cases. This innovative model will allow us to hold families through the process in a much more intensive way to better understand the impacts on family dynamics, safety, and future aspirations.
- 2.1.2 The service will complement existing service provision and will respond to gaps identified in the system through phase one of the innovation programme.
- 2.1.3 It is anticipated that the new contract would elevate our system response to domestic abuse by offering survivors more choice and control in stopping the abuse, and by creating a multi-agency response to holding perpetrators genuinely accountable.
- 2.1.4 The budget will cover the following outputs:

Assessment: Robust assessment from the intervention provider with built in financial assessment training with Community Solutions.

Intervention: The intervention will be based on 1:1 case management and will be delivered by a team of three case managers, service manager and a partner support service. Where clear cohorts form that are group ready Cranstoun will deliver group work with men through their men and masculinities programme approach.

Partner Support Service: Cranstoun will provide an attached support offer to partners/ex-partners of all perpetrators engaged. This will include a pro-active telephone call offering partners/ ex-partners support, consisting of weekly safety planning, one to one emotional support, advocacy and onward referral into Barking and Dagenham's established survivor offer delivered by Refuge.

Accommodation: We will use accommodation that is either in the Council's ownership or to which the Council has nomination rights. This includes leased accommodation, temporary accommodation and stock held in the Housing Revenue Account (HRA). We may also consider private rent or bed and breakfasts depending on what is most likely to be effective for the family. This element will be funded by the Home Office.

Aftercare: Cranstoun will offer onward referral into local offers and aftercare will be discussed at steering groups. For those who access the accommodation strand this will be reviewed by the steering group for every case.

Evaluation: There is limited evidence in terms of independent evaluation focused on impact rather than engagement of perpetrator responses across the country and this is a crucial element to the budget as it will help the decision making at the end of the project as to whether it has successfully impacted the lives of residents and whether it has created a change in demand in relation to care and support, adult mental health, children's mental health etc. LBBB cutting-edge data systems and support from the Insights team will allow us to track the impact of this work in a

comprehensive way. This will be commissioned externally as the initial bid specified independent evaluation.

2.1.5 The service will be expected to:

- Lead to a reduction in perpetrator's violent, abusive and coercive behaviour.
- Increase survivor's safety, wellbeing and freedom.
- Improve children's wellbeing and safety.
- Ensure effective multi-agency approach to tackling perpetrator behaviour.
- Ensure effective targeting of interventions.
- Complement other domestic abuse initiatives across the borough.

2.1.6 Cranstoun is the specified provider within the partnership/consortia bid application to the Home Office, to be able to adapt to existing offers, cross refer with them, and provide some capacity building across the partnerships under the Community Safety Partnership, Health and Wellbeing Board, and Safeguarding Partnership.

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

2.2.1 The model requires two contracts:

Intervention Contract Value: £260,000 with no uplift or extension period

We will waive the requirement to tender in accordance with the Council's Contract Rules 28.5. The ground upon which this waiver is required is Contract Rule 6.6(h): There are other circumstances which are genuinely exceptional.

Evaluation Contract Value: £35,000 with no uplift or extension period

A request for quote exercise will need to be undertaken to appoint an independent evaluator and the intention is to run the request for quote in December 2020 for mobilisation in February 2021 – allowing for the evaluation to work alongside the project for 12 months from procurement date. This ensure that there will be a final report due shortly after the completion of delivery.

2.2.2 The estimated total cost options are based on quote exercises, through desk-based research and a full costings exercise as well as commissioner experience of similar contracts.

2.2.3 For the purposes of clarity, the overall budget is divided for different parts of the of the overall approach.

Service Element	Funding Method	Total Budget:
Housing – funding for 10 perpetrators to be accommodated for 6 months across the life of the pilot	Home Office Perpetrator Fund	£53,850
Hard Furnishings should they be required – 10 sets	Home Office Perpetrator Fund	£5,202

Intervention Element - 100 Total completions across the pilot programme based on 3 case managers, partner support worker and team leader	£130,000 Home Office Perpetrator Fund £130,000 Council Match Funding Identified	£260,000
Evaluation	£20,000 Home Office Perpetrator Fund £15,000 Council Match Funding Identified	£35,000
TOTAL		£354,052

2.2.4 The total budget agreed by Home Office Perpetrator Fund is £209,052.

2.2.5 The total budget identified locally is £145,000.

2.2.6 The local budget is identified from the following streams:

Public Health Grant (Substance Misuse Budget)	£75,000
London Crime Prevention Fund	£70,000 agreed in principle (sign off through Community Safety Partnership 9 th December 2020)

2.3 Duration of the contract, including any options for extension

2.3.1 Both the intervention contract and evaluation contract will run for 12 months only with no option for extension. The contracts will mobilise at the point of grant agreement with MOPAC in which the funds are officially secured.

2.3.2 The initial funding application guidance required work to start in October 2020 but due to delays in finding out whether we were successful we will not be able to mobilise until formal grant agreements are signed. This has been discussed with MOPAC who are the conduit to the Home Office, as we may need to negotiate rollover of funding into the new financial year or, alternatively we may face a shorter project dependent on the grant agreements.

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?

2.4.1 This procurement is subject to the Public Contracts Regulations 2015 and as a social care service is subject to the Light Touch Regime. However, because the estimated value of the element of the contract to be procured is lower than the set threshold (currently EUR750,000), it needs not to be advertised in the Official Journal of the European Union (OJEU) as required by the Regulations.

2.5 Recommended procurement procedure and reasons for the recommendation

- 2.5.1 We will waive the requirement to tender in accordance with the Council's Contract Rules 28.4. The ground upon which this waiver is required is Contract Rule 6.6.8: There are other circumstances which are genuinely exceptional. The service is funded by a grant from the Home Office and there is a grant agreement in place from them for the Council to use Cranstoun as the provider of the service.

Governance Timetable-

Meeting	Date of meeting
PRMG	24th June 2020
Director People and Resilience 1:1 with Cllr Rodwell	23 rd June 2020
Community Safety Partnership	24 th June 2020
Procurement Board Sub-group	6 th July 2020
Procurement Board	20 th July 2020
Cabinet Member for Education	28 th July 2020
Corporate Strategy Group	20 th August 2020
LAG – People and Resilience	25 th August 2020
Cabinet Agenda Briefing	8 th September 2020
Cabinet	15 th December 2020
Contract Award to Cranstoun	16 th December 2020
Request for Quote Process to begin for Evaluation	16 th December 2020
Contract Award Evaluation Provider	February 2021

2.6 The contract delivery methodology and documentation to be adopted

- 2.6.1 The Council's standard terms and conditions will be used for the delivery of this service. A no fault break clause will be included allowing notice to be given by either party for termination. This allows increased flexibility should a significant change in service provision or relating to funding streams be required. Terms and conditions will also take account of changes in the law, which may be relevant for the work currently being undertaken to introduce new legislation in the form of an expected Domestic Violence Bill.
- 2.6.2 The management responsibility for the contract lies with care and support commissioning and the contract will be managed in line with a regular operation group and steering group.
- 2.6.3 Service performance will be monitored through a series of Key Performance Indicators (KPIs) that includes quantitative and qualitative data, service user feedback and activity on outstanding action plans reviewed at quarterly meetings.
- 2.6.4 We will seek to work with an independent evaluator to create best learning and to inform future commissioning and practice. This will include a cost benefit analysis.

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

2.7.1 The outcome expected of undertaking this pilot is to improve the social, economic and health outcomes of the population across the borough by building an effective, responsive, and high-quality systems approach to perpetrators of domestic abuse. It will effectively meet the needs of our local community and will offer a range of high quality, needs-led service elements which will help keep those most vulnerable in our borough safe.

2.7.2 The outcomes we wish to achieve for our residents are:

- Reduction in victimisation
- Reduction in repeat victimisation
- Reduction in high harm domestic abuse
- Lead to a reduction in perpetrator's violent, abusive, and coercive behaviour.
- Increase survivor's safety, wellbeing, and freedom.
- Improve children's wellbeing and safety.
- Ensure effective multi-agency working.
- Ensure effective targeting of interventions.
- Complement other domestic abuse initiatives across the borough.

2.7.3 Additionally, we want to see a reduction in harm to victims, families, and the wider community. We will be working closely with the Community Safety Partnership, Health and Wellbeing Board and Safeguarding Partnership to ensure that the service specification integrates with the trauma-informed models of working developed with local schools and the voluntary sector.

2.7.4 The service is expected to include connection to and closely partnership working with existing services, as part of an effort to focus on resilience building for individuals and their families.

2.7.5 It is recognised nationally that spending money on domestic and sexual violence services can save significant amounts of money further down the line to both health and non-health (including local authority) services.

2.7.6 Local analysis for cost benefit is complex in relation to demand and the pilot will include independent evaluation and full cost benefit analysis.

2.7.7 Analysis by Trust for London and the Henry Smith Charity highlights the costs of domestic violence to the public purse across England – a minimum of £5 million each week in every region in England the estimated total costs of domestic violence are £5.5bn which comprises:

- £1.6bn for physical and mental health costs
- £1.2bn in criminal justice costs
- £268m in social services costs
- £185.7m in housing and refuge costs
- £366.7m in civil legal costs (legal aid, family courts, family court advisory services etc.)
- £1.8bn in lost economic output

- 2.7.8 The highest total costs in England are shown to include London. In addition, the human and emotional costs are estimated to be in the region of £26m per day. The inclusion of human and emotional costs 'is based on the notion that people would pay something in order not to suffer the human and emotional costs of being injured. The Department of Transport developed its research programme to estimate the cost of injuries in order to identify the full cost of road traffic accidents as part of their cost-benefit analysis of whether building a new road was appropriate or not. The Home Office followed this methodology in estimating the cost of crime. It might be considered that if it is appropriate to include human and emotional costs in decisions on whether or not to fund the building of new roads, it is appropriate to include them in decisions on whether or not to fund policies to reduce and eliminate domestic violence.' From Professor Sylvia Walby's 2009 update to her earlier work for government (2004) calculating the cost of Domestic Violence.
- 2.7.9 Locally, the costs have been estimated to be £13.8m fiscal costs and £60m including the wider social economic costs in Barking and Dagenham. This is based on reported figures to police services, and it is important to note that only 20% of victims report to the police so these costs are likely to be much higher.
- 2.7.10 Domestic abuse has been estimated to create housing costs of £160 million per year even before considering issues such as debts left by perpetrators in cases of financial abuse. In terms of the housing costs, in a joint report Safelives and Gentoo reported that of 29,000 homes in Sunderland:
- Approximately 13% of all repair jobs and 21% of repair costs were potentially related to domestic abuse costing Gentoo £8.4million.
 - Costs associated with evicting tenants who may be hidden victims of domestic abuse and re-letting the property were up to £5,700 per eviction.
 - Costs associated with dealing with perpetrators of domestic abuse and their behaviour, on average £330 per perpetrator
- 2.7.11 The evaluation will consider how successfully the programme has delivered savings At the end of the pilot, should we have identified savings based on the evaluation we will seek to continue the project based on a spend to save argument.

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

- 2.8.1 To waive the requirement to tender in accordance with the Council's Contract Rules 28.5. The ground upon which this waiver is required is Contract Rule 6.6(h): There are other circumstances which are genuinely exceptional.

2.9 **How the procurement will address and implement the Council's Social Value policies**

- 2.9.1 The Council has committed to the vision of 'One borough; one community; No one Left Behind', and domestic and sexual violence directly threatens this vision. This project directly supports the Corporate plan visions:

"a place where everyone is valued" and has the opportunity to succeed" – Domestic abuse and has wide ranging and severe impacts for individuals, families,

and communities. In order to value and allow victims to succeed we need to tackle the cause of the abuse – their perpetrator. Even the perpetrator should have the opportunity to succeed, learn to be a better partner, father, human being – but we need to offer behaviour change support in order for them to do this. In addition, we need to value the choices of the survivor and children, and this means respecting the wishes and needs of those who do not want to move across the country to keep safe.

“a place where everyone feels safe and is safe” – Domestic abuse is unsafe. It affects brain development in children and young people and can leave them feeling unsafe long after the domestic abuse has stopped. This work tackles domestic abuse at its root – with the perpetrators. This will help their families and contacts feel safer and be safer around them.

“a place where every resident has access to lifelong learning, employment and opportunity” – as above, domestic abuse has significant negative health outcomes and economic outcomes.

“a place which supports residents to achieve independent, healthy, safe and fulfilling lives”- domestic abuse threatens residents’ ability to live healthy and safe lives. It has an impact on relationships and disempowers victims and so ultimately it also impacts the abilities of our families to become independent and fulfilled.

2.9.2 As part of the additional social value of this work, Cranstoun have offered training and awareness events throughout the life of the contract to upskill local partners around working with perpetrators. This includes community sector leads and faith organisations.

2.10 **Contract Management methodology to be adopted**

2.10.1 The contract will contain specific service requirements and expected outcomes based on the Home Office funding application. Key performance indicators will be outlined in the service specification and agreed with the providers. Commissioners will undertake performance management of the service.

2.10.2 Contract monitoring meetings will take place monthly for the first 6 months and then every 6 weeks for the remainder of the contract to review performance reports and contribute to the continuous development of the service. In addition, annual reviews will be required to be completed by the provider, to include feedback on contract outcomes.

3. **Options Appraisal**

3.1 Other options considered as an alternative option to the above are as follows:

Option 1: Do Nothing

This option would not be recommended as these services are required to enable choice for families experiencing domestic abuse, and healthy support and challenge for people using abusive behaviours. There would also be a loss of opportunity to achieve better outcomes for service users who require access to quality behaviour change and accommodation support.

We know the costs of domestic violence alone are high, and that it drives demand across all areas of business. The costs of domestic abuse are often attributed to supporting survivors but in truth, this is not where the cost originates. The cost of domestic abuse should be attributed to perpetrators, and we need to focus our remedial and preventative approaches here in order to achieve savings in the future.

There is no argument to remove support services for survivors at all but if we focus all resources on victims alone then the cause of the domestic abuse – the perpetrator- is free to move on to another victims, and another, and another. We need to break this cycle and the only way to do this is to create an avenue for perpetrators to receive support so that they can choose not to perpetrate abuse again.

Additional perpetrator services support residents at a preventative and health protection level which will result in decreased demand on health and social care costs associated with domestic and sexual violence over time. If the programme stops a single child from becoming looked after, the saving is £56,510 – nearly covering the cost of the accommodation element of the work. The evaluation will consider every element of the spend to save argument and a full cost benefit analysis.

It is important that appropriate contractual arrangements are put in place locally to cover such services, to minimise risk, reduce repeat victimisation and ensure value for money.

There is no doubt, that with the inclusion of an accommodation element to the work, that this could be a real shift in how we approach domestic abuse. It has not been done as part of a wider model before, and should we move forwards would be genuinely ground-breaking.

Option 2: Tender for provision of perpetrator intervention innovation programme pilot.

There is a grant agreement in place from the Home Office to use this supplier only for the provision of the service.

4. Waiver

- 4.1 To waive the requirement to tender in accordance with the Council's Contract Rules 28.5. The ground upon which this waiver is required is Contract Rule 6.6(h): There are other circumstances which are genuinely exceptional.
- 4.2 The reason for the waiver to be undertaken given exceptional circumstances is that the Council submitted a partnership funding application with Cranstoun to the Home Office Perpetrator Fund. The grant agreement will be based on the Council delivering the intervention work through the partnership with Cranstoun and therefore there is no room for undertaking an invite to tender.

5. Consultation

- 5.1 Extensive consultation was carried out in the development of this project which included interviews with survivors and perpetrators, internal and multi-agency Co-Design Workshop sessions and consideration by the Domestic Abuse Commission and the Community Safety Partnership.
- 5.2 The procurement aspects covered in this report were endorsed by the Procurement Board at its meeting 20 July 2020.

6. Corporate Procurement

Implications completed by: Adebimpe Winjobi, Head of Public Health Programme

- 6.1 The Councils Contract Rules states that for all procurements with a contract value over £50,000, there will be a requirement to conduct formal tender process before contract award, however the Contract rules allows for this requirement to be waived as long as there is valid justification.
- 6.2 The funding for this service is from the Home Office with an agreement that Cranstoun would provide the service. Therefore, in line with the agreement, the Council has no option but to directly award the Contract to the supplier. The Council through the responsible officer will monitor the delivery of the service and report back to the Home Office
- 6.3 There is a valid justification for a waiver in this case and I support the recommendations made in this report.

7. Financial Implications

Implications completed by: Bernard Ofori-Atta. Finance Business Partner

- 7.1 LBBD has been successful in the award of Home Office Perpetrator funding. The bid to the Home Office was a Joint Bid with Cranstoun as part of the consortium in the bid for the Grant from the Home Office. The Home office is aware that Cranstoun is part of the project and Cranstoun have also provided specialist training services. Grant Funding has been agreed by the Home Office subject to Cranstoun being involved. Not including Cranstoun could potentially lead to loss of income. Funding has been identified for the matched funding element of the project. This procurement is agreed by Finance

8. Legal Implications

Implications completed by Tessa Odiah – Interim Snr Contracts & Procurement Solicitor (Law & Governance).

- 8.1 This Report is seeking Cabinet's approval to delegate full authority to the Director of People and Resilience in consultation with the Cabinet Member for Health and Social Care Integration, to award a 12-month contract to Cranstoun as part of the consortium for the provision of reMOVE Abuse – a perpetrator intervention pilot scheme, which is a strand of this Service, funded as a partial Grant from the Home Office.

- 8.2 The Report also seeks approval to Waive the requirement for a competitive tender in accordance with the Council’s Contract Rules 28.5, on the grounds of Rule 6.6(h), that; there are other circumstances which are genuinely exceptional. As the Council submitted a Partnership funding application with Cranstoun to the Home Office Perpetrator Fund and the condition of the Grant Agreement was based on the Council delivering the intervention work through a partnership with Cranstoun, hence the application of the Waiver which seem to fit within the above grounds for a waiver.
- 8.3 The Contract delivery methodology and documentation to be adopted will be Council’s standard terms and conditions, which will be used for the delivery of this Service.
- 8.4 The second strand of this Service is the Evaluation provision, which will be tendered in due course.
- 8.5 The proposed procurement route set out in this report in respect of this contract is therefore compliant with the requirements of the applicable law and LBBB’s constitution and contract rules.

9. Other Implications

- 9.1 **Risk and Risk Management** - Potential procurement risks are outlined below:

Issue	Likelihood	Impact	Risk Category	Mitigation
Legislation does not support the work to house perpetrators	Low	High	Medium	<p>The work will be intervention led with housing being an additional offer to ensure perpetrators can fully engage with the intervention, rather than trying to compel perpetrators from their homes</p> <p>So far, it appears that compelling perpetrators from their homes is not possible without coming up against issues with Article 8 Human Rights Act and the right to respect for family life and privacy although this may change with the Domestic Abuse Bill gaining Royal Assent.</p> <p>We have undertaken a consultation with legal framework providers to mitigate any risks related to legislation.</p>
Delay to/ failure to deliver appropriate safe housing	Medium	Medium	Medium	<p>Inclusive Growth are part of the innovation working group and have sought appropriate housing agreements going forwards.</p> <p>Community Solutions are part of the panel to decide whether a person can be placed.</p>

				There is already strong understanding that communal living would not be appropriate and that dispersed units would likely to be safer.
Risk to reputation / political risks	Low	Medium	Medium	<p>The messaging will need to be clear to mitigate risks that arise because of resident's perceptions that a perpetrator is being housed rather than a victim, or over a resident who is not violent and abusive.</p> <p>We have already engaged with the DA Commission, survivors' groups and other stakeholders and there is genuine support from the DA sector to explore this work. It should be noted that there is also an appetite to find a way to do this safely. We have undertaken consultation with elected members through portfolios and through the Cabinet Member for Social Care and Health Integration who disseminated a consultation paper to all elected members.</p> <p>We plan to socialise the programme as a response to several pieces of local learning including the local COVID 19 response and the People and Resilience Whole Service Response. This will be taken to member portfolios at regular intervals to ensure members have space to discuss any concerns around messaging.</p>
Longer term implications	Medium	Medium	Medium	<p>One risk that we must consider is a scenario where the service user is no longer able to return to the family home at the end of the 6-month piece of work. In this case they may be judged as homeless and/or we may face challenges in relation to eviction if they were previously intentionally homeless. This would have an impact on Community Solutions who manage this part of the work. Mitigations are in place through the criteria and assessment of the model and will be tested through the prototype testing phase:</p> <ul style="list-style-type: none"> • The criteria will not allow for people previously deemed intentionally homeless or who have previously been evicted • The criteria will allow for those with substance misuse or mental health issues to access the intervention, but the accommodation element will be managed through existing case panel processes. • The intervention provider will be trained by Homes and Money Hub to undertake clear

				<p>financial assessments with the applicant and the family.</p> <ul style="list-style-type: none"> • The intervention provider will also manage expectation with the applicant and lease agreements with the Council will specify clear end dates. This will be regularly reviewed with the applicant to ensure they are prepared to leave at the end date. • A case panel is set up consisting of Community Solutions Support colleagues, commissioning and intervention provider colleagues and wider links (such as Substance misuse or health for example) brought in as required. The case panel will hold decision making responsibility for placing the applicant. • As this is a pilot, we are allowing small numbers (10) over the course of the project that will access the accommodation strand of the work). This limits the risk to Community Solutions • It is important to note that even should this risk occur, the cost of housing a single person over a family is significantly different – and the intention is to build this into a full cost benefit analysis to inform future commissioning.
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9.2 **TUPE, other staffing and trade union implications** – Not applicable.

9.3 **Corporate Policy and Equality Impact** - Tackling domestic and sexual violence is a key priority for the council and is a specific target in the Borough Manifesto. Domestic and sexual violence services help deliver the 'Empowering People' priority set out in the Corporate Plan, by enhancing the inclusion and equality of opportunity for people who are vulnerable as a result of the violence they have experienced. The specification will make clear the need to include resilience building within communities to assist with this focus.

The procurement exercise will lead to better services contributing to delivering key outcomes. As such there are no negative impacts on any of the protected characteristics as set out in the Equality Act. Tender applicants will need to evidence the impact of their bid on all protected characteristics, their understanding of intersectionality, and how they plan to monitor and review the impact of service delivery on equality.

Prevalence data shows high levels of residents living in proximity to domestic violence and sexual violence, whether as victims, as perpetrators, as children and family members or as neighbours and colleagues. This service will increase the ability of residents to better identify and respond to domestic and sexual violence, and to feel empowered to challenge violence and abuse. Tackling the normalisation

and perpetration of abuse will help to alleviate the demand on statutory services and on health services and will ensure our most vulnerable residents are supported.

Details of the Equality Impact Assessment that was undertaken are set out in Appendix 1.

- 9.4 **Safeguarding Adults and Children** - The provider must have in place the necessary Safeguarding protocols, in line with Council Policy and must demonstrate a good working knowledge of the Working Together to Safeguard Children 2018 document and the 6 principles of adult safeguarding.
- 9.5 **Health Issues** - This aim of this work is to prevent the need for treatment and so ensure the best use of resources.

The proposal is in line with the outcomes and priorities of the joint Health and Wellbeing Strategy. The award of the contract should further enhance the quality of and access to perpetrator behaviour change support in the borough. The proposal will have a positive effect on our local community.

- 9.6 **Crime and Disorder Issues** – VAWG (violence against women and girls) remains a priority within the Community Safety Partnership Plan with four key areas being a focus:

- Support Survivors
- Educate and Communicate
- Challenge Abusive Behaviour
- Include Lived Experience

This tender will focus on the third priority with a focus of supporting survivors. The tender will build on the areas of the strategy that set out aspirations for improvement, including a move to a trauma-informed and gender informed approach, working more closely in the community and building in survivor voice through all elements of service delivery.

A shared outcome for Community Safety Partnership and the Health and Wellbeing Board is to adopt a stronger focus on the impact of adverse childhood experience and effects of trauma on children and young people. Reshaping our perpetrator approach to be trauma-informed and therapeutic in approach directly supports this objective.

Public Background Papers Used in the Preparation of the Report:

- Violence Against Women and Girls Services Supporting Local Commissioning December 2016:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/576238/VAWG_Commissioning_Toolkit.pdf
- Government's Strategy to end violence against women and girls: 2016 to 2020:
<https://www.gov.uk/government/publications/strategy-to-end-violence-against-women-and-girls-2016-to-2020>

- MOPAC Violence Against Women and Girls Strategy 2018-2021:
<https://www.london.gov.uk/mopac-publications/mayors-violence-against-women-and-girls-strategy-2018-2021>
- MOPAC Survivors Consultation: Listening to women and girls affected by gender-based violence
https://www.london.gov.uk/sites/default/files/mopac_survivors_consultation.pdf
- The Cost of Domestic Violence: Up-date 2009, Sylvia Walby
http://www.lancaster.ac.uk/fass/doc_library/sociology/Cost_of_domestic_violence_update.doc
- Criminal Prosecution Service VAWG Report
<https://www.cps.gov.uk/sites/default/files/documents/publications/cps-vawg-report-2018.pdf>
- [Ending Violence Against Women and Girls Strategy 2018-2022](#)

List of appendices:

- **Appendix 1:** Equality Impact Assessment Screening Tool

Equality Impact Assessment Screening Tool

Equality Impact Assessments help the Council to comply with its public sector duty under the Equality Act 2010 to have due regard to equality implications. EIAs also help services to be customer focussed, leading to improved service delivery and customer satisfaction.

The Council understands that whilst its equalities duty applies to all services, it is going to be more relevant to some decisions than others. We need to ensure that the detail of Equality Impact Assessments (EIAs) are proportionate to the impact of decisions on the equality duty, and that in some cases a full EIA is not necessary.

This tool assists services in determining whether plans and decisions will require a full EIA. It should be used on all new policies, projects, functions, staff restructuring, major development or planning applications, or when revising them.

Full guidance on the Council’s duties and EIAs and the full EIA template is available at [Equality Impact Assessments](#).

Proposal/Project/Policy Title	Whole System Approach to Perpetrators Innovation Programme	
Service Area	PRMG lead but cross organisation with Transformation, IG, Policy and Participation (DA Commission) all involved in the Innovation Programme	
Officer completing the EIA Screening Tool	Florence Henry, Domestic Abuse Programme Manager	
Head of Service	Name, Job title	
Date	08/06/2020	
Brief Summary of the Proposal/Project/Policy Include main aims, proposed outcomes, recommendations/decisions sought.	To keep the momentum moving forwards after aspirations to house perpetrators in response to COVID 19, an innovation programme, a working group has formed with the goal of creating a safe and effective piece of work to hold perpetrators to account and offer them support to change their abusive behaviours, whilst keeping survivors and children safe. The programme will provide housing, and a range of wrap around interventions for perpetrators of domestic abuse to disrupt the abuse which is taking place and importantly allowing survivors of domestic abuse to stay in their home. The first stage of the project includes a period for a test and learn pilot, piloting the project on a small scale to learn from how it works operationally and test ideas, before going out to tender.	
Protected characteristic	Impact	Description

Age	Not applicable (N/A)	<p>Domestic Abuse affects all ages. MOPAC data on police-reported victims in Barking and Dagenham shows the following breakdown:</p> <p>4% - Under 18 18% - 18-24 31% - 25 – 34 23% - 35 – 44 14% - 45 – 54 55 – 64 – 6% 65+ - 4%</p> <p>MOPAC reported data on perpetrators highlights :</p> <p>Under 18 – 1% 18 – 24 – 16% 25 – 34 – 36% 35 – 44 – 27% 45 – 54 – 14% 55 – 64 – 4% 65 and over – 1%</p> <p>Therefore, the programme will be open to all ages but we would assume that most victims and perpetrators involved in the programme would be between the ages of 25 – 34.</p>
Disability	Positive impact (L)	<p>Women’s Aid and Crime Survey data highlights that disabled women are twice as likely to experience domestic violence than non-disabled women. If you’re disabled, your abuser can be your carer or personal assistant which adds a further level of complexity to speaking and seeking help about your abuse. We would therefore expect the programme to have a positive impact on disability, assuming that disabled victims are able to report their abuse to the the police and other services.</p>
Gender re-assignment	Don't know (H)	<p>There is limited research on how many trans people experience domestic abuse in the UK, and the best studies have small group samples. However, these figures suggest it is a significant</p>

		issue. A report by the Scottish Transgender Alliance indicates that 80% of trans people had experienced emotional, sexual, or physical abuse from a partner or ex-partner. It's still not clear how many trans people we would expect to come forward into a programme like this.
Marriage and civil partnership	Not applicable (N/A)	The Equality Act states you must not be discriminated against in employment because you are married or in a civil partnership – this would not be relevant to the programme.
Pregnancy and maternity	Positive impact (L)	The risk of domestic abuse increases in pregnancy. 40-60% of women experiencing domestic abuse are abused while pregnant. We would expect this programme to have a positive impact on pregnant women, because it will provide further options for them if they are experiencing domestic abuse and do not want to leave their home during pregnancy.
Race	Positive impact (L)	Domestic Abuse cuts across all races and Barking and Dagenham is a diverse borough. MOPAC data from the Domestic and Sexual Violence Dashboard shows for B&D police reported data that 57% of perpetrators are white, 24% are black, 15% are Asian and 3% are other. Victims are 51% White, 20% Black, 15% Asian, 12% unknown and 3% other. The programme will have a positive impact
Religion	Not applicable (N/A)	Domestic abuse cuts across all religious groups, and the programme would be open to all religious groups. Therefore, it would not have an impact on this project.
Sex	Positive impact (L)	National data shows that one in four women experience domestic abuse or domestic violence at some point in their lives. Barking and Dagenham police reported rates of domestic violence in 2019/20 show that 78% of victims are female, and 22% were male compared to 90% of perpetrators male and 10% of perpetrators female.

		<p>We would therefore expect the programme to have a positive impact on female domestic abuse victims as they are disproportionately affected by domestic abuse, which is backed up by national evidence.</p> <p>The programme would be open to both genders, but we would expect that more male perpetrators than female perpetrators came forward to the programme in line with national data.</p>
Sexual orientation	Positive impact (L)	<p>Evidence shows that domestic abuse is higher in same-sex relationships than the wider population. Stonewall research show that one in four lesbian and bi women have experienced domestic abuse in a relationship. Two thirds say the perpetrator was a woman, and a third a man. Almost half (49%) of all gay and bi men have experienced at least one incident of domestic abuse. The programme would be open to all, and therefore would have benefits to LGBT individuals.</p>
How visible is this service/policy/project/proposal to the general public?		Medium visibility to the general public (M)
What is the potential risk to the Council's reputation? Consider the following impacts – legal, financial, political, media, public perception etc		Low risk to reputation (L)

If your answers are mostly H and/or M = **Full EIA to be completed**

If after completing the EIA screening process you determine that a full EIA is not relevant for this service/function/policy/project you must provide explanation and evidence below.

The impact of this work programme will be on the whole positive and therefore a wider EIA is not required. Nonetheless equalities is a focus of the work at every point and there will be clarity developed into the specification should it be agreed at Cabinet to move into procurement.

CABINET

15 December 2020

Title: Intensifying Barking's Industry Project	
Report of the Cabinet Member for Regeneration and Social Housing	
Open Report	For Decision
Wards Affected: Thames Ward	Key Decision: Yes
Report Author: Lily Kwong, Development Manager, Be First	Contact Details: E-mail: Lily.Kwong@befirst.london
Accountable Director: Ed Skeates, Development Director, Be First	
Accountable Strategic Leadership Director: Graeme Cooke, Director of Inclusive Growth	
<p>Summary</p> <p>The Council and Be First are looking at ways to unlock the growth potential of industrial sites and to support business and job growth. The Borough still has the largest percentage of its economy in manufacturing than any London Borough and has the second most industrial land. The challenge is to make existing industrial sites in the area perform better and more intensely in terms of their site coverage and operations, as well as modernising its workforce.</p> <p>This Intensifying Barking's Industry project, also known as the 'Industria' development, aims to showcase how a 1.8-acre under-utilized site (Unit A, Creek Road, Barking, IG11 0JW) in a Strategic Industrial Location (SIL) can be transformed into a model of how industrial land can be used in much more intensive ways - critical to a Borough with London's lowest employment density and a desire to modernise its workspace. This project will be at the forefront of a new typology of intensive industrial space and will seek to showcase the learning with the industry. This project complements the Council's emerging Local Plan, Inclusive Growth Strategy, Industrial Strategy and River Road Employment Area SPD.</p> <p>Following substantial design work and appraisals, the project has a viable scheme, meeting the Council's investment requirements and a preferred delivery route. The scheme also attracted Greater London Authority's (GLA) investment in the form of a proposed head lease for part of the space. This report therefore seeks approval on the investment decision and relevant recommendations.</p>	
Recommendation(s)	
The Cabinet is recommended to:	
(i) Approve the Intensifying Barking's Industry project at Unit A, Creek Road, Barking, in the total sum of £34.65m as detailed in the report, subject to the agreement of terms with GLA, planning approval and receipt of satisfactory construction tender prices;	

- (ii) Delegate authority to the Chief Operating Officer, in consultation with the Cabinet Member for Regeneration and Social Housing and the Director of Law and Governance, to negotiate terms and execute all the property and legal agreements including the agreement for lease and head lease with the GLA; and
- (iii) Delegate authority to the Chief Operating Officer, in consultation with the Cabinet Member for Regeneration and Social Housing and the Director of Law and Governance, to negotiate terms and execute all the legal agreements, including the contract with the main contractor, and the procurement strategy and contract for the asset management services and any terms of extension, and any other documents on behalf of the Council to fully implement and execute the project.

Reason(s)

In addition to unlocking the borough's housing target, this project is an important pilot project for the Council in delivering the objective of supporting a stronger and growing local economy. The project will:

- showcase an exemplar prototype building that maximises efficient use of industrial land.
- tailor and deliver the right type of employment space and opportunities for local residents.
- deliver significant on-site employment, targeting identified growth sectors.
- potential to generate a long-term rental income source for the Council.
- generate new income for the Council through increased business rates.

1. Introduction and Background

- 1.1. The Council has an ambitious housing target to kick start the regeneration of the borough which is, in part, predicated on the planned release of surplus industrial land. To manage this process, the Greater London Authority (GLA)'s Intend to Publish London Plan has set out strict policies that seek to retain sufficient industrial floorspace capacity in designated industrial areas via a plan-led and/or masterplan-led process. For the borough to meet the proposed housing target, there will have to be a compensatory intensification of the existing employment land.
- 1.2. While it is a London wide challenge to make existing industrial sites perform better and more intensely in terms of their site coverage and operations, this is particularly acute in LBBDD due to the low employment densities and the real scope for growth. The borough has the lowest job density in London – 0.48 compared to London average of 0.99. It is forecasted that the LBBDD economy will grow by 7,500 to 8,000 jobs next 15 years, with a third of these future jobs expected to be accommodated in use Class E and Class B business space.
- 1.3. This project complements the Council's emerging Local Plan and its underpinning Industrial Strategy. The Council is developing a borough-wide Local Plan and Industrial Strategy which responds to the Council's housing delivery target as well as the latest London Plan policy on industrial land intensification and managed released. The strategy sets out the Council's ambitious aspiration for a transformational change in the borough's social and economic landscape through

an intelligent use of its industrial land. This project is one of the pilots in demonstrating public sector leadership in delivery of the Council's vision.

- 1.4. The project also supports the emerging River Road Employment Area Supplementary Planning Documents (SPD), which was presented to November Cabinet to seek approval for the statutory public consultation beginning in December 2020. The SPD sets out detailed supplementary planning guidance and a localised framework for future development of the River Road Employment Area. The area currently house low-density poor quality industrial usage and characterised with inefficient poor quality public realm and transport links. Through intensification in the River Road area, this allow consolidation of industrial buildings/uses and promotes subsequent release of land in Thames Road area for residential delivery. This site is located in an area that will remain industrial in the emerging SPD.
- 1.5. The River Road Employment Area SPD and its land zoning strategy are underpinned by a proposed zoning approach, which essentially seeks to intensify industrial uses within the centre of the masterplan area in order to release land for co-location uses in the centre of Thames Road and residential use in the eastern part of Thames Road. The residential development is dependent on the successful delivery of industrial intensification in other zones. It is therefore the more intensity the industrial plot can achieve, the more housing land it will unlock in other zones. This scheme with a site footprint of 8,060 sqm delivering 12,328sqm GEA of industrial floor space, will therefore directly unlock 4,268sqm of land for residential development in the masterplan area.
- 1.6. The project supports the Council's Inclusive Growth strategy, which sets out measures to improve both the quality and quantity of the jobs available in the borough. This includes efforts to attract new, higher skills, better paid jobs and sectors into the borough as well as action to improve pay, job quality and performance in the existing sectors where the majority of people currently work – in order to support delivery of the Borough Manifesto goals to improve job density, average incomes and employment rates.
- 1.7. Currently the borough is characterised by a large number of low pay, low value businesses that are neither able nor willing to invest in higher skill, more intensive means of production. There is the need for the public sector to intervene in addressing this issue to shape the local economy, and to encourage private sector investment to deliver modern employment space which intensifies employment and provides a more attractive environment for employers offering better paid, better skilled jobs to locate in the borough.
- 1.8. Multi-storey industrial is a new model for both UK developers and occupiers, although it is relatively common in parts of East Asia and Europe. At a London-wide level it is clear that the private sector needs encouragement and successful examples in order to follow suit. This Intensifying Barking's industry project is therefore a pilot and demonstrator project, showcasing an exemplar prototype building that maximises efficient use of industrial land, setting the benchmark for the type of industrial development the borough wants the private sector to deliver. In parallel to planning policy encouragement, this project will demonstrate public sector leadership, blazing the trail for the private sector to follow, and subsequently

kickstart and enable the regeneration of the wider Thames Road and River Road area.

Site context

- 1.9. The 2-acre (8,100 sqm) former Remploy factory site sits on the junction of Creek Road and Long Reach Road. The site is within the Council's ownership and is currently used as bus garage on a temporary basis.
- 1.10. The site is located within the River Road Employment Area Strategic Industrial Location (SIL) designated land, which is an employment area of strategic importance to the borough and London offering a home for a wide range of businesses and significant employment opportunities. Under the Local Plan and the emerging River Road Employment Area SPD the River Road area has been designated as area for consolidation and intensification to support the potential release of employment land in Thames Road and the wider industrial land in the borough.
- 1.11. The site is on a prominent corner site and therefore provides an ideal opportunity for public sector intervention to showcase a model of industrial intensification. While the project site is only a small part of the SIL area, it is on a corner close to a Barking Riverside site entrance where an attractive modern industrial building proposed will help improve the gateway into Barking Riverside. Currently the site is hoarded and only used for bus storage so the physical improvement will be dramatic.

2. Proposal and Issues

- 2.1. Aligning with the Council's objectives and GLA's funding requirements, the project has the following objectives:
 - Provide an exemplar model of intensified industrial space.
 - Deliver viable and affordable workspace.
 - Provide a mix / size of units in-line with local market demand.
 - Provide servicing / amenity that meets with the market expectation.
 - Deliver a building of high quality that improves its urban environment.
- 2.2. Currently the proposal is a multi-level industrial scheme, containing approximately 45 SME units and flatted factory units. This will deliver up to 12,328 sqm GEA (132,697 sq ft) of industrial floorspace achieving a plot ratio of 150% (average plot ratio in traditional industrial space is 40-45%). The commercial space will deliver an estimated 243 jobs (calculation based on Homes & Community Agency's Employment Density Guide). Further design information can be found in the scheme's planning application submitted in November 2020.
- 2.3. The scheme will provide 20 SME units (size range from 175–500sqm with 6.8m clear heights), 25 Flatted factory units (size range from 15–230sqm with 3.5m height), communal business lounge and café facilities. This will appeal to a wide range of potential tenants, whose requirements have been researched and interrogated as part of the research and engagement process.
- 2.4. The design provides active frontages to Long Reach Road and Creek Road and provides a fitting response as the gateway into Barking Riverside. The design also

provides access to a shared central “yard area”, which is considered desirable from local industrial businesses. Good flexibility of unit sizes and divisions allows for adjustments based on market take-up. This also means that we can open up the spaces to allow for businesses of all sizes and allow for accommodation of tenants as their businesses grow and more space is required.

- 2.5. The scheme has a sustainability target of BREEAM Excellent which puts the scheme in the top 10% of UK new non-domestic buildings on sustainability performance.
- 2.6. The design proposals maximise the introduction of biodiverse raingardens, planting and two Green Walls facing east and west from the site. The green walls are key architectural feature of the scheme, bringing together the architectural and landscape elements, provides significant greening, improved street frontage, as well as shading, privacy and visual interest.

Finance

- 2.7. The Total Development Costs are estimated at £35.65m including finance costs. This includes the construction cost, contingency and all other Professional Fees related to delivering the scheme.
- 2.8. The proposal achieves the investment metrics required by the Council, generating a Net Present Value of £10m over 50 years. The project has the potential to generate a long-term income source for the Council as well as generating new business rates. The financial model for the scheme shows a small profit in the year following completion which increases to £190,000 per annum by year 5 and £698,000 per annum by year 11.

Planning considerations

- 2.9. The proposed industrial intensification of the Remploy site is supported in policy terms by the Intend to Publish London Plan and is in accordance with the intended intensification of the River Road area set out within the emerging River Road Employment Area SPD.
- 2.10. Early pre-application meetings have been held with Be First Development Management and two design review have been undertaken. Constructive feedback has been received at all meetings and has been incorporated into the emerging design. Case Officers have confirmed that they support the principle of the development.
- 2.11. A full planning application for Industria was submitted on 20 November 2020 (ref 20/02298/FUL). The application is classified as a ‘major development’ and, as such, has a target determination period of 13 weeks; the final decision on this application will rest with members of Planning Committee (targeted for February 2021).

Delivery and Future Asset Ownership

- 2.12. Different delivery options have been considered and evaluated. The recommended option is for the Council to deliver the project and maintain long term ownership of the site. This aligns with the Council’s approach on creating long term value - by

building the Council's asset base to generate revenue and taking a direct stake in the development process, thereby exerting control over the development that takes place. This will also meet the urgency for change - supporting the Council to intensify its employment land in order to unlock land to meet its housing targets – as well as providing encouragement to the private sector for inward investment. Delivery through Be First can also ensure employment of local people is maximised, including apprenticeships, and that ambitious targets for local labour and suppliers are achieved during the construction phase.

- 2.13. The scheme has also attracted investment from the GLA, with the project aligning with GLA's policy on Industrial Intensification and the strategic importance of this pilot exemplar project in order to unlock and influence future industrial development in London. Officers have agreed a draft Heads of Terms (HoTs) with GLA Housing & Land team on the head lease for the scheme. The draft HoTs confirmed GLA's head lease on half of the floorspace of scheme for 15 years with a break clause at year 10 at a discounted rent. This will help share the letting risk and exposure for the council.
- 2.14. In terms of future asset management, there will be a joined-up leasing effort between the GLA and LBB, with the same leasing and management team to be appointed throughout, as reflected in the draft HoTs. In Winter 2020, officers will develop details of the head lease and joint marketing strategy with the GLA. It is recommended to undertake an open procurement together with the GLA in January 2021, to seek the best and most competitive proposal from agents and/or operator teams who will ideally provide a combined high quality letting and management service for the scheme. The appointed bidder will be expected to curate and attract high quality businesses tapping into their wider network locally and London wide, and also be experienced with management of industrial workspace, taking on the daily operational management.
- 2.15. All procurement activity will conform to the Council's Contract Rules and will be conducted in line with the legislation in place at the point the procurement commences, which at this point it will be assumed that this will be conducted under UK law, which will require notices being placed in Contracts Finder and if above threshold the requirement will need to be published in the Governments FindaTender portal.
- 2.16. The site offers the opportunity for the Council to shape its local economy and test different economic drivers that could support delivery of Borough Manifesto goals to improve job quality and local incomes and employment. With this in mind the Council may consider promoting clusters of uses in Council's identified key sectors in the site.

3. Options Appraisal

- 3.1 The following alternative options have been assessed alongside the preferred option in section 2.
 - 3.1.1. **Option 1 Do Nothing** – the Council has the option to do nothing and to seek to let the lease of the property. However, this contradicts with the Council's vision and ambition set out in the Local Plan, Industrial Strategy and Inclusive Growth Strategy. This option is not recommended.

- 3.1.2. **Option 2 Sell the land to private developer** – the Council has the option to sell the land and development right to a private developer. However, the Council would lose control over the site in an area where the Council has a clear industrial intensification policy. It is also highly unlikely the private sector would come forward with a scheme of the intensity proposed. This option is not recommended.
- 3.1.3. **Option 3 Develop the site for residential** – the Council could consider developing the site for residential use only. However, given the SIL designation of the land and the planning context which would see the release of this designation as challenging and inconsistent with planning policy and is highly unlikely to gain planning consent. This approach is not recommended.
- 3.1.4. **Option 4 Develop a one-storey industrial scheme** - the Council has the option to develop the site for a traditional industrial scheme (single story industrial shed) providing a maximum 45% plot ratio (circa 4,500sqm of commercial space). However, this does not meet London Plan's policy on a minimum 65% plot ratio on industrial land development, nor the Council's aspiration on intelligent use of its industrial land. This approach is not recommended.

4. Consultation

- 4.1. In the early design phase, there were intensive consultations with both local and London industrial occupiers to ensure optimal design, layout and facilities provision, designing a product that would look attractive to potential occupiers. Engagement continued throughout to the concept design stage in summer 2020 through targeted interviews and a public local business workshop.
- 4.2. A public consultation was held in September 2020 for a 2.5 week duration, with a record of 698 visits to the consultation webpage and material. Of the 22 written responses, the majority of which are living or working locally, the scheme received generally positive comments, with the provision of a café, design aesthetics, job creation and green features highlighted as welcoming elements.
- 4.3. For the expected planning application submission in November 2020, the project will also receive further consultation feedback as part of the usual planning consultation processes.
- 4.4. Investment Panel was consulted in November 2020 and cleared the report on 17 November 2020.

5. Commissioning Implications

Implications completed by: Darren Mackin, Head of Commissioning and Programmes

- 5.1. The proposal set out here provides a good example of the way the council, via Be Frist, can develop an approach to improving the quality and quantity of jobs in the borough. IF approved this would be the first employment led scheme that Be First have been commissioned to deliver, and there is the clear potential to learn lessons from this work to inform future strategy. The scheme has strong support from the

GLA, including a commitment to pre-let some of the space to reduce the council's exposure to the market risks.

- 5.2. In the Master Plan which will go out to public consultation in December and January this area is designated for industrial intensification Therefore this proposal forms key part of a wider emerging strategy for the regeneration of Thames Road and River Road. If delivered successfully it will provide an example of the council using its investment and delivery levers to demonstrate to the market that this kind of scheme works in this part of the borough.
- 5.3. As the plans develop it will be important to link the marketing and letting strategy to the delivery of our wider strategic goals in relation to employment and enterprise. For example we should explore ways which the units can be used to support the growth of businesses in our key sectors, and also ways we can incentivise tenants of the site to offer employment and training opportunities for local residents.

6. Commercial Implications

Implications completed by: Hilary Morris, Commercial Director

- 6.1. The 19/20 Be First Business Plan set out a strategy to deliver industrial modernisation, intensification, the co-location of residential schemes and lastly specific objectives in specific areas of which River Road was identified as a site where the industrial density can be significantly increased, providing new jobs. This therefore is consistent with the development strategy.
- 6.2. Be First also identified that central to delivering change in this area was the ability to develop new and more efficient, intensified industrial space. A headline deliverable for 2020/1 included the delivery this project which can showcase industrial intensification
- 6.3. Be First also identified a Business Plan aspiration to deliver 5,200 sqm commercial / industrial space in addition to delivering residential led schemes and as one of Be First's long term strategic objectives is to reduce unemployment in B&D to the East London average as well as increase Barking & Dagenham's share of East London's total GVA by 2027 the development of an exemplar scheme which is likely to contribute to more employment in the borough also supports the delivery of those objectives.
- 6.4. Be First's intention to undertake a competitive exercise to procure a letting agent is the most likely strategy to ensure the site achieves exemplar tenants and secures best value for money although it's not clear if Be First or the Council will be entering into the contract with the GLA and this should be identified. This contract will also need to be managed effectively and an agreement to ensure both parties benefit equitably from the letting should be put in place.
- 6.5. As an exemplar project the scheme should provide a positive boost for skilled employment and training opportunities and these objectives should be set out within the procurement process and maximised within the agreed lettings strategy wherever possible.

- 6.6. The scenario modelling indicates that a construction increase of 5% or a rent decrease of 10% would result in a deficit by year 3 and therefore whilst there are reasons to develop this scheme strong management of the construction and a competitive procurement of a letting agent as well as active monitoring of lettings outcome will be critical to reduce the likelihood of these risks materialising.
- 6.7. Overall, the project provides a good opportunity for the Council to show case industrial intensification and the cashflows provide a good annual profit.

7. Financial Implications

Implications completed by: David Dickinson, Investment Fund Manager

- 7.1. This proposal is looking to deliver light industrial space at a 2-acre site (former Remploy Site). The Council purchased the Remploy site a number of years ago, funded from revenue, and as such the site costs are not included in the model costs.
- 7.2. The site is located within the River Road Employment Area SIL designated land, which is an employment area of strategic importance to the borough and London offering a home for a wide range of businesses and significant employment opportunities.
- 7.3. The Council secured £1m of Good Growth Fund monies from the GLA for this project, which has a deadline to be spent by March 2021.
- 7.4. Total forecast development costs are £35.6m (£34.6m of borrowing), including £812k of interest costs and £2.946m of contingency has been included. Overall the proposed scheme provides a positive return to the Council and the assumptions in the financial model are prudent.
- 7.5. For asset management when the scheme is operational, there will be a joined-up leasing effort between the GLA and LBBDD, with the same leasing and management team to be appointed throughout, as reflected in the draft Heads of Terms (HoT). The draft HoTs confirmed that the GLA will have the head lease on half of the floorspace of scheme for 15-year with a break clause at 10 year. This will reduce the letting risks and exposure for the council.

8. Legal Implications

Implications completed by: Dr Paul Feild, Senior Governance Solicitor

- 8.1. This report proposes as the preferred option a development known as 'Industria' on land owned by the Council at Creek Road, Barking, IG11 0JGH.
- 8.2. The Council is the freehold owner with the site is currently being used for the purpose of a bus depot under a contracted-out Landlord and Tenant Act 1954 lease.
- 8.3. It is proposed that GLA will be the tenant of the Council at the site which will enter into a Head Lease in due course for an occupational Lease for 15 years with a break clause after 10 years.

- 8.4. It is proposed that GLA (Lessee) and the Council (Lessor), will enter into two agreements, being firstly an Agreement for Lease and secondly an Occupational Lease. The Agreement for Lease will place an obligation on the Lessor to build and complete a new building to a predetermined specification. The Agreement for Lease will set out a detailed design and programme for the new building. The Agreement for Lease will also place an absolute obligation upon the Lessee to take the Lease of the finished building.
- 8.5. In terms of planning, key considerations are that it is located within Strategic Industrial Location (SIL) designated land. Under the Local Plan and the emerging Industrial Strategy, the Creek Road location has been earmarked for planning purposes to be as a preferred use as an employment area of strategic importance to the borough and London. Thus, developments at the site which provide for the creation and establishment of business and employment opportunities accord with the Council's current and emerging objectives for the area. As the report observes as the site is smaller than the Town and Country Planning (Mayor of London) Order 2008, Category 1B threshold of 15,000 square metres floor space and so will not need a referral to the GLA.

Vires

- 8.6. The Council has the power to promote the delivery of the development utilising the general power of competence in section 1 of the Localism Act 2011 which provides sufficient power for the Council to participate in the transaction and enter into the various proposed agreements, further support is available under Section 111 of the Local Government Act 1972 which enables the Council to do anything which is calculated to facilitate, or is conducive to or incidental to, the discharge of any of its functions, whether or not involving expenditure, borrowing or lending money, or the acquisition or disposal of any rights or property. Furthermore, the Council is the land owner and has the power to grant the lease as described by virtue of its power to disposal of an interest in land under section 123 Local Government Act 1972.
- 8.7. The asset is to be held in the General fund as part of the IAS.

Investment Aspects

- 8.8. In exercising the power of general competence and in making any investment decisions (to the extent that any aspect of this transaction is considered to involve investment decisions), the Council must have regard to the functions for the purpose of which it is exercising the power, must act reasonably and also have regard to the following: -
- 8.9. Compliance with the Statutory Guidance on Local Government Investments (the Statutory Guidance);
- Fulfilling its fiduciary duty to tax payers;
 - Obtaining best consideration for any disposal;
 - Compliance with Section 24 of the Local Government Act 1988 in relation to giving financial assistance to any person (which either benefits from a general consent or requires express consent by the Secretary of State);

- Compliance with any other relevant considerations such as state aid and procurement.

8.10. The implications are that there is a responsibility on the Council to actively management and review its investment strategy and the underlying assets themselves. As the Council is under a Best Value duty under the Local Government Act 1999 to seek continuous improvement and value for money, there will be occasions when disposal of assets is the right investment decision, particularly where they will deliver a strong positive rate of return.

8.11. The legal process that has been identified in progressing the objective is by the Council making use of granting an interest by a long leasehold, which is proposed to be for 15 years. The use of a leasehold enables the Council as a landlord to govern more precisely over a period of time the use of the land by which the tenant of the land and other occupiers will be bound. This is because a lease enables a landlord to set both positive and negative requirements that is to say things that must be done, things which require the landlord's consent and things that are not permitted.

8.12. The proposed use of intensifying industry is consistent with the Councils Local Plan and the emerging masterplan for the Riverside area.

State Aid

8.13. As local government is an emanation of the state, the Council must comply with European Law regarding State Aid. This means that local authorities cannot subsidise commercial undertakings or confer upon them an unfair economic advantage. This report does not identify any specific aspect of the proposed acquisition, which is other than a commercial transaction, thus this arrangement satisfies the requirement it is on market terms. Furthermore, in the event that there are harmful residues present on the site, there are certain grants to remediate contaminated land for housing are excluded from the State Aid Regime.

Human Rights

8.14. As the scheme as described does not seek the use of compulsory purchase powers or displacement of any residents there does not appear to be critical risks associated with a Human Rights Act challenge, nevertheless matters should be kept under review in case such considerations should arise.

9. Other Implications

9.1 Risk Management –

Risk/Issue	Description/Mitigation	RAG
Risk (1)	<p><u>Letting risks</u> – Should the Council seek to maintain the asset in the long-term, its rental income will be impacted by its successfully letting of space, which is dependent on a successful letting strategy and the health of local economy as well as London wide industrial market.</p> <p><u>Mitigation measures</u> The head lease agreement with the GLA will reduce letting risks to the Council. It is recommended the Council to procure a specialist operator who is experienced in the industrial market to manage the letting.</p>	

Risk (2)	<p><u>Market and Covid-19 risk</u> – both the construction industry and industrial market is subject to market movement, as well as current uncertainties on Brexit and Coronavirus pandemic.</p> <p><u>Mitigation measures</u> Although there is a clear view that market is interested in multi-level industrial scheme, Be First will seek to undertake sufficient market engagement to inform its procurement strategy. The long term investment position into the scheme should help mitigate any short term downturn of the industrial market, though is currently performing strong amid the pandemic.</p>	
Risk (3)	<p><u>Rental value of units</u>– rental values of the commercial properties are subject to market movement. The project also offers new products to the market and therefore there are limited actual data to estimate the rental value.</p> <p><u>Mitigation measures</u> The project's taken on commercial advice from Glenny and Andrew Sissons Consulting which is further evidenced by latest market transaction figures benchmarked across east London. This help minimise inaccuracy on rental values.</p>	
Risk (4)	<p><u>Highways considerations</u> Risk of delay in obtaining, or not securing, relevant highways approvals. The proposal requires highways alterations involving the relocation of a bus stop, suspension of car parking spaces and movement of street furniture.</p> <p><u>Mitigation measures</u> Transport Consultant to facilitate early engagement with TfL and LBBB Highways to obtain support in principle.</p>	
Risk (5)	<p><u>Planning permission refused</u> Risk of planning permission refused by LBBB Planning Committee.</p> <p><u>Mitigation measures</u> Three pre-application meeting held with Be First Development Management to discuss any outstanding concerns. Planning Statement to provide robust justification for the proposal, drawing on the policies which support the principle of development.</p>	

9.2 **Contractual Issues** – Project will ensure sufficient legal support to complete and agree the head lease with GLA.

9.3 **Staffing Issues** - The proposal will be delivered by Be First on behalf of the Council.

9.4 **Corporate Policy and Equality Impact** – The project supports the Council's Inclusive Growth strategy, which sets out measures to improve both the quality and quantity of the jobs available in the borough. This includes efforts to attract new, higher skills, better paid jobs and sectors into the borough as well as action to improve pay, job quality and performance in the existing sectors where the majority of people currently work – in order to support delivery of the Borough Manifesto goals to improve job density, average incomes and employment rates.

The equality impact of the proposal has been considered in the Equality Impact Assessment, which is attached as Appendix 1 to this report. The proposal will have a positive impact on residents of the Borough, and of Thames Ward specifically, as it aims to create new employment opportunities, amenity spaces and improved public realm around the site.

9.5 **Safeguarding Adults and Children** – The scheme will provide new employment space and jobs.

9.6 **Health Issues** – The scheme delivers a well-designed built environment that provides maximum green features and promotes active travel. The scheme will provide new job opportunities and proposes a level of tenant amenity far more than what is expected at a typical industrial development. Relevant noise and air quality

impact assessments have been completed and have concluded the scheme will have neutral and negligible impact.

- 9.7 **Crime and Disorder Issues** - The development makes use of an underutilised brownfield site. The development proposals will therefore have a positive impact on the local community. The scheme has been subject through the planning process to Secure by Design review to reduce any crime or disorder arising from the new development.
- 9.8 **Property / Asset Issues** - The site is within the Council's ownership and is currently used as bus garage on a temporary basis. The Council will look to serve a notice in advance to achieve vacant possession for construction start. The completed scheme will be held in General Fund with relevant head lease with GLA.

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

List of appendices:

- **Appendix 1:** Equality Impact Assessment

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Community and Equality Impact Assessment

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

This is to determine whether the proposals are likely to have a significant impact on different groups within 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

As well as supporting you to look at whether there is, or will be, a significant impact, the guidance will also consider ways in which you might mitigate this in the future.

About the service or policy development

Name of service or policy	Be First
Lead Officer	Lily Kwong
Contact Details	Lily.Kwong@befirst.london

Why is this service or policy development/review needed?

The Council and Be First are looking at ways to unlock the growth potential of industrial sites and to support business and job growth. The Borough still has the largest percentage of its economy in manufacturing than any London Borough and has the second most industrial land. The challenge is to make existing industrial sites in the area perform better and more intensely in terms of their site coverage and operations, as well as modernising its workforce.

This Intensifying Barking’s Industry project aims to showcase how a 1.8-acre under-utilized site (Unit A, Creek Road, Barking, IG11 0JW) in a Strategic Industrial Location (SIL) can be transformed into a model of how industrial land can be used in much more intensive ways - critical to a Borough with London’s lowest employment density and a desire to modernise its workspace. This project will be at the forefront of a new typology of intensive industrial space and will seek to showcase the learning with the industry. This project complements the Council’s emerging Local Plan, Inclusive Growth Strategy, Industrial Strategy and River Road Employment Area SPD.

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 and 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
Based on [2011 census](#)

- Thames Ward has a total population of 10,728 residents and in general the age profile is very young compared to the borough and most other wards.
- The ward has one of the highest proportions of households living in Social Rented properties both from the Council and Registered Social landlords, a relatively low proportion of households living in owned properties, and one of the highest proportions of households living in a shared ownership property.

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

- Thames Ward has the second largest proportion of Lone Parent Families with Dependent Children in the borough.
- There are relatively low proportions of Older Person Households, Married Couples or Cohabiting Couples with no Children, and Lone Parent Families with no Dependant Children in Thames Ward when compared to the rest of the borough.
- Thames Ward is one of the most ethnically diverse wards in the borough. It has high proportions of Mixed, Black and some Asian ethnic groups and low relative proportions of White British residents.
- The ward has the largest proportion of Black African residents in the borough.
- After English, the second most commonly used language used as a main language is Bengali (With Sylheti and Chatgaya).
- Whilst Lithuanian is the third most widely spoken main language in Thames Ward, it is not as widely spoken as in most other wards.
- Thames Ward has the highest proportion of residents who reported that their health was very good when compared to all other wards in the borough.
- Thames Ward has a lower than average proportion of employed residents, higher than average proportion of unemployed residents and a higher than average proportion of economically inactive residents.
- Thames Ward has significantly lower proportions of residents aged 16 and over with no qualifications.

Potential impacts	Positive	Neutral	Negative	What are the positive and negative impacts?	How will benefits be enhanced and negative impacts minimised or eliminated?
Local communities in general	X			The project address will deliver new job opportunities and employment space reflecting local residents and businesses' needs, and therefore has far reaching positive impacts on inequalities in the area.	The project will help the area to meet modern economy needs, increasing the number of quality jobs for local people, and making it easier to do business. The scheme also delivers amenity space open for local communities including the business lounge and café with its aim to provide accessible, quality spaces for people of all backgrounds to come together.
Age	X			Barking and Dagenham has a young average age in comparison with other London boroughs and similarly for Thames ward. Given this age profile, it is reasonable to assume that the availability of employment and housing opportunities would be a key priority for this group. This group will benefit from the availability of local amenities and job opportunities within a walking distance.	There is a strong emphasis on developing employment opportunities, both through creating and optimising potential employment spaces, and linking this to training and skills development opportunities. The future operator will be encouraged to actively engage with local communities and that local people are aware of opportunities available to them.
Disability	X	X		The scheme is compliant of relevant building and planning regulations. The scheme will also improve the surrounding public realm and hence accessibility.	

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

Gender reassignment		X	The benefits of the scheme (increased employment opportunities, training and skills development opportunities, new amenity spaces) will be accessible for all residents, without discrimination.	
Marriage and civil partnership		X	The benefits of the scheme (increased employment opportunities, training and skills development opportunities, new amenity spaces) will be accessible for all residents, without discrimination.	
Pregnancy and maternity		X	The benefits of the scheme (increased employment opportunities, training and skills development opportunities, new amenity spaces) will be accessible for all residents, without discrimination.	
Race (including Gypsies, Roma and Travellers)		X	Thames Ward is one of the most ethnically diverse wards in the borough. The benefits of the scheme (increased employment opportunities, training and skills development opportunities, new amenity spaces) will be accessible for all residents, without discrimination.	
Religion or belief		X	The benefits of the scheme (increased employment opportunities, training and skills development opportunities, new amenity spaces) will be accessible for all residents, without discrimination.	
Sex		X	The benefits of the scheme (increased employment opportunities, training and skills development opportunities, new amenity spaces) will be accessible for all residents, without discrimination.	
Sexual orientation		X	The benefits of the scheme (increased employment opportunities, training and skills development opportunities, new amenity spaces) will be accessible for all residents, without discrimination.	
Socio-economic disadvantage	X		In 2019, Barking and Dagenham was ranked the 21 st most deprived borough in England, with Thames Ward neighbourhoods in the 10%	

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

			most deprived in the country. Thames Ward has higher than average unemployed and economically inactive people. Local residents would benefit from skills and training opportunities, which would enable them to access the new employment spaces created by this scheme.	
Any community issues identified for this location?			n/a	

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?

In the early design phase, there were intensive consultations with both local and London industrial occupiers to ensure optimal design, layout and facilities provision, designing a product that would look attractive to potential occupiers. Engagement continued throughout to the concept design stage in summer 2020 through targeted interviews and a public local business workshop. A public consultation was held in September for a 2.5-week duration, with a record of 698 visits to the consultation webpage and material. Of the 22 written responses, the majority of which are living or working locally, the scheme received generally positive comments, with the provision of a café, design aesthetics, job creation and green features highlighted as welcoming elements. The project's Statement of Community Involvement (available through the [planning portal](#)) detail the consultant process and relevant design response to all received comments. For the expected planning application submission in November 2020, the project will also receive further consultation feedback open to general public as part of the usual planning consultation processes.

3. Monitoring and Review

How will you review community and equality impact once the service or policy has been implemented?

*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.*

Action	By when?	By who?
The scheme will be managed by a letting and management company appointed by the Council. The Council will ensure that the company pays due regard to equality implications, as well as being accountable for the monitoring and review of the community and equality impact in relation to the stated aims and objectives.	From Autumn 2022	Inclusive Growth Team Be First Appointed letting and

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

How will you review community and equality impact once the service or policy has been implemented?

*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.*

		management team

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 community as a whole.

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.

Implications/ Customer Impact

The project is to be agreed at Cabinet in December 2020. The scheme aims to showcase how a council owned 1.8-acre under-utilized site in a Strategic Industrial Location (SIL) can be transformed into a model of how industrial land can be used in much more intensive ways - critical to a Borough with London's lowest employment density and a desire to modernise its workspace. It also aims to tailor and deliver the right type of employment space and opportunities for local residents while delivering significant on-site employment, targeting identified growth sectors.

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
David Harley	Head of service	25.11.2020
Darren Mackin/Graeme Cook	Project Sponsor	25.11.2020
Sarah Myers	Policy and Partnerships Manager	24.11.2020

CABINET**15 December 2020**

Title: Debt Management Performance 2020/21 (Quarter 2)	
Report of the Cabinet Member for Finance, Performance and Core Services	
Open Report	For Information
Wards Affected: None	Key Decision: No
Report Author: Stuart Kirby, Revenues Manager	Contact Details: E-mail: stuart.kirby@lbbd.gov.uk
Accountable Director: Mark Fowler, Director of Community Solutions	
Accountable Strategic Leadership Director: Claire Symonds, Chief Operating Officer	
<p>Summary</p> <p>This report sets out the performance of the Revenues service in the collection of revenue and debt management for the second quarter of the financial year 2020/21. The report demonstrates that performance is stable and continuing to improve year on year in terms of overall cash collection, though continuing to be impacted by welfare reform measures.</p> <p>The report also includes the proposal to vary the Council's Debt Management Policy in respect of the officers authorised to write off debt, to reflect that the Revenues service has transferred from Elevate to the Council, and the value of debt that those officers can approve.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Note the performance of the debt management function carried out by the Council's Revenues service; (ii) Note the impact of the Covid-19 pandemic on collection levels across all revenue streams; and (iii) Agree the revisions to the Council's Debt Management Policy in respect of write-off thresholds and authorised officers, as detailed in paragraph 9 and Appendix 1 of the report. 	
<p>Reason</p> <p>Assisting in the Council's Policy aim of ensuring an efficient organisation delivering its statutory duties in the most practical and cost-effective way. This ensures good financial practice and adherence to the Council's Financial Rules on the reporting of debt management performance and the total amounts of debt written-off each financial quarter.</p>	

1. Introduction and Background

- 1.1 The Council's Revenues, Benefits, General Income and Rents Service was operated by the Council's joint venture company, Elevate East London LLP (Elevate). This service returned to the Council on the 1st September 2020. The service is responsible for the management of the Council's debt falling due by way of statutory levies and chargeable services. It also collects rent on behalf of Barking and Dagenham Reside. Council debts not collected by Elevate are not included in this report, for example parking and road traffic debt prior to warrants being granted and hostel and private sector leasing debt.
- 1.2 This report sets out performance for the second quarter of the 2020/21 municipal and financial year and covers the overall progress of each element of the service since April 2020. In addition, it summarises debts that have been agreed for write off in accordance with the Council's Financial Rules. All write offs are processed in accordance with the Council's debt management policy agreed on 25 April 2017.
- 1.3 The Revenues service is responsible for the collection of Council Tax, Business Rates, Housing Benefit Overpayments, General Income, Rents and for the monitoring of cases sent to Enforcement Agents for unpaid parking debts

2. Covid-19 – debt recovery restrictions

- 2.1 The Covid-19 pandemic has had a significant impact upon businesses and residents living and working in the borough. It has also prevented many of the standard debt recovery practices utilised by the Revenues Service
- 2.2 **The following restrictions have impacted collection rates:**
- Magistrates' and County Court have not operated normally. It has not been possible for the Magistrates' court service to hold safe hearings for the application of Liability Orders for Council Tax or Business Rates. Similarly, it has not been possible for County Court to hold eviction hearings.
 - Evictions were prohibited by Government legislation
 - Enforcement agents were prohibited from visiting debtors, although they were permitted to continue writing and/or calling debtors.
 - Payments being deducted from benefits to pay for Housing Benefit were halted whilst the DWP diverted resources to deal with the increase in Universal Credit applications.
- 2.3 As a result the Revenues service has changed its approach to debt recovery in the following ways:
- Reminder letters have been reviewed and have placed a much greater emphasis on the need for residents to make contact if they are experiencing financial difficulty.

- Instalments for Council Tax and Business Rates have been recalculated to start later in the year where payers are affected by the Covid.
- Residents experiencing financial difficulty have been advised to pay as much as they can afford and have been advised to apply for Discretionary Housing Payments, Council Tax discretionary relief and to contact the Homes and Money Hub for the following assistance:

Budgeting assistance
 Training advice
 Referral to the Job shop
 Maximisation of benefit entitlement
 Tenancy sustainment

3. Financial impacts upon residents

- 3.1 Data from Government and local sources indicate a significant increase in residents requiring support. The table below shows the number of residents in receipt of Universal Credit (UC) at the end of August. Based on the current rate of increase, the number of residents claiming UC will increase to over 50k by the end of the financial year, this does include any assumptions regarding the end of the Job Retention Scheme or future “lockdowns”.

Month	UC claimants
February	13,913
March	14,544
April	18,077
May	26,405
June	27,866
July	28,620
August	31,763
September	34,906
October	38,049
November	41,192
December	44,335
January	47,478
February	50,621
March (Projected)	53,764

- 3.2 The table below show the number of residents on the Job Retentions Scheme and Self-Employed Income Scheme.

Self-Employment Income Scheme		
Month	Claimants	Amount
June	15,300	£46.5m
July	17,600	£52.3m
August	18,300	£54m

Job Retention Scheme		
Month	Number	Amount
June	25,600	£46.5m
July	30,800	£52.3m
August	33,300	£54m

3.3 Although, the schemes have now been extended, the number of residents made redundant on the basis that the original scheme was due to end on the 31st October is not yet know.

3.4 Discretionary Hardship Payments have increase significantly since 2019/20.

Discretionary Housing payments	2019/20	2020/21
Number paid	393	739
Value Paid	£439,666	£803,235

3.5 Half the Council Tax discretionary budget has been spent and it is becoming increasingly difficult to avoid granting more than the budgeted amount. It is expected that it will no longer be possible to remain within the budget going forward.

Council Tax discretionary award	Granted	Discounts awarded	Court costs removed	Bailiff costs removed	Total assistance
Council Tax discretionary award	£23,792	£14,482	£11,439	£4,650	£54,363

4. Response to the pandemic

4.1 Since it has not been possible or in many cases appropriate to take enforcement action a “softer” approach to collection has been taken. All reminder letters have been redesigned, with the assistance of the behavioural science unit, to be informative and to emphasise the importance of making contact where there are problems with making payments

4.2 The team has taken a firm but fair approach to discussions with residents and have advised those experiencing financial difficulty to pay as much as possible. They have also recalculated instalments to be lower or to be paid later in the year.

4.3 The emphasis for the team has been to ensure that they understand the resident’s financial issues whilst being conscious of not allowing them to fall too far into arrears wherever that is possible.

4.4 Support from the Homes and Money Hub has greatly assisted the Revenues team. The Homes and Money Hub have seen the number of people coming into the hub seeking assistance on average double during the pandemic from 40 per week to 80, and phone calls increase from 5 per week to 150.

4.5 The table below shows the number of letters sent in the first 2 quarters of the year. The Rents team have continued to phone residents to obtain payment and identify vulnerability which has reduced the reliance on reminders.

Reminders	Council Tax	Rents	Business Rates
Quarter 1	11,644	4,401	0
Quarter 2	17,191	2,624	775

5. Collection rates

5.1 The table below shows collection rates compared with the end of quarter 2 19/20

Revenue stream	Sep-19	Sep-20	Variation
Council Tax	55.70%	53.40%	-2.2%
Council Tax arrears	£1,400,724	£833,027	-£567,697
Business Rates	55.70%	48.30%	-7.40%
Rents	48.26%	45.74%	-2.52%
Former Tenants arrears	£110,317	£67,486	-£42,831
General Income**	92.92%	76.64%	-16.28%
Commercial rent	94.01%	73.42%	-20.59%
Homecare	43.64%	69.40%	25.76%
Housing Benefit overpayments	£2,885,680	£2,075,628	-£810,052
Reside	99.71%	99.53%	-0.18%
Leasehold	47.00%	48.94%	1.94%

** General income is due to late payment of larger debt which will be paid

5.2 The obvious pressure on residents' financial position as referenced in part 3 of this report coupled with the suspension of enforcement action has reduced collection in most areas of debt.

5.3 However, the sending of regular reminders and the approach to collection has prevented any further significant reductions (with the exception of Business rates).

6. Business Rates

6.1 The Business rates grant scheme has now closed. The team issued the following grants to qualifying businesses

Scheme	Number issued	Value issued
Small Business Grant	1,445	£14,450,000
Retail, Hospitality & Leisure Grant Scheme 2a (rateable value up to £15k)	233	£2,330,000
Retail, Hospitality & Leisure Grant Scheme 2a (rateable value between £15k and £51k)	401	£10,025,000
Discretionary Grant Fund	359	£1,291,000

6.2 To ensure that the correct businesses received these grants and to minimise fraudulent claims, the Business Rates team manually processed each payment. The Business Rates team consists of only 4 staff who have processed grants throughout the year to ensure that businesses are supported.

6.3 At time of writing the Government has announced another series of grant scheme to be paid during tier 2 and lockdown.

7. Reside

7.1 Reside residents have also experienced financial difficulties due to the pandemic and arrears have increased from £168k in February 20 to £370k in September.

7.2 To deal with this increase, resource has been doubled from two to four and all residents have been contacted to discuss repayment plans. Letters have been sent advising residents that they can get help and advice from the Revenues team or for the Homes and Money Hub.

8. Arrears

8.1 The tables below show arrears for quarter 2. The definition of arrears is shown in the description. Whilst Council Tax, Business Rates and Leasehold show unpaid charges raised before the 31 March 2020, Housing Benefit Overpayments and Rent show unpaid debts up the end of quarter 1. This is because these debts are not annually charges.

8.2 The definition of arrears is different for each of the revenue streams. The table below shows the amount of unpaid debt at the end of the year compared with the same time in 2018/19.

	2020/21 Q1 (000)	2020/21 Q2 (000)	Description
Council Tax	£25,114	£24,628	Debts raised and unpaid which are not for the current year
Housing Benefit overpayments	£25,692	£25,597	Currently outstanding for all years
General Income	£5,703	£	Debts raised and unpaid which are not for the current year
NNDR	£8,276	£8,219	Debts raised and unpaid which are not for the current year
Leasehold	£495		Debts raised and unpaid which are not for the current year
Rent	£5,221	£5,344	Rent that has not been paid for 1 week or longer

9. Amendment to Staff Authorised to approve Debt Write-Offs

9.1 Write-off of irrecoverable debt relating to Revenues and Benefits is agreed in line with the Revenues and Benefits Write-offs Policy. The existing policy is set out in an Appendix to the Council's Debt Management Policy. This sets out the officers who are approved to write off debt and the approval thresholds as follows:

Value of Debt/Credit	Staff Authorised to Write Off Debt
Up to £2,000	Head of relevant service area, i.e. Benefits, Revenues, Rents (Elevate)
£2,000.01 to £10,000	Authorised Officer of Council Client Unit
Over £10,000	Strategic Director of Finance and Investment

- 9.2 The policy requires an update now that Revenues and Benefits have transferred from Elevate to the Council. It is proposed that the officers authorised to write off debt are amended and the thresholds increased as follows:

Value of Debt	Staff Authorised to Write Off Debt
Up to £10,000	Head of Revenues and Head of Benefits
£10,000.01 to £20,000	Director of Community Solutions
Over £20,000	Chief Financial Officer/ s151 Officer

- 9.3 The updated Appendix 1 to the Debt Management Policy is attached as an appendix to this report.

10. Financial Implications

Implications completed by Sandra Pillinger Group Accountant

- 10.1 Compared to the same period last year, collection rates are reduced across most categories of debt. This is due to the impact of the Covid-19 pandemic on the ability of residents and businesses to pay, given their reduced financial circumstances and also on restrictions placed on the debt collection process as outlined in para 2.2 above.
- 10.2 The Revenues team has been working closely with Community Solutions to identify residents in financial difficulty and to provide support to assist in tackling financial problems and managing debt. In addition, a new data led approach is being taken which is more targeted.
- 10.3 Collecting all debts due is critical to funding the Council and maintaining cashflow. Monthly performance monitoring meetings with Elevate focus on where the targets are not being achieved to improve prompt collection of Council revenues.
- 10.4 The Council maintains a bad debt provision which is periodically reviewed. Increases to the provision are met from the Council's revenue budget and reduce the funds available for other Council expenditure.

11. Legal Implications

Implications completed by: Dr. Paul Feild, Senior Governance Lawyer

- 11.1 Monies owned to the Council in the form of debts are a form of asset that is the prospect of a payment sometime in the future. The decision not to pursue a debt carries a cost and so a decision not to pursue a debt is not taken lightly.
- 11.2 The Council holds a fiduciary duty to the ratepayers and the government to make sure money is spent wisely and to recover debts owed to it. If requests for payment are not complied with then the Council seeks to recover money owed to it by way of court action once all other options are exhausted. While a consistent message that the Council is not a soft touch is sent out with Court actions there can come a time where a pragmatic approach should be taken with debts as on occasion they are uneconomical to recover in terms of the cost of process and the means of the debtor to pay. The maxim no good throwing good money after bad applies. In the case of rent arrears, the court proceedings will be for a possession and money

judgement for arrears. However, a possession order and subsequent eviction order is a discretionary remedy and the courts will more often than not suspend the possession order on condition the tenant makes a contribution to their arrears.

- 11.3 Whilst the use of Introductory Tenancies as a form of trial tenancy may have some impact in terms promoting prompt payment of rent as only those tenants with a satisfactory rent payment history can expect to be offered a secure tenancy, people can fall behind and get into debt. The best approach to resolve their predicament is to maintain a dialogue with those in debt to the Council, to offer early advice and help in making repayments if they need it and to highlight the importance of payment of rent and Council tax. These payments ought to be considered as priority debts rather than other debts such as credit loans as without a roof over their heads it will be very difficult to access support and employment and escape from a downward spiral of debt. The decision to write off debts has been delegated to Chief Officers who must have regard to the Financial Rules.
- 11.4 As observed the Covid 19 pandemic is having a detrimental effect on debt management with a combination of severe pressures on households and businesses due to the sudden reduction of economic activity compounded by the future uncertainty of when an effective vaccine will become widely available. The picture is that it is unlikely to be before spring 2021 at the earliest that any recovery will begin.
- 11.5 Furthermore the Government has provided in the Coronavirus Act 2020 in schedule 29 that there will be protection from eviction for residential tenancies. This includes Housing Act 1985 public sector tenancies and introductory tenancies. Notice of possession will need to be given for three months ahead. The Secretary of State has the power to extend the requirement. The Coronavirus Act 2020 (Residential Tenancies: Protection from Eviction) (Amendment) (England) Regulations 2020 has amended time span for these rules to run to 31 March 2021. Bearing in mind the Regulations were made effective on 28 August 2020, before the current measures, we should anticipate that the relevant time span date is bound to be extended later in 2021.
- 11.6 The inevitable debt management implications are that with legal enforcement options limited because of the national Covid 19 crisis, the short term debts and more particularly irrecoverable debts are anticipated to increase despite the very best efforts of all the teams involved nevertheless the message that debts will be pursued in due course is being pressed home.

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

List of appendices:

- **Appendix 1:** Write Off Policy

Write-Off Policy

Enforcement action is to be taken prior to considering write off.

All reasonable and economical debt recovery action should be taken before consideration is given to writing off a debt. The degree of enforcement action attempted should be dependent on the amount owed, the type of debt and the customer's personal circumstances where they are known.

Debts to be written off fall into two broad categories, firstly those debts that the Council is unable to collect and secondly those debts that are deemed uneconomic to collect. The following reasons are recognised as valid reasons for the write off of debts, subject to all appropriate action to enforce payment having been attempted.

Unable to recover:

- The customer is deceased and has left no estate
- The customer is subject to a formal insolvency order (*in such cases any accruing debt to be written off will only be up to the date of the order*)
- The debt has been remitted by the court
- It would cause the customer hardship to enforce payment, or it is in the interests of the Council or the wider community to write off the debt. This includes the use of the Council's powers under Section 49 of the Local Government Finance Act 1988 in respect of writing off a Non-Domestic Rate on the grounds of hardship when appropriate
- The customer has absconded/gone away and cannot be traced
- The customer is living outside the jurisdiction of the English Courts and is unlikely to return.
- The Court has refused to make an order in respect of the debt
- The customer has served a prison sentence to discharge the debt
- The debt is an overpayment of Housing Benefit which is deemed to be unrecoverable in accordance with the Housing Benefit General Regulations 1987 and the Department for Work and Pensions overpayment guidance manual
- The age of the debt precludes recovery or the debt as it is statute barred.

Uneconomic to recover

- It is uneconomical to take action to enforce payment if the amount is a small balance (under £10) or it is in the Council's interest to agree a negotiated settlement of part of the debt
- In general, recommendation for debts to be written off should be made only where one of the above categories applies. However, it is recognised that it is difficult to anticipate all potential circumstances where write off may be justified, and that on occasion it may be appropriate to write off a debt for other reasons. Where this is the case a full written report justifying the recommendation must be provided to the appropriate authorised Officer, who will make a decision regarding the writing off of the debt.

Authorisation to write off debts

The Council's Financial Rules allow for debts in relation to Revenues and Benefits to be written off in accordance with the debt write off policy as agreed from time to time by the Cabinet. For Revenues and Benefits in accordance with paragraph 14.3 of the Financial Rules debt write-off may be approved in accordance with the following table:

Value of Debt	Staff Authorised to Write Off Debt
Up to £10,000	Head of Revenues and Head of Benefits
£10,000.01 to £20,000	Director of Community Solutions
Over £20,000	Chief Financial Officer/ s151 Officer

Authorisation may only be given by means of an original signature. A single signature may be applied to a schedule of debts of individual amounts within a single category. Signed approved documents are scanned and stored for 6 years.

Guidelines to authorising write off of debts

In considering the approval to write off a debt the authorising staff shall give consideration to:

- This Policy
- The interest of the local community
- The Council's fiduciary responsibilities
- The rights of the customer and the effect of continued enforcement action.

CABINET

15 December 2020

Title: Purchase of Barking Business Centre, 25 Thames Road, Barking IG11 0JP	
Report of the Cabinet Member for Finance, Performance and Core Services	
Open Report with Exempt Appendix 1 (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972 as amended)	For Decision
Wards Affected: Thames	Key Decision: Yes
Report Author: Jonathan Langham, Head of Commercial Development, Be First	Contact Details: Tel: 08721 965342 E-mail: jonathan.langham@befirst.london
Accountable Director: Ed Skeates, Development Director, Be First	
Accountable Strategic Leadership Director: Claire Symonds, Chief Operating Officer	
<p>Summary</p> <p>There is an opportunity for the Council to purchase a 4.75-acre industrial site known as the Barking Business Centre, 25 Thames Road ('the Site'). The Site is immediately adjacent to other landholdings owned by the Council that are intended to be redeveloped for industrial intensification in conjunction with residential accommodation. The Site therefore forms part of a strategic land assembly exercise that is in part funded by the GLA who have provided £30 million of grant for land assembly.</p> <p>The Site is an industrial estate comprising 84,476 ft². The agreed purchase price detailed in Appendix 1 (which is in the exempt section of the agenda as it contains commercially confidential information (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information) is reflective of the competitive bidding process but comparable with values paid for similar industrial assets locally.</p> <p>In addition to the purchase price and associated fees there is likely to be an immediate requirement for a modest capital expenditure budget to secure the re-occupation of vacant units to improve short term income potential. The business case for the purchase and the immediate asset management strategy are set out in Appendix 1 to highlight the overall scheme costs.</p> <p>The acquisition of the Site would provide the Council with a significant controlling interest within the Thames Road regeneration area, increasing LBBDD's ownership to just under 50% of the likely medium-term development area on Thames Road. More specifically, the Site is located next to other land already held by the Council, namely 23 Thames Road. Therefore, with the proposed acquisition of the Site, there is an opportunity now to secure a comprehensive redevelopment plot with capacity for c525 new residential units. Securing this development plot will help LBBDD to deliver its vision for the area, as set out in the River Road / Thames Road masterplan which was approved at Cabinet in</p>	

November 2020. There is also an opportunity to work with adjacent landowners to secure an outline consent across a wider parcel of land.

The Site therefore is a viable acquisition with the support of the GLA grant, providing LBBB with an income surplus. It also represents a significant regeneration opportunity in terms of the wider context of the Thames Road area providing necessary scale to accelerate the delivery of the regeneration ambitions of the Council. A further paper will be presented dealing with Council options for the delivery of this and other sites in Thames Road which will likely require the procurement of a master developer/contractor and or joint ventures with existing owners.

This report recommends the Cabinet agree to the purchase of the Site and to authorise the development of an asset management strategy and subsequently a planning promotion strategy and potential disposal to be introduced in a separate report to the COO. The asset management strategy will bring vacant units into a lettable condition and the procurement of a managing agent who will operate the estate on LBBB's behalf. The bulk of the costs of planning promotion have already been addressed through the preparation of the masterplan and sufficient budgets have been allocated on previous acquisitions to support outline applications on this and adjacent sites.

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree to the purchase of the Barking Business Centre, 25 Thames Road, Barking, as shown edged red in Plan 2 at paragraph 2.2 of the report, on the terms set out in Appendix 1 to the report;
- (ii) Delegate authority to the Chief Operating Officer, in consultation with the Cabinet Members for Finance, Performance and Core Services and for Regeneration and Social Housing and the Director of Law and Governance, to conclude purchase agreements and any other related documents; and
- (iii) Delegate authority to the Chief Operating Officer, in consultation with the Cabinet Members for Finance, Performance and Core Services and for Regeneration and Social Housing and the Director of Inclusive Growth, to approve a site asset management strategy that shall address the related budget plan for planned refurbishment, future planning promotion, site preparation and potential later disposal.

Reason(s)

The proposed purchase forms an important part of the Council's vision to see Thames Road redeveloped with a mixture of new residential and commercial properties that will both contribute towards housing delivery target, while also providing modern industrial floorspace which will help to improve the supply and quality of employment opportunities for residents.

To secure additional land for future housing land supply whilst maintaining a satisfactory income in the medium term.

Assisting in the early delivery of new residential accommodation and the re-provision of employment floorspace in line with the emerging Local Plan.

1. Introduction and Background

- 1.1 Barking and Dagenham has a vision to transform Thames Road and River Road into a thriving community that mixes residential with modern commercial uses, providing new housing while also improving both the quality and density of jobs for residents.
- 1.2 Supported by GLA grant the Council has been acquiring income producing industrial properties in Thames Road over recent years to secure greater influence over the future of the area, while at the same time making a modest return on the property investments which supports the delivery of the Council's Investment and Acquisition Strategy.
- 1.3 Alongside acquiring these assets, the Council has also been working on a masterplan for Thames Road, which is at the public consultation stage. If the masterplan is adopted, then it will set the ambition for Thames Road into the borough's planning policy framework. This will help to secure the delivery of the Council's long-term aspirations for this part of the borough.
- 1.4 The purchase of this site is a strategically significant investment in the context of the delivery of the regeneration aspirations set out in the masterplan. If Cabinet agree to purchase this Site, then the Council would have ownership of approximately 50% of the deliverable properties on Thames Road. This would mean the Council would therefore exercise considerable influence over the delivery of the objectives of the masterplan over the coming years. Therefore, securing this purchase would contribute directly to the delivery of the Council's regeneration and inclusive growth ambitions for the borough.

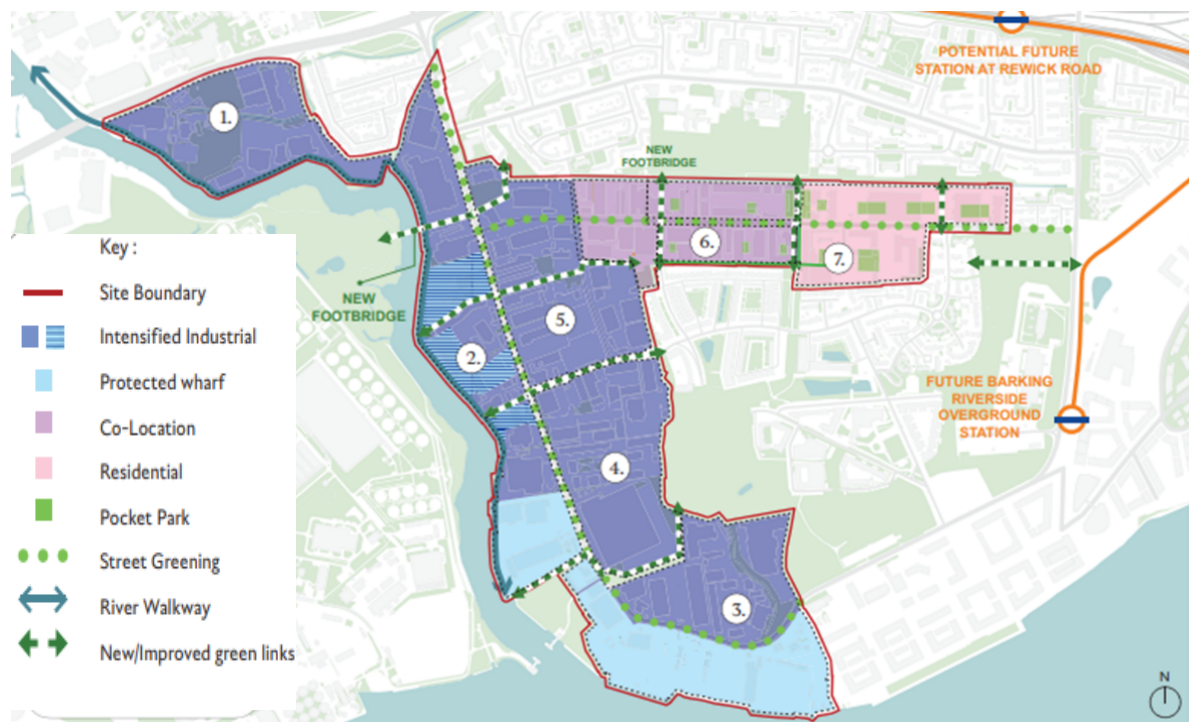
Development of the Masterplan and wider regeneration of Thames Road and River Road

- 1.5 In 2018, the GLA established the Barking Riverside Gateways Housing Zone, with an ambition to deliver up to 3,000 new homes on Thames Road. While this zoning carries no formal planning status, it was designated as such with the specific intention of setting a clear direction of travel on Thames Road. The announcement of the creation of the Housing Zone was followed by an agreement between the GLA and LBBD to allocate £30m of grant to deliver interventions within the zone that would unlock and/or accelerate housing and regenerate the area, with the intention of building a significant landholding.
- 1.6 In order to support the delivery of these regeneration goals, the Council decided to refresh its planning policy framework for the area, through the production of a Masterplan; the Thames Road Masterplan Supplementary Planning Document Supplementary Planning Documents (the 'Thames Road SPD') was approved for consultation by the Council's Cabinet on 17th November 2020; and now a statutory public consultation currently underway over an 8-week period between December 2020 and January 2021. The Thames Road SPD identifies numerous issues the area currently experiences, including low density inefficient industrial uses, poor quality public realm and poor public transport connectivity. This environment

creates a physical and perceptual barrier between Barking Riverside and the residential areas to the south of Barking Town Centre. Additionally, the area is blighted by problems such as fly tipping and antisocial behaviour, creating an unappealing and poor standard of built environment. The area therefore offers real potential of being developed and improving a sense of connection to surrounding areas, while delivering new housing and improved industrial space in the borough.

- 1.7 The Thames Road SPD identifies River Road as having significant potential for the renewal and modernisation of its industrial stock and Thames Road for the introduction of new residential uses, with capacity of up to 2,000 new homes and industrial re-provision, known as 'co-location'. Plan 1 below identifies area covered by the Thames Road SPD and the proposed zones of future use. The western zone of Thames Road has been allocated for continued but intensified industrial use, the central zone has been allocated for co-location development with industrial re-provision and residential uses, and the eastern zone has been allocated for residential development with no industrial re-provision.

Plan 1: Thames Road Masterplan



2. Proposal and Issues

- 2.1 The Barking Business Centre, 25 Thames Road (the 'Site') is a 4.75 acre multi-let light industrial estate, arranged over three terraces, which surround a central car parking courtyard. The Site is immediately adjacent to other landholdings owned by the Council on Thames Road, namely 23 Thames Road, and is located within the central co-location zone of the Thames Road SPD. A future development plot of 6.25 acres can be achieved if the Site is combined with 23 Thames, with capacity for c500 new residential units and industrial re-provision.

- 2.2 The Site currently provides 84,476 sq ft of commercial accommodation space, across 34 units ranging from 800 – 5,000 sq ft. The Site is an attractive income generating industrial estate, which is currently 73% let.

Plan 2: Barking Business Centre – Site Plan



- 2.3 By purchasing the Site, the Council will have the largest overall landownership on Thames Road, owning approximately 50% of land with medium term development potential. If the Site is acquired, the Council's landholding will be three times greater than the next largest landowner in the area, a private developer called Inland Homes. Inland Homes have part funded the Thames Road SDP.
- 2.4 Be First and the Council intend to progress a comprehensive delivery strategy for the provision of new homes and new industrial floorspace on Thames Road. The delivery strategy is currently reviewing a number of options that are available to the Council. However, further landholdings, such as the Site, are required if the Council desires to deliver the comprehensive vision of the Thames Road SPD. A delivery partner might be procured, reducing the Council's exposure to future development risk and funding requirements with a reduced profit share for LBBB. Alternatively, Be First and the Council may undertake all development works directly, with full exposure to development risk and funding requirements but a greater profit share. A proposal on the overall delivery options for Thames Road will be brought to Cabinet for consideration in due course.
- 2.5 To date the Council has been utilising GLA grant to acquire properties on Thames Road, and has therefore not yet made any significant direct invest of its own resources into the area. Appendix 1 provides a summary of LBBB's land ownership on Thames Road and summarises the grant received to date and expected to be received in the future. In order to complete the purchase of the Site, it is proposed that the Council funds the majority of this purchase through borrowing, with the remaining unallocated GLA grant contributing the balance of the purchase price, with further details provided in Appendix 1.
- 2.6 With the financial support of the unallocated GLA grant, the Site provides a surplus to the Council of 1.15% from Year 3, exceeding the minimum returns of the Council's investment and acquisition strategy hurdle rate of 1.13% for industrial properties. The anticipated rental income from the site will increase the total rental

profile of the overall Thames Road portfolio and will provide a net income return that significantly outperforms the investment hurdle rate when applying a simple interest at 3.25% or MRP at approximately 4.1%.

Management Strategy

- 2.7 In acquiring the Site, the Council has the opportunity to implement a new asset management strategy. The vendor has not invested in the Site for a number of years, and this has resulted in the asset underperforming relative to its potential. Currently 27% of the floorspace is vacant and there is significant unrecoverable service charge. By adopting a more active approach to management the Council can improve the operational running of the Site and let vacant units and potentially improve the overall rental income. In order to achieve it is forecast that the capital expenditure budget has been included in the financial assumptions for the scheme at Appendix 1. This investment should be paid back through increased rent achieved following the improvements.
- 2.8 As 50% of the occupational leases are subject to lease events (rent reviews/lease renewals) before the end of 2022 it should be possible to increase rents quickly as shown in the cash flow in Appendix 1. It is proposed to let the vacant buildings by the end of Year 2 following the refurbishment works and the expiry of agreed rent-free periods. The asset will outperform the IAS hurdle rate from Year 3, allowing for an ongoing 5% vacancy rate.
- 2.9 If Cabinet agree to purchase this site and the deal is completed, officers will advance further work on developing this asset management strategy that enables the Council to maximise its return on investment. This will include the procurement of a consultants for rent and service charge collections as well as letting and lease advisory services. In addition, officers will consider how this site could be used to facilitate the delivery of the wider master plan in the shorter term, for instance by providing decant space for businesses which may need to relocate to enable delivery of earlier phases of the plan.
- 2.10 The scale of the Site would significantly accelerate the delivery of the Council's vision for Thames Road. Purchasing the Site provides the opportunity to combine it with an existing Council ownership at 23 Thames Road, to create a larger future development plot, which could delivery key objectives of the Thames Road SPD, including new homes, new industrial space, new pedestrian routes and public open spaces.
- 2.11 Increasing the Council's landholding on Thames Road provides security to the existing landholdings while also providing an opportunity to negotiate improved terms with existing landowners. The Council may take the view that it is worth investing in further acquisitions by purchasing additional sites, with a goal of maximising Council landholdings prior to procuring a development partner. As the Council builds a greater landholding in the area, the future development programme will become more attractive to future development partners.
- 2.12 Without a significant landholding in its own right the Council will not be able to attract a developer of sufficient scale to deal with the complexity of the proposed development and the scale of capital required. Therefore, the proposal to acquire

the Site presents a critical opportunity for the Council to secure the long-term viability of the Thames Road regeneration project.

3. Risk Assessment

- 3.1 At this stage, a detailed cost assessment has not been undertaken for the proposed redevelopment works. Detailed costings would be undertaken as part of a separate resolution following the purchase.
- 3.2 Therefore, the main project risks are:
- 3.3 **Project Costs:** the forecast costs for redevelopment have been based upon industry benchmarks and detailed site investigations will be needed to substantiate the cost plan. In addition, advice will be needed from industrial letting agents to determine the nature of accommodation that should be provided given current occupational requirements and projected rental levels.
- 3.4 **Site Conditions:** Abnormal ground conditions resulting in increased cost: it will not be possible to undertake in faces ground investigations until vacant possession can be provided. There would be merit in undertaking initial investigations on parts of the Site in order to provide a broad indication of likely levels of contamination and this could be achieved by intrusive investigations being undertaken in around the vacant units.
- 3.5 **Exit Values:** the Site is part of a wider borough wide regeneration area and will achieve a significant improvement in place making which would justify a long-term investment in land assembly. Residual residential land values may improve by increasing densities and increasing the level of private rental stock. Detailed due diligence as part of the purchase will include scenario testing of various tenure combinations to determine what level of tenure mix and housing density is required to provide the economic justification for a change from industrial to residential use.

4. Options Appraisal

- 4.1 **Option 1** – Do not acquire the Site
 - 4.1.1 In this case the asset is mostly likely to be acquired by the underbidder, who is an industrial investor who would retain it in its current use. Further investment in the industrial asset would mean it would be increasing unlikely to come forward for redevelopment for mixed uses as proposed in the Master plan.
- 4.2 **Option 2** – Acquire the Site (recommended)
 - 4.2.1 The Site is considered to be a prudent purchase given the Councils stated ambition of securing the regeneration of Thames Road, which inevitably brings construction and planning risks, which can be mitigated by employing the development expertise of Be First and potentially procuring a development partner. These risks are further mitigated by the income generation for other assets previously purchased with the benefit of GLA funding.
 - 4.2.2 The purchase provides the necessary scale for forward supply for the mixed-use redevelopment of the Site and enable larger plot sizes to be adopted elsewhere on

Thames Road to improve efficiencies in the scale and improved urban design treatments.

4.3 **Option 3** - Facilitate a purchase by a third party

- 4.3.1 At the current time, the Council has not progressed the procurement of a master developer/ contractor for the Thames Road regeneration project. Moreover, it has not formed a JV with Inland Homes or other parties that have significant land holding in the area. Therefore, this opportunity does not currently exist.

5. **Consultation**

- 5.1 The proposals in this report were considered and endorsed by the Investment Panel at its meeting on 17 November 2020.

6 **Commissioning implications**

Implications completed by Darren Mackin, Head of Commissioning and Programmes, Inclusive Growth

- 6.1 The Council has a clear strategy to use investment strategy to support the delivery of its wider vision for regeneration and delivering inclusive growth in the borough. The proposal to purchase this scheme delivers benefits in both the short, medium, and long term for the Council. In the short term it provides a small income from rent on the space, which supports the financial position of the Council. In the medium to long term this purchase will form an important part of delivering our wider strategy for growth in the borough.
- 6.2 Thames Road has been identified as an area for redevelopment, to provide additional housing while re-providing modern, good quality industrial floor space. A Master Plan has been prepared and will go out for consultation in December that if adopted will place these aspirations within the planning policy framework. In purchasing this site, the Council will be increasing its land ownership, and therefore taking greater control over ensuring that the aims of the master plan will be delivered in the long term.

7. **Commercial Implications**

Implications completed by Hilary Morris, Commercial Director

- 7.1 The proposal recommends the purchase of the Barking Business Centre on Thames Road – an area which that Council already has land-holding and which is within an area identified by the GLA as a Housing Opportunity Area. This report notes that this acquisition could accelerate the re-development of the Thames Road by increasing the Council's landholding thus bringing forward a comprehensive re-development. The ability to have a big enough land holding to bring forward the comprehensive re-development is a significant factor in bringing forward this proposal.
- 7.2 Thames Road has featured within the Be First Business Plan as a target location to acquire more assets in order to bring forward a comprehensive re-development

strategy and a Masterplan for the area is already in development. This acquisition would support that objective.

- 7.3 The report proposes a purchase as outlined in Appendix 1. This it is above the value per acre seen for similar assets, however, this does come with existing tenancies that generate revenue. It is anticipated that due to the interest in assets in Thames Road that additional tenancies could be secured which could generate an increased income if the incumbent asset management agent were retained. On that basis the scheme would deliver a return of 1.4% if purchased at the price outlined. However it must be recognised that the additional income is anticipated, but not certain, and therefore the surplus is not guaranteed.
- 7.4 This acquisition is being funded primarily from borrowing with circa 25% of the purchase price being funded from unclaimed GLA grant to reduce the Council's overall borrowing as set out in the Private & Confidential Appendix 1.
- 7.5 Although this purchase supports the strategy to re-develop Thames Road and is supported, the Council has acquired a sufficient existing land-holding in the area and a comprehensive re-development may require funding subject to the final re-development strategy.

8. Financial and Investment Implications

Implications completed by David Dickinson, Investment Fund Manager

- 8.1 The proposed purchase is a 4.75-acre site on Thames Road as part of the land assembly for Thames Road regeneration. The GLA has provided £30m to support the land assembly and this site purchase is seen as critical for the norther sector assembly. The allocation of the grant is outlined in Appendix 1.
- 8.2 While overall the GLA grant will help make the purchases on Thames Road initially viable, there are a number of issues with Thames Road that make it a difficult development, especially as it is currently an industrial area. The £30m is there to support the provision of residential housing in Thames Road and does result in an obligation for the Council to provide a minimum of 1500 units by 2026. Be First have estimated that it would cost over a quarter of a billion to build 625 units, with a 50/50 split between social and private rental. Therefore, it is likely that the provision of 1500 units would cost approximately £640m. This level of financing is currently not in the Be First business plan.
- 8.3 Further Financial Implications are provided in Appendix 1.

9. Legal Implications

Implications completed by Dr Paul Feild, Senior Governance Solicitor

- 9.1 **Outline:** This report recommends the option of purchase of the site known as Barking Business Centre located at Thames Road Barking. The acquisition will be of the freehold interest. The assessment of the Site indicates that it is being sold with good title. The Site is not being sold with vacant possession indeed the current purpose of the site it to generate income from several business lettings of which there is approximately 73 % occupancy. The site is being sold as a "going concern"

and the Council will take the site subject to these leases and a key aspect of due diligence will be to understand the various existing third-party interests.

- 9.2 The Council has the power to acquire the land by virtue of the general power of competence under section 1 of the Localism Act 2011, which provides the Council with the power to do anything that individuals generally may do. Section 1(5) of the Localism Act provides that the general power of competence under section 1 is not limited by the existence of any other power of the authority which (to any extent) overlaps with the general power of competence. The use of the power in section 1 of the Localism Act 2011 is, akin to the use of any other powers, subject to Wednesbury reasonableness constraints and must be used for a proper purpose.
- 9.3 Whilst the general power of competence in section 1 of the Localism Act 2011 provides sufficient power for the Council to participate in the transaction and enter into the relevant project documents further support is available under Section 111 of the Local Government Act 1972 which enables the Council to do anything which is calculated to facilitate, or is conducive to or incidental to, the discharge of any of its functions, whether or not involving expenditure, borrowing or lending money, or the acquisition or disposal of any rights or property. Furthermore Section 120 of the Local Government Act 1972 gives the Council power to acquire land for the benefit, improvement and or development of the borough and finally Section 123 of the said 1972 enable the Council to grant leases over its land.
- 9.4 **Considerations:** In exercising the power of general competence and in making any investment decisions, the Council must also have regard to the following:
- i. Compliance with the Statutory Guidance on Local Government Investments.
 - ii. Fulfilling its fiduciary duty to taxpayers.
 - iii. Obtaining best consideration for any disposal.
 - iv. Compliance with Section 24 of the Local Government Act 1988 in relation to giving financial assistance to any person (which either benefits from a general consent or requires express consent by the Secretary of State);
 - v. Compliance with any other relevant considerations such as state aid and procurement.
- 9.5 In terms of future use by the Council, the immediate use would be consistent with the current use and it's potential for decanting to enable achievement of vacant possession of other sites. As set out in the report, to realise the sites full potential a master plan needs to be drafted with flexibility to take account of land assembly and potential joint ventures.
- 9.6 **Land Risks and Considerations:** There will be the imperative to ensure that all land, development and environmental risks are identified and managed through feasibility studies to ensure the preferred development option is deliverable before significant pre-development expenditure, and mitigation strategies put in place. Potential risk arising include, but are not limited to, any third-party rights or restrictions or incumbrances which may frustrate or prevent the Council's regeneration objectives and development of the land. In terms of environmental risks, caution must be exercised to ensure any land contamination is identified and if so, any remedial action and the costs of such remediation would need to be factored into the feasibility and viability considerations.
- 9.7 In terms of considerations there is no specific identified ground contamination, but asbestos presence has been identified within the rental units which will need to be addressed and costed for. Specifically, there should be early due diligence before

substantial investment and contractually committing to the project to ensuring that the site is suitable for the construction of dwellings and is without risk of historical contamination, or in the alternative that any contamination is capable of being remedied and costs are both factored into the acquisition price and do not compromise the viability of any residential development. A full environmental survey, development appraisals and sound understanding will be a necessity if the Council seek to pursue mixed use or residential development on the site.

- 9.8 **State Aid:** Although the UK has left the European Union as local government is an emanation of the state, it must at time of writing still comply with European Law regarding State Aid. This means that local authorities cannot subsidise commercial undertakings or confer upon them an unfair economic advantage. This report does not identify any specific aspect of the proposed development, which is other than on a commercial basis transaction or is it seeking to subsidise; thus this arrangement satisfies the requirement it is on market terms. Furthermore, in the event it may be needed, certain grants to remediate contaminated land are excluded from the State Aid Regime.
- 9.9 **Human Rights:** As the scheme as described does not seek the use of compulsory purchase powers or displacement of any residents there does not appear to be critical risks associated with a Human Rights Act challenge, nevertheless, matters should be kept under review in case such considerations should arise.
- 9.10 **Other Claims:** There may be a prospect that the development could be subject to claims and other incumbrances such as easements and claims for same such as right to light. To a degree the effect of such incumbrances will be dependent upon the masterplan and how the sites fit in. However, as a local authority the Council can appropriate the land in question for planning purposes pursuant to s. 227 of the Town and Country Planning Act 1990. In doing so the Council can utilise the power given by s.203 of the Housing and Planning Act 2016 to override any private rights subject to compensation payments. This power would normally be exercised after planning permission had been obtained, thus there would be time to negotiate the extinguishment of incumbrances beforehand which will enable swifter resolution.

10. Other Implications

- 10.1 Risk Management – The land purchase risk has been mitigated via the independent Red Book valuation.

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

List of appendices:

- **Appendix 1:** Barking Business Centre Business Plan (exempt document)

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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